



Case study*

Business: FTSE 100 IT Outsourcing Company

Sector: IT Business Process Outsourcing

Location: Hampshire, UK

Taking Service to a New Level

How a performance improvement project in one organisation's call centres and field operations generated £5.7 million annualised savings, increased service level agreement (SLA) levels to almost 100 per cent and transformed workforce morale

Background

The service delivery operation of this leading FTSE IT outsourcing company provides desktop support for hardware, applications and infrastructure to a wide range of UK-based customers.

Employing 850 staff at its London and Birmingham call centres and UK-wide field service operation, service delivery was coming under increased competitive pressure. The growing call to reduce costs would impact margin and make financial targets more difficult to achieve. Performance improvement had become a commercial necessity.

For Steve Goodwin, Service Director, the goals were clear: "Performance issues were hampering operations in our call centres and the field service organisation. Addressing these would improve delivery against customer SLAs while increasing overall efficiencies across the whole service operation."

Key challenges

- Enhance productivity in call centre and field service operations
- Increase SLA performance and lower delivery cost base
- Alleviate workload issues causing high absenteeism and sickness rates

Key gains

- Operational performance gains generated £5.7 million annualised savings
- SLA delivery increased from 90 per cent to 100 per cent, thanks to improved resource utilisation
- New call centre processes generated a 50 per cent jump in fix rates per engineer
- The proactive management of issues has transformed staff morale

The challenge

To help uncover the causes of low productivity in its call centre and field operations, Steve Goodwin outlines why he chose to work with Managementors, a consultancy that specialises in operational and change transformation, as well as management skills transfer.

“Managementors are experts in service and remote worker environments. They offered a neutral, objective viewpoint on how we were working and where we could do better,” he explains.

The Managementors investigation revealed that calls were not being resolved at first or even second touch points within the organisation. As a result, the organisation was having to employ additional contract staff to manage the artificially inflated incoming call rates.

Managementors also found that despite generating numerous reports, emails and phone call chases to engineers, calls had a low visibility. In addition, there was little planning within the operation; and what planning did take place did not take into account peaks and troughs in workloads.

As a result customer SLAs were compromised and motivation across the whole operation was poor – resulting in high levels of overtime, as well as sickness and absenteeism issues.

The solution

The first step was to devise a more effective method of undertaking forecasting and operational planning and introduce a reporting system that would provide valid performance data. Next, to allow a more effective service engagement model to emerge, process flows would be re-engineered and issues of wastage addressed.

To help kick-start improvements in key areas a ‘quick wins’ programme was initiated to tackle significant wastage issues and demonstrate to personnel that rapid action – and results – were indeed possible.

To ensure managers and team leaders understood and could work with the new management tools and processes being implemented, Managementors delivered workshops and ‘on the floor’ training and coaching so teams could perpetuate gains long after the project completed.

“Managementors engaged the whole organisation in the performance improvement project and supported us in the development of systems and tools that would give us fingertip control of the operation,” explains Steve Goodwin.

“We’ve used change management to improve our resource utilisation and, on the journey, established a new working culture that’s resulted in the highly motivated workforce we have today.”

Steve Goodwin,
Service Director



Assessing the gains

A more efficient, streamlined service delivery organisation has emerged from the performance improvement project. Operational headcount was reduced by 25 per cent – largely through the disengagement of contractors – while SLA performance increased from 90 per cent to almost 100 per cent.

“The workstream approach introduced by Managementors resulted in enhanced business performance across the operation,” confirms Steve Goodwin.

In the field, fix rates per engineer grew by an impressive 50 per cent. Additionally, thanks to improved call centre processes, an increasing number of calls are now resolved centrally – reducing the volume of calls escalated to the field workforce.

The headcount benefits, the reduction in overtime expenditure and the elimination of cost penalties resulting from SLA performance improvements have together generated an annualised benefit equating to £5.7 million for the company.

However for Steve Goodwin, one of the most significant achievements of the project has been the transformation in workforce morale that’s been achieved.

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Contact us to find out what
Managementors can do for you

Call +44 (0)1256 883939

e enquiries@managementors.co.uk

w www.managementors.co.uk