Operational Efficiency Improvements Drive Down Call Centre Costs

Legacy Change Management Consulting

Background

The client, a major fleet management and car-leasing provider, had profitability challenges together with customer demands to increase levels of service at lower cost. The client was also embarking on a 3-year programme to introduce an organisation wide ERP system (SAP).

Legacy Consulting Assignment

Legacy was engaged to identify opportunities to improve operational efficiency, reduce cost and improve customer service. The resulting solutions had to be implementable within the financial year and not require significant systems modifications.

Analysis and Design Findings

- 26% of customer service agent time was spent on non value adding activities
- Team Leaders spent less than one fifth of their time coaching staff and Team Management roles and responsibilities were unclear
- Operational data was inaccurate and incomplete resulting in significant errors and rework, and there was no data ownership nor system in place to control data access and amendment
- Lack of clarity of roles & responsibilities within and between departments and a confrontational blame culture within the call centre

Consulting Approach

A joint project team of Legacy consultants and client team members was created to work in four areas:

1. Customer Service Agent Best Practice

   - Mobilise over 250 call centre employees to identify best practice and develop new ways of working
   - Create a 'hot housing' team to be the test bed for innovation and creativity for back office and administration processes
   - Document and roll out new ways of working and best practice to 140 customer service agents
   - Develop and introduce a team scorecard and visual team communication updated by team members
   - Develop and introduce Team vision, values and behaviours

2. Team Management

   - Redefine Team Management roles and responsibilities
   - Design and introduce a new team organisational design and team management processes

3. Data Integrity

   - Improve data integrity by identifying data inaccuracy and ownership, and introducing robust data change control processes
   - Introduce a mechanism for monitoring and reporting data accuracy
   - Coordinated 'SAP' data clean up approach

4. Partner with Service Providers

   - Document internal supplier/provider relationships and introduce service level agreements to improve service provision
   - Develop a roles and responsibilities matrix between service providers
   - Introduce an improvement scorecard to drive improvement in efficiency and customer service and monitor inter departmental performance based on agreed service levels
   - Identify and quantify additional cost reduction opportunities in service provider areas

Client Benefits

Working together, Legacy consultants and client employees were able to deliver £257,000 benefits during phase one of the project:

- 7% improvement in operational efficiency
- Reduced customer service team staff turnover by 70% saving £44,000 in recruitment cost
- Absorbed 6% increase in workload from new client implementations
- Implemented 'Quick Wins' delivering £54,000

An additional £736,000 of benefits are planned to be delivered during the current financial year:

- 8% improvement in operational efficiency
- £104,000 reclaimable client billing omissions and errors
- £200,000 efficiency saving from service provider areas (support functions)

Project Focus Area	Total Project Benefit
Phase One Benefits	£257,000
Team Best Practice	£120,000
Team Management	£120,000
Partner with Service Providers	£200,000
Data Integrity	£296,000
Total	**£993,000**