



Workforce Management for Small and Midsize Contact Centers



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Introduction

Earlier this year, ICMI and NICE conducted a study on workforce management (WFM) trends and benchmarks in contact centers around the world. That report, “The State of Workforce Management,” explored the challenges, evaluated the solutions, and previewed the future of WFM in the contact center. The findings of that study considered contact centers of vastly different sizes, industries, and methodologies; while valuable, it did not shed specific light on WFM realities for the many small and midsize (SMB) contact centers. In this report, we expand on that study by focusing on the findings relative to organizations with 500 or fewer full-time equivalent (FTE) contact center agents.

“Great things are done by a series of small things brought together.”

— Vincent Van Gogh

No matter your contact center’s size, the fundamentals of effective management remain the same: having the right number of properly skilled people and supporting resources in the right place, at the right time, to handle an accurately forecasted workload at service level and with quality. Fundamental to this is workforce management: the data collection and analysis, the blending of hard facts and intuition, the real-time management, and the backend evaluation. There are many moving parts to get right, and there is no disputing that WFM is absolutely critical to an organization’s success.

In the SMB contact center, however, WFM practices and technologies are all too frequently limited in comparison with their larger counterparts. The frightening reality of this situation is that smaller contact centers are much more volatile and in need of sound WFM practices to ensure that they maximize their resources. “Not forecasting” is simply not a sustainable or advisable solution, yet it is the alarmingly frequent state in which SMB contact centers find themselves.

This report reveals the true story of WFM in today’s SMB contact centers. It is intended to equip contact center leaders with business intelligence and market data to consider when evaluating or evolving their own WFM practices.

Key Findings

- Only 4% of contact center leaders are “extremely satisfied” with their agent scheduling process
- 28% of contact centers do not measure forecast accuracy
- 79% of contact centers do not use WFM solution(s) for scheduling back-office activities
- One in every three contact center agents has no say in the scheduling process
- While 85% of contact centers support email, less than one-third forecast for it
- Responding to real-time changes in workload/staff is the top scheduling challenge
- 15% of contact centers have no WFM solution

Demographics

The 222 SMB respondents to this survey represented an assortment of industries, but financial/legal services (24%), healthcare (14%), and government (9%) represented almost half of the respondents. The study participants occupy a wide range of roles within the contact center, including executive/senior management (36%), specialist or mid-level management (49%), and supervisor (8%).

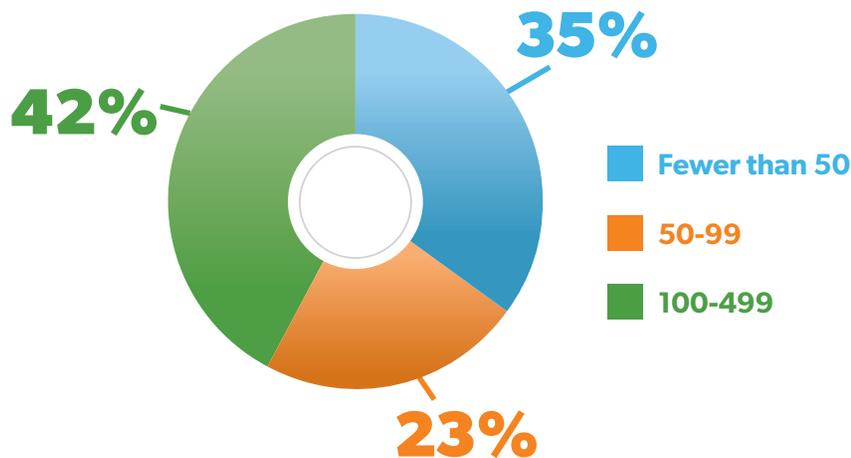
TOP 5 REPRESENTED INDUSTRIES



The resounding majority of respondents are responsible for customer service operations (82%), with over one-third involved in technical support (38%) and just under one-third (30%) working with sales.

With regard to the size of their contact centers, this study segmented SMB respondents into three categories based on number of full-time equivalent (FTE) agents.

SMB Contact Center Size, by Number of Agents



A Fight for Resources in Workforce Management

“ We didn’t have any resources until three or four years ago; now we have some basic software and Excel. It’s a step up, but we’re constantly challenged to find a way to explain the need for better tools.”

— Survey respondent

For the SMB contact center, it is a constant challenge to get the resources necessary to do the job of workforce management. The tools and resources required have a tremendous impact on the outcomes that can be expected and, in WFM, the accuracy of those outcomes play a critical role in a contact center’s success. Simply stated, if a contact center is constantly challenged by its tools, it will be constantly challenged at driving results.

Which of the following best describes your current WFM solution?



<p>35% Excel/spread-sheet-based</p>	<p>30% On-premises WFM software</p>	<p>15% Cloud-based WFM software</p>	<p>5% Hybrid of on-premises and cloud</p>	<p>15% Do not use a WFM solution</p>
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The challenges with WFM solutions are compounded by a variety of other problems. One such problem is that the majority of SMB contact centers do not have a dedicated resource whose primary responsibilities are scheduling and WFM; just 46% of survey respondents indicated that a workforce manager or team has these responsibilities in their contact centers. The remaining organizations indicated that it is a contact center manager, supervisor, or combination of individuals who take on scheduling responsibilities in addition to other tasks.

Who is in charge of scheduling in your contact center?



46%

Workforce manager/team

37%

Contact center manager

23%

Contact center supervisor

Life in the contact center is often an ongoing battle for resources, with too little time, too much to get done, and the constant feeling of moving from one crisis to the next. Many inexperienced or overwhelmed leaders focus on the problem that is immediately in front of them. If only they stepped back to addressing the root cause—a broken WFM process—they would find that many of the common challenges in the SMB contact center could be alleviated or resolved entirely. There is opportunity to thrive, but it will require a move away from today's complicated, time-intensive, insufficient, and inefficient WFM practices.

Preparing to Fail

“*By failing to prepare, you are preparing to fail.*”

— Benjamin Franklin

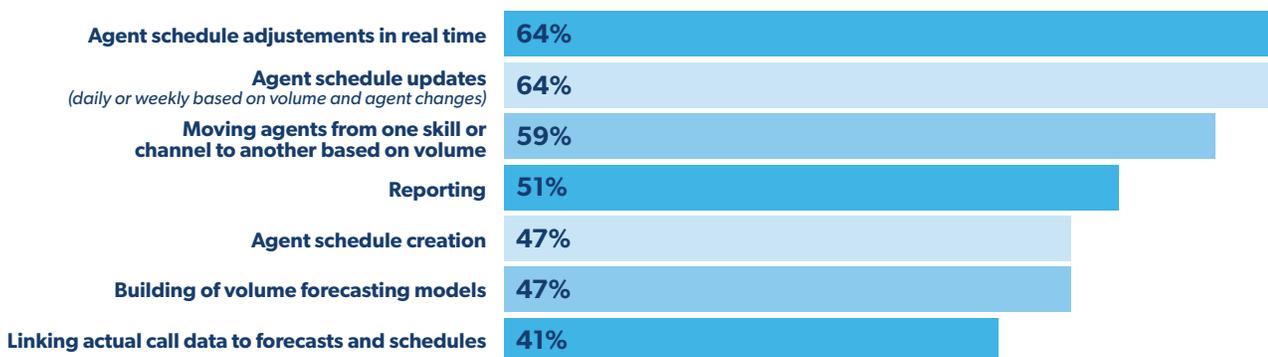
The sobering reality of workforce management in the SMB contact center is that most managers acknowledge the need for improvement in their existing systems and processes. Beyond that, they cite multiple examples where work is highly manual and decisions are made without complete (or any) data. The lack of a strong WFM process and the inability to use accurate data to inform decisions is a recipe for disaster. Unless contact center leaders address the WFM deficits in their organizations, they are essentially engineering their own demise.

“*We have a very manual process where people ask for schedule changes and are granted based on business need, tenure, and performance by a benevolent but overworked manager. We have just deployed a workforce management system and hope to have more system-supported flexible options in the future.*”

— Survey respondent

Improving the WFM function in your organization is not just about improving the morale of the overworked manager—it is about ensuring that your contact center has everything it needs to be successful.

Which components of your forecasting and scheduling process are manual?



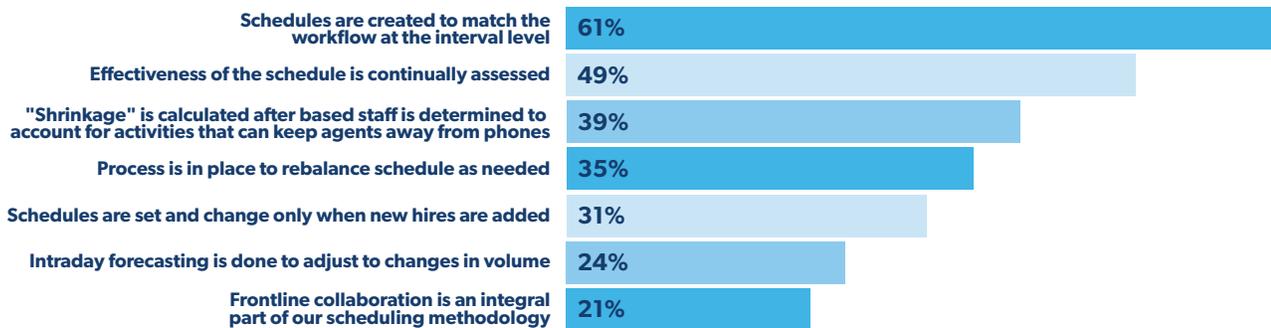
Many of the common—and critical—WFM functions are manual for a large percentage of SMB contact centers. Supervisors, managers, or workforce team invest a considerable amount of time in doing things that should take minimal time and effort as a one-off (such as adjusting an agent’s schedule) but can quickly become unwieldy across dozens or hundreds of agents, happening multiple times per week.

Other frequent tasks, such as reporting and moving agents from one channel or skill to another, were also identified as highly manual tasks by over half of the contact centers surveyed. When one considers that this manual work is often an additional task on top of an individual's other tasks, it is easy to see how the time available for more meaningful work just evaporates.

Many of the contact center leaders surveyed in this study acknowledged their desire to see this manual work automated. While several respondents wished for all processes to be automated, the most desired (by 42% of respondents) was moving agents from one skill or channel to another based on volume. In phone interviews with some of the respondents, one individual reported that this task alone could easily consume 75% or more of the day. While that may be an extreme example, moving agents was consistently cited as a frequent interruption—one that could have been avoided with better planning. Other tasks that respondents wished were automated included agent schedule updates (40%) and reporting (38%). There was no one in the study who did not wish for at least some of their tasks to be automated.

Driving WFM success in the contact center is not just about automating highly manual tasks. There are some fundamental principles and best practices that should be applied to the forecasting process to ensure its effectiveness. It is evident, however, that there are many opportunities for improvement in how forecasting fundamentals and best practices are being applied in SMB contact centers.

Which components of your forecasting and scheduling process are manual?



A contact center can have the greatest forecasting and scheduling process in the world, but if frontline agents do not understand and buy into it, that contact center is doomed.

Poor schedule adherence is a common manifestation of agent disengagement with the WFM process. In the SMB contact center, where inbound volumes are naturally volatile, when agents are out of adherence, it is a recipe for disaster. One of the best ways to combat this problem is to engage the frontline in the scheduling methodology and planning process. Unfortunately, **only one in five** SMB contact centers are engaging their frontline employees in this way.

“If you involve agents in identifying scheduling possibilities up front, they will often generate ideas you didn’t consider and will better accept and adhere to the schedules that are produced.”

— Brad Cleveland, Call Center Management on Fast Forward

Another missed opportunity for over 60% of SMB contact centers is using **Roster Staff Factor** (also known as “overlay” or “shrinkage”) to account for activities that can take agents away from the workload. A few examples of these types of activities include absenteeism, breaks, training, and research. Contact centers are unknowingly short-staffing themselves by not utilizing rostered staff factor to account for these activities. By taking these activities into consideration, contact centers are better able to build a forecast above the base staff requirements that are necessary for achieving their service level and response time objectives.

How to Calculate Rostered Staff Factor (RSF)

1. Enter the base staff required by half hour.
2. Identify the tasks that routinely keep agents from the workload.
3. Add base staff to the number of agents who will be away from the workload, for each half hour.
4. Divide the total on schedule by the base staff required to find rostered staff factor.
5. Use the factors when organizing future schedules.

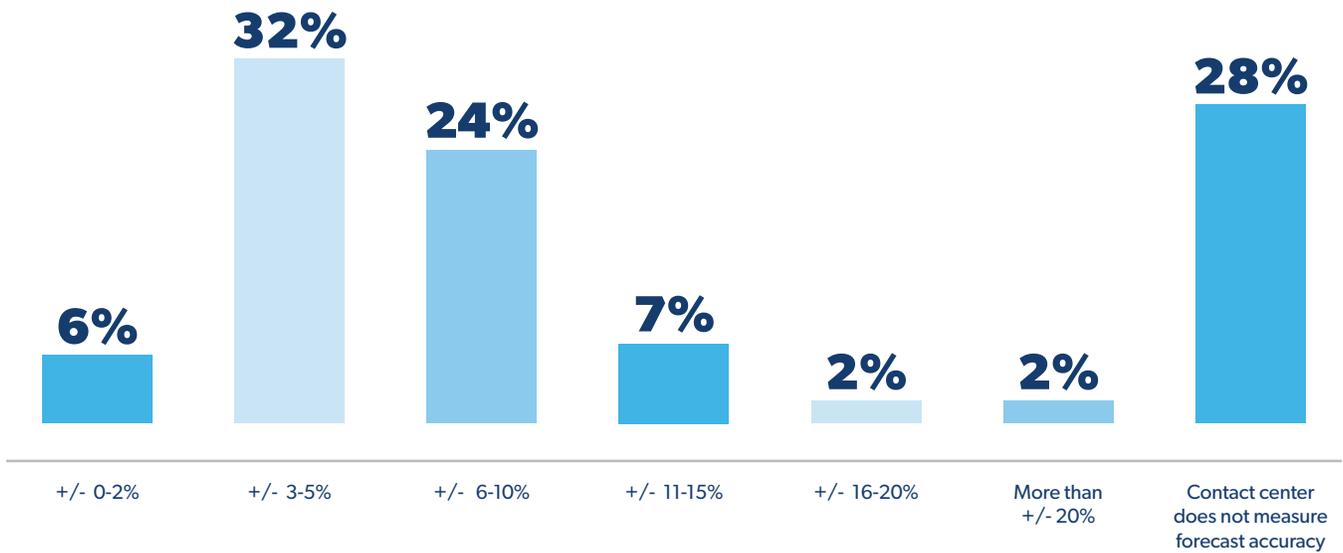
Rostered Staff Factor = On Schedule ÷ Base Staff Required

Example:

	Base Staff Required					On Schedule	Rostered Staff Factor
	Phone	Email	Absent	On Break	Training		
8:00 - 8:30	18	4	2	0	0	24	1.09
8:30 - 9:00	20	4	2	0	4	30	1.25

Improving agent schedule adherence and planning for shrinkage enables WFM teams to obtain their ultimate goal: a low variance between forecast and reality. In other words, if the goal of WFM is to predict the future, was the prediction correct? One of the best ways to measure the effectiveness and accuracy of the WFM process is to determine the contact center's variance to forecast.

On average, what is your contact center's variance to forecast for inbound contacts?



How accurate should the forecast be in the SMB contact center? Those with 100 or more agents generally see inbound contact patterns with greater stability and should strive for +/- 5% (or better). The findings of this research found that 38% of SMB contact centers are currently achieving a variance within this threshold. Very small contact centers (15 agents or fewer) will often see the most volatile patterns and should target a variance of +/- 10%. Those centers with 15–100 agents should strive for something close to 5%. Our study revealed that an additional 24% of SMB contact centers are within this variance range of +/- 6–10%.

MEASURING FORECAST ACCURACY					
		Forecast	Actual	Difference	Percentage*
8:30	9:00	399	343	56	16.3%
9:00	9:30	461	499	-38	-7.6%
9:30	10:00	511	582	-71	-12.2%
10:30	11:00	576	649	-73	-11.2%
		1,947	2,073	-126	-6.1%

The accuracy of forecasting must be measured here...

...not here

An unsettling finding in this research is that more than one-quarter (28%) of SMB contact centers do not measure forecast accuracy. An accurate forecast is essential for planning in the contact center, enabling contact center leaders to ensure that someone is accountable and responsible for the planning process. Organizations that make forecasting accuracy a priority continually improve. These organizations embrace a mindset that recognizes the business-critical importance of an accurate forecast and are willing to constantly test and improve the assumptions made during the planning process. Like many things, forecasting takes practice and improves with time. No contact center, however, can thrive without having a solid plan in place.

The Near Future for Workforce Management Solutions

Data integrity and agent compliance are important aspects of forecast accuracy, and the contact center can be greatly aided in calculating these numbers by the use of technology. The participants in the study ranked the ability to analyze and report on schedule/forecast accuracy in the top three most important scheduling capabilities:

1

Schedule optimally across multiple sites

2

Optimize use of employees' multiple skills

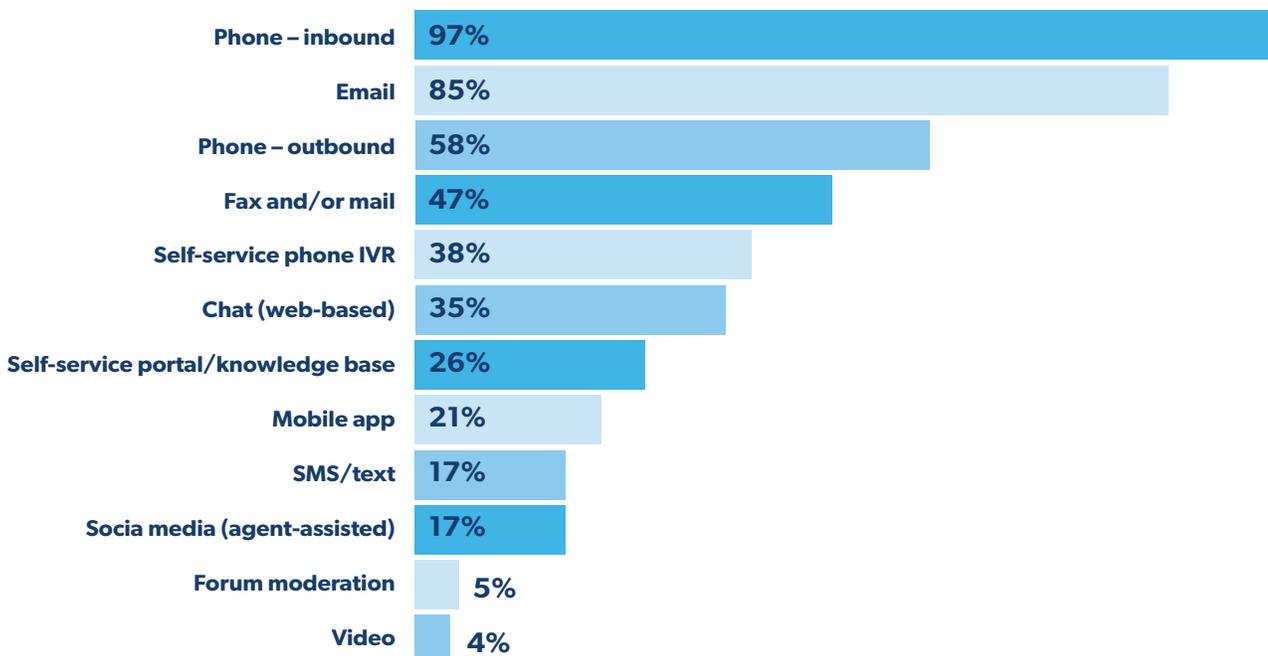
3

Analyze and report on schedule/forecast accuracy

The additional capabilities were, in order from most to least important, facilitate ease of editing and adjusting schedules, apply multiple schedule methodologies, account for employee performance in schedule creation, automate approvals of schedule change and time-off requests, and include employee performance in schedule assignment.

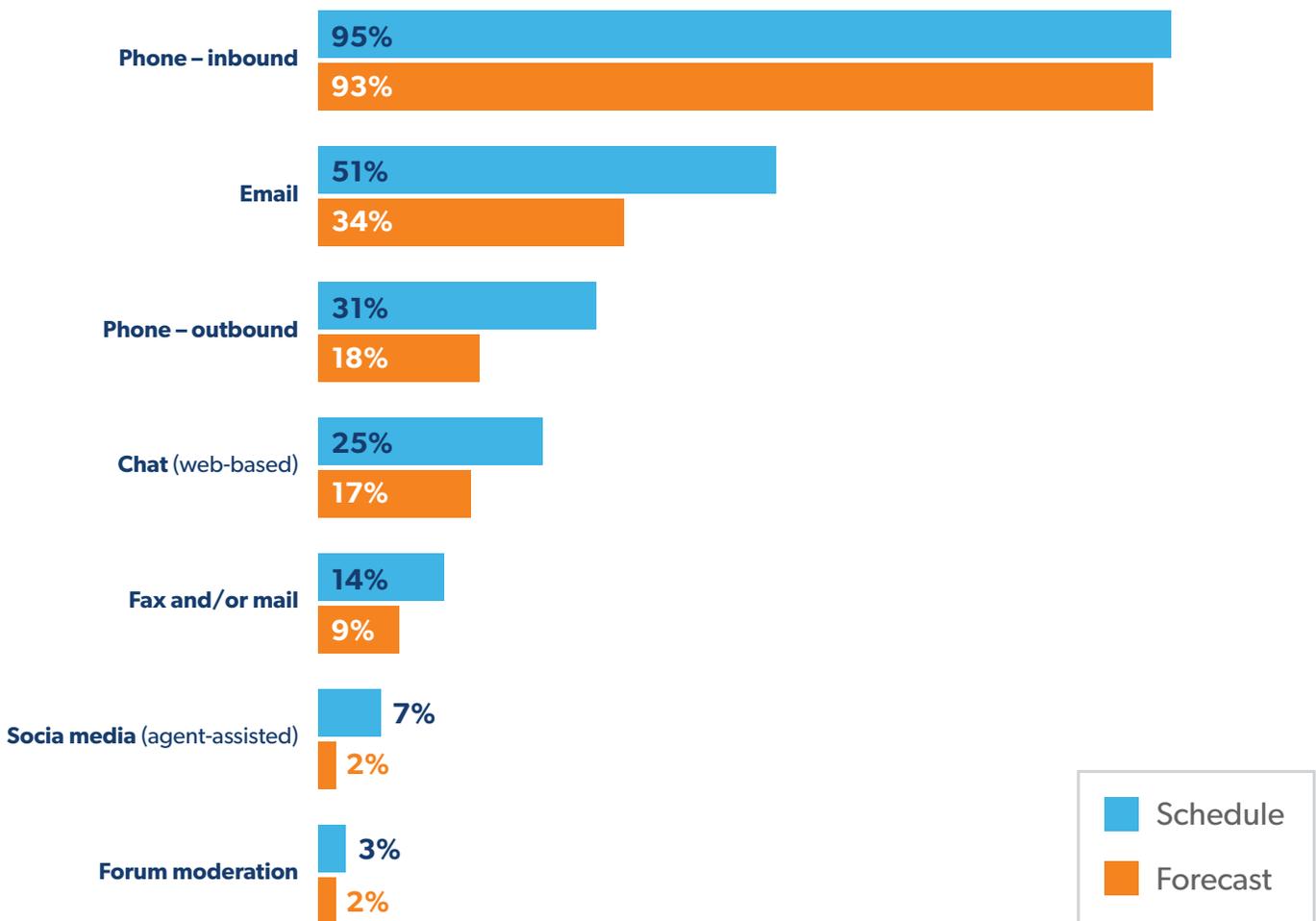
In looking ahead to the next two years, some clear opportunities exist for organizations to adopt WFM capabilities that will address their key problem areas and process gaps. One of the most obvious is the addition of forecast and scheduling capabilities for channels beyond inbound phone. This research study found a tremendous gap between the how inbound phone is forecasted and scheduled versus all other channels of support.

Which of the following channels does your contact center support today?



Unsurprisingly, the most commonly supported channel is inbound phone. Of the contact centers that support inbound phone, over 95% create a schedule for the agents who support this channel and 93% create a forecast to plan for contacts. No other inbound, agent-assisted channel is treated with the same degree of intentionality. In fact, much is left to chance and circumstance.

**Of the channels your contact center supports, for which do you schedule agents?
For which do you build forecasts?**



The chart above speaks to a WFM problem in the SMB contact center: a lack of planning. If contact centers do not intentionally plan for workload, they will unintentionally fail to meet demands and expectations. This failure to plan will contribute to increased, unnecessary operational costs, higher levels of employee disengagement, and dramatically decreased customer satisfaction. Considering that the top initiatives organizations are pursuing include reducing operating costs, delivering improved service at lower costs, improving quality and interaction insights, and reducing turnover, the SMB contact center simply cannot afford the negative outcomes of a failure to plan.

Additionally, organizations are under increased pressure to seamlessly integrate their channels to deliver an improved customer experience. A necessary component for delivering omnichannel service is the ability to effectively plan for workload patterns. For many contact centers, this workload extends beyond phone calls, emails, chats, or social platforms. An important, but sometimes forgotten, aspect of WFM includes back-office activities.

Does your contact center(s) specifically employ for back-office activities?



Approximately half of the survey respondents indicated that their contact centers specifically employ for back-office activities. Because of the interrelated nature of the work done in the contact center and the tasks and processes in the back office, there is much to be gained from coordinating these two parts of the organization. When contact center interactions and back-office functions work in concert, leveraging shared processes, metrics, and methodologies, organizations find it easier to plan and manage the customer experience. By employing employees for back-office activities in the contact center, there is opportunity to drive even greater synergy than if the two functions are managed separately.

However, despite having the chance to leverage shared technologies and processes, many contact centers do not employ these capabilities when it comes to WFM for the back office.

Do you currently use a WFM solution for scheduling back-office activities?



Only one out of five SMB contact centers use a WFM solution for scheduling back-office activities. A common point of frustration for contact centers—and customers—are the delays often associated with back-office tasks and processes. By applying WFM planning techniques, organizations could better address and anticipate these tasks.

Do you have future plans to utilize a WFM solution for your back-office activities?



Of the 79% of SMB contact centers that do not use a WFM solution for the back office, slightly more than one-quarter plan to implement such a tool in the future. A commonly cited reason for not deploying a WFM solution for the back office is a lack of understanding of the benefits of applying WFM principles to those tasks and processes.

Survey respondents identified the following top five benefits and desired features of a back-office WFM solution:



Optimize use of employees' multiple skills



Facilitate ease of editing and adjusting schedule



Analyze and report of schedule accuracy



Automate approvals of schedule change and time-off requests



Include employee performance in schedule assignments

In the SMB contact center, where resources are often already limited, the use of a WFM solution can greatly maximize the time and energy spent in planning for and delivering service. An even greater advantage can be obtained from utilizing an integrated solution for both contact center and back-office planning. *Almost half of the study participants (41%) recognize this advantage and are actively looking for an integrated contact center and back-office WFM solution.*

As SMB contact centers consider their options for a WFM tool, scalability should be top of mind. The dynamics in SMB contact centers change rapidly as they increase in size, and it is important for them to leverage tools that evolve with them. For this reason, cloud-based solutions can be an attractive choice. *In fact, one-quarter of the participants in this study cited their intent to move to a cloud-based solution in the next two years.* One-third are undecided; in one-on-one interviews, survey respondents indicated that they lacked an understanding of the benefits of utilizing a cloud solution. For survey respondents, guaranteed system uptime is the most important benefit, followed closely by a reduced time to deployment. Both of these benefits are mission-critical in the fast-paced world of contact centers.

Conclusion

Workforce management is a critical component of a successful organization but, as this research uncovered, SMB contact centers often lack some of the fundamentals. The absence of key WFM practices, compounded with highly manual tasks, jeopardize SMB contact centers' ability to deliver on the key objectives of lower operating costs, heightened efficiencies, and improved customer satisfaction. If they want to thrive on those key metrics, they must have effective WFM processes, applied across all channels of service, that leverage technology to maximize efficiency and reduce effort. When a plan is in place, the positive impacts can be dramatic.

With the significant changes in the technology, channel, and consumer environment over the past few years, the need for WFM to evolve in the SMB contact center should come as no surprise. For contact center leaders, outside of the day-to-day duties of WFM, the disparity in forecasting and scheduling of nonphone channels should be alarming, as should the high degree of manual work that is currently at play in the majority of organizations. The quantity of contacts to nonphone channels is predicted to increase in the coming years, and it would be advantageous to deploy the systems and process to effectively handle these channels now. Despite the increased prevalence of automation, the need for and importance of forecasting will not diminish but, in fact, will grow in importance.

It is the hope of both ICMI and NICE that, through this research, contact center leaders gain a greater understanding and realization of the importance of WFM in the contact center and use these findings to advance and evolve this critical function within their own organizations.

About ICMI

ICMI is the leading global provider of comprehensive resources for customer management professionals—from frontline agents to executives—who wish to improve customer experiences and increase efficiencies at every level of the contact center. Since 1985, ICMI has helped more than 50,000 organizations in 167 countries through training, events, consulting, and informational resources. ICMI's experienced and dedicated team of industry insiders, trainers, and consultants are committed to helping you raise the strategic value of your contact center, optimize your operations, and improve your customer service. ICMI is a part of UBM plc (ubm.com), a global events-led marketing services and communications company.

About NICE

NICE, the vanguard for workforce management innovation, recognizes the constantly changing demands facing the modern organization. Our solutions offer a robust feature set designed to meet the up-to-the-minute industry developments discussed in this report, including advanced task automation in back-office WFM, branch solutions for brick-and-mortar locations, and employee engagement resources. NICE's automated decision-making tools have been custom-built to reduce time spent on manual intraday management processes and improve work-life balance for agents through self-managed scheduling and personal empowerment. We invite our current customers and anyone interested in optimizing their workforce to take a closer look at NICE's offerings, including NICE WFM, NICE EVOLVE WFM, and NICE EVOLVE Branch WFM, to find the solution that best fits their needs. For more information, visit www.nice.com.