Level 2 Certificate in Contact Centre Skills

Level 3 Certificate in Contact Centre Supervisory Skills

LCCI

International Qualifications from EDI

Glossary

Effective from: 1 June 2008

Level 2 Certificate in Contact Centre Skills

Level 3 Certificate in Contact Centre Supervisory Skills

SYLLABI GLOSSARY

Contents

Introduction

This glossary is provided to support the delivery of the Level 2 Contact Centre Skills and Level 3 Contact Centre Supervisory Skills qualifications. It covers technical terms and concepts in the Unit 1 of both qualifications. Teachers can use the glossary in whatever way they see fit; it can be given to candidates as a learning resource or it may be used solely to support teaching. As it covers both Level 2 and 3, teachers should select, or guide candidates in selecting, the terms and concepts relevant to their respective level.

Industry-Specific and Industry-Related Terminology

Agent
The agent is the individual that communicates directly with the customer. Agents can range from entry-level individuals that read automated scripts to highly-skilled product-support specialists.

Agent Group
A collection of agents that works with a supervisor as a team. Not to be confused with a call group, an agent group exists to simplify the management of agents as employees. For example, members of an agent group work the same shifts and take work breaks together.

Balanced Scorecard
The Balanced Scorecard is a tool for measuring an organisations performance against its vision, strategy and goals. It helps organisations to translate their vision and strategy into a coherent set of performance measures.

Traditionally, organisational performance was measured principally in financial terms; Kaplan and Norton (1996) added a number of other perspectives to give a more balanced view.

The four perspectives are:

- **Financial perspective** - how does the firm look to shareholders?

- **Customer perspective** - how do customers see the firm?

- **Internal perspective** - how well does it manage its operational processes?

- **Innovation and learning perspective** – can the firm continue to improve and create value? This perspective also examines how an organisation learns and grows.

For each of four perspectives it is necessary to identify indicators to measure the performance of the organisations.

Call Group
A call group is a set of agents assigned to a specific function. There is usually one call group for each incoming telephone number. Where an IVR system is in use, it will prompt the customer to select one of several functions or call groups based on the nature of their call/query.

Contact/Call Monitoring
The observation and monitoring of customer interactions whether by phone or other media, such as web chats or emails. Contact monitoring is important for ensuring that agents are adhering to procedures and relevant legislation and to evaluate the quality of customer service provided. It is also helpful in examining, tracking and reporting agent adherence to the call/contact handling roster and schedule. Call monitoring is mostly conducted electronically using call monitoring software and systems, which allows calls to be recorded for future evaluation, or allows the supervisor / quality manager to listen to live calls as well as join in a call if assistance is needed.

Cross selling
Cross-selling is a marketing term for the practice of suggesting related products or services to a customer who is considering buying something. It refers to selling items that are related to, or can be integrated with the item being sold.

Customer Segmentation (also called Market Segmentation)
Customer segmentation is the practice of dividing customers into groups of individuals with common characteristics. Customer segmentation helps organisations to better understand their customers, target groups effectively, optimize marketing programmes and use marketing budgets more effectively.

Customers may be grouped based on a number of variables:

- Geographical variables, such as country, country size, climate, etc.
- Demographic variables, such as age, gender, family size, income, occupation, education, socio-economic status, religion, nationality/race, etc.
- Psychographic variables, such as personality, life-style, values and attitudes
- Behavioural variables such as benefit sought, product usage rates, brand loyalty, etc.

More recently organisations have been segmenting customers on a value-based basis, i.e grouping customers in terms of the revenue they generate and the costs of establishing and maintaining a relationship with them

Erlang C Calculator

The Erlang C Calculator, based on Erlang C traffic model, allows contact centres to work out how many call answering agents they will need, depending on the number of incoming calls processed during an hour, average call duration and accepted average answering delay.

The number of agents is an important factor to be considered in planning call/contact centre work. If this number is not sufficient, callers will have to wait for answering their calls, so the contact centre risk losing some of its customers. If there are too many agents, it will be wasting valuable resources.

Queue
ACDs manage call distribution through the extensive use of queues. For inbound contact centres, calls arrive and are routed to a particular call group queue on a first-in/first-out basis. The call group queues are served by agent queues, i.e., agents waiting for calls. Outbound contact centres have agent queues, dial queues, and connected call queues.

Real-time Statistics
Contact centre supervisors closely monitor a small set of statistics that measure contact centre performance and incoming traffic. The ACD provides displays of these stats in real-time (instantaneous) on terminals or large display signs visible to the agents. Examples of real-time stats include callers-in-queue, queue wait time, oldest call wait time, and queue state. Advanced ACDs present real-time stats in graphical format.

Root Cause Analysis
Root Cause analysis is a method that is used to address a problem or non-conformance, in order to get to the "root cause" of the problem. It is used so that the cause can be corrected or eliminated to prevent the problem recurring.

Scripting (Communication guidelines)
Scripting is the creation and delivery of appropriate guidelines to be used for all channels to assist in communicating with the customer. Scripts are more of a guide and not a dictate and can be very useful in the training of inexperienced agents.

Service Level Agreement (SLA)
SLA is that part of a service contract where the level of service to be expected is formally defined.   SLAs can contain numerous service performance metrics with corresponding service level objectives, e.g a SLA for a contact centre could specify metrics such as the Abandon Rate, ASA, FRR, etc. (please see page 4 for explanation of these)

Up selling
Up-selling is a marketing term for the practice of suggesting higher priced products or services to a customer who is considering a purchase. An up-sell offer is typically for a better version of the same product or service you are considering, such as a computer with more memory.

Value-Added Service
Value added service means giving the customer more than they expect. The concept of value-added service helps organisations to identify ways to add customer value to their existing service level. It encourages customer loyalty and customer retention and helps the organisation to remain competitive.

Performance Measures and Key Performance Indicators (KPIs)

Contact Centres have varied objectives and goals, which can only be achieved through an effective performance management system.   Performance management is an integral part of managing a contact centre, in that it incorporates many management aspects, including contact centre resource planning, developing agent skills, rating agents based on measures/metrics and rewarding agents based on performance.

One of the key principles of performance management is the use of performance measures/metrics, which are standards of measurement used to indicate progress towards goals. A performance measure becomes a Key Performance Indicator (KPI) when it is defined and quantified/benchmarked by an organisation as one of its critical success factor. Once an organisation has analysed its mission and defined its goals, it needs a way to measure progress towards these goals. KPIs are those measurements.

With the change within the industry from a simple call centre to a multi-channel contact centre, it is important that performance measures are broaden to consider the operations of a multi-channel operation. Contact centre performance measures can be organised into four categories:

1. Service
2. Quality
3. Efficiency
4. Profitability

SERVICE MEASURES

1. Abandon Rate

Abandon rate is the number of calls that hang-up before connecting to an agent. This number does not include those calls that receive a busy signal. It is important to bear in mind that the abandon rate is not entirely under the control of the contact centre; while abandon calls are affected by the average wait time in queue (which the contact centre can control), there are other factors such as individual caller tolerance, time of day, etc. which the contact centre has no control over but will still influence the abandon rate. It is usual that a small percentage of people will call the wrong number and hang up once they hear the greeting and realises it is the wrong number.

Abandon rates are linked to how fast agents answer calls. The faster a call is answered, the lower the abandon rate. High abandon rates can result in lost sales opportunities and poor customer service.

Abandon rate is not typically a measure associated with email communications, as email does not abandon the 'queue' once it has been sent, but does apply to web chat interactions.

2. Blockage

Blockage (busy signal) is an accessibility measure that indicates what percentage of customers will not be able to access the centre at a given time due to insufficient network facilities in place. Failure to include a blockage goal allows a centre to always meet its speed of answer goal by simply blocking the excess calls. This can have a negative effect on customer accessibility and satisfaction while the contact centre looks like it is doing a great job in terms of managing the queue.

Contact centres must also carefully determine the number of facilities needed in terms of both bandwidth and email server capacity to ensure that large quantities of emails do not overload the system. Likewise, the number of lines supporting fax services must be sufficient to provide a reasonable level of blockage.

3. Service Level and Average Speed of Answer (ASA)

Service Level is defined as the percentage of calls answered within a predetermined number of seconds. This is the most common speed of answer measure in a contact centre. It is most commonly stated as **x** percent of calls handled in **y** seconds or less; for example 'aiming to answer 80% of calls within 20 seconds (about 5-6 rings)'.   The faster an agent answers a call, the higher service levels tend to be.

Average Speed of Answer (ASA) is the average number of seconds it takes for a call to be answered. If calls are, on average, answered in 15 seconds, the ASA is 15 seconds for that contact centre.

In a contact centre, speed of answer for Web chat should also be measured and reported with a service level or ASA number. Many centres measure for both initial response as well as the back-and-forth times, since having too many open Web chat sessions can slow the expected response time once an interaction has begun. The speed of answer for email transactions on the other hand is defined as a "response time" and may be depicted in terms of hours or even days, rather than in seconds or minutes of elapsed time.

4. Longest Delay in Queue (LDQ)

Another speed of answer measure is how long the oldest call in queue has been waiting: the longest delay in queue (LDQ). Many contact centres use real-time LDQ to indicate when more staff needs to be made available immediately.

Historical LDQ is a more likely contact centre measure to indicate the "worst case" experience of a customer over a period of time. Historical LDQ is measured in two categories. One is the longest delay for a customer whose transaction was finally handled by an agent (Longest Delay to Answer), and the other is longest delay for a customer who finally abandoned the contact (Longest Delay to Abandon), as might be the case in a Web chat scenario.

QUALITY MEASURES

1. First Resolution Rate (FRR)

FRR is a relatively new, but crucial, measure of quality in the contact centre industry. FRR measures the percentage of customer issued calls that are resolved within a single contact. It assesses the ability of the centre, as well as the individual, to accomplish an interaction in a single step without transferring to another person or area and without needing another interaction at a future time to resolve the issue.

To measure this, contact centres sometimes use a time frame within the first customer call to determine if that call was successfully resolved in the first call. For example, some centres will use a 72 hours time frame to help determine a negative or positive FRR. If a customer calls back within a 72-hour period then this is considered unsuccessful FRR. As there are flaws in this calculation, some contact centres use customer satisfaction surveys to gain further insight into FRR.

FRR should likewise be tracked in the contact centre for email transactions and Web interactions. The resolution rate will likely be lower for emails, as it generally takes multiple messages between two parties to resolve a matter to completion.

2. Transfer Rate

The transfer percentage is an indication of what portion of contacts has to be transferred to another person or place to be handled. Tracking transfers can help fine-tune the routing strategies as well as identify performance gaps of the staff. Likewise, tracking emails that must be transferred to others or text chat interactions that require outside assistance is useful to identify personnel training issues or holes in on-line support tools.

3. Communications Etiquette

One of the critical factors that impact on the caller's perception of how well the call was handled is simple courtesy or etiquette. The degree to which general telephone communications skills and etiquette are displayed is generally measured via observation or some form of quality monitoring as an individual gauge of performance.

Email and Web chat etiquette should also be observed. There are standard wordings that should be followed in both types of communications that should be carefully observed, reviewed, and reported as a quality measure of performance. This is particularly true since a written record of the interaction will exist.

4. Adherence to procedures

Adherence to procedures such as workflow processes or call scripts is another essential element of quality. This is particularly important to perceived quality in terms of the customer receiving a consistent interaction regardless of the contact channel or the individual agent involved in the contact. In the contact centre, adherence to processes and procedures is typically measured for individuals through simple observation and through the quality monitoring process.

Adherence to processes and procedures is also important for other channels of contact. Written scripts and pre-approved responses are generally created, and adherence to these is monitored and recorded via observation or screen capture capabilities in a quality monitoring system.

5. Call quality

Call quality is a standard scoring/rating system that contact centres use to determine how well an agent deals with customers. There is usually a list of criteria that an agent must cover during a call; this includes, but is not limited to, how the agent answers the call, how they navigate the caller to a resolution, and how they end the call.

EFFICIENCY MEASURES

1. Agent Occupancy

Agent occupancy is the measure of actual time busy on customer contacts compared to available or idle time. Occupancy is an important measure of how well the contact centre has scheduled its staff for call volumes coming in to the centre, and how efficiently it is using its

resources. If occupancy is too low, agents are sitting around idle with not enough to do. If occupancy is too high, then personnel may be overworked.

2. Staff Shrinkage

Staff shrinkage is the percentage of time that employees are not available to handle calls, emails, faxes, web chats, etc. It is classified as non-productive time, and is made up of meeting and training time, breaks, paid time off, off-phone work, and general unexplained time where agents are not available to handle customer interactions. Staff shrinkage is an important number to track, since it plays an important role in how many people will need to be scheduled each half-hour. The same measures of shrinkage that are used for traditional call centre calculations apply to the multi-channel contact centre as well.

3. Schedule Adherence

Schedule adherence is defined as how closely an agent adheres to their schedule. Specifically, how much time an agent is 'working' compared to their paid time. It is one of the most important team and individual measures of performance since it has such as great impact on productivity and service. While specific hours worked is less of an issue in a group responding to emails rather than real-time demand of calls and Web chats, it is still important in its relevance to processing the work in a timely manner, especially if response time guarantees exist.

4. Schedule Efficiency

Workforce management is all about getting the "just right" number of people in place each period of the day to handle customer contacts—not too many and not too few. Schedule efficiency measures the degree of overstaffing and understaffing that exist as a result of scheduling design. Schedule efficiency for responding to randomly arriving web chats should be measured in the same way as for incoming calls.

5. Average Talk Time (ATT), After Call Work (ACW) and Average Handle Time (AHT)

ATT is the average amount of time agents talk to customers. ACW is the average amount of time an agent takes to wrap-up a call. AHT is the combination of both ATT and ACW. Contact centres tend to place a lot of effort in driving down AHT because it is directly related to increased cost. It is important, however, not to just monitor AHT but also the effectiveness of a call. The key is to find the right balance for individual organisations.

AHT is harder to calculate for email and web chat, as it is difficult to truly measure how long it takes to handle an email or a Web chat transaction. An email may be opened and put aside for varying amounts of time before completing. Likewise, a Web chat session may appear to take longer than it actually does since a Web agent typically has several sessions open at once. Therefore each one takes longer based on start and end time. Automated tracking of these actual handle times is difficult with numbers coming from email management systems often overstated in terms of actual handle time.

6. Attendance and Punctuality

Attendance is defined as an agent showing up for work on their scheduled day. Punctuality is defined as an agent showing up on time for their shift as well as being on time after breaks and lunch. One of the biggest challenges most contact centres face is control over the attendance and punctuality. Low attendance and punctuality statistics can be very costly to a

contact centre. It is common for contact centres to offer incentives for good attendance and punctuality to drive positive behaviour.

PROFITABILITY MEASURES

1. Conversion Rate

The conversion rate refers to the percentage of transactions in which a sales opportunity is translated into an actual sale. It can be measured as an absolute number of sales or as a percentage of calls that result in a sale. Conversion rate should be tracked and measured for incoming calls, as well as outgoing calls, email transactions, and other Web interactions.

2. Up-sell/cross-sell rate

The up-sell rate or cross-sell rate is measured by many organisations as a success rate at generating revenue over and above the original order or intention of the call. It is becoming an increasingly common practice, not just for pure revenue-generating contact centres but for customer service centres as well. Although more prevalent in the telephone centre, it is also an appropriate measure of performance for other communications channels.

3. Cost per call

Cost per call is calculated as the cost of a call arriving and being answered at a contact centre. This cost per call can be simply a labour cost per call, or it can be a fully loaded rate that includes wage rates in addition to telecommunications, facilities, and other services costs. In setting cost per call, it is critical to define the components being used, and to use them consistently in evaluating how well the centre is making use of financial resources over time.

COMPUTER TELEPHONY INTEGRATION (CTI)

CTI is the joining together of a contact centre's computer system with its telephone system (switch) to enable efficient management and monitoring. With CTI, the telephone system informs the computer what it knows about a call at each change of call state, e.g., call arrival, call assignment, etc. The computer can use the call information to make decisions passed back to the switch, such as which agent should get the call. A user with a CTI-enabled computer will be able to dial numbers, answer the telephone and hang up the telephone all from their computer. Some popular CTI features include:

- **Screen pops** – the caller information appears to "pop up" on the agent's screen when the call is processed, through the linking of the customer database and the telephone system. This enables automatic personalisation, cross –selling and up-selling

- **On-screen phone control** – the agent is able to answer, hang up, hold, conference call, etc. all from their computer

- **Data Transfer** – if a call has to be escalated the agent can send the call and the call flow, with all its data, to a senior member of staff

- **Multiple dialling techniques –** examples includes Automatic Dialling and Predictive Dialling. Automatic dialling involves the use of autodialers that dial telephone numbers by "point and click", or by going down a prescheduled list, dialling the next number every time the agent tells it to. Predictive Dialling takes autodialing a step further. It takes the agent completely out of the dialling process. The system uses previous averages of talk time to predict when agents will be done with calls and will be available to take new ones. It then automatically places calls and only connects them to agents when a live person answers. The agent hears the "-lo" part of hello and starts talking. Predictive dialling helps minimise downtime and improve contact centre efficiency.

- **Scripting -** Adaptive Scripting provides a sales script or survey script right on the screen. The agent recites a script step and enters response from the prospect. The script then branches to the next step appropriate to that response. This greatly reduces the skill and training required of agents and survey personnel.

- **Call Control and Agent State Control –** Agents can control their incoming calls by using features such as log on, pause, wrap-up, log off etc.

- **Advanced functions -** includes functions such as call routing, report functions, desktop activities, multi-channel and multi-media integration.

CTI provides a great deal of automation and can enhance business processes. Research has shown that 'screen popping' can increase the number of callers handled in a given time dramatically by providing all the information agents need to hand at the time they take the call. It allows contact centre agents to have better informed interactions with customers, resulting in increased sales and improved customer service.

Call and contact centres would far less effective without CTI applications routing the calls to the right destination and providing management reporting on how their agents handled each call.

WEB TELEPHONY INTEGRATION (WTI)

WTI is a computer based solution whereby an organisation's website is tied in with its telephone systems through Internet Protocol (IP) telephony. The organisation's website has 'click to call' telephone buttons (Soft Phone) embedded in the web browser, which are then linked to its telephone systems. If a customer using the website needs more information about a product or service, they simply click the telephone button, which will then automatically connect them to the organisation's contact centre/customer service team where an agent can talk to them through web-based chat, video or over the telephone using VoIP capabilities. At the same time the connection is made, the agent receives an automatic screen pop that mirrors the web page the customer is viewing, therefore allowing web collaboration (co-browsing) - the navigation of the internet by several people accessing the same web pages at the same time.

Another feature of WTI is where the customer can request a call back – in this case the customer would click on the call icon and enter their telephone number. This automatically sends a phone/text message informing the contact centre of a request to call back.

WTI technology enhances the ability of the agent to best serve the customer's request by being able to immediately and automatically respond to an enquiry, order or support request from the web at the critical moment of customer contact and interest.

INTERACTIVE VOICE RESPONSE (IVR)

IVR is an automated telephone answering system that responds with a voice menu and allows the user to make choices and enter information via the keypad or through automatic speech recognition**.** IVR systems essentially provide call prompting and self-service functions to customers using the telephone. Call prompting can be used to identify the caller and the type of request prior to call routing for a more effective service. Self-service options allow the customer to perform relatively routine servicing tasks without speaking to a customer service representative.

AUTOMATIC CALL DISTRIBUTOR (ACD)

A specialized telephone switching system that distributes incoming and outgoing calls to agents. ACD systems have the ability to route calls to the most appropriate agent by matching specific type of calls to available agents/teams with certain designated customer servicing skills. They also provide standardised and customised reports for evaluating real-time and historical call statistics.

Calls can be routed based on different rules such as:

- **Universal queuing** – where every interaction (regardless of media) arriving in the contact centre enters a single dynamic universal queue and are then intelligently routed to the most appropriate agent. No matter which means of communication a customer uses to contact an organization, the intelligent routing solution ensures that every interaction is handled in a consistent manner.
- **Skills based** – calls routed the agent/team with the right skills to handle the call.
- **Priority queuing** – call routed based on the level of priority of the customer; higher priority customer calls are answered sooner
- **Agent priority** – the agent with the highest priority setting receives the next call. If multiple agents have the same priority setting, the agent who was idle the longest gets the call.
- **Call blending** - Allows agents to handle both inbound and outbound calls depending on call volume.

The features and degree of sophistication of ACD systems ranges from simple to highly complex. ACDs provide detailed reporting on call and agent activity. Standardised/routine ACD reports provide information on:

- number of calls received and number of calls abandoned
- number of calls answered
- number of calls were sent to the queue
- the average wait time of callers set to the queue, and longest period of time that caller waited in the queue
- how long an agent was signed on during the report period and how many calls they answered
- the average time spent on each call, etc.

CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

There are three basic groups of customer management software. The first group is Contact Management, which allows businesses the ability to organize and manage their customers and accounts, track all the associated communication and events, and perform follow ups.

The second group is Sales Force Automation (SFA) which includes all the abilities of Contact Management and adds features to track sales opportunities, review all related correspondence and events, and report on the sales pipeline and related data.

Customer Relationship Management Software makes up the third group and provides all the abilities of the first two as well as abilities for tracking invoices, integrating accounting, organizing order information, and more. CRM Software typically provides the ability to track and organize every aspect of a relationship with a customer from the point of first identification as a lead through and beyond the point that they are an ongoing customer.

The type of CRM used by an organisation will depend on its needs.   If the focus is to organize the customer and company information and be able to easily follow up with clients, then Contact Management Software will provide what is needed. For sales based businesses that need to track all customer correspondence and activities as well as tracking the sales process and performance, Sales Force Automation Software is likely the solution. For larger businesses that need to track customer and sales information as well as accounting, ordering, reconciliation, support, and all other aspect of customer contact then CRM Software may be the way to go.

KNOWLEDGE MANAGEMENT (KM)

Knowledge Management ('KM') comprises a range of practices used by organisations to identify, create, represent, and share knowledge. It enables staff to access information via tools such as portals/intranet to aid the handling of a wide variety of customer service/sales requests.

Knowledge management has become increasingly important in the modern business climate. Success in an increasingly competitive marketplace depends critically on the quality of knowledge which organisations apply to their key business processes. Perhaps the greatest challenge of running a contact centre is ensuring that customers are provided with the right information in a timely fashion. Knowledge management (KM) has a number of practical tools and strategies for meeting this challenge, and contact/call centre managers have much to gain by exploring KM principles.

In meeting these challenges, knowledge management has the potential to deliver some (or all) of these benefits:

- Reduced training time and costs for new staff
- Improved contact handling and response times
- Increased staff satisfaction and morale
- Greater consistency and accuracy of information provided to customers.
- Greater flexibility in handling changing business processes, products, and information
- Fewer calls to second-level support or the help desk.

There are two aspects to knowledge management that must be covered in a contact/call centre:

- Efficient processes must be put in place to ensure that the right knowledge is captured, managed, and kept up-to-date.

- Knowledge management systems must be established to support these processes. These IT systems are the core of a KM-based call centre.

Meeting both these areas will ensure that you have the resources in place to support frontline staff, and the processes to maximise their value.

.

EDI
International House
Siskin Parkway East
Middlemarch Business Park
Coventry CV3 4PE
UK

Tel. +44 (0) 8707 202909
Fax. +44 (0) 2476 516505
Email. enquiries@ediplc.com
www.ediplc.com

EDI
Supporting learning
and performance