



Secrets of WFM

Ric Kosiba

Three Topics

1. What to do when there is variance? Should we reforecast?
2. Some quick and cool what-ifs using sensitivity analyses
3. Forecasting in the cloud and Decisions

Variance Analysis is Important!

Variance analyses are our canary in the coalmine

Why is there variance?

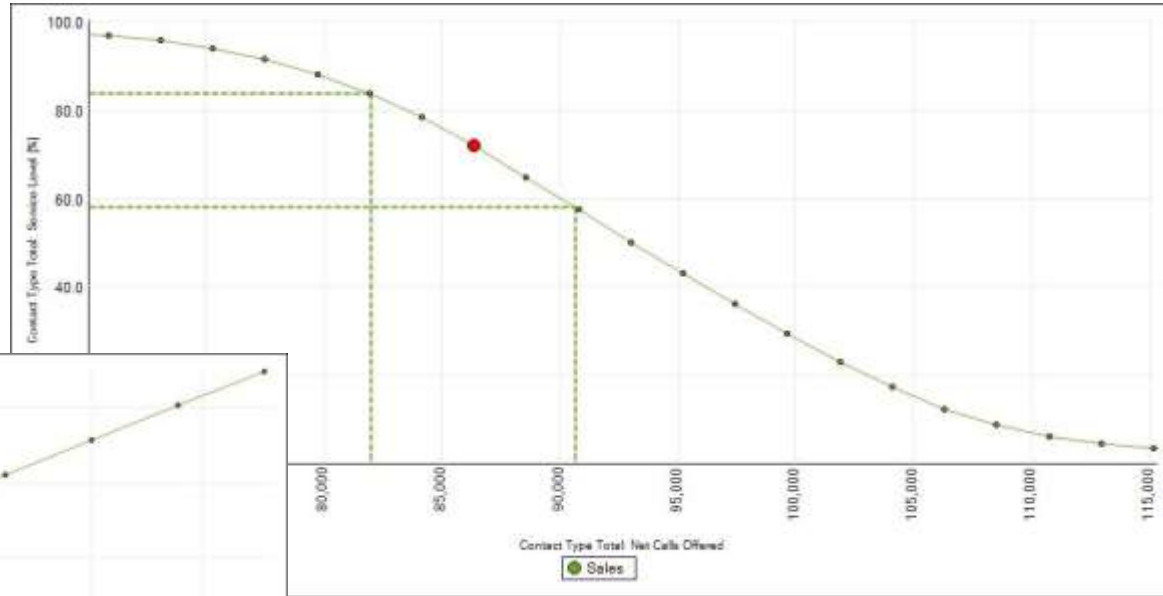
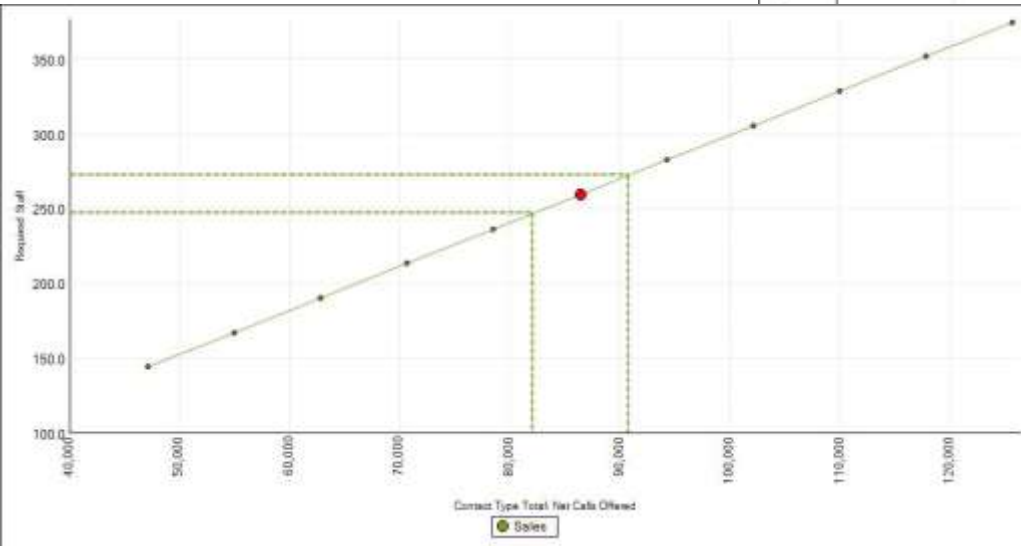
1. The forecast may be off— a math or process error
2. Something external may have changed the mix of contacts or agent performance
3. Something internal may have changed the mix of contacts or agent performance
4. It could be a random occurrence (a blip)



A very appropriate role of your forecasting process is to be an early warning signal. And variance is often the impetus for many what-ifs!

Is the variance significant? Vol Vs. SL/Staff Required

Sensitivity analysis is a quick way of determining the effects on service, staffing, and cost of variance



Having a validated contact center model makes sensitivity analyses possible.

Is it error or is it change?

Error

- Can I tweak my model to make it better?
- Hindsight: Was it my modeling choices that made the difference in accuracy?
- Nobody understands what's different this month

Change

- Or do I have to throw away my model for something radically different?
- Hindsight: Did I have any way of forecasting this right?
- We are hearing about the change (from the agents, from the news, etc...)

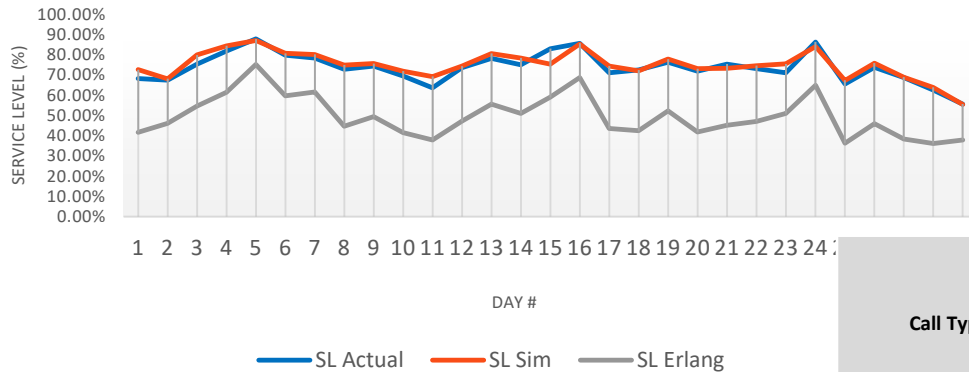
What many management teams view as error is really change! The best management teams view error *as* change!

What-Ifs!



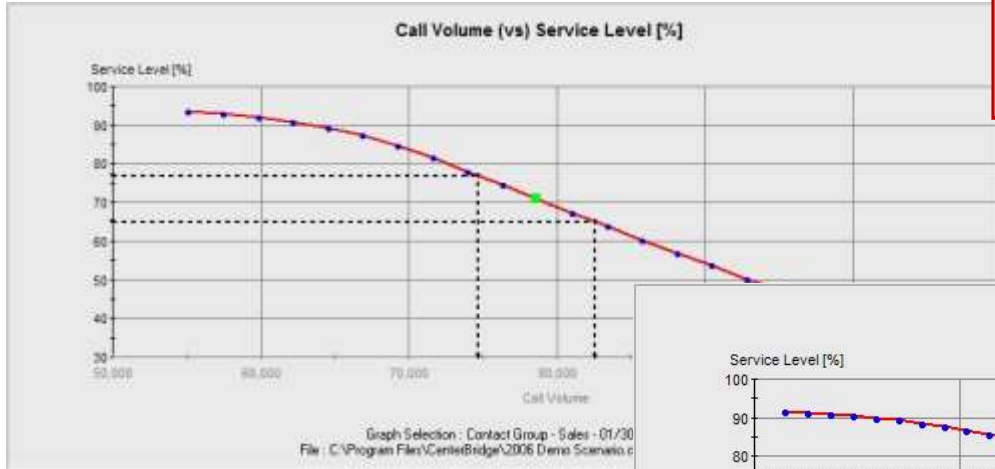
Simulation vs. Erlang C: validating accuracy

Preferred Service: Service Level Comparison
Simulation vs. Erlang-C vs. Actuals (Weekly
Summary)



Call Type	Simulation Service Level Prediction			Erlang-C Service Level Prediction		
	Avg. Err	Avg. Abs. Err	Std. Dev. Abs. Err	Avg. Err	Avg. Abs. Err	Std. Dev. Abs. Err
Loans	0.59%	0.78%	0.65%	22.42%	22.42%	4.61%
Member Services	0.24%	1.19%	1.20%	25.97%	25.97%	5.56%
Preferred Services	-1.27%	2.21%	1.75%	24.11%	24.11%	4.67%
Retail	0.86%	2.66%	1.39%	3.36%	4.03%	4.85%
Credit Card	0.31%	1.01%	1.08%	9.99%	9.99%	3.41%
Auto Insurance	1.20%	2.45%	2.27%	-3.46%	3.46%	1.59%
Average	0.32%	1.72%	1.39%	13.73%	15.00%	4.12%

1. Forecasting shrinkage is extremely important



An error rate of 5% on call volume is **equal** to an error rate of 3% on shrinkage!



You should forecast:

- Attrition
- Each shrinkage (OPA) category
- Wage rate and financials
- Handle Times
- CustEx Metrics

2. Setting Service Goals

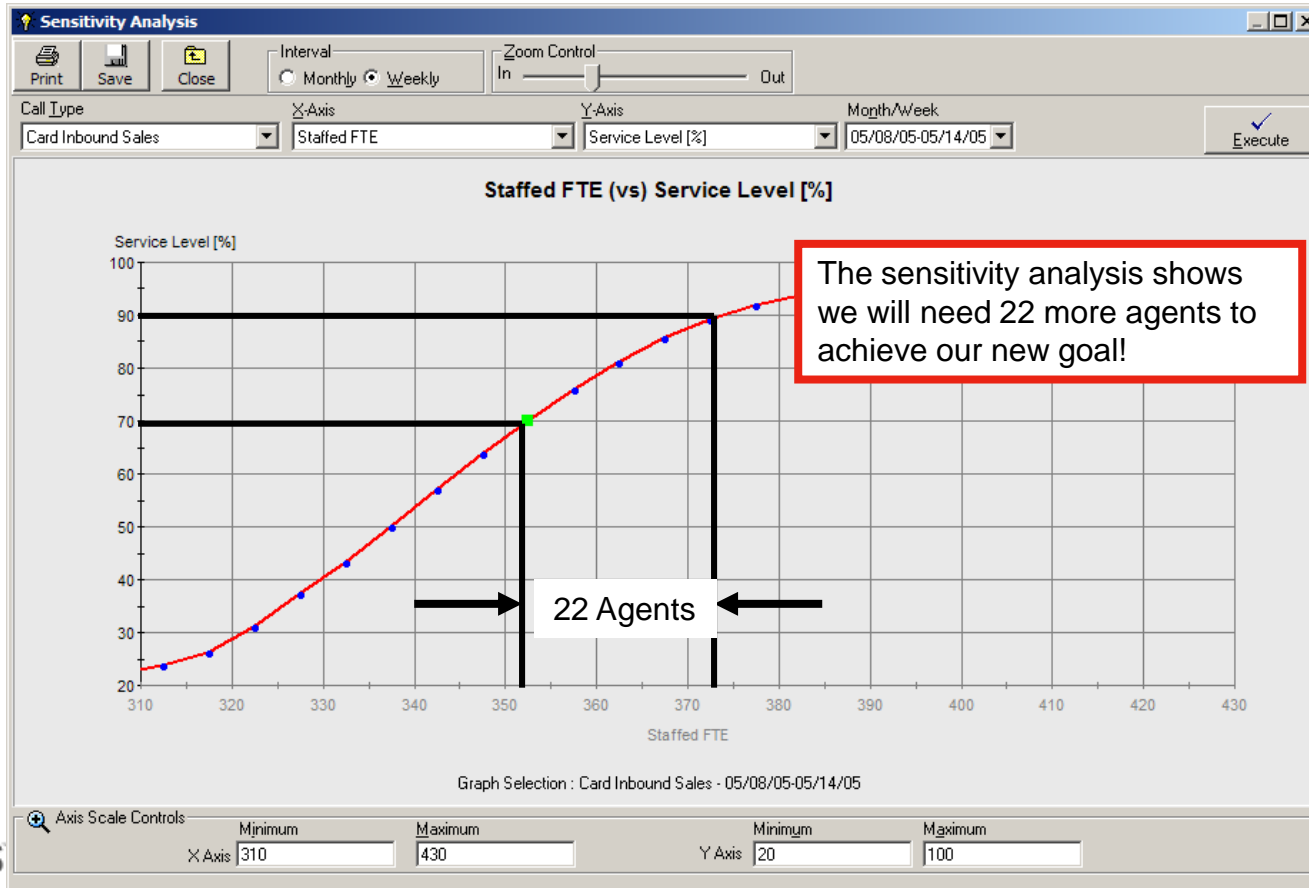
Question: Should we keep running a 70/20 second service level goal, or switch to a 90/20 service level goal?

Some Implications:

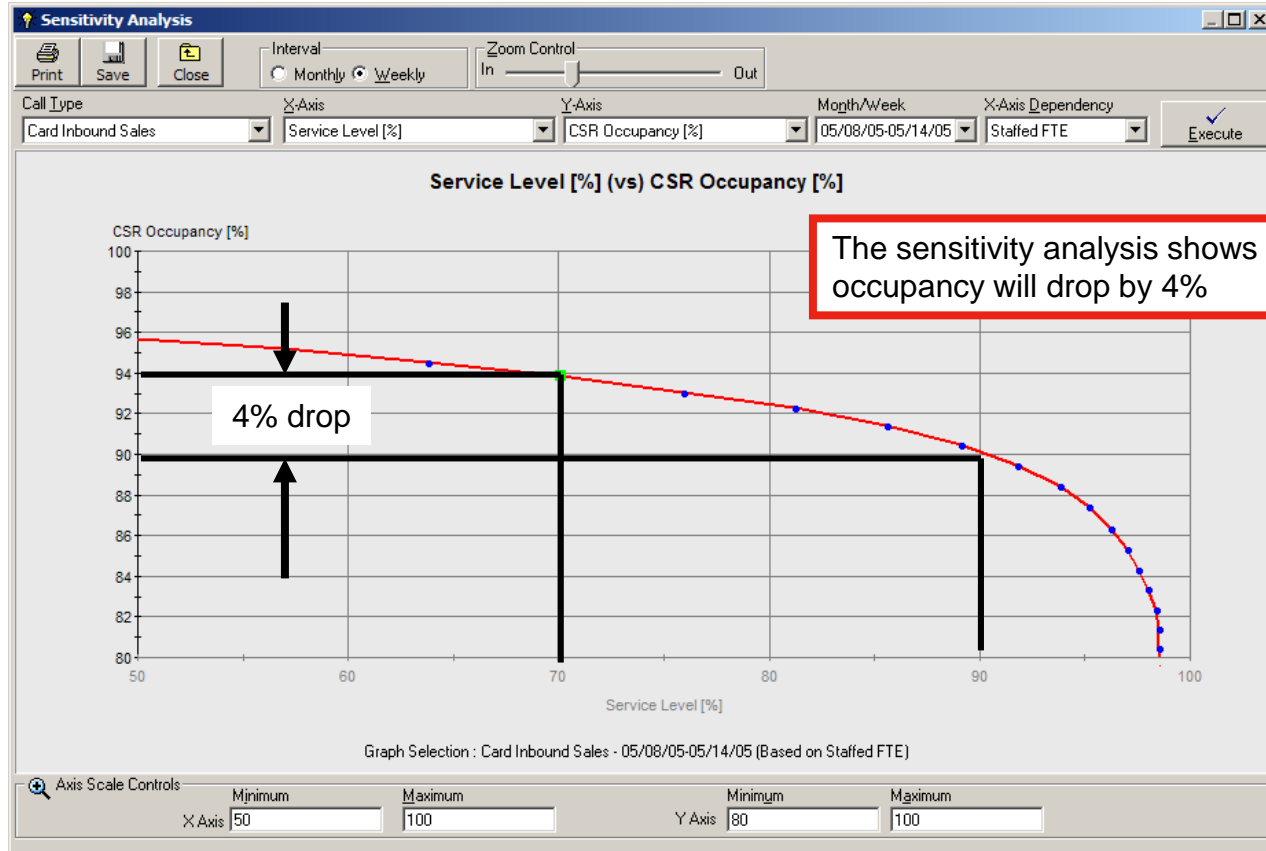
- Telecommunications cost
- Staffing cost
- Facilities
- Customer satisfaction
- Occupancy and idle time

So how do you take these factors into account?

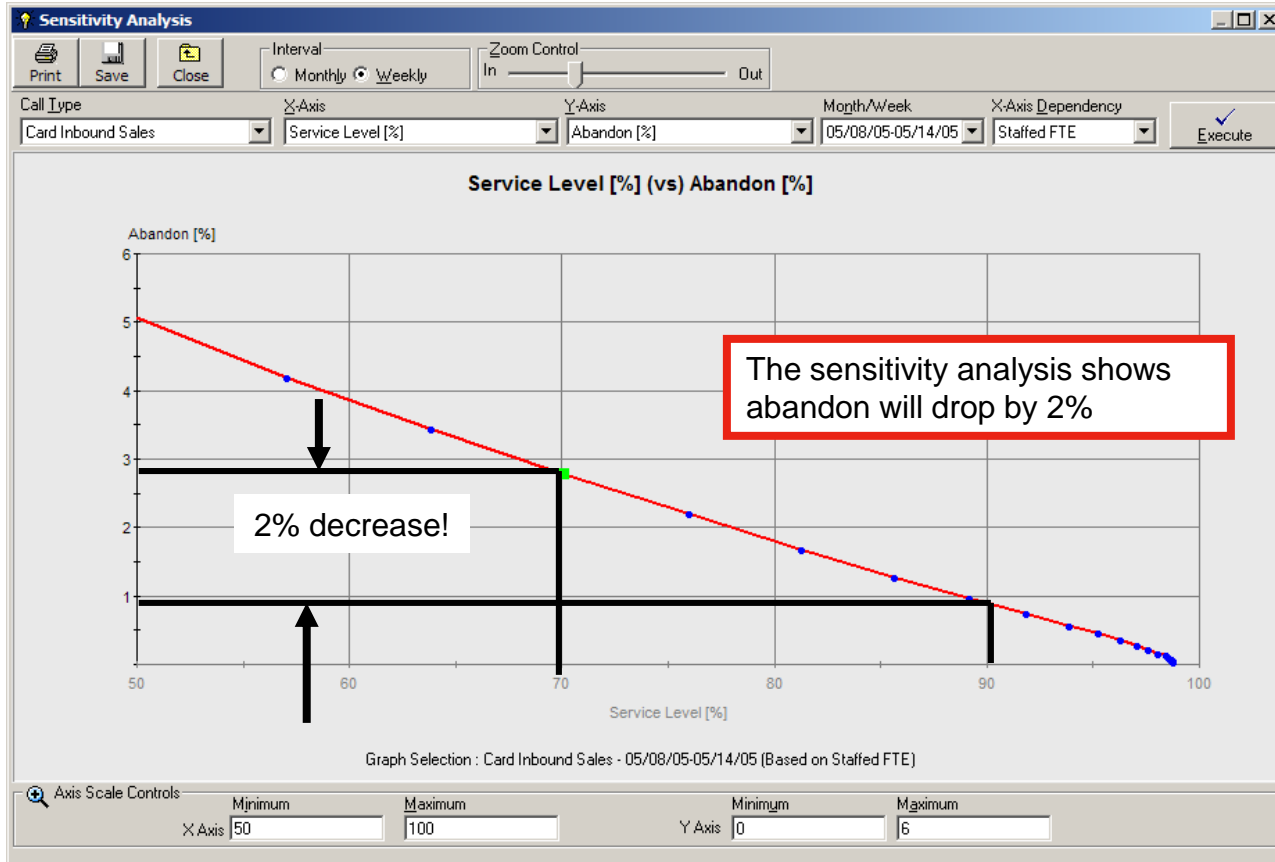
How Many More Agents Will We Need?



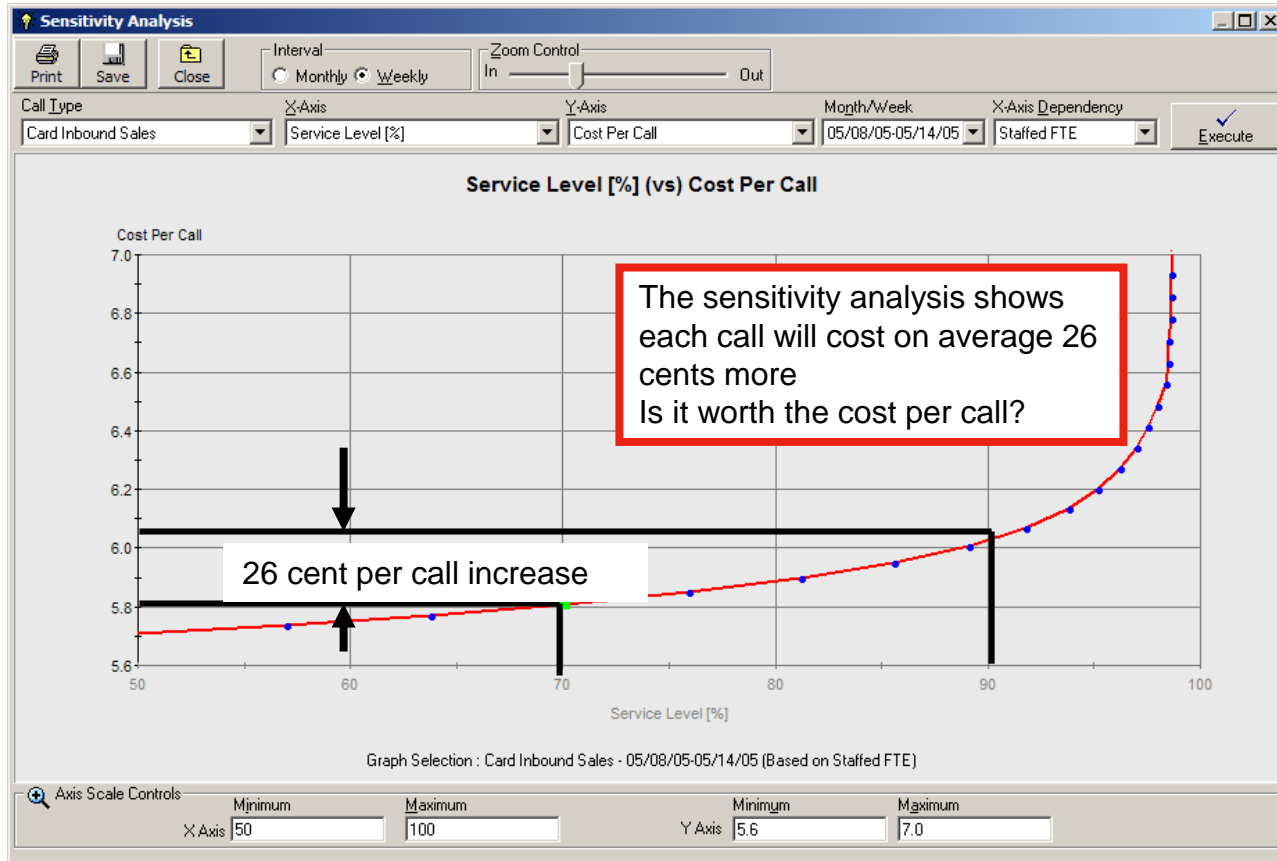
How Will This Change Affect Occupancy?



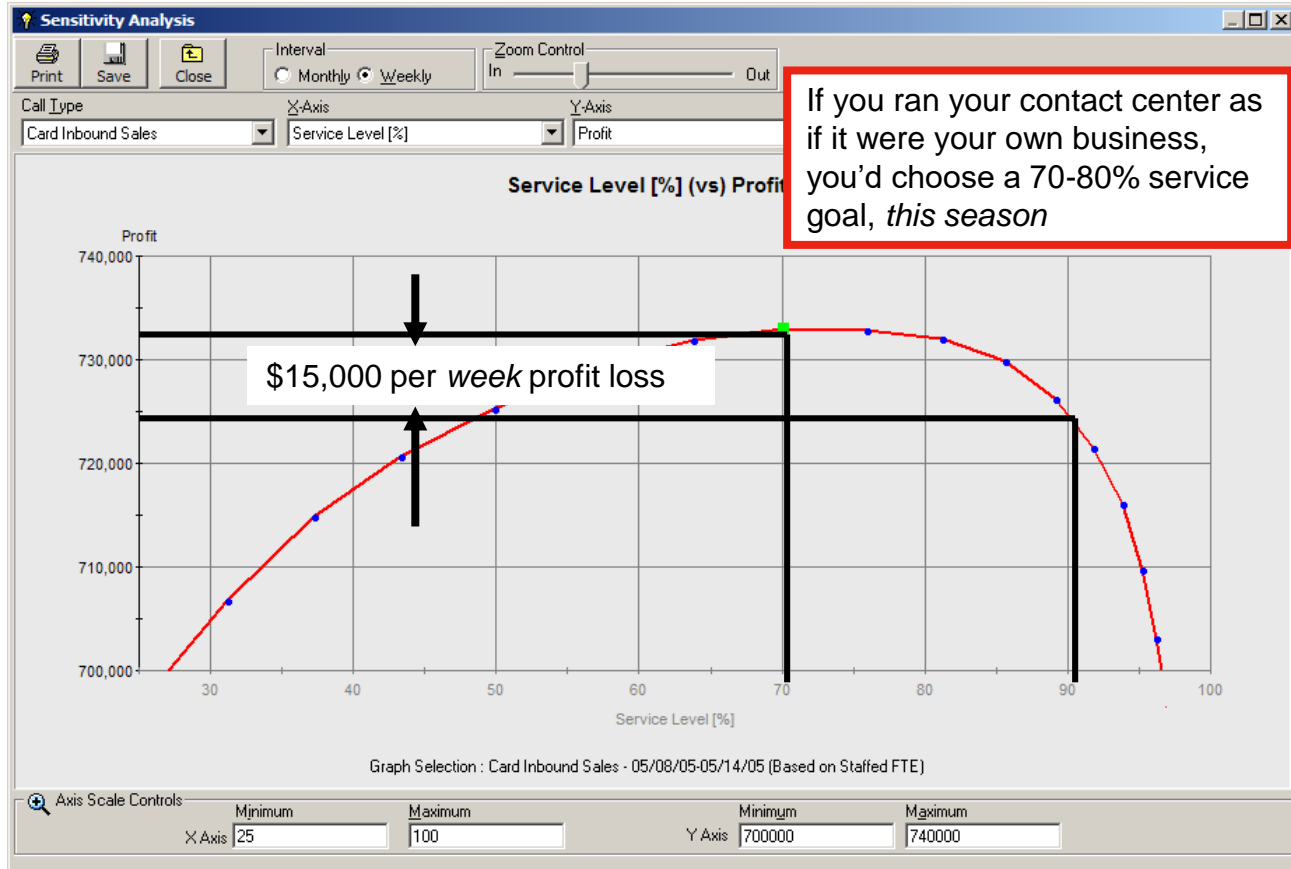
How Many Fewer Customers Will Abandon?



What about our costs?

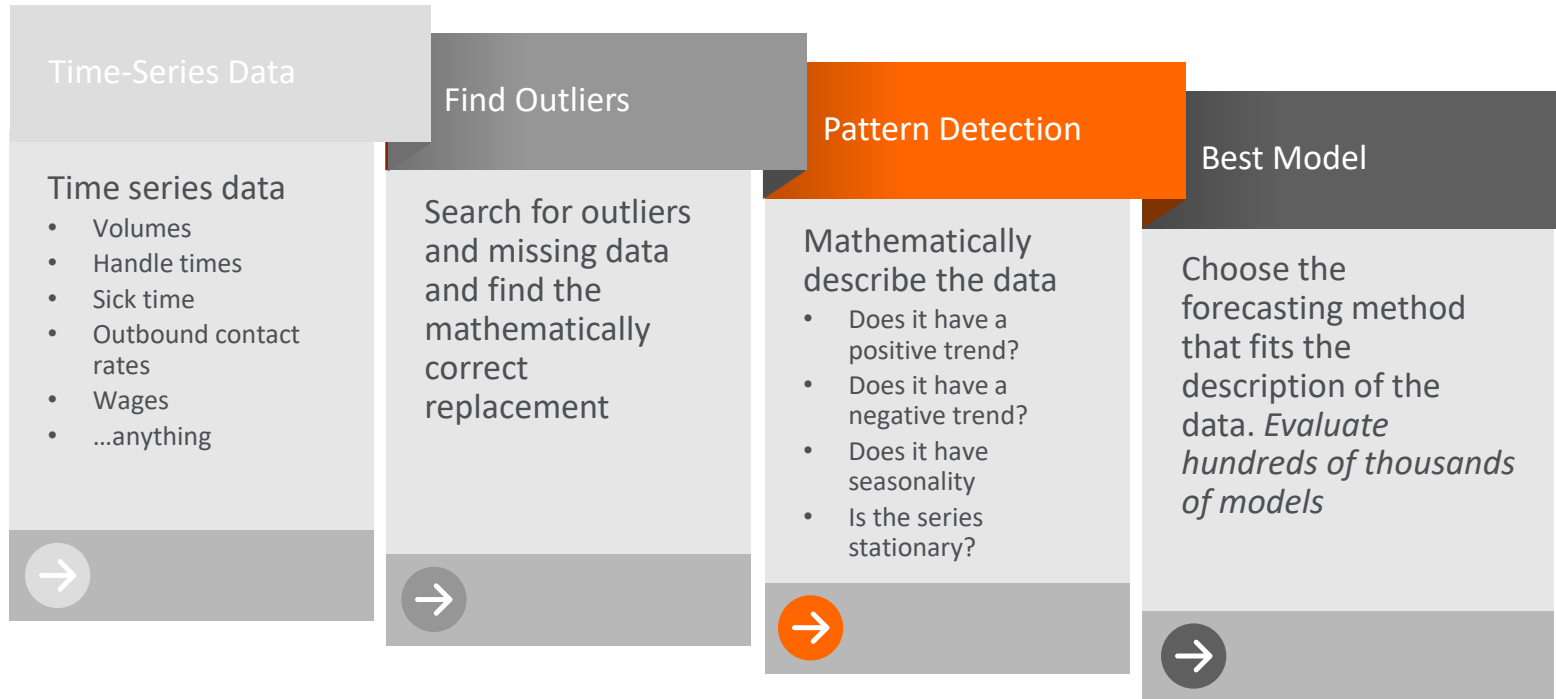


Our profits?



Forecasting and Decisions

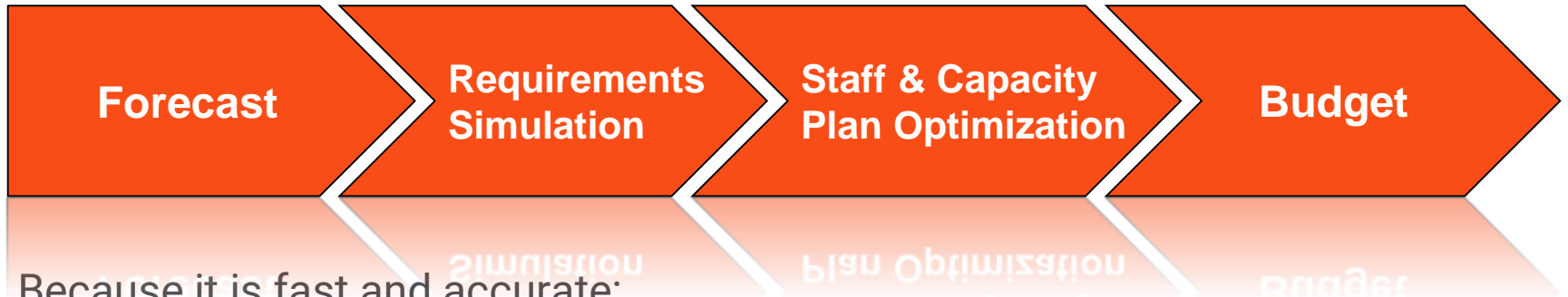
A cloud based, machine learning, automated, long term forecaster



Choose the model that returns the lowest error over the range of data presented

What is Decisions?

- Decisions is a long-term contact center strategic planning and what-if analysis system.



- Because it is fast and accurate:
 - Perform risk and sensitivity analysis of your contact center
 - Evaluate center what-ifs: investments, consolidation, and growth opportunities
- Decisions complements traditional workforce management software by focusing on strategic decision making and long-term planning

Thank you!

Ric Kosiba, Vice President, Genesys Decisions

ric.kosiba@genesys.com

317-957-1109 – office

410-224-9883 - mobile

 GENESYS