

# Looking to the Future

## The dhp consulting model

Our methodology consists of 4 major components, not linear, but each inter-linked. Each component delivers unique benefits to the client during their Operational Excellence programme.

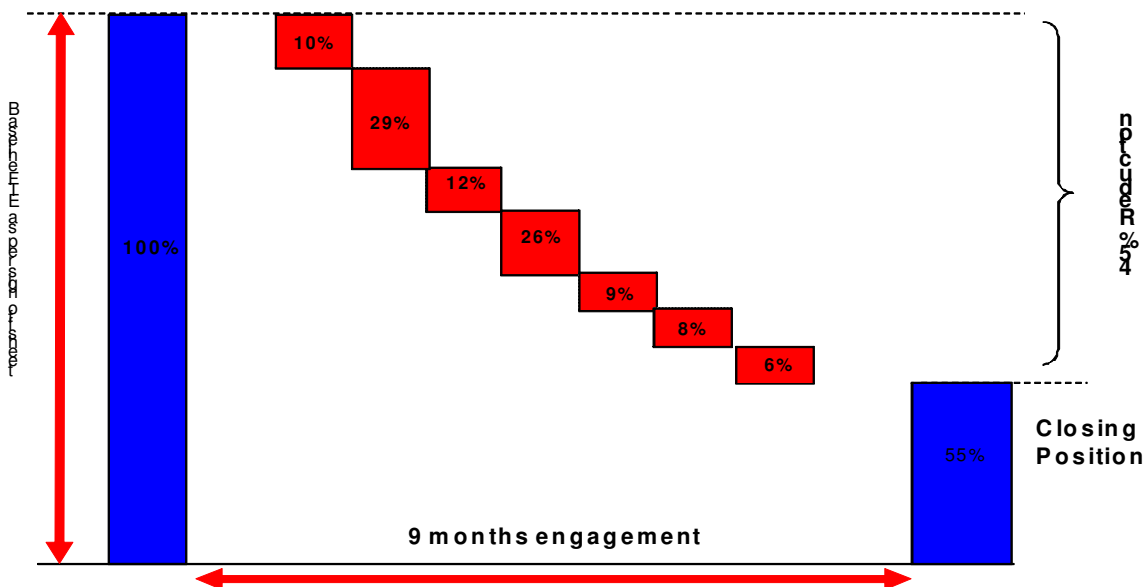
The object of the **dhp consulting model** is to reduce the cost of the operation and increase the performance of:

- ▶ Service delivery to the end customer
- ▶ Quality: Right First Time
- ▶ Profit
- ▶ Efficiency and throughput
- ▶ Satisfaction levels of all stakeholders



Over the 9 month course of the Operation Excellence programme the following results were achieved:

- ▶ Grade of Service increased from 76% to 94%
- ▶ Abandonment Rate decreased from 10% to 4%
- ▶ Customer Service calls per Policy decreased from 20% to 16%
- ▶ AHT reduced from 9:30 to 5:00 minutes
- ▶ Quote conversion increased from 40.9% to 54.3%
- ▶ Sales conversion increased from 12.4% to 13.7%
- ▶ Utilisation increased from 66% to 90%
- ▶ **Reductions of over 280FTE**





## Operational Management

dhp consulting implements the tools needed to sustain best practise.

The client believed they had created a 'universal agent' model for handling enquiries when in reality only a small percentage of calls could be handled by all staff. This created large pools of teams that were unnecessarily specialised and reduced efficiency. Call Routing across 3 sites was altered to allow for greater efficiency in utilisation of available skills.

Forecasting call and administration volumes was nonexistent before our programme. We implemented erlang C based forecasting models and created shared ownership with Business Development and Marketing to ensure greater accuracy and awareness throughout the operation.

	Team A	Team B	Team C	Team D	Overall
Monthly Volume	78182	98973	6392	13527	197074
AHT	429	334	327	318	370
Shrinkage	45.0%	45.0%	45.0%	45.0%	45.0%
<b>Required FTE</b>	<b>123.1</b>	<b>120.7</b>	<b>13.2</b>	<b>22.1</b>	<b>279.0</b>

Erlang C model based on 80% of calls answered within 20 seconds

Schedule production was fixed and not responsive to the changing needs of the business. There was no measure at all of a staff members worked hours. This lack of knowledge about what staff are doing was eroding their worked hours. A comprehensive Workforce Management Tool was implemented to improve Schedule production and measure Real Time Adherence.

Schedule adherence is crucial to the success of an inbound call centre environment. It's not enough to have the right number of staff – you need to have the right number of staff working at the right time. We implemented and measured staff on their adherence to their schedule which helped maximise the efficiency of the call centre staff.

## Organisational Design



Organisational structure was overhauled to allow for an increase in spans of control of managers. Isolated Support functions were combined to provide a holistic and consistent approach to the operation.

Skill types, positions and roles were evaluated and a new organisational structure created and implemented that improved Spans of Control per team. We also implemented a new recruitment and training framework to improve the quality the performance of new staff.

We encountered a large divide between the business and supporting functions. The Operation rarely communicated with Underwriting and Compliance and yet had many issues with the work being delivered by these areas. We challenged Staff authority levels set by Underwriting and these were reviewed and increased to provide a higher quality of service in a timely manner.

Restructure Efficiency Summary	Jul	Aug	Sep	Oct	Nov	Avg
Existing Operational Structure	638.5	537.9	441.5	388.1	313.0	<b>463.8</b>
New Operational Structure	555.5	503.6	410.3	359.7	279.0	<b>421.6</b>
<b>Efficiency</b>	<b>13.0%</b>	<b>6.4%</b>	<b>7.1%</b>	<b>7.3%</b>	<b>10.9%</b>	<b>9.1%</b>

Restructuring the operation yielded an average improvement of 9.1% in efficiency.

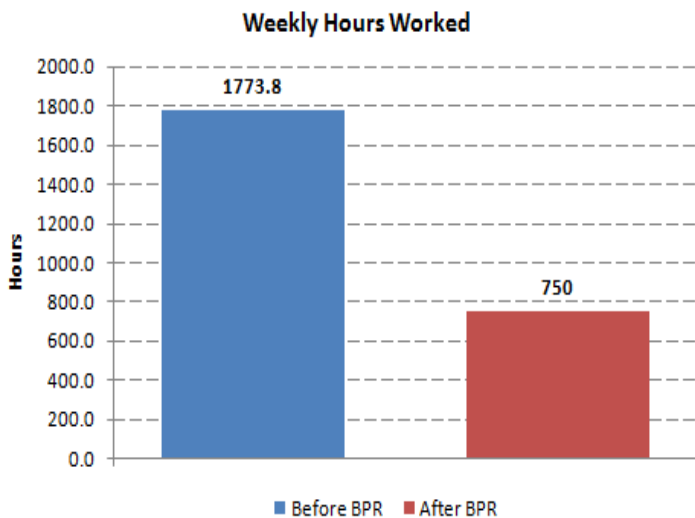
## Business Process Management

In one of the Administration centre's we found the following:

Written correspondence was improved to reduce unnecessary customer communication and confusion. We eliminated processes and altered practise to a 'one and done' process. We implemented a workflow management approach and system and embarked on a large cross training programme in all competencies and processes for all staff.

Sales scripts were reviewed from the view point of 'voice of the customer' with unnecessary and redundant detail removed resulting in a reduction in AHT from 15 minutes to 8 minutes.

Processes were mapped and altered to enable faster completion with greater accuracy. We evaluated renewal and retention work and reengineered them to eliminate both administration and contact centre workloads.



### Before

- No measurement of items outstanding
- No measurement of handle times
- 43 FTE + 10% Overtime every week

### During

- 28,000 items found in backlog
- 39 different processes Business Process Improvements made and documented

### After

- 0 items in backlog
- 39 individual Unit Times
- 20 FTE + 0% Overtime every week

## Leadership Capability

We implemented a bespoke 5 stage programme for the management team, which was principally designed around understanding the difference between their 'Intent' and their 'technique' for Performance Management.

Our unique performance management training focuses on improving the behaviours of managers

- Stage 1 – to ascertain the scope and depth required for the Performance Management workshops, and to ensure they are tailored to meet their needs, we conducted an assessment of current activity within their organisation.
- Stage 2 – we delivered a 2 day in depth skills transfer of all the tools and techniques to manage any performance related issue.
- Stage 3 – we then facilitated a 2 day role play based workshop in a safe, controlled environment to implement the new methods and practice newly learnt skills.
- Stage 4 – next we supported each and every manager on site to fully implement their new Performance Management framework through 121 coaching, observing the new techniques.
- Stage 5 – we provided each manager with feedback on how they have performed during the observations. We worked with the senior management team to build development plans for the ongoing sustainable success of the new performance management framework and culture.