

## **Automating Workforce Management – A Guide to Acquisition and Implementation**

In today's contact center, where the overwhelming majority of ongoing expense is related to staffing, optimizing the personnel resource is critical. Getting the "just right" number of staff in place to answer incoming calls, place outbound calls, respond to emails, and handle web contacts. is critical to call center success and profitability. Overstaffing results in spending needless dollars for additional staff, while understaffing will affect service and have a detrimental effect on morale and contribute to staff turnover.

Call center managers have a wealth of performance and service statistics available to them from the ACD and other contact center technologies. Call volume, time-of-day call distribution, and contact handle times are now available, along with much information about individual and team productivity. All this information can be used to estimate future call volumes, predict how many staff will be required to handle the contacts, and determine schedules that best match the workforce to the contact workload.

### **The Need for Automated Systems**

The changing mix of contact volume, coupled with the growing complexity of staff scheduling (longer operating hours, weekend shifts, mixture of full- and part-time staff, etc.) make the problem of workforce management ideally suited for the computer. Workforce management (WFM) software, combined with the historical and real-time statistics of the ACD, is an essential tool for today's professionally managed call center.

The basic functions associated with a workforce management software system are as follows:

1. **Call volume forecasting.** A WFM system uses historical and current call information from the ACD and other contact center systems to predict future call volume based on overall calling trends, seasonal factors, and other predictable calling patterns. Forecasts are automatically updated with new information about contact patterns through a direct interface with contact center systems such as the ACD, outbound dialer, or email/fax servers.
2. **Staffing calculations.** A telephone traffic engineering technique is used to determine the required number of staff based on the forecast workload for incoming calls. This technique, called Erlang C, takes into account the random arrival of calls into the center, as well as the "hold for the first agent" queuing that typically takes place. Other mathematical models are used to factor in the sequential workload of emails and/or outbound calling.
3. **Staff scheduling.** "Bodies in chairs" staff requirements along with non-productive time estimates (for breaks, trainings, meetings, etc.) are used to determine a schedule requirement for each half-hour or quarter-hour period. A set of optimal schedules is then created based on these requirements and a call center's unique scheduling rules and constraints. These schedules are then assigned to staff based shift bid rules and employee preferences.
4. **Day-to-day performance tracking.** Perhaps the most critical component of a workforce management system is the intra-day comparison of actual performance against the plan. Call center management must actively compare actual workload by half-hour to the forecast, and actual number of staff on the phones to the schedule plan. The call center manager needs to see these changes as they are happening, in order to make necessary adjustments to meet service goals.

### **Cost Justifying Workforce Management Tools**

Not all call centers need an automated system to accomplish workforce management tasks. Need is a function of size and operating complexity. Generally call centers with more than 30 agents with an increasingly complex scheduling environment (round-the-clock operations or an increasing volume of emails/faxes, for example) can cost justify automating these functions.

An automated workforce management system generally produces measurable improvements in the following areas:

1. **More efficient scheduling.** The savings associated with more efficient scheduling can take many forms, including reduced overall staff hours, reduced need for overtime, and identification of overstaffed periods to offer time off without pay. (See Table 1) Workforce management system users generally experience a minimum reduction of staff hours of 2 % and average potential is in the 5 – 10% range.
2. **Automation of workforce management tasks.** Depending on how often forecasting and scheduling tasks take place and to what degree they are currently automated, there is a wide range of potential savings in staff time by automating these tasks with a full-featured workforce management system. It is generally expected that at least 25% of administrative and managerial time currently devoted to the manual performance of these tasks can be saved. (See Table 2.)
3. **Reduction in workforce shrinkage.** Many hours of staff time are lost in most call centers due to excessive amounts of non-productive time (time spent not handling calls). An automated workforce management system can provide historical and real-time information on schedule adherence and schedule exceptions for better management and control of staff, reducing workforce shrinkage by 2-5% in most call centers. (See Table 3.)
4. **Reduction in network costs.** By creating a set of schedules that minimizes understaffing as well as overstaffing, implementing workforce management results in a more consistent level of service to callers and may reduce queue time and toll-free network costs. (See Table 4.)
5. **Increased revenues.** For call centers that realize revenue by answering calls (catalogs, reservations centers, etc.), workforce management automation can help reduce queue times and improve service, thereby reducing the number of abandons and increasing the number of revenue calls completed.

(To determine an estimated payback period, take the estimated savings from Items 1-5 above for estimated annual savings or divide by 12 for an estimated monthly savings in the first year of implementation. The payback period on such a system can be calculated by dividing the one-time purchase price by the average monthly savings.)

In addition to these measurable cost savings, there are many intangible benefits. Perhaps the biggest of these is the addition of a sophisticated “what-if” planning capability that allows management to forecast and plan staff needs for the short term to respond to unexpected changes, as well as long-term budgeting and planning.

### **Selection Guidelines**

Organizations considering a workforce management purchase should heed the following guidelines:

1. Cast a large net. Invite all qualified vendors to present their products. Insist on a detailed demonstration and ask lots of questions about how the package would work in meeting your center’s specific mode of operation. Remember you’re looking both for full range of functionality in addition to ease of use.
2. Talk to others that have done it. At a minimum, talk to four or five other organizations similar to yours (in size, type of operation, ACD brand) that have implemented a system. Visit at least two of these and talk to managers about the benefits they’ve received as well as the day-to-day users about ease of use and customer support.
3. Consider the support capabilities of each vendor. Workforce management software systems are not simple, off-the-shelf packages. They typically require specialized training and ongoing consultative support to make the most of their capabilities. Ask about documentation, training, and access to customer support. It’s also important to understand what to expect about future upgrades and enhancements.
4. Don’t suffer “sticker shock”. Prices for workforce management systems cover a wide range, depending on whether you are considering a single module, or a comprehensive integrated system. Some of the more comprehensive packages may seem expensive, but don’t lose sight of the fact that each agent employee may have a fully burdened cost of anywhere from \$30,000 - \$50,000 annually. Saving just a couple of employees’ labor expenses can quickly justify the most expensive package.

5. Plan for a successful implementation. During the purchase process, it is critical to communicate and motivate everyone in the center to participate in the process. While implementing workforce management results in a more efficient operation and a less stressful environment in the long run, it is important to realize that such an implementation may mean a cultural change for agents, supervisors, and management in the short term. The largest potential benefit is more efficient scheduling, but in order to accomplish this, some agents' schedules will have to change. It is important to devise a strategy to accentuate the positive effects and to include all involved in the workflow and schedule planning.

### **Accomplishing Profitability and Service Objectives**

Whether large or small, the objective of every contact center is to accomplish the most work at the highest level of service at the lowest cost. This objective is achieved through workforce management. The larger the workforce, the more complex the task, and the more suited the problem is for automation.

Not only do automated systems save substantial management and clerical time, but they can also reduce personnel costs dramatically by optimizing the staffing resource. Benefits include a more precise forecast of future call volumes showing peaks and valleys of calls, exact determination of staff needed for each period minimizing overstaffing and understaffing, and the ability to monitor call center performance and make adjustments as needed within the day. The end result is the ability to handle more calls at a better level of service to the caller at a reduced cost.

### **About the Author....**

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