

Customer Service Skills Training and ROI

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Research has been making a case for how spending in human performance areas such as training, translates into bottom line growth. Accenture's study on the impact of training on ROI has some interesting results. (Smith, David. Y. and Waddington, Ted. Running Training Like a Business: Determining the Return on Investment of Your Learning Programs, Outlook Point of View, March 2003.)

First, in the area of recruitment, training opportunities were among the top three criteria people considered when deciding where they want to work (the others are the opportunity for advancement and a good benefits package).

In the area of productivity, as a result of training, employees were:

17% more productive

20% higher performance levels relative to their peer group

Stayed with the company 14% longer

In the area of retention, employees who had access to the training were:

More than 2 times more likely to expect to be with the company in 2 years

More than 6 times more likely to think the company is a 'great place to work'

More likely to think they are fairly compensated

Dollar figures associated with their statistics for a fiscal year report the annual per person net benefit or \$25,324. They multiplied this number by their 50,000 employees yielding a companywide benefit of training of \$1.26 million. By dividing the benefit by the cost of one year of training (\$358 million), researchers concluded that the ROI (at Accenture) is 353%. Negative Customer Service Experiences?

How many of you know (and track) what percentage of your calls are bad experiences? Hopefully, you do know the number, and they're in the low single digits.

In a recent study, in answer to (1) did the agent satisfy your needs in the call, and (2) based on any negative experience, would you stop using this company and go to the competition? the results were:

Ages Would Stop Using the Company in the Future

18 - 25	100%
26 - 35	97
36 - 45	53
46-55	50
56-65	33
Over 65	63

Source: 2003 Purdue University/BenchmarkPortal.com

As you can see, there is a strong correlation between participant's age and his/her tendency to stop using the company after a bad experience. Notice that younger participants were less tolerant, more likely to go to the competition, and those over 65 are more demanding than those in middle age.

Therefore, it's very important to take great care of your younger callers so as to maintain their loyalty. Callers above 36 have more of an 'emotional bank account' with the company they're dealing with-probably had some good experiences and are more willing to 'forgive' a bad one.

If you know your percentage of bad experiences, put a dollar amount on that call and then total it out for the year. I think you'll be very surprised at the amount of lost revenue. Now if you have a 1% improvement, as a result of a training initiative for example, the amount of recovered revenue (and customers) is very encouraging.

This is just another means to tie soft skills to ROI, and to include your front lines as part and parcel of the revenue-producing operation of your companies.

Customer Satisfaction Driver #1

We all know first call resolution (one and done) is the #1 driver for customer satisfaction with best practices reported at 86%. However, if your center is at 86%, this means that 14% of your customers are contacting you more than once to resolve their issues! This not only frustrates your CSRs and yourselves, but your customers as well. Repeat calls are costly not only to operations and the bottom line, but they negatively impact customer satisfaction, and ultimately, customer loyalty.

How do you define first call resolution? And how do you if you do calculate it? Research shows that there is no common measuring method. However, what gets measured gets managed, and what gets managed gets better.

In a recent study (Ascent Group) more than 90% of companies measuring first call resolution reported improvement in their performance. Another study (callcentres.com) reported a dramatic fall in call volume identifying that a minimum of 20% of all calls were

repeat calls from customers needing an answer or help they didn't get. Further, that the absence of first call resolution was found to account for a minimum of 30% of a call center's operational costs!

The bottom line: Invest in your people give them the training, the tools, and the authority to get their job done right the first time. After all, CSRs are the interface who handle customer issues. One of the foremost methods to boost customer satisfaction and improve first call resolution's to consistently and ongoingly train, train, train your CSRs in world class customer service skills.