

## A d v a n c e d   T o p i c s

## The Business World is a-Changing: What the Boss Needs From You

Ric Kosiba, President, Bay Bridge Decision Technologies

The Wall Street Journal had a very interesting article a few weeks ago, entitled “Strategic Plans Lose Favor: Slump Showed Bosses Value of Flexibility, Quick Responses” (January, 25, 2010, by J. Lublin and D. Mattioli). In it, the authors describe how many CEOs, because of the recent change in the business environment, have given up on trying to stick to a rigid year-long strategic plan. Their businesses benefited greatly by moving to a more flexible and opportunistic corporate decision-making discipline, where budgets and plans are developed more quickly and more often. Their lesson is that business rigidity, especially in the face of change, is risky.

What does that mean to strategic planning? The days where a formal year-long budget is the be-all end-all are over. Instead, plans are meant to be evaluated and re-evaluated ad nauseam.

While rigid strategic plans are no longer seen as appropriate in our ever-changing environment, it does not mean that strategic questions aren't being asked. Quite the opposite. Constant change has shown business leaders that they need to factor extreme scenarios into their business planning. The big picture questions are being asked, scenarios are evaluated, plans are implemented, the business is monitored, and in the event of the now normal change, these questions are asked again, re-evaluated, new plans implemented and the business continually monitored.

It's a fast environment and companies that are able to see, analyze, react, implement, and maintain this analytic discipline are the ones that will survive best during this long downturn and be prepared to take advantage when the upturn finally happens.

But what does that mean for us contact center planners?

### What Does Our Boss Want?

The executives that are directly responsible for the contact center operation have huge responsibilities. They are accountable for one of the costliest line items in the overall corporate budget: the contact center variable labor budget. Also, the contact center is clearly one of the most customer-facing operations for many of our companies. Most of our end-customers have their only personal experience with our companies when they are speaking with our reps. Our bosses — whether you love 'em or hate 'em — are very important to our companies; they control a high cost, high touch operation.

For such a high profile job, we should be aware of what our bosses really want; and it is really not hard to guess. They want:

- A smooth operation; to avoid service blow-ups.
- When there is a service blow-up, they need to be able to explain it quickly, and easily. It's best when the mistake is not the operation's fault.
- They want to look like a leader to their boss. The best way to do this is to provide forward thinking analyses, and to understand how technologies can improve their operation.
- In a fast moving business environment, the boss wants to show their boss they are anticipating any change, and are ready to take advantage of opportunities brought about by this change.
- They want to be able to respond to their boss' what-ifs (they get what-ifs, too!).
- They want to always have appropriate facts and figures available to them quickly. They need to be confident in the numbers and story they provide their boss.
- They want the appearance of frugality with the company's money.

Like all of us, our senior leaders have their own set of worries. Primarily, they worry about being caught flat-footed, looking unprepared, and/or looking like they didn't anticipate something that was obvious in retrospect. They ask what-if questions because that's how they stay prepared for their boss' questions.

### What Do We Analysts Need To Do For The Boss?

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This “new” business trend, flexible budgeting and planning, are not so new for contact center executives. Many of us (but not all of us) have been at the forefront of the rapid-response-strategic-planning-and-what-if-analysis-bandwagon for years. But that does not mean that there is not now added pressure for our executives to produce even more analysis more quickly, given the speed of change and the variability of our forecasts (both business forecasts and center volume forecasts).

So the analyses our bosses provide their bosses are likely getting a lot more attention lately. So what does this mean for our execs?

It means, first and foremost, that the quality of the analyses we workforce planning professionals provide them is beyond important. When an executive takes a presentation to his/her boss, the presentation needs to be rock-solid. As my dad told me when I (finally) finished college, “your number one job is to make your boss look good.” And so, our contact center analyses needs to be:

- **Accurate:** Wrong answers are not acceptable. It is very important that we, as contact center workforce analysts, are confident with the results we provide.
- **Believable and Defendable:** Not only do we have to be confident in the results we provide, but we have to be able to make our boss feel confident in our analyses. The surefire way to do this is to validate that the models of the operation (our long-term staff planning models) predict the service levels and abandons we see in our ACD data very closely.
- **Consistent:** Results have to be consistent across scenarios. Any manual process we use in our models is dangerous, in that human beings, when making complex decisions (i.e., when and where to hire or offer over time) will make mistakes. When I’ve used spreadsheets to determine staff plans in the past, I’ve made serious consistency errors — which made any analyses unbelievable. Try having your boss explain your inconsistencies to his/her boss — it can be ugly.
- **Comprehensive:** We need to ensure that any what-if analyses we provide our managers completely encompasses the what-if question being asked. This usually implies that a simple call center spreadsheet model won’t work too well, their usually not comprehensive enough.
- **Complete:** Also, we need to make sure our analyses are of long enough duration. A hiring decision, for example, doesn’t affect just one month — it is a long term decision- and the repercussions of this decision should be analyzed over the long-term planning horizon. For example, if we are being tasked with determining how many more agents we need to hire given changing volume demand, it does no good to look only at the peak center hour, some months in advance. Instead we need to look at every week in our planning horizon, and consider multiple iterations of hiring, overtime, undertime, and controllable shrinkage plans.

It is our job to provide accurate, believable, and defendable, consistent, comprehensive, and complete analyses for our managers. We’ll work hard for this, but that doesn’t mean we can’t ask the boss for our own important stuff to provide us with the tools to accomplish this goal.

### What Does the Boss Owe Us?

This boss/analyst relationship is a two-way street. In many ways, the most leaned upon person in the contact center organization is the long-term workforce planning analyst; if good, this analyst holds the keys to their senior executive’s success. As such, this analyst may often be the most junior person, but not nearly the least important person, at the contact center decision-making table. We workforce planners will promise to work hard, put in the ridiculous hours (especially when the now monthly budgets are due), and provide superior analyses with the tools we have available.

But it is not unreasonable to ask for the right tools and processes. In today’s environment, with long-term planning being so important, the big boss needs their answers to be right. So make a list of tools that will make your planning process better. It should include:

1. A well thought through contact center performance database, melding information from at least 1) the ACD (for raw center volume, staffing, and performance history), and 2) the workforce management system (for a shrinkage history). For completeness you could add 3) payroll rollups (for costing information).
2. A robust forecasting engine, enabling the semi-automatic forecasting of volumes and handle times, but also attrition and all important shrinkage categories (e.g., sick time is important).
3. A validated-to-be-accurate contact center model, encompassing call, email, back-office, outbound contact types (if you use those contact types). This model (usually simulation) becomes the decision-making engine for any what-if question from the boss. This model needs to be accurate, hence, continually validated against actual contact center performance data. Without this continual validation against real-world data, the model results are a nothing more than a guess.
4. Hiring, overtime, undertime, variable shrinkage optimization algorithms to determine exactly when (which week) and where (which staff group) to plan for all of the staffing levers we have to pull to

make our plans work efficiently.

5. Variance analyses and reporting tools to provide the boss with rapid “what-happened” analyses quickly and accurately.
6. A seat at the table during all planning meetings. Insist on it. If you get technology items 1-5, you’ll be able to have — at your fingertips — all of the what-if answers residing in your laptop available during the planning meetings. There is no reason that any step in the planning process, from data analyses to new plans cannot be accomplished near real-time.

When there is change and everything isn’t written in stone, you can implement some cool stuff. Make your case for better analysis tools, and if it fails, make it again next month, because next month the budget planning process happens all over again. Change means ideas are tested and evaluated all of the time. In the Wall Street Journal article, the authors quote Walt Shill, a big shot at Accenture: “Strategy as we knew it is dead. Corporate clients decided that increased flexibility and accelerated decision making are much more important than simply predicting the future.”

If you’ve approached your boss for a strategic planning tool, but have been shot down in the past, now is the time to try again — the timing might be perfect for your boss to be receptive to another look. Strategic planning is all about decision making and business variability makes it much more important, for the company, and more importantly, for your boss.

*Ric Kosiba is a charter member of SWPP and co-founder and President of Bay Bridge Decision Technologies. He can be reached at [EDK@BayBridgeTech.com](mailto:EDK@BayBridgeTech.com) or (410) 224-9883.*

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