

# Better Process Reengineering

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I'm really tired of hearing that "business process reengineering doesn't work." Hogwash! What's given BPR a bad name is the companies that wasted millions of dollars on poorly executed projects in the 1990s. That doesn't mean that BPR concepts are wrong; it merely means that projects were not planned or managed well. It's a different story today - according to Prosci's 2002 BPR Benchmarking Study on Reengineering Best Practices, over 73% of the 327 BPR project teams surveyed met or exceeded their objectives. So, this column addresses achieving better process reengineering.

In these tough economic times, process improvement should be the mantra of every contact center manager. There are two fundamental approaches to process improvement, Total Quality Management (TQM) and Business Process Reengineering (BPR). If you need only increase revenues or decrease cost by 5 - 15%, then TQM is for you. TQM is internally focused, and works on tweaking existing, generally well functioning processes. But if you need major improvements, go with BPR. BPR encourages you to design processes from scratch with your customer in mind - not organizational imperatives. BPR may be required if you need to make radical changes because of:

\*Poor customer satisfaction

\*Pressures to reduce costs or increase revenue dramatically

\*Competitive pressures

## Does Your Call Center Need BPR?

In the contact centers that Vanguard visits every day we frequently see signs that indicate an organization needs BPR. What are some of these symptoms?

**Significant decline in customer satisfaction ratings.** If your center's customer satisfaction scores are drifting south, take heed. Listen to your customers. Change processes to make it easy to do business with you.

**Small specialized groups of CSRs.** Small groups of specialists are inherently inefficient and are costing organizations tens of thousands of dollars. Change processes, supporting systems, and training to provide your organization with the efficiencies of scale large groups of CSRs provide.

**Low first contact resolution.** In the best contact centers we visit, nearly 80% of all customer inquiries are handled to completion on the first contact. If you require multiple contacts to answer a customer inquiry, your costs increase substantially and your level of customer satisfaction decreases.

**Undocumented or poorly documented processes for CSRs to follow.** Do your CSRs have well documented processes to follow? Are they reviewed and updated periodically with an eye toward your changing business environment? Customers quickly learn when processes are ill-defined, particularly in credit and collections situations. They will call back multiple times to find a CSR who will give them an answer they like. This increases your contact center costs and may reduce collections.

**Piles of paper at CSR workstations.** When papers are piled up in CSR workstations it generally means that either work is going to be routed to another department or information that CSRs need to do their job is found in manuals, memos, or other paper forms. In both cases, paper is adding expense and increasing the likelihood of processing errors.

**CSRs roaming the center.** CSRs should be at their workstations handling customer inquiries. If they need to get out of their chairs to access files, get documents from the printer, and send/retrieve faxes, the current processes are inefficient and costing you more than they should.

## **How to Ensure that Your BPR Project Succeeds**

According to the Prosci study, there are seven critical success factors for BPR projects.

1. Get top management sponsorship. With BPR, it is likely that the current operations will be transformed. Significant business transformation must be led from the top. Senior management must be vocally and frequently supportive of change.
2. Align your BPR effort with overall corporate strategy. Show how your efforts support and contribute to corporate goals.
3. Choose a strong and diverse team. Team members should come from within the contact center – including CSRs, and from other organizations that support the center. Team members must understand the current processes, be committed to the project and have leadership qualities.
4. Build a business case. In this day of tight budgets, you must develop a clear and compelling business case that shows in dollars and cents how you will reduce costs or produce additional revenue.
5. Use proven methodologies. There are any number of good articles, books and courses that provide detailed instructions on how to conduct reengineering projects. You don't have to re-invent the wheel. Learn from the successes and mistakes of others.
6. Manage change. Change is inherently threatening. Process reengineering often leads to worries about job loss and changes in organizational structure. You must communicate the changes and reasons for change frequently. It's nearly impossible to over communicate. Without the acceptance of CSRs and others in the center, your project will fail.
7. Show results quickly. One of the most common criticisms of BPR projects in the early 1990s was that they took too long to show results. Today, smart managers use a phased approach. According to the Prosci study, 70% of the participants were able to produce improvements

within six months.

So take a look around your center and see if you have any of the symptoms that indicate you need to make process improvements – whether it's TQM or BPR. And follow the lead of others who have shown that you can lead a process design project and produce results quickly without spending millions of dollars. It's time.

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*For more information on Prosci's 2002 BPR Benchmarking Study on Reengineering Best Practices can be found at <http://www.prosci.com>.*