

## CALL CENTER

Telecom giant partners with Proudfoot to ring up benefits of \$117 million



### PROJECT SUMMARY

One of the largest US telecommunications providers engaged Alexander Proudfoot to assist in improving performance within its residential customer call centers, broadband billing centers, and network support services. In a series of assignments over the course of a year, Proudfoot helped the client achieve \$117 million in financial benefits, including cost savings and increased revenue, while simultaneously enhancing customer service levels. Essential reporting and management systems were developed and installed that enabled the call centers to react quickly to changes in volume and other unforeseen developments - in time to minimize their impact. In addition, Proudfoot's People Solutions training greatly enhanced the management

skills of frontline supervisors, the people who hold the key to the company's future success.

### CALL CENTER: BALANCING SALES AND SERVICE

Proudfoot was tasked with helping the call center managers, team managers and sales representatives balance a variety of critical—and seemingly contradictory—performance measures. For example, a key goal was to increase the average revenue generated by each call, yet at the same time the company needed to reduce the amount of time needed to handle each call (average handle time). Building on its years of successful call center work, the Proudfoot team introduced a matrix that depicted the ideal balance between these apparently conflicting measures. This provided a useful road map for prescribing specific steps for each representative to follow in order to improve individual performance.

This prescriptive coaching approach was not only highly effective, it also was well-received by sales associates and supervisors alike. Proudfoot then developed and introduced an array of management tools for the call centers including a complete Management Operating System which incorporated real time performance data, daily operating reports, area

productivity measures, variance reporting and other critical elements. By applying these tools, along with enhanced coaching techniques and other measures, the division was able to distribute workloads achieving significant improvements including:

- Revenue per call improvements of 20-32% over the base period, and average handle time reductions of as much as 12%
- More proactive management and supervision, with supervisors now spending approximately 80% of their time on the floor engaged in active coaching

### REGIONAL SPECIALTY CENTERS: UNIQUE CHALLENGES

In addition to its numerous large customer call centers, the client also operated several small regional specialty centers. These centers are responsible for resolving service order errors and other problems, relieving the large centers' customer service representatives of time-consuming error correction duties and posing their own set of unique challenges. For example, each of the centers was composed of several sub-groups performing specialized activities.

Since the sub-groups were not cross-trained to back each other up,

unbalanced workloads, backlogs and excessive overtime were commonplace. Frontline management in the small centers was particularly ineffective, with managers and supervisors generally failing to set work-to-time relationships, follow up on a regular basis, or review completed work. As with the large centers, the foundation of Proudfoot's approach was the development of a Management Operating System to provide managers with the tools they needed to plan work more effectively, measure performance accurately and respond to variances in a timely manner.

Proudfoot introduced extensive cross-training to enable greater flexibility within the centers, allowing center managers to balance workloads rather than relying solely on overtime to clear backlogs. Within a period of only 18 weeks, these systems and improvements helped the client achieve a number of positive outcomes:

- Overtime was completely eliminated in one center, and reduced by 98% across all centers combined
- Service representative productivity increased by 39%
- Altogether, the centers logged a 30% reduction in total hours worked and achieved financial savings 40% greater than originally promised

### TRAINING: A KEY ELEMENT FOR SUCCESS

Training was a critical aspect of Proudfoot's assignments for this telecom giant. Ultimately more than 6,000 employees took part in various types of training – the feedback was very positive:

*"I put the training into action as soon as I got back from my training session and couldn't believe it. My sales tripled that day and have continued to do so every day since then."*

### RESIDENTIAL SALES REPRESENTATIVE

Proudfoot supported call center and team managers as they increased the amount of time they spend actively supervising and coaching the sales representatives. Beyond such encouraging individual results, the flexible, multidisciplinary approach that was used in this client's operation produced measurable financial benefits that greatly exceeded the cost of the projects. Because of this highly positive return on investment, the client ultimately was able to increase revenue, reduce costs, improve productivity and enhance customer service.

### APPROACH:

- Develop and install management operating systems to provide immediate visibility to performance issues
- Refine call handling models to make them more effective in driving sales while at the same time responding more quickly to customer issues
- Develop metrics that reflect the balance between increasing revenue while reducing the average time spent on each call
- Install model management practices in support areas
- Provide operator, supervisor and manager training to more than 6,000 participants in more than two dozen locations over a one-year period

### OBJECTIVES:

- Help a regional telecommunications provider strengthen its competitive position during a period of rapid change
- Reduce operating costs in the client's call centers, while increasing the revenue generated by the centers
- Improve customer satisfaction with the call center experience
- Develop consistent processes and procedures across dozens of call center locations
- Reduce operating expenses in key network support areas

### RESULTS:

- Increased productivity in key call centers by 39%
- Increased average revenue per call by 32%, while average call handling time was reduced
- Improved productivity by 21% in support areas
- Reduced overtime in one operating area by 98%
- Delivered financial benefits of \$117 million in four operating areas, exceeding targets by 42%

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