



Inside this edition

INSIDE

[Case Studies and More Sessions Added to Make 2006 SWPP Conference This Year's Can't Miss Event!](#)

[WFM Survey Results](#)

[WFM Survey](#)

[Staffing for Outbound Calling](#)

[The Importance of Planning Part One: Do We Have The Cart Before The Horse?](#)

[Managing by the Numbers](#)

[WFM Taction Success Story](#)

[Workforce Wizard](#)

[Events Calendar](#)

[Industry News](#)

[Bright Ideas](#)

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A d v a n c e d T o p i c s

The Importance of Planning Part One: Do We Have The Cart Before The Horse?

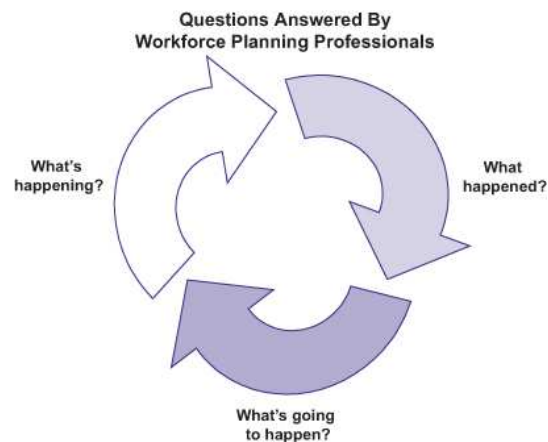
By Ric Kosiba, Ph.D., President, Bay Bridge Decision Technologies

The Planning Life Cycle

In call centers, our planning cycle is very interesting, and to be honest for most of us, a tad convoluted. When speaking to workforce management professionals, we find that most workforce planning time is spent not on real planning activities, but rather responding to plans gone awry, or explaining why we didn't achieve our plan. We are, by and large, unplanned planners (sort of an oxymoron), spending most of our time fixing unplanned events.

In vague terms, we spend our time answering three questions, although we may be working on answering all three questions at the exact same time.

The following simple diagram summarizes this thought.



What Happened?

Probably the most annoying of the questions we spend time on is "What Happened?" When forecasts are not met, or performance is below goal, we must go back and determine what in the world caused this. It never matters whether the blip in call volumes was caused by an unknown marketing drop or some unexpected world event, the blame usually falls our way (or certainly feels that way).

When talking to workforce management folks, we usually hear that this question consumes maybe 15-30% percent of their time. The research associated with this activity is both time consuming and very frustrating.

What is Happening?

The natural companion to the question "What Happened?" is the question "What is Happening?" When unusual or unplanned volume or handle time spikes (or valleys) rear their ugly head, this is our time to spring into action. It is our job to recommend overtime (or early release), recommend bringing additional resources to the phones, and possibly reorganizing the call routing or work flows.

Rarely is there a normal "as planned" day.

As a quick related aside, what do you think if I were to tell you some of this chaos is self-inflicted, based upon the modeling assumption of our workforce management system?

One fun fact that one of our engineers at Bay Bridge discovered (see D. Newhard) is that using average call arrival distributions leads to inaccurate forecasts. By averaging historical call volume intervals over time, you throw away all of the normal variability of the day. Each actual day's data, with all their call volume ups and downs, with all of their handle time highs and lows, gets averaged together within workforce management

software to give you forecasts that are, intraday, medium volumes and medium handle times. In other words, our workforce management tools tend to dampen the variability in our forecasts that are all too present in the real world. I'm hoping to elaborate on this in a future discussion.

Getting back to the question of "What is Happening?" This one question, and its corollary question, "How Do We Fix It?" consumes us. This question is tied to our day-of people management, our short term scheduling, and all the day-of monitoring we do. We've heard that this part of our job takes about 50-70% of our time.

What is Going to Happen?

Equally important is the question of forecasting and affecting "What is Going To Happen?" Scratch that. I will argue that in our day and age, given the state of our organizations and our current technology infrastructure, this question is absolutely the most important of the three questions.

Now this is the question that does not usually consume us — except during budget season. This is the question that gets put on the back burner while we spend our time managing and fixing the here and now. This is the question that, because of its vague and futuristic character, because of its inter-office political nature, and because its repercussions can be put off into the future (and maybe hoisted onto some other group), is given little analyst time. It is human nature to kick the can down the road, and kicking future contact center issues down the road is natural to contact center operations.

But again, I believe this is the most important area to get right.

Most of the workforce management folks we talk to say that this question takes between 10-20% of their time.

Do We Have The Cart Before The Horse?

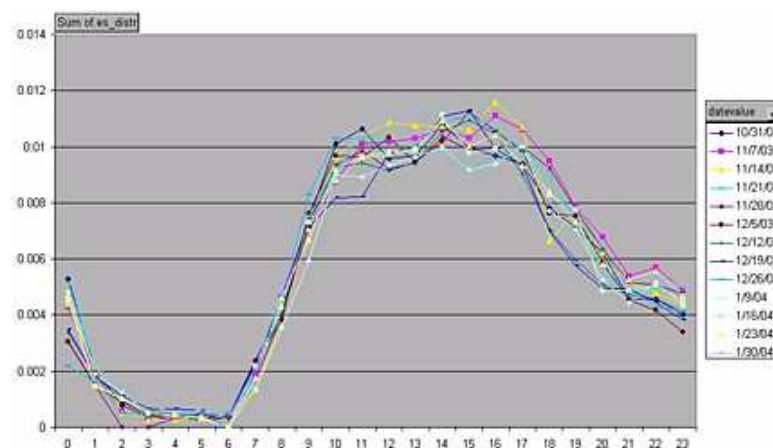
Fifteen or twenty years ago, when workforce management software was in its infancy, contact center managers had a very complex and tactical problem to solve. They needed to know how to efficiently schedule their employees and they knew that that business problem was much too complex for them to solve using a pen and paper or using the early spreadsheets (remember scheduling using those long sheets of paper!?!). And so an industry was born. It was a great thing for all of us.

After improved scheduling came more business problems that workforce management software helped us solve (e.g., adherence monitoring and vacation planning).

Is there much value left to squeeze out of better scheduling? As is typical of all business problems, we nailed 80% of the value with 20% of the effort. We've spent the ensuing years attacking the last 20% of the value.

But are we now spending our valuable time on the right business problem? When we first tackled the business problem of putting together tighter employee schedules and tracking adherence to those schedules, we saw terrific incremental efficiency improvements. Are there more improvements to be made in workforce management?

The following graph represents the staffing distribution of a large and seasonal contact center group over three months. During those three months, the contact volume changed significantly. But notice this: the staffing distribution remains constant over time. I have looked at contact center data across all sorts of businesses, and this consistent staff distribution phenomenon is itself a call center truism. In the end, given all that we workforce management folks do (or maybe because of what we do), and given all that our call center managers do, these distributions remain constant over time.



Isn't this fascinating?

But what does this tell us? My interpretation of this is that we do a great job of using our current tools — or at least a consistent job of using our current tools. Given all the variability of call volumes and handle times, we consistently get a good match between when our calls come in and when we have folks available to answer them (which is apparent when you match the staffing distributions against call volume distributions). This is a huge achievement.

So what is left to do? In our opinion, the big business problem to solve is that of getting the right number of employees in the door in the first place. Much of the problems we see day-to-day are not associated with day-of issues, they are instead the issues associated with poor long-term planning. What keeps us busy now is time associated with managing the chaos of an earlier long-term planning mistake. By planning better in advance, there is less time spent on firefighting and more time and effort is focused on fire prevention. Improved long-term planning leads to less day-to-day troubles and a better managed call center.

Our experience also suggests that there are huge savings available to solving this problem well. Maybe it is time to get the 80% associated with answering that third question?

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