

KEY PERFORMANCE INDICATORS AND METRICS IN THE CONTACT CENTER

In the Olympics, each event has its own basis for determining success. In basketball it's the number of points scored when the final buzzer sounds, while the gymnastics' system is almost as convoluted as the performances. In other events such as swimming or sprinting, athletes simply battle the clock.

Contact centers too have scores—metrics and key performance indicators (KPIs)—by which those charged with managing operations, and executives from across the organization, evaluate the effectiveness of individual agents, groups, and the center as a whole. Knowing these terms makes it easier to speak with prospects about what matters to them. And they matter a lot because compensation across the contact center is frequently tightly tied to performance against these metrics.

These metrics may be tracked, in any combination, on a per agent, group, or center basis. Context is very important to interpreting these KPIs and understanding what they mean for the contact center. Your prospect may use variations of these words, but the following terms are generally accepted in the industry:

- *Abandon rate (AR)*—How many callers got tired of waiting and simply hung up? That's never a good thing, but in the case of a contact center charged with selling, it represents lost revenue.
- *Average hold time*—How long did the customer have to listen to canned music before they were connected to a live agent? Hold time directly influences customer satisfaction and abandon rate. A high average hold time for the center as a whole points to issues such as capacity, product issues, operations, or agent training.
- *Average handling time (AHT)*—This number is the total time an agent spends on a call from start to finish, which usually includes customer hold time + talk time + wrap up (note taking or other action to close a call).
- *Average talk time (ATT)*—Average time an agent speaks with a caller. A high average may mean that the agent is a little chatty or less capable than one with a low time. Or it may mean that this agent actually tackles the hard problems, staying with it until resolution. In particular, ATT requires context in order to be informative or actionable.
- *Calls per hour (CPH)*—How many calls per hour does an agent or center handle? This figure is an indicator of volume and efficiency.
- *First call resolution (FCR)*—What percentage of calls are completely resolved in the first call with no need for a call back? This number is the most frequently cited as the number one call center metric across all industries. On average, most companies come in at about 70 to 75 percent FCR. General wisdom holds that customers are more likely to be satisfied when their matter is addressed promptly.
- *Idle time*—The percentage of time an agent has no calls is a measure of utilization. *Workforce Management (WFM)* systems are frequently used to even out the load so that no one agent is overworked or underutilized. WFM addresses a range of contact center issues such as scheduling and skill level.
- *Service level (SL)*—Contact centers frequently have SL goals, which might also be contractually stipulated in a *service level agreement (SLA)*. For instance, a contact center may contractually agree to provide 95 percent of incoming calls a maximum of three minutes on hold.

Some important additional KPIs that deeply concern the VP of customer service organizations and contact center managers, but are harder to measure or track, are briefly described below.

- *Churn*—At what level and rate are customers leaving an organization in favor of a competitor? Losing a customer is never a good thing, but it happens. When the rate of churn increases, it is a clear sign that

something is not working, and serves as a call for intervention. Although the contact center can not own the churn rate (because there are so many potential variables involved, including product quality, pricing, sales, service, suitability, and competition), the contact center is frequently on the frontlines of identifying and reducing churn.

- *Up-sell/cross-sell*—In contact centers where agents not only service customers, but make sales offers to them as well, business decision makers will keep an interested eye on the figures that indicate success. Up-sell is the general term for increasing a customer's investment in an existing product or service. For example, if a customer calls to question a cell phone bill, the agent handling the call may induce the customer to move to a higher-priced service plan with more minutes. Cross-sell is a similar activity in which an agent sells a related product or service, such as would be the case were the agent just mentioned also to sell that customer a text messaging package.
- *Attrition rate*—The rate at which CSRs leave their positions is frequently an indicator of contact center health. Labor intensive by nature, contact centers run on people as much as on technology. The fact that people costs are a significant factor is evident in the common practice of sending contact centers offshore to places such as India, Russia, and Eastern Europe where educations are strong and salaries are much lower than in the United States and Western Europe. But salary is not the only people cost; finding, hiring, and bringing a new agent up to speed (also called *on-boarding*) all represent a significant cost. Therefore companies are always looking for ways to keep the agent turnover rate low and to decrease the time it takes to onboard new recruits. Ease of use always plays well to this story.

All of these metrics, by whatever name, point to the essential challenge of contact center operations—balancing costs and customer service. Agent efficiency and effectiveness are critical factors in this balance as is operational efficiency.

CRM alone cannot fix any one of these metrics because they are the consolidated product of capacity, skill level, staffing, processes, and business realities. However, the right technology can positively influence and improve these measures with capabilities and attributes that are highly valued in contact centers and customer service organizations.

Find out what metrics and key performance indicators have top-of-mind with your prospects.

Whatever is top-of-mind, most people will agree that customers are best served when agents have access to the complete and accurate view of purchasing and payment preferences. And agents are more efficient at providing that service when the system they're using works the way they're used to working