POINT/COUNTERPOINT:

UNIVERSAL REP VS. SKILLS-BASED ROUTING TO SPECIALIZED SPLITS

Which model is best? John Goodman and Crystal Collier face off on this long-lived debate.

By John Goodman and Crystal Collier, TARP Worldwide

John Goodman
Customer Care
Measurement &
Consulting

Crystal Collier
TARP Worldwide

Since the GE Answer Center began operation in 1984, there has been an ongoing debate about the payoff of universal customer service representatives (CSRs) vs. skills- or needs-based routing to specialized CSRs.

At the macro level, the tension is clear: A universal rep allows you to route the next call to the next available rep, giving the greatest economies of scale and utilization of CSRs. The counter argument is that skills- or needs-based routing allows the easy calls to be handled by the newest reps and the more difficult calls to be handled by skilled reps, resulting in higher satisfaction and higher first-call resolution. How do you determine which solution is best for your organization? Spoiler alert! The answer depends on the profile of your workload, the stability of your workforce, and the sophistication of your knowledge base.

John Goodman and Crystal Collier take sides to show you how to make the right choice for your center.

Goodman *for the Universal Rep*

The model here is one universal rep handling after-sale basic calls on all product lines. A good example is the GE Answer Center as it was originally established; everyone can handle the top 10 questions about every product and many more detailed issues based on the available knowledge base. The first tier is backed up by subject-matter experts (SMEs) for the small number of issues the front line can't handle.

The basic advantage of universal reps is that the customer avoids a complex IVR where they may be misdirected, and you minimize fragmentation of the team and resulting diseconomies of scale. Each additional special team of reps results in additional IVR picks and more CSRs not available for the general queue.

Crystal, you'll have to admit there are compelling advantages with universal reps, including:

- A simpler IVR is needed with fewer options and less need to capture as much information before correctly routing the call. This means fewer misdirected calls due to customer confusion of the options.

- You need fewer reps because you have significant (10%-20%) economies of scale and an easier coverage of peaks, with higher occupancy for short periods of time. Also, workload forecasting is dramatically less complex.

- CSRs have more call-to-call variety across multiple product lines.

- It is easier to outsource because everyone gets the same tier one training.

- If the customer has a second simple question on another product, the rep can answer without a transfer.

- It is easier to cross-sell across the entire product line.

- You can create a lateral career ladder and sense of progression by certifying universal reps on advanced information for specific categories of products—one electronics company has CSRs who become specialists on a particular line of cameras or printers—so frontline reps double as SMEs as they build expertise.

I will admit that there are a few disadvantages, including:

- If the customer wants detailed, specialized support, the CSR will have to transfer to a second-level rep or SME.

- The CSR has to learn about a broader range of products, meaning that training time will be longer.

- When products or policies are updated, everyone needs to be made aware, adding to training time if it requires more than just an update to the knowledge base.

- If the first level is outsourced, the career ladder to SME or second level is more complicated because it may cross organizational and locational boundaries.

For universal reps to be really effective there are some prerequisites:
- They must be able to answer the top 10 questions about each product and function; e.g., routine ordering, either from memory or from an easily used knowledge management system (KMS).

- They need to have SMEs on the team or as a second level available via warm transfer.

- CSRs need a program to become specialists or progress to lead and supervisor. This prevents boredom and turnover of best reps.

- SMEs either handle routine calls or sit idle when special calls are not being received.

Who does it well: GE, Bath and Body Works, and Frontier Communications all use universal reps. At Frontier Communications, with phone and Internet systems in 28 states, Lynn Holmgren, VP for Service, found that CSRs were hungry for knowledge and all wanted to help with the broadband technology as well as the billing and repair issues. She created universal reps rather than specialists.

Holmgren's keys to successful empowerment and expertise were to intensively train the supervisors on coaching and empowering the CSR, and building a powerful knowledge base so the wheel doesn't have to be reinvented. The four-day supervisor training is so important that she spends 30% of her time doing it herself, as well as requiring all director-level executives to teach the course. It's a huge time commitment, but it ensures that the executives have bought in and know what is expected, and it shows the supervisors how important it is. Supervisors have 18 months to become great coaches or they're out.

At Bath and Body works, the key is continuous improvement and celebration. The call center solicits suggestions for both process improvement and KMS enhancements, not only from call center reps, but from the thousands of store associates that they support. This call center of 80 universal CSRs supports both consumers as well as store associates because the types of questions have huge overlap. Suggestions for improvement are screened by a committee of frontline reps, none are rejected out of hand and feedback is given on all of them. Also, "Thankful Thursdays" are held every week where great suggestions and great service stories about everyone are shared.

Finally, Canadian Tire Financial Service's award-winning center has pursued empowerment of frontline reps backed by an effective knowledge base. John Levasseur, former VP of Customer Service and Operations, encouraged his CSRs to stick with an issue until resolved and moved to a first-call resolution rate in the low to mid-90s. Levasseur reports that, "When you provide the front line with empowerment, supervisory support and effective knowledge base tools, even higher FCR is possible. CTFS has not reached an upper limit even at the current very high level of performance."

Collier *for Routing to Teams of Specialized Reps*

John, while the universal rep concept appears easier to establish and manage, the key strengths of skills- or needs-based routing specialized teams are clear. These teams can handle the more difficult calls and adjust to evolving workloads in a much more effective and efficient way than

universal reps. In addition, customer service can add more value to callers about a particular product and/or the brand.

The advantages are very attractive to organizations that have a high number of complex calls and a dynamic product and support environment. They include:

- CSRs have to remember less information about fewer products.

- Training time is 30%-50% lower and is more effective because CSRs have less to absorb.

- Creating accountability and ensuring behavior changes are easier when CSRs have narrower responsibilities—on both the CSR and leadership team.

- CSRs will be more successful if you have a CRM system that does not provide a comprehensive picture of the customer and the full range of products.

- Updates when products are introduced or issues occur are easier; only that split needs to be notified.

- Best performers and outliers who need coaching are easily identified, resulting in higher productivity.

- Employee satisfaction is higher due to greater alignment to the business and being part of a small group—great teams are usually 20 or fewer reps.

- Supervisors have less to know and coach to because reps have a narrower scope.

- Less need exists to route customers to second level or escalate because the CSRs have more expertise and convey confidence in their answers.

- Finally, the career ladder is higher via progressively more skilled teams.

I admit there are some disadvantages, such as:

- The IVR must be more complex and must obtain enough information to accurately route the customer.

- Less ability to move supervisors around to cover vacations and illness because supervisors are specialized, as well.

- More staff idle waiting for calls at some times; each group may face a different pattern of inbound calls. Crosstraining for multiple splits can mitigate this.

- More difficult to outsource as different specifications can apply to different teams.

- More complex IVR increases the possibility of misrouted customers. Once a call is misrouted, it is harder to get back to the right queue.

- If the customer has a second question on a different product or topic, the rep may have to transfer the customer.

For this to work well, you need:

- Good training with different curricula for different splits.

- Coherent career ladder with significant increases in pay.

- Frequent reforecasting of workload and staffing requirements and flexibility of staff availability. At-home CSRs can be added when peaks occur.

- At least some staff must be crosstrained to help cover peaks.

- CSRs must grasp the value of customer education.

Who does skills-based routing well? Amway has created several splits that are easily differentiated by the IVR as well as with separate 800 numbers for fundamental (basic) questions, comprehensive (broader ranges of issues), content experts and distributor tenure. Monica Stitt, director of Distributor Service, reports that training time for the Tier 1 CSRs is reduced and they can be successful right out of the gate. They then can progress through more advance product categories, as well as move to service their more demanding top-tier distributors. The CSRs start out with basic training and receive incremental chunks of training as they progress, making absorption of information easier.

What Is the Answer?

We both agree that whether universal reps or skills- or needs-based routing is right depends on your particular environment. The choice will seldom be one extreme or the other. You should consider the following six criteria in making your decision.

1. Workload mix—the higher the percentage of simpler calls, the more toward universal CSRs you can move.

2. Quality of your CRM and KMS—the higher the quality of your support systems, the better you can utilize universal CSRs.

3. Dynamism of your product and marketing environment—the more changes you have, the more you will need specialized team, but you may want to have separate 800 numbers for each product vs. a complex IVR that will confuse customers.

4. Variation of workload volume—the more variation you have in contact volume, the more universal you should be so you can cost-effectively accommodate the variation.

5. Workforce cost and stability—to the degree that your workforce is highly valued and stable, you have a higher probability of being successful with universal reps.

6. Service and expertise as a differentiator—use SBR if management is willing to invest in staff to retain them, and to pay for lower levels of productivity.

As you can now see, there is no simple answer. The decision requires real analysis. Unfortunately, most call center directors pick a model they feel comfortable with and make the workload and staff fit into it, often leading to extra cost and turnover.

A great example of how a system can evolve is Harley-Davidson, where Jim Middlebrook, manager, Enterprise Contact Center, led a consolidation of the company's disparate contact center groups with a myriad of specialists. His first step was analyzing the workload and the capability of the knowledge management process and application.

Middlebrook then moved to a two-tier system where the first-level case managers were encouraged to fill any gaps in expertise via supplemental training as well as rigorous use of the improved knowledge management process and knowledge base. He then required all second-tier case managers to rigorously document any issue that had to be researched off line so that it would not have to be researched a second time. This enabled the Tier 1 team to increase their first-contact resolution rate and reduced waste within the operations.

For a unit of 80 employees, there are two full-time knowledge base coordinators who take the issues documented by the Level 2 CSRs and format and index them in the knowledge base so they are easily found by first-level searches. When asked where his unit stood on the universal-specialist spectrum, Middlebrook said, "Right about in the middle, moving toward universal as the knowledge base gets more complete, but of course, it will never be 100% complete."

Another surprising benefit of moving toward generalists: Middlebrook estimates that his workforce administration and evaluation overhead has decreased by 35% because fewer units must be separately analyzed.

The universal reps model has an inherent advantage from an economics and basic workforce management perspective. However, skills- and needs-based routing provides more flexibility, agility and customization in a dynamic environment. The above six factors must be taken into account when deciding which model or a hybrid will work best for you. ℗

John Goodman is Vice Chairman at Customer Care Measurement & Consulting (CCMC), and author of Strategic Customer Service.

✉ jgoodman@customercaremc.com
☎ (703) 823-9540

Crystal Collier is CEO of TARP, the world's premier customer experience agency and research consultancy.

✉ ccollier@tarp.com
☎ (703) 284-9260

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