

# Top Five Myths about Workforce Management

Call Centre Helper May 2013



# Session Leaders



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## Session Overview

### Top Five WFM Myths

1. You should focus on daily or weekly service level metrics.
2. Inflate staff requirement by shrinkage percentage to get schedules.
3. Schedule to minimise overtime costs.
4. Use 9-5 schedules to maximise coverage and satisfaction.
5. WFM software is expensive and needs a heavy IT project.

## Myth 1:

**You should focus on daily or weekly service level metrics.**

How do you measure Service Level or ASA now?

- End of Day? Week? Month?
- Average versus Interval
- What is success?
  1. \_\_\_\_\_
  2. \_\_\_\_\_



## Top Five WFM Myths

<b>Time of Day</b>	<b>Call Volume</b>	<b>Daily %</b>	<b>SL (80% goal)</b>
6:00 – 7:00	85	4.5%	<b>100%</b>
7:00 – 8:00	90	5.0%	<b>100%</b>
8:00 – 9:00	95	5.5%	<b>95%</b>
9:00 – 10:00	145	8.0%	<b>90%</b>
10:00 – 11:00	185	10.0%	<b>75%</b>
11:00 – 12:00	195	10.5%	<b>70%</b>
12:00 – 1:00	165	9.0%	<b>80%</b>
1:00 – 2:00	185	10.0%	<b>70%</b>
2:00 – 3:00	220	12.0%	<b>60%</b>
3:00 – 4:00	210	11.0%	<b>70%</b>
4:00 – 5:00	145	8.0%	<b>80%</b>
5:00 – 6:00	125	6.5%	<b>90%</b>

**Myth 2: You should increase base staff by shrinkage percentage.**

- Track all categories of shrinkage.
- Calculate shrinkage percentages by category.
- Factor in shrinkage percentage for scheduling.

## Calculating Shrinkage



- Shrinkage is the paid time during which staff are not available to handle calls.
- The “bodies in chairs” requirement assumes that all staff are available to receive phone calls.
- Inaccurate shrinkage figures distort forecasting.

## Shrinkage

The percent of paid time an employee is not available to take calls

## Examples

Paid breaks

Meetings

Off-phone time

Paid time off

Training

Unexplained



## Calculating Shrinkage

### Example

Paid time off: 8 hrs x 10 days = 80 hours

Paid breaks: 1/2 hr/day x 5 days x 50 weeks = 125 hours

Meetings/training: 3 hrs/week x 50 weeks = 150 hours

Off-phone time: 1/2 hr/day x 5 x 50 weeks = 125 hours

Unexplained: 1/4 hr/day x 5 x 50 weeks = 63 hours

Total **543 hours**  
(Available 2080 hours)

**Shrinkage 26%**

## Applying Shrinkage

90 staff (bodies in chairs) required ; shrinkage = 26%

### Calculation:

Scheduled Staff = Bodies in chairs / (1 – shrinkage factor)

Scheduled Staff = 90 / (1 - .26)

Scheduled Staff = 90 / .74 = 122 staff



Wrong: 90 staff x 1.26 = 113 staff

### **Myth 3: You should aim to minimise overtime costs.**

- Overtime is too expensive, right?
- Better objective: Minimise overall costs.
- Let's take a look at “the overtime lie”...

# Understanding True Labour Cost

Average Hourly Wage = £8.50

Overhead = 30%, of which N.I. 13.8%

Allowance for annual leave, bank hols = 12%

Cost of Normal Time = £8.50 x 1.30 x 1.12 = £12.38

Cost of Overtime = £8.50 x 1.5 x 1.138 = £14.51

Adverse Cost of Occupied Time = £12.38 - £12.38 = £0

Adverse Cost of Idle Time = £12.38

Adverse Cost of Overtime = £14.51 - £12.38 = £2.13

Idle Time Is  
About **6 Times**  
More Expensive  
Than Overtime!

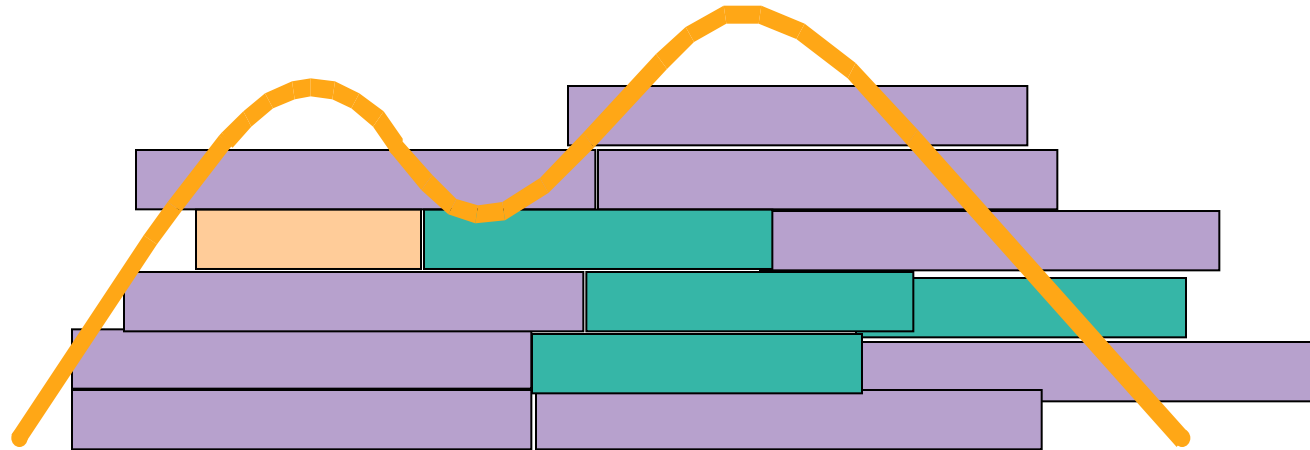
## Myth 4:

**Use 9-5 schedules to maximise coverage and satisfaction.**



The peak day has more workload so how can you assign more work hours here?

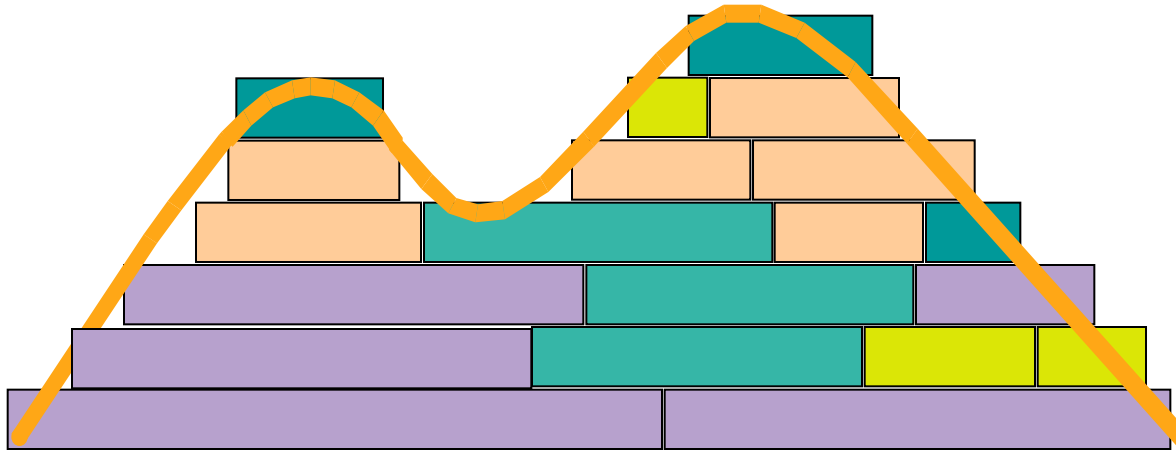
## The Scheduling Challenge



Think of your shifts like LEGO building blocks.

The more sizes and types of blocks, the better you can build your model.

# The Scheduling Solution



## The Result:

A better fit with less understaffing and overstaffing

## Scheduling Strategies

As you build schedules, expand your mix:

- Full vs part-time mix
- Different shift lengths
  - 5 x 8-hour
  - 4 x 10-hour
  - 3 x 10-hour + 2 x 5-hour
  - 3 x 9-hour + 2 x 6.5-hour
  - 1 x 10-hour + 4 x 7.5-hour
  - Others?
- Not all agents want to work core hours



**Flexibility** is the key.



## Top Five WFM Myths

### **Myth 5: WFM software is expensive and IT-heavy.**



## Traditional 'on premises' WFM is expensive

- Software licence fee = capital expense
- Hardware = capital expense and ongoing IT costs
- Heavy project for IT = internal costs, bottleneck and delay
- Customer responsible for keeping the installation up-to-date = disruptive and costly
- Annual maintenance fees
- Introducing cloud WFM ...



## WFM can cost less than you think

- injixo WFM from InVision
- £9 per user per month, including
  - Support & maintenance
  - Hosting, updates, backups
  - No server or heavy IT involvement
  - 99.5% uptime guarantee
- Normally Opex not Capex
- Streamlined implementation
- Flex capacity as needed
  
- ROI is almost instant ...



## WFM – the business case

- Do more with less
- Consistently achieve service levels
- Manage ‘the power of one’ by monitoring adherence
- Spend less time fire-fighting, more time planning for success
- Reduce staff turnover and hiring costs
- Avoid penalties and earn bonuses
- Increase revenue



## See for yourself

- Join us for a live web demo
- Every Friday at 11:00 UK time
- 90 minutes
- Contact [chris.dealy@injixo.com](mailto:chris.dealy@injixo.com) for joining instructions



## Session Review

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