

REDUCING THE COST BASE WITHOUT LOSING CUSTOMER SERVICE & PERFORMANCE

The Challenge

A major general insurer asked PCP to look at ways of achieving a lower cost base without losing any of the customer service or performance standards.

Following the relocation of its Administration and Contact Centre functions, the client wanted to achieve a higher level of performance and profitability from its new site.

THE PCP SOLUTION

Examining the whole operation

Whilst the brief to PCP was to look at Administration and Contact Centre activities, the PCP team actually reviewed the entire company's operation in order to identify all areas where efficiency could be enhanced.

Performance Measurement

PCP found that in many cases, key measurements were inaccurate or missing altogether, so the first action was to put processes in place to measure current performance.

In Administration, this involved the implementation of PCP's custom-built 'Productivity Model'. This places a basic framework of measurement on administration processing. By measuring how long each item took to complete and time lost to other activities, PCP was able to better calculate the required staff volumes and provide data to managers to help them effectively manage the performance of their staff.

In the Contact Centre, PCP implemented 'After Call Work', or 'Wrap-Up Time' to enable accurate measurement of Average Call Handling Time. This allowed for more accurate modelling of staffing requirements. PCP also implemented 'Unavailable codes' to more accurately measure the time lost to other activities such as meetings, training, breaks, etc. Combined with Annual Leave and Sick Leave data, this produced a clear measure of the Shrinkage (or Rostered Staff Factor), another key metric in forecasting staffing requirements.



Reducing customer service volume

Through traditional Business Process Re-engineering (PPR) practices, PCP was able to eliminate incoming customer service volume by improving written correspondence and increasing delegation authority of the agents to better handle enquiries in the first instance. And a process was designed that focused on delivering to customers' expectations, which also helped to reduce customer service calls, complaints and average call handling times.

Enhanced Call Handling Practices

Further efficiency was delivered through better call handling practices.

PCP reviewed the existing Sales script from the customer's perspective, compliance and underwriting requirements and redesigned the process to reduce unnecessary questioning. This also placed more emphasis on the customer experience which then reduced sales call handling times.

Understanding Staffing Requirements

PCP analysed staffing requirements based on the existing team structure and proposed and implemented a restructure. This further increased efficiency in the call centre by reducing the amount of specialised functions and utilising the power of pooling for smaller call volume teams.

A Workforce Management System

To ensure sustainability of more efficient performance, PCP helped the client select and implement a Workforce Management System to allow for better forecasting, scheduling and real time analysis of performance. New BPR roles were also created within the business to ensure that a culture of improvement can be maintained after PCP's engagement has ended.

Lastly, all the management team were put through PCP's Performance Management Training Programme which had been tailored to the company's specific requirements. This course teaches managers how to manage their people and drive performance throughout the business.

THE PCP RESULTS

- Customer Service volumes over the 6 months of PCP engagement reduced by 20-25%.
- In terms of policy holders per FTE this equated to a change from 624 policies per FTE to 983 policies per FTE. More customers were being serviced, with less staff needed to do it.
- Sales call handling times were reduced by 2 minutes.