Volume 2

Improving Telephone Service
Through Better Quality Measures

INTRODUCTION

The National Taxpayer Advocate has repeatedly expressed concern over the IRS's increasing reliance on online channels to communicate with taxpayers while failing to adequately upgrade its telephone service.[1] The IRS has steadily decreased access to face-to-face assistance available in Taxpayer Assistance Centers (TACs),[2] leaving taxpayers who are unable or unwilling to access online self-service solutions with two options to obtain service from the IRS: write a letter or make a phone call.[3] On average, the IRS receives more than 100 million telephone calls each year on its toll-free lines.[4] Currently, the IRS evaluates its telephone performance using the Customer Service Representative Level of Service (LOS), which is the relative success rate of taxpayers who call for live assistance on the IRS's toll-free telephone lines in reaching an assistor.[5] In the 2018 Objectives Report to Congress, the National Taxpayer Advocate acknowledged significant improvement in the IRS's LOS for the filing season 2017, but found the IRS's reported LOS data inaccurately describe the IRS's ability to properly assist taxpayers over the telephone.[6] The National Taxpayer Advocate is also concerned that the metric currently used by the IRS to measure LOS fails to adequately evaluate taxpayers' actual experiences on telephone calls with the IRS.

In order to provide telephone service that meets the needs of taxpayers in the twenty-first century, the IRS should follow the approach taken by other organizations in private industry and government that treats telephone service as an essential part of an omnichannel service environment.[7] An omnichannel service environment allows taxpayers to contact the IRS through the channel of their choice and receive a consistently high quality of service. TAS's research shows that quality metrics, designed to assess taxpayer satisfaction, should drive the way the IRS evaluates its telephone service and educates its telephone assistors.

This literature review analyzes measures and practices most commonly used in the private sector and other government agencies to evaluate and improve call center performance. The following discussion explains how quality metrics and employee engagement should be used to optimize taxpayer experience over the phone.

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1   *See, e.g.,* National Taxpayer Advocate 2015 Annual Report to Congress 3-13 (Most Serious Problem: *Taxpayer Service: The IRS Has Developed a Comprehensive "Future State" Plan That Aims to Transform the Way It Interacts With Taxpayers, But Its Plan May Leave Critical Taxpayer Needs and Preferences Unmet*).

2   National Taxpayer Advocate 2017 Annual Report to Congress (Most Serious Problem: *Cuts to IRS Walk-in Sites Have Left the IRS With a Substantially Reduced Community Presence and Have Impaired the Ability of Taxpayers to Receive In-Person Assistance.* vol. 1, *supra.*

3   National Taxpayer Advocate 2015 Annual Report to Congress 3-13 (Most Serious Problem: *Taxpayer Service: The IRS Has Developed a Comprehensive "Future State" Plan That Aims to Transform the Way It Interacts With Taxpayers, But Its Plan May Leave Critical Taxpayer Needs and Preferences Unmet*).

4   IRS, Joint Operations Center (JOC), *Snapshot Reports: Enterprise Snapshot, IRS Enterprise Total* (final week of each fiscal year (FY) for FY 2008 through FY 2016) (showing telephone call volumes exceeding 100 million in every year).

5   Here is the Customer Service Representative (CSR) Level of Service (LOS) formula: (Assistor Calls Answered + Automated Calls Answered (Info Messages)) divided by (Assistor Calls Answered + Automated Calls Answered (Info Messages) + Emergency Closed + Secondary Abandons + (Add either Calculated Busy Signal OR Network Incompletes) + (Add either Calculated Network Disconnects OR Total Disconnects)). *See* IRS, JOC, Snapshot Reports: *Product Line Detail Snapshot* (week ending Sept. 30, 2017). Note that CSR LOS is not a measurement of the total number of callers to the toll-free lines who speak with a customer service representative.

6   *See* National Taxpayer Advocate 2018 Objectives Report to Congress (*Review of the 2017 Filing Season*) (discussing how the IRS data is misleading because fewer calls were routed to Accounts Management (AM) assistors, and other lines outside of the AM umbrella saw a decreased LOS.)

7   For a discussion of the limitations of IRS telephone service, see National Taxpayer Advocate 2017 Annual Report to Congress vol. 1 (Most Serious Problem: *Telephones: The IRS Needs to Modernize the Way It Serves Taxpayers Over the Telephone, Which Should Become an Essential Part of an Omnichannel Customer Service Environment*), vol. 1, *supra.*

DISCUSSION

Telephone Metrics Should Focus on Evaluating Call Quality and Caller Satisfaction

While the IRS has traditionally used efficiency measures like average speed of answer, such measures can yield "hollow results" if the quality of a call is below the caller's expectations.[8] When pressured to reach targets for number of calls answered, telephone assistors are more likely to handle calls inappropriately by missing key information given by the caller or failing to effectively complete post-call work.[9] Such results can create problems and rework in the future, and ultimately drive the caller to other, but less preferred, communication channels.

Although efficiency metrics should not be completely disregarded, the IRS should follow the approach of many private sector companies and give more weight to measures gauging the customer's overall experience on a call.[10] Using qualitative metrics can help a call center ensure that taxpayers' questions, not just calls, are being answered. Customer satisfaction is greatly improved when phone assistors make proper and accurate determinations and communicate them to the caller properly.[11] The "single biggest driver of customer satisfaction" is the First Call Resolution (FCR).[12] FCR "measures the percentage of all calls that are resolved on the first attempt, without the agent needing to refer the customer to a colleague, their manager, or calling the customer back."[13] This percentage is most frequently determined by providing callers the opportunity to submit feedback subsequent to the initial contact.[14] The IRS should solicit feedback, including comments and complaints, through multiple channels, such as over the phone or online.[15] The global average for FCR is between 70–75 percent.[16] "Achieving 80% or higher FCR rating typically results in an average of 1.2 calls needed to resolve customer's inquiry or problem."[17]

Call centers should solicit feedback, including comments and complaints, through a variety of channels.[18] The most common ways of measuring FCR include:

- **Telephone Survey:** "customer is surveyed within 1-3 days of the call and asked if their inquiry or problem was resolved;"

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8   George Robinson & Clive Morley, *Call Centre Management: Responsibilities and Performance*, 17 Int'l J. of Service Indus. Mgm't. 284, 296 (Dec. 8, 2009).

9   *Id.*

10   Bank Administration Institute, *Evolution of Contact Centers in Banking: Engaging and Empowering Agents in an Omnichannel Operating Environment*, 10 (2015), https://www.avanade.com/~/media/asset/brochure/contact-centers-in-banking-report. pdf.

11   Terrel Bird, *Measuring the Success of a Call Center: Easier than You Think*, International Customer Management Institute (Jul. 13, 2016), http://www.icmi.com/Resources/Metrics/2016/07/Measuring-the-Success-of-a-Call-Center-Easier-than-You-Think (last visited Dec. 5, 2017).

12   Jeff Rumburg & Eric Zbikowski, MetricNet, *The Five Most Important KPI's for the Call Center*, 5 (Feb. 20, 2013), https://ccng. com/uploads/five_most_important_kpis_for_the_call_center_metricnet.pdf.

13   International Finance Corp., *Measuring Call Center Performance: Global Best Practices*, 7 (June 2010).

14   Government Accountability Office (GAO), GAO-06-270, *Federal Contact Centers: Mechanism for Sharing Metrics and Oversight Practices along with Improved Data Needed* (Feb. 2006), http://www.gao.gov/assets/250/249031.pdf.

15   GAO, GAO-15-84, *Managing For Results: Selected Agencies Need to Take Additional Efforts to Improve Customer Service* (Oct. 2014), http://www.gao.gov/assets/670/666652.pdf.

16   International Finance Corp., *Measuring Call Center Performance: Global Best Practices*, 7 (June 2010).

17   Mike Desmarais, Service Quality Measurement Group, *First Call Resolution: The Call Center Measure that Matters Most* (Dec. 2005), http://grandsorganismes.gouv.qc.ca/fileadmin/Fichiers/Veilles%20strat%C3%A9giques/Gestion%20des%20 CRC/2005-first_call_resolution.pdf.

18   GAO, GAO-15-84, *Managing For Results: Selected Agencies Need to Take Additional Efforts to Improve Customer Service* (Oct. 2014), http://www.gao.gov/assets/670/666652.pdf.

- **Script:** "[customer service representative] CSR asks the customer at the end of the call if their inquiry or problem was resolved;

- **[Interactive Voice Response] IVR Surveys:** customer completes an IVR survey at the end of the call and is asked if their call was resolved;"

- **Call Backs:** "FCR is determined based on whether the customer called back within 3-5 business days;" and

- **Case Management Software:** "CSR uses their desktop software application to capture whether the customer's inquiry or problem was resolved."[19]

Using FCR data would help the IRS to identify how to reduce the amount of calls it receives and also provide better service to taxpayers on the calls it does receive.

Engaged and Empowered Employees Are Essential to Improving Call Quality

Along with evaluating the experience from the caller's perspective, the IRS should also implement practices for accuracy-related oversight and incorporate metrics to evaluate its telephone assistors' rates of satisfaction.[20] Keeping telephone assistors engaged in the work they perform is necessary to achieve a high quality of service.[21] In providing guidance to telephone assistors, the IRS should identify specific actions a telephone assistor can take to improve his or her performance.[22] More than just correcting mistakes, supervisors should help telephone assistors understand how their role fits in the larger mission of the call center by explaining the impact a telephone assistor's performance had on the taxpayer's experience.[23] To further improve satisfaction and engagement, telephone assistors should be empowered to take affirmative steps to address a caller's problem themselves.[24] Employees need to be given a sense of agency over their work, and allowed to think creatively and reach innovative solutions.

LITERATURE REVIEW

1. **Accenture,** *Transforming Customer Services to Support High Performance in New York City Government*, 5, 6 (2013).

   "Through [business intelligence] BI reports and dashboards, the city tracks integrated information from millions of customers, allowing city staff to analyze call patterns and plan for or respond proactively to issues."

   "Customer satisfaction with NYC 311 now surpasses even the highest-performing private-sector call centers, according to a survey conducted last year by CFI Group, Inc., an industry leader in gauging customer satisfaction as measured by the patented American Customer Satisfaction Index."

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19 Mike Desmarais, Service Quality Measurement Group, *First Call Resolution: The Call Center Measure that Matters Most* (Dec. 2005), http://grandsorganismes.gouv.qc.ca/fileadmin/Fichiers/Veilles%20stratégiques/Gestion%20des%20 CRC/2005-first_call_resolution.pdf.

20 Ian Jacobs *et al.*, Forrester Research, *How to Measure and Improve the Contract Center Agent Experience*, (Apr. 16, 2015) ("Unhappy contact center agents equal unhappy customers.").

21 Bernard Marr & Andy Neely, *Managing and Measuring for Value: The Case of Call Centre Performance*, Cranfield University Staff Publications (2004).

22 Ian Jacobs *et al.*, Forrester Research, *How to Measure and Improve the Contract Center Agent Experience* (Apr. 16, 2015).

23 Rachel Miller, Impact Learning Systems, *No Time to Coach*, (September 2011).

24 Ian Jacobs *et al.*, Forrester Research, *How to Measure and Improve the Contract Center Agent Experience* (Apr. 16, 2015).

2. **Annette Reichold, Lutz Kolbe, & Walter Brenner**, *Performance Measurement of CRM in Financial Services*, 4th International Conference on Performance Measurement and Management, Edinburgh, 5, 6 (July 28-30, 2004), http://citeseerx.ist.psu.edu/viewdoc/download;jsessionid=4F1B718C414FB700AC626129550D0EE6?doi=10.1.1.133.196&rep=rep1&type=pdf.

"With the *service management* process, Service Level Agreements (SLA) are used, especially at call centers, to measure and manage performance. Examples of such measures are, e.g., 'the proportion of calls accepted within defined timeframes' or 'the proportion of requests answered within the first contact'."

"All the banks studied measure customer satisfaction. The *Swiss Regional Bank* improved its customer satisfaction through [Customer Relationship Management] CRM as well as the willingness of the customers to recommend the bank. Investment Bank specifically evaluates customers' satisfaction after having call center contact in order to measure the overall quality and effect of employee training and the new services offered. The bank benchmarks its results against similar companies in order to compare its performance achievements."

3. **Bank Administration Institute**, *Evolution of Contact Centers in Banking: Engaging and Empowering Agents in an Omnichannel Operating Environment*, 10 (2015), https://www.avanade.com/~/media/asset/brochure/contact-centers-in-banking-report.pdf.

"When polled if existing metrics still apply, roundtable participants generally agreed that while average handle time may not go away, it could be de-emphasized in measuring performance. Many of the participating roundtable organizations have started using new customer satisfaction scores, and while they believe other metrics may be changing, customer experience is still weighted the most, generally 40 percent across all scoring."

"[I]n today's omnichannel banking environment where the typical customer-agent interaction has moved from transaction to relationship oriented. These types of calls naturally affect average handle time and first call resolution, and these metrics may no longer be effective gauges of performance. By recognizing these factors, contact center leadership can converse with agents to see what's working and what is not."

4. **Bernard Marr & Andy Neely**, *Managing and Measuring for Value: The Case of Call Centre Performance*, Cranfield University Staff Publications, 9 (2004).

"The literature provides clear evidence that the current focus on efficiency measures in call centres can in fact be counterproductive to achieving customer satisfaction. Many call centres seem to have fallen into the trap of believing that operational measures such as call duration or average time to answer are indicators of customer satisfaction. The fact is that they are not; they are only measures of efficiency, which in turn is often seen as a determinant of financial performance. Most call centres seem to miss the important link between employee satisfaction, service quality, customer satisfaction, and profitability."

5. **Centers for Medicare and Medicaid Services**, *Medicare Administrative Contractor (MAC) Beneficiary and Provider Communications Manual* (Oct. 22, 2017).

"The quality of CSR responses to provider telephone calls shall be monitored throughout the contract year for each [Medicare Administrative Contractor] MAC jurisdiction using Quality

Assurance Monitoring (QAM) (Telephone). The goal of QAM (Telephone) is to ensure the CSRs provide accurate and complete information, in a courteous and professional manner, while ensuring that information is released to those authorized to receive it."

6. **Darren Baguley**, *Contact Centre Benchmarking*, Australian Institute of Mgmt. (June 1, 2008), http://blog.aim.com.au/contact-centre-benchmarking/ (last visited Dec. 5, 2017).

   "As contact centres begin to generate more revenue than they cost to run, managers are focusing on qualitative metrics aimed at improving customer service."

   "Metrics such as average time in queue are still important, but they're taking a back seat to Key Performance Indicators (KPIs) that are designed to measure the customer's interaction: first-call resolution, conversion ratios and customer satisfaction."

7. **Dep't of Labor,** *Unemployment Insurance (UI) Call Center Study Final Report*, 33–34, Coffey Consulting (Jan. 27, 2017), https://ows.doleta.gov/unemploy/docs/CoffeyConsulting_UI_Call_Center_Study_Final_Report_January272017acc.pdf.

   "When establishing [Key Performance Indicators] KPIs, management should concentrate on four key areas to maximize customer satisfaction and maintain a high performing call center [citation omitted]:

   1. Telephone benchmarks (*e.g.*, average speed of answer)
   2. Efficiency benchmarks (*e.g.*, adherence to schedule)
   3. Human resource benchmarks (*e.g.*, absenteeism)
   4. Service benchmarks (*e.g.*, first call resolution rate)."

   "Private call centers focus on ***first call resolution*** (*i.e.*, the degree to which calls are resolved in the first attempt, without the agent needing to refer the customer to a colleague or a manager, or call the customer back). Recent research suggests that no single KPI has a bigger impact on customer satisfaction than does first-call resolution (FCR) [citation omitted].

   In private industry call centers, ***customer satisfaction*** is a critical benchmark. A three-pronged approach to measuring customer satisfaction is recommended that combines quarterly customer surveys conducted by team leaders with independent third party analysis, and quality assurance measurements. The global metric for customer satisfaction is 90 percent [citation omitted]."

8. **Donna Fluss**, The Real-Time Contact Center: Strategies, Tactics, and Technologies for Building a Profitable Service and Sales Operation 134-35 (2005).

   "The ratios of managers to supervisors and supervisors to agents also vary widely from site to site and depend on the contact center's purpose. In shops that handle high-value or technically sophisticated products, the ratio of supervisors to agents may be as low as 1 to 5. By contrast, in a high-volume financial services call center where the typical call is 'What is my balance?' the supervisor-to-agent ratio may vary from 1 to 10 to as high as 1 to 20. A ratio of 1 to 10 is optimal, as this will allow supervisors the time to get to know their staff and offer proper coaching and motivation."

9. **Emmy Favilla**, *10 Strategies for Customer Service Success*, Customer Relationship Mgmt. Mag. (June 2004), http://www.destinationcrm.com/Articles/Editorial/Magazine-Features/10-Strategies-for-Customer-Service-Success-43824.aspx (last visited Dec. 5, 2017).

    "Using eQuality Balance to record customer interactions, and eQuality Evaluation to measure associate performance online, Starwood could calibrate performance scoring among agents, evaluate customer service skills, and maintain important facets of customer connection--from problem-solving to politeness."

10. **Genesys**, *Customer Service Strategies for the Retail Banking Industry*, 15 (2008), http://www.genesys.com/resources/brochures/customer-service-strategies-for-the-retail-banking-industry-strategy-guide-emea.pdf.

    "**Customer-Centric Routing** puts an end to customer frustration by ensuring each interaction is routed to the ideal resource with the right information — no matter where that resource is located in your organisation. This helps you increase first-call resolution rates, meet variable call volumes with limited resources, increase cross-sell and up-sell rates and improve agent satisfaction."

11. **George Robinson & Clive Morley**, *Call Centre Management: Responsibilities and Performance*, 17 Int'l J. of Service Indus. Mgmt. 284, 296 (Dec. 8, 2009).

    "Managers need to consider metrics more appropriate to achieving their organisational goals. Senior management should be asking for more than charts, graphs and a raft of statistics. They should not allow themselves to be deluded into thinking that favourable productivity statistics translate into a positive report in terms of a call centre's performance in delivering value to the organisation and its customers. More meaningful measures, such as first call resolution, need to be added to the managers' KPIs. A greater effort should be made to determine what will satisfy customers in each organisational setting. Attaining a target such as '80 per cent of calls being answered within 30 seconds' is a hollow result if the quality of the calls is below the customer's expectations. Achieving such a result could mask the problem of all calls potentially being poorly handled and customers being disenfranchised and eventually defecting. The pressure to meet the target may result in calls being handled inappropriately, causing call centre agents to miss vital information or fail to complete post-call work effectively, leading to potential downstream problems in customer fulfilment or even leaving the organisation exposed in the event of subsequent legal action (for example, when insufficient information has been recorded by the call centre agent)."

12. **Government Accountability Office**, GAO-05-526, *Immigration Services: Better Contracting Practices Needed at Call Centers* 9 (June 2005), http://www.gao.gov/assets/250/246932.pdf.

    "In order to monitor and evaluate the performance of the four contractor operated Tier 1 call centers, [U.S. Citizenship and Immigration Services] USCIS planned to use seven performance measures. These measures were to evaluate the quality of customers' telephone interactions with [customer service representatives] CSRs; the accuracy of information provided to callers over the telephone; the accuracy of callers' information recorded by CSRs; callers' levels of satisfaction; how quickly CSRs handled calls (two measures); and the number of calls abandoned by customers put on hold. According to USCIS officials, USCIS established the performance measures based on a review of industry standards for both government and private-sector call center operations."

13. **Government Accountability Office**, GAO-06-270, *Federal Contact Centers: Mechanism for Sharing Metrics and Oversight Practices along with Improved Data Needed* 4, 11-12 (Feb. 2006), http://www.gao.gov/assets/250/249031.pdf.

"Although federal policy for disseminating information to the public specifically emphasizes accuracy, only four of the six agencies include accuracy as a performance metric in their contracts. With respect to oversight, only two of the six agencies used all four of the accuracy-related oversight practices we identified — regular knowledge database reviews, regular contact monitoring, post contact customer satisfaction surveys, and validation of contractor reports."

"Three of the agencies we reviewed conduct customer satisfaction surveys subsequent to the initial contact from an individual. [General Services Administration] GSA, [TriCare Management Activity] TMA, and [U.S. Postal Service] USPS conduct customer satisfaction surveys, which ask, to limited degrees, questions that address the accuracy of information provided. While providing some level of insight regarding accuracy, customer surveys may not always provide a valid basis for oversight of the accuracy of information, since they usually ask the individual's opinion on the service provided. If the survey is conducted too closely to the time of the inquiry, the individual may not have had time to act upon the information to know whether it is accurate or not. [Center for Disease Control] CDC plans to implement three types of postcontact customer satisfaction surveys through a third-party contractor beginning in June 2006."

14. **Government Accountability Office**, GAO-15-84, *Managing for Results: Selected Agencies Need to Take Additional Efforts to Improve Customer Service* 28 (Oct. 2014), http://www.gao.gov/assets/670/666652.pdf.

"All of the agencies in our review provide customers with opportunities to submit feedback, including comments and complaints, through a variety of ways such as satisfaction surveys, comment cards submitted in person or online, e-mails, and call centers."

15. **Help Desk Institute (HDI)**, *Service Desk Metrics – Context is Everything*, 2 http://www.barclayrae.com/Knowledge/Service%20Desk%20Metrics%20-%20The%20 basics.pdf.

"First Contact Resolution (FCR)… The things you should consider are:

- A lack of industry consensus into exactly what constitutes a 'first call resolution' makes comparison of these rates problematic and probably accounts for some of the reported variation in resolution statistics.

- What do you consider to be a first contact fix? Some organisations will count a call that is transferred within the help desk as a first call fix. Some organisations include those instances where an analyst refers to another staff member, and some organisations count calls that are routed to 2nd/3rd level as 'resolved'.

- Is the time taken to achieve this fix taken into account? — From the perspective of the customer is a long telephone call which provides successful resolution more or less convenient than being called back later?

- What level of complexity are most of the calls to the desk?

- Good Knowledge Management will play a significant role in improving this metric."

16. **Hesham A. Baraka, Hoda A. Baraka, & Islam H. EL-Gamily**, *Assessing Call Centers' Success: A Validation of the DeLone and Mclean Model for Information System*, 14 Egyptian Informatics J. 99, 100-01 (July 2013).

"The Outsourcing Institute [citation omitted] indicates the growing importance of identification of qualitative metrics in measuring the performance of the outsourced call center. In [citation omitted], [North American Quitline Consortium] NAQC Issue Paper presents best practices in performance measurement and management to maximize call center Efficiency and Quality. The paper proposes identification of performance evaluation indicators instead of the classical ways based on customer surveys, customer praise, complaints, and observation of customer interactions."

"User satisfaction is an important means of measuring customers' feedback of the call center system and should cover the entire customer experience cycle based on the services provided from the call center. Examples of services may include information retrieval, marketing, technical support, remote diagnosis, remote data entry as in medical transcriptions, mobile, etc. A critical parameter to be measured for the user satisfaction is the rate of the escalation of calls beyond the agent representative as the existing modules failed to answer the customer query."

17. **Ian Jacobs *et al.***, Forrester Research, *How to Measure and Improve the Contract Center Agent Experience* 1, 6 (Apr. 16, 2015).

"Contact center agents can have a huge impact on customer experience. Unhappy contact center agents equal unhappy customers. It's that simple. What is less straightforward is how application development and delivery (AD&D) professionals can determine how happy and engaged the agents actually feel. If they can successfully uncover what sort of experiences agents have, AD&D pros must then create technology scenarios that help improve those experiences."

"Contact center managers often want to build dashboards of key performance indicators (KPIs), including hot metrics such as Net Promoter Score and Customer Effort scores to present to agents. But those metrics usually give agents very little hint of what specific actions to take to improve the numbers. Contact center pros should skip the Customer Effort score and show agents an aggregated view of the root-cause analysis done on their interactions rated as high effort by customers. This gives agents something they can actually bite into and can, with guidance, be turned into useful improvement plans."

18. **International Finance Corp.**, *Measuring Call Center Performance: Global Best Practices* 2, 7 (June 2010).

"Chose metrics that reveal key insights into the customer experience, emphasizing quality and quantity equally."

"Customer satisfaction is a critical benchmark. A three pronged approach is recommended that combines quarterly customer surveys conducted by team leaders with independent third party analysis, and quality assurance measurements. **The global metric for customer satisfaction is 90%…**

First call resolution rate measures the percentage of all calls that are resolved on the first attempt, without the agent needing to refer the customer to a colleague, their manager, or calling the customer back. This measure should improve as agents become more confident with the product and systems. **The global metric is 70-75%…**

Quality assurance measures quality of calls and is based on a set of criteria which the agent must cover during the call. Including, but not limited to:

- How the agent answers the call
- How they navigate the caller to a resolution
- How they end the call."

19. **Jeff Rumburg**, MetricNet, *Metric of the Month: First Contact Resolution* (2011), http://www.thinkhdi.com/~/media/HDICorp/Files/Library-Archive/Insider%20Articles/First%20Contact%20Resolution.pdf.

"FCR is typically measured in one of two ways: (1) the service desk agent checks a box on the trouble ticket at the conclusion of the call or chat session to indicate that the call was successfully concluded on the initial contact, or (2) customers are asked in follow-up customer satisfaction surveys whether their calls were resolved and concluded on the initial contact with the service desk. The first method requires periodic audits to ensure that agents are accurately reporting FCR on the tickets they handle. This is done by reviewing a representative sample of tickets each month to determine whether the tickets designated FCR by an agent are, in fact, being resolved on the first contact with the customer. Neither method of measuring FCR is perfect, but it is one of the most important KPIs to track and trend."

20. **Jeff Rumburg & Eric Zbikowski**, MetricNet, *The Five Most Important KPI's for the Call Center* (Feb. 20, 2013), https://ccng.com/uploads/five_most_important_kpis_for_the_call_center_metricnet.pdf.

"The two 'foundation metrics' that every call center should track on an ongoing basis are Cost per Call and Customer Satisfaction. The next two metrics in the top five are the ones that have the greatest influence on cost and customer satisfaction: Agent Utilization and First Contact Resolution." (at 12-13).

"Customer satisfaction is affected by a whole range of other performance variables, including Average Speed of Answer (ASA), Call Quality, and Handle Time, to name just a few. But the single biggest driver of customer satisfaction — by far — is FCR." (at 5).

21. **John Bruno & Kate Leggett**, Forrester Research, *Define the Right Metrics for Tracking CRM Success* 2, 11 (Sept. 20, 2017).

"**Voice of the customer (VoC) programs are now widespread.** Most execs have undertaken new strategies to improve their company's customer experience [citation omitted]. And because companies need accurate customer insight to provide effective customer experiences, it's no surprise that VoC programs are gaining momentum. According to a Forrester survey, 84% of surveyed companies reported that they ask customers for feedback about past experiences on a regular basis [citation omitted]."

"**Measure what is important to customers.** Too many companies spend money on the wrong things — or actively annoy customers — because they never bother to ask what would help their customers. Consider using customer surveys or adding more-detailed customer preference options to let customers specify what they like and don't like, how they want you to contact them, and

what is important to them. Start with one-on-one phone surveys or focus groups to home in on key issues and then automate for broader input and validation…

Use metrics to guide employees. Clear metrics help employees know what 'success' looks like. A telecommunications firm uses five key metrics for service reps: 1) number of repeat calls; 2) number of topics discussed per contact; 3) hold time; 4) call time; and 5) customer satisfaction. A customer management technology platform supports the reps, putting them in a position to answer customer inquiries and respond to customer requests. Clear measures let them know how well they are performing."

22. **John Horrigan**, Pew Research Center, *How Americans Get in Touch With Government* (May 24, 2004), http://www.pewinternet.org/2004/05/24/how-americans-get-in-touch-with-government/ (last visited Dec. 5, 2017).

"The limits of e-gov have to do with people's technological assets, preferences, and the wide range of problems people bring to government. Not everyone has Internet access — about one third of American adults do not — which means that phone calls, in-person visits, or letter-writing are the available options to contact government for a large share of the population. Many people simply do not choose to use the Web or email to get in touch with government. In fact, those who contact government, including Internet users, are most likely to say they prefer to use the telephone to do so."

'In sum, e-gov is a helpful tool among several options for reaching out to government, but it is by no means the 'killer app' among them. People's problem-solving capacities matter to successful outcomes with government, not a specific technology. As policymakers expand the offerings of e-government, they would be wise also to maintain and upgrade the other channels that citizens use to contact government, with a focus on how these traditional channels may complement e-gov applications.'

23. **Kate Leggett**, Forrester Research, *Trends 2016: The Future of Customer Service* (Jan. 5, 2016).

"Companies must make it easy for customers to get service over the touchpoint and channel of their choice at any point in their journey." (at 3).

"In 2016, organizations … will learn to better route a customer to an agent who can most effectively answer a question based on skills and behavior data. They will better understand customer call patterns and preempt future calls." (at 7).

"In 2016, organizations will begin to equip agents with simpler, more modern, automated, task-based user interfaces to increase their productivity. These improvements will allow agents to focus on solving the customer's issues and delivering differentiated service instead of struggling with their tool set. Organizations will also empower agents to use their knowledge and experience to make better decisions for customers by beginning a shift from efficiency success metrics to ones that highlight customer satisfaction and customer lifetime value." (at 9).

24. **Mike Desmarais**, Service Quality Measurement Group, *First Call Resolution: The Call Center Measure that Matters Most* (Dec. 2005), http://grandsorganismes.gouv.qc.ca/fileadmin/Fichiers/Veilles%20strat%C3%A9giques/Gestion%20des%20CRC/2005-first_call_resolution.pdf.

"Based on [Service Quality Measurement Group's] SQM's 2005 benchmarking study of over 250 leading North American call centers on 150 traditional operational measures, 55 customer satisfaction measures and 50 employees satisfaction measures, we have concluded that FCR — is the measure that matters most for operating an effective and efficient call center."

"Put simply — just because a call is handled quickly does not mean that it is handled efficiently, especially if that customer has to call back in because the information was incomplete."

"Achieving 80% or higher FCR rating typically results in an average of 1.2 calls needed to resolve customer's inquiry or problem."

25. **Monica Anderson**, Pew Research Center, *Digital Divide Persists Even as Lower-Income Americans Make Gains in Tech Adoption* (Mar. 22, 2017), http://www.pewresearch.org/fact-tank/2017/03/22/digital-divide-persists-even-as-lower-income-americans-make-gains-in-tech-adoption/ (last visited Dec. 5, 2017).

"Nearly 30 years after the debut of the World Wide Web, internet use, broadband adoption and smartphone ownership have grown rapidly for all Americans — including those who are less well off financially. But even as many aspects of the digital divide have narrowed over time, the digital lives of lower- and higher-income Americans remain markedly different.

Roughly three-in-ten adults with household incomes below $30,000 a year don't own a smartphone. Nearly half don't have home broadband services or a traditional computer. And a majority of lower-income Americans are not tablet owners. By comparison, many of these devices are nearly ubiquitous among adults from households earning $100,000 or more a year."

26. **North American Quitline Consortium**, *Call Center Metrics: Best Practices in Performance Measurement and Management to Maximize Quitline Efficiency and Quality* (2010).

"The service provider should develop clear standards for the call-handling process and train staff to meet them. Call-handling process data should be regularly reviewed at all levels of the organization to ensure that call center agents are meeting the standards. The service provider should adopt an evaluation strategy, such as customer surveys, to obtain qualitative information on the intake process from the perspective of callers." (at 14).

"There are many different ways to listen and get customer feedback. The three primary ways are:

- Customer surveys
- Customer praise and complaints
- Observation of customer interactions." (at 6).

"Regular employee-satisfaction surveys can provide valuable insight into the current perceptions of the staff. Surveying should be a routine process that allows and encourages each employee to assess immediate supervisors, the management team, work environment, training, job resources, career opportunities, and so on. If there is dissatisfaction with some recent change or process, it is

important to find that out as quickly as possible since such dissatisfaction may affect how the agent performs on the phone." (at 7).

FIGURE 1 (at 19)

Performance Category	Performance Measures for Frontline Staff	Quantitative Measure	Qualitative Measure
Service	Schedule adherence	X	
Quality	First-call resolution rate	X	X
	Transfer rate	X	X
	Telephone etiquette		X
	Competency/knowledge		X
	Error/rework rate	X	X
	Process adherence		X
Efficiency	Schedule adherence	X	
	Availability	X	
	Average Handle Time	X	
	After-Call Work time	X	
	On-hold time	X	
	Conversion rate	X	X

27. **The Northridge Group,** *State of Customer Experience 2017*, 2, 14 (2017).

"Just as customers are becoming more digitally savvy, so too must the companies that serve them. Our data shows that customers want to be met on their channel of choice and have little tolerance for multiple contacts, long hold times, slow responses and ineffective issue resolution. While digital self-service channels allow customers to be more self sufficient, consumers still want direct, personal assistance for more urgent matters."

"Interactive Voice Response (IVR) systems can procure identifying information from callers which allows agents to pull up a customer profile. Websites and mobile apps can track historical information to allow users to see details about their account. By equipping agents with as much information as possible, they'll have a more complete understanding of previous interactions and potential issues, in addition to providing a faster, more accurate solution."

28. **Oracle,** *Eight Steps to Great Customer Experience for Government Agencies*, 6-7 (March 2012).

"**Extended subject matter knowledge.** Agency employees need to be able to access the same knowledge that an agency makes available to its customers via online self-service. This ensures that customers get consistent, accurate, and up-to-date answers regardless of how they contact the agency. Employees can also be provided with additional knowledge that may not be appropriate for online posting but is essential for serving customers effectively."

"**Interaction context.** Frontline employees can also better serve customers if they're provided with knowledge about the context of customer interactions. This is achieved when employees can view any recent previous interactions with the customer. Thus, for example, if a customer has

already spoken to other agency employees about the issue at hand, the employee can take that into account—and avoid asking the same questions. This shortens calls and saves customers the frustration of having to go over the same information again and again."

29. **Peggy Carlaw**, *Call Center Best Practices*, CustomerThink (May 11, 2012), http://customerthink.com/call_center_best_practices/ (last visited Dec. 5, 2017).

"There are other reasons why giving feedback is so important. It shows your staff that you're on top of things, that you're keeping yourself informed, and that you're dedicated to a course of continual improvement. Call center employees who receive ongoing feedback are more engaged in their job, and more engaged employees create more satisfied customers. What's more, this call center best practice shows your staff that you care about them, about their performance, about the customer, about service levels, and about running a world-class call center."

"The goal of your call center is to help your organization meet its business goals. Metrics measure how well you've done that. Look at metrics related to quality (call quality, data-entry quality, fix quality, customer satisfaction and loyalty, etc.) as well as metrics related to quantity (average speed of answer, number of escalations or transfers, the time it takes to resolve the customer's issue, etc.). The goal is to create the highest customer loyalty at the lowest cost."

30. **Rachel Miller**, Impact Learning Systems, *No Time to Coach,* 2 (September 2011).

"[C]orrecting is a very important part of coaching. It is not easy to tell someone that they did something wrong, but avoiding such issues will affect team productivity and morale. Use the following acronym as an easy reminder for effective correcting.

B = Behavior. Clearly point out the incorrect behavior.

E = Effect. Explain the effect of the incorrect behavior had on the customer, call, etc.

E = Expectation. Clearly state what you expect employee to do differently next time.

S = Secure Commitment. Secure commitment from the employee to try what you've asked."

31. **Richard A. Feinberg *et al.*,** *Operational Determinants of Caller Satisfaction in the Call Center*, 11 Int'l J. of Service Industry Mgm't. 131, 140 (2000).

"No amount of measuring speed of answer, abandonment rates, etc. can take the place of knowing, tracking, and strategically considering how satisfied the callers were with their experience and outcome in the call center experience. This study shows that resolving the problem and answering the question the first time the customer calls and making certain that the customer gets through the first time are the two essential elements of the call center operation."

32. **Scott Keeter *et al.*,** Pew Research Center, *From the Telephone to the Web: The Challenge of Mode of Interview Effects in Public Opinion Polls*, 2 (May 13, 2015).

"Using its nationally representative American Trends Panel, Pew Research Center conducted a large-scale experiment that tested the effects of the mode of survey interview — in this case, a telephone survey with an interviewer vs. a self-administered survey on the Web — on results from

a set of 60 questions like those commonly asked by the center's research programs. This report describes the effort to catalog and evaluate mode effects in public opinion surveys."

33. **Terrel Bird**, *Measuring the Success of a Call Center: Easier than You Think*, INT'L CUSTOMER MGM'T. INST. (Jul. 13, 2016), http://www.icmi.com/Resources/Metrics/2016/07/Measuring-the-Success-of-a-Call-Center-Easier-than-You-Think (last visited Dec. 5, 2017).

"Some of the most common and insightful call center metrics that help us to measure overall performance include average call duration, call quality, customer satisfaction score, escalation rate, first call resolution, resolution time and speech analytics."[25]

"Resolution Time measures the amount of time it takes for an agent to successfully resolve a customer issue. Typically measured in hours and/or days, resolution time is frequently tied to customer satisfaction because a low resolution time shows that agents are making proper solutions and communicating them to customers properly."

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25 Escalation rate "measures the frequency that an agent has to send customer calls to higher-ranking agents for resolution." Terrel Bird, *Measuring the Success of a Call Center: Easier than You Think*, INT'L CUSTOMER MGM'T INST. (Jul. 13, 2016), http://www.icmi.com/Resources/Metrics/2016/07/Measuring-the-Success-of-a-Call-Center-Easier-than-You-Think (last visited Dec. 5, 2017).

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