Workforce Optimization

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Introduction

Workforce optimization is a business strategy for managing operational costs while delivering expected service levels at the contact center, often using a combination of machine learning and artificial intelligence. WFO uses predictive staffing models and process automation to respond to staffing changes in real-time, while taking a technology-driven approach to all the traditional functions of workforce management.

What is the difference between workforce management and workforce optimization?

Workforce optimization includes all the major functions of workforce management while optimizing for service levels and return on investment. It includes all the functions of workforce scheduling and managing staffing needs but is predictive rather than reactive, and aims to optimize for the RoI of labor.

WFM consists of the following core functions:

1. Forecasting labor requirements based on the expected volume of customer interactions
2. Creating and managing staff schedules to accomplish particular tasks on a day-to-day and hour-by-hour basis
3. Responding to and managing unexpected changes in staffing, volume of customer contacts etc.
4. Tracking employee performance and administering training and development

WFO systems automate these processes while providing insight into business analytics such as historical call volume, employee performance and labor costs. With a view to maximizing RoI, WFO streamlines three important things for the contact center:

Operating costs (labor, overheads etc.)

Employee engagement, training and development

Customer satisfaction
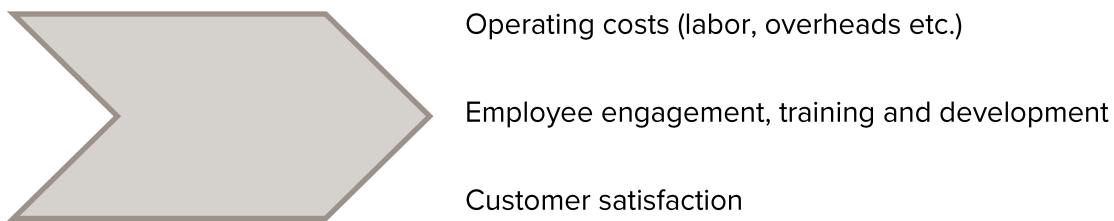
A WFO system is a suite of solutions designed to manage day-to-day contact center staffing while also capturing, analyzing and providing information to managers to help them evaluate the overall performance of the contact center in terms of the employee experience and customer experience.

Why does the modern contact center need WFO, not WFM?

Today's contact centers are tasked with so much more than just taking calls. They field inquiries on a range of contact channels, from phone to email, social media, SMS, instant messaging and more. They're also much more data-flush than the contact centers of yesteryear – and with 360-degree views into the customer journey, they're expected to offer a more personalized, context-based customer service.

1. The modern contact center is omnichannel

When agents are expected to respond to customer queries across a variety of channels, it's harder for a WFM manager to predict contact volume without the help of AI and machine learning. What's more, when customers interact with a business on social media, through web chat or instant messaging, these interactions are asynchronous, with no measurable duration, further complicating the process of manually forecasting staffing needs.

The truth is, however, it takes more than "forecasting" to properly optimize your workforce. What constitutes a "good" customer experience can vary greatly between channels. Most customers would be upset about being put on hold for five minutes, but might be impressed if a company responds to their social media posts within the same time period.

The main premise of an omnichannel contact center is to deliver a consistent experience across channels, so it's important that manpower is deployed and trained accordingly. Additionally, a WFO system captures and scores 100 percent of interactions in every channel, which is crucial to give insight into the totality of the omnichannel contact center.

2. Self-service innovations increase the complexity of customer interactions

With self-service capabilities growing increasingly sophisticated, customers only contact live agents as a last resort. This means agents must handle more complex queries than ever before, often to do with technical troubleshooting or unique, context-based circumstances impacting a select few customer personas.

Thus, some contact centers have begun training specialized agents for tier-1 and tier-2 troubleshooting, while others take on a more consultative or caregiving-type role – particularly in the legal, HR and healthcare fields To perform well in these roles and satisfy the customer, agents must receive individualized training and development, which is impossible to do at scale without WFO. Additionally, since the contact center is a last resort when customers can't find a solution elsewhere, it's extra crucial not to keep them waiting due to understaffing, since they are likely already frustrated.

3. Increase in remote/hybrid contact center workforce

More and more contact centers are hiring remote agents or shifting to a hybrid workforce, where agents don't work onsite everyday. This can make it harder to communicate and manage sudden changes in staffing needs if there's an abrupt spike in call volume or other externality, so it's important to generate accurate forecasts in the first place.

However, you can't prepare for everything. Severe weather, a natural disaster or product recall can throw off schedule adherence and require contact centers to react quickly. WFO comes with an intraday management capability that monitors staffing needs in real-time and can automatically communicate last-minute schedule changes, often through a mobile app.

> "Spikes and random fluctuations are very hard to predict or forecast, unless there is an inherent pattern to them. However, when they do occur, it is necessary to do a re-forecast and predict the duration of the spike. Based on the assessment, change the schedule by redistributing breaks/lunches so that more employees are taking interactions, and plan on offering either additional hours to the employees that are already working or call in additional employees to reduce the staffing gap." - **Rich Correia, Director, Product Marketing, NICE**

4. Customers expect 24/7, always-on service

In an era of always-on customer service, you can't afford to be understaffed. Asynchronous messaging channels like web chat, IM and social media are designed to be available 24/7, 365, so customers from every timezone should be able to contact you whenever they want.

Again, this makes it harder to forecast staffing needs without the help of a WFO platform. It also means contact centers aren't as driven by traditional KPIs like average handle time and net promoter score.

5. RPA and process automation are changing the agent profile

With back-office tasks like data entry and invoicing being automated, agents are now expected to focus on delivering a human touch and context-based service to the customer. They're required to use CRM data and multiple applications simultaneously in order to provide a personalized service, so it's crucial that they receive consistent training and development not only in using the technology but in soft skills as well. A WFO system automates performance management by scoring 100 percent of customer interactions. It can even build personas for individual agents and highlight their areas of strength and weakness and provide personalized training recommendations.

6. Today's workforce demands flexibility and trajectory

Data shows that the number one reason agents leave their jobs is a lack of career trajectory. Giving agents the opportunity to self-evaluate, seek coaching and receive personalized recommendations on their performance gives a sense of career progression.

Being held to certain KPIs can be a stressful experience for agents, but WFO systems can help to gamify the process so that agents can receive rewards – whether material or virtual – and better understand their contribution to the business. Additionally, many agents expect schedule flexibility and work/life balance, which necessitates data-driven scheduling for non-traditional shift patterns and schedule adherence.

> "Career progression and looking after our employees is a huge strength of LH InTouch. We have a lot of people in our management team who started with us as customer service consultants some years ago, moved to a team leader position or into a back-office position." - **Tobias Voegtlin, CEO of Lufthansa InTouch**

7. The changing role of the WFM manager

Given that workforce optimization involves automating many of the processes associated with workforce management, this naturally overhauls the role of the contact center manager. Rather than supplanting their labor, however, WFO technology empowers managers to assume a more targeted role of *optimizing* agent performance, contact center costs and the customer experience by leveraging data and insights.

Since the WFM manager is no longer tasked with listening to and scoring every call, among other once-manual processes, they can now focus on the true essence of their role: agent training, coaching and retention, while keeping contact center costs down.

"Do long term planning – 1 to 3 years out – where you model different scenarios and do some sensitivity analysis to come up with the right resource plan. This needs to be done through a very user-friendly tool, with great visualization capabilities." - **Rich Correia, Director, Product Marketing, NICE**

Workforce optimization in practice: business objectives you can achieve

Before CX strategy became a standard operating procedure for most businesses, contact centers were perceived as cost centers. By shrinking labor costs and maximizing productivity, contact centers can mitigate this perception and more easily make the case for further CX investments, such as building self-service platforms and acquiring tools for gleaning 360-degree view of the customer. WFO also helps contact centers achieve the following business goals:

Intelligent routing - WFO eliminates understaffing and ensures customers are handled in a timely manner by agents with the right subject matter expertise, as staff deployment is typically based on a desired average speed to answer. Such allocation is likely to improve first call resolution and average handle time.

More personalized coaching - Agents benefit from more a consistent schedule and workload, scheduling is more fairly enforced and schedule requests are handled promptly. They also benefit from customized training and development, as well as a gamified desktop experience that makes it easier for them to meet their goals.

Reduce contact center costs - Staffing efficiently reduces the costs of overstaffing (and customer attrition resulting from understaffing), while automated processes reduce administrative overheads associated with having a human do WFM manually.

More accurate quality assurance - By scoring 100 percent of customer interactions using speech and text analytics, WFO helps contact centers cost-effectively scale their quality assurance programs. This is helpful for multi-function contact centers where agents handle inbound and outbound contact. WFO can monitor the effectiveness of different functions for which different KPIs apply, such as sales, service and the audit process. Analytics capabilities can also uncover actionable insights across all contact channels and communicate them to relevant personnel.

"Within the last year we just took on the quality team so I'm excited to get all three groups working as one – WFM, training and QA – all working for the same mission, working for the customer, combining roles a little bit so we can take care of the customer. Building those relationships is my ultimate goal right now." - **Gary Haworth, contact center manager at Commerce Bank**

What strategies can I use to optimize the technology?

WFO tools tend to be very feature-rich due to the complexity and variation around forecasting and scheduling needs between contact centers. Typical features for WFO systems fall into a few categories: forecasting, scheduling, intraday management, and request management. Here are some strategies for optimizing your WFO system.

1. Provide agents with opportunities for personalized training

WFO tools provide personalized insights into agent performance, highlighting strengths as well as areas for improvement. The system also gamifies performance measurement, thereby motivating agents to hit their KPIs. You can take these insights further by using them to provide personalized training for agents based on their performance analytics, thereby giving them a sense of career progression while proactively addressing problem areas.

To deliver personalized coaching, you'll need content creators who can create custom lesson plans and/or trainers who can "coach" agents and not just share group lesson plans. You should also provide agents with the opportunity to do their own self evaluations, while making sure to provide rewards for improved performance.

2. Fix problems proactively, not reactively

Intraday management features empower contact center managers with real-time data, including automated collection and display of queue performance statistics throughout the day. This means managers should be able to 1) Anticipate problems before they occur; and 2) Fix performance issues and staffing shortages in real-time.

Ideally, the system will react automatically to deviations by alerting agents and supervisors of problems, automatically updating forecasts based on the latest data, and proactively solving problems. This greatly improves reaction time and provides a more consistent customer service. Some WFO systems also enable managers to perform 'What If' analysis to prepare for unforeseen circumstances like a natural disaster, labor strike or increase in minimum wage.

Schedule adherence displays show managers whether agents are following the schedule, so action can be taken to nudge agents into the correct activities when needed.

3. Offer a superior employee experience

Automatic scheduling features, personalized training and AI-powered forecasting enables organizations to provide a superior employee experience while maintaining service levels and return on investment.

Since scheduling and forecasting is automated, it is much easier for the organization to offer perks such as flexible schedules, working from home and managing requests for shift trades, time off and other perks. Integration with external tools such as HR systems ensures items such as granting time off are carried through to all relevant systems without needing manual intervention.

> "WFO offers much more flexibility for agents to alter or change their schedules through intelligent automation to provide work/life balance. It also enables managers to provide coaching and training not just based on their current role, but also for the role that they may be aspiring towards." - **Rich Correia, Director, Product Marketing, NICE**

About the Author

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Kindra Cooper is a digital writer and editor for CCW Digital, the global online community and research hub for customer contact professionals. In her role, Kindra writes daily articles and produces podcasts on customer experience, design thinking, UI/UX, brand strategy and more. Her reporting has appeared in various print and web publications covering politics, arts & entertainment, business and architecture.

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Upcoming Events

NOVEMBER

Chief Experience Officer Exchange
November 3-5, 2019
JW Marriott Marquis Miami, Miami, FL
https://www.customercontactweekdigital.com/
events-chiefexperienceofficerexchange

DECEMBER

CCW Digital Online Event: Contact Center 2025: A Roadmap—FREE to register
December 3-4, 2019
https://www.customercontactweekdigital.com/
online-events/contact-center-2025-a-roadmap

JANUARY

CCW Nashville
January 28-31, 2020
JW Marriott, Nashville, TN
https://www.customercontactweekdigital.com/
events-customercontactweekwinter

FEBRUARY

Experience Design
February 25-27, 2020
Denver, CO
https://experiencedesignweek.iqpc.com/

MARCH

CCW Executive Exchange Miami
March 22-24, 2020
Miami, FL
https://www.customercontactweekdigital.com/events-
ccwexchangeusa/

APRIL

Design Thinking 2020
April 14-17, 2020
Austin, TX
https://designthinkingusa.iqpc.com/?
mac=CMIQ_Events_Title_Listing