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Average Handling Time

- Average Handling Time is often used as a Key Performance Indicator for Call Center Personnel.
- As a result, some call center reps try to increase their 'performance' by hanging up on customers!
- 'Average Handling Time' is often abbreviated to **AHT**, but be aware that this acronym is also sometimes used for 'Average Holding Time'.



Reducing Average Handling Time

Recently I read an article on reducing call handle time by Douglas Hanna (of ServiceUnfiled.com), who I immensely respect, but this time I feel he missed the ball.

In [his article](#) (web address at the end of this article) he names 5 possible ways to reduce the time needed to handle a call. Unfortunately, some of the advice he gives actually **increases** the metric of Average Handling Time (AHT).

The first measure Douglas proposes is to **encourage self-service**. While in itself a good advice (even though you can go too far with this), I don't see how this would reduce call handling time. If executed properly, one would expect that more customers can answer their own questions *without* calling. It's also more likely that the easier questions can be answered this way. So, the remaining smaller number of customers have, on average, more difficult questions to answer. In my book, you would spend more time per customer, not less.

Second, he stresses to **build tools to answer common questions**. As far as I see, this is just a way to implement customer self service. So the same reasoning applies.

As a third measure, he advises to **pre-verify**. This is one I wholeheartedly agree with. Don't ask customers about info you could (should!) know about. So quickly assess who's calling, and have good access to all the data your company collects on the customer (the realm of CRM systems). This is great advice, and if executed well, this will not only reduce call time, but also reduce annoyance of customers having to share the same information for the n-th time.

Get to the root of the issue. Who cannot agree with this? Anyone who has the well-being of the customer in mind, will want to get to the root cause of the problem, so you can *fix it!* The question remains however, if and how this will reduce average call time. After all, getting to the root of the cause will increase the effectiveness of the call center rep, but this doesn't necessarily mean that his/her efficiency will go up. As a matter of fact, finding root causes costs more time, than simply offering a quick fix to what you *think* the problem is! Ok, the customer *is* more likely to call back... then offer another quick fix, and another. Great for AHT, not so great for the customer. So by all means, **do go for the root cause!** Just don't expect it to bring down the average handling time.

Last but not least, Douglas tells us to **have fast systems**. I think I hear a "Yay!" right now, from everyone who's been chatting to customers, killing time while waiting for a system to 'do its thing'. Slow systems slow down **everything**... Managers: take it seriously when your call center reps are complaining about system speed. It's your customer who's waiting!

Now, I didn't write this to chastise a fellow customer service passionate, or show myself off as 'the expert'. That's not my style. As I said, I immensely respect him and generally like the advice he gives. But there seems to be a preoccupation with call handling time. That seems to be the norm these days.

If you can **truly help** customers quicker, than that is a great thing. But what you should strive for is that less of your customers **need** your help. Improve your products & services. Improve your information. Improve your communication. Improve whatever you can think off.

Web address article "Reduce Call Handle time" by Douglas Hanna: http://www.sideroad.com/Customer_Service/reducing-call-handle-time.html

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Questions & Answers



"If management doesn't see how customer service adds to the bottom line of the business, they are more likely to see it as a cost center. And management **loves** to drive down cost."

Struggling with customer service related questions? We'll try our best to deliver a helpful answer!

"I have to give a speech on customer service which will be at our sales forecast presentation.

I need some help in what I can say about the customer service department in a sales forecast presentation to show how our department is beneficial now and in the future. Can you help?"

Answer

My experience is that sales people and upper management are all about results. I know no other group that is so concerned with the bottom line... mainly because they get a bonus based on that. I don't see this as a bad thing, after all, the bottom line allows a business to continue and grow. In essence, it pays the bills.

So... your speech should be about results. More specifically, how does the customer service department influence the bottom line results of the business?

If management doesn't see

how customer service adds to the bottom line of the business, they are more likely to see it as a cost center.

And management **loves** to drive down cost.

If you can quantify (in cold hard cash) how much the customer service department is actually adding to the bottom line, then you have an argument to turn customer service into a profit center.

ROI talks.

How do you do this?

Here's one suggestion. Talk to the marketing department, and try to find out how much they invest in getting new customers. And how many new customers they on average gain from their efforts. Then you know how much is spent to *gain* a single customer.

Now you can do some calculations on how much is spent on *keeping* a customer. What does the customer service department cost in, say, a month? And how many customers call in the same period? Now, you're not going to sway each and every angry customer, so consider a fair per-

centage that stay customer because of the customer service efforts. Keep it low... say 35%.

Cost of customer service department, divided by 35% of customers calling. This is how much is spent on keeping a customer.

I'm willing to bet that this figure is **much** lower than the amount spent to gain customers...

Next you can unfold your plans to improve the churn rate (the 35% in this example). Even if this adds costs to the department, it will only marginally increase (or even decrease) the cost to keep customers.

That's the kind of bottom line that will get the attention it deserves!

Want to respond?

Your comments are very welcome! Please go here:

<http://www.customerservicepoint.com/sales-presentation-speech-for-customer-service.html>

25% Discount Call Center Summit '09

Get a 25% discount on the fee to attend the 2009 Call Center Summit.

The 4th annual [Call Center Summit](#) will be held on January 26th-29th, 2009, Orlando, FL (venue to be confirmed).

35 expert practitioner speakers will show you how to turn your call center into a strategic business driver.

If you register and pay by November 21, 2008, you can get a \$600 early bird discount. But you can attend for even less...

Customer Service Point has negotiated a **25% discount** with IQPC, for readers of the Customer Servings newsletter.

Just enter or mention the code **IUS_CSP_001** and receive a 25% discount!

<http://www.iqpc.com/us/callcentersummit>



Customer Service: How NOT to do it!

Real customers talking about real experiences can help you take notice where customer service can be improved at your business.

Here's one of the stories submitted to our site (we removed the name of the submitter and restaurant):

"In a certain restaurant I ordered a meatloaf dinner entree. After I ate the soup, they brought out a hockey puck that was supposed to be a slice of meatloaf. I sent it back and they brought out another, same thing, thin overcooked and hard. It was getting late and I had to leave. No offer of another meal to go. No offer to speak to the manager. Just a bill for the soup alone, which was about 1/2 the cost of the entire meal.

I tried to get help from the corporate website, to no avail. One phone call from the restaurant's manager while I was in a meeting. She was supposed to call back, but never did. I called her and they said she was out. No one would take a message. I went back to the website but over a month later they said it was a franchisee and they would take no responsibility.

I got an email today from the franchisee. He told a lot of

lies about calling me and the line was busy (my phone goes right to voice mail - never gives a busy signal) and said he talked to me once and I said to call back (say what?). He said the price of a bowl of soup is on the menu and I just had to pay it. He agreed that the meatloaf is no good, and he'll tell corporate, but that's just the way it goes.

At the beginning I just wanted to vent about the bad meatloaf and poor customer service at the location. I would have been happy if they invited me back for a bowl of soup, on them, and the matter would have been over. Now, I want to tell everyone about the complete lack of customer service at that restaurant and that everyone should remember that the corporate brand will take no responsibility for any franchisee. So, if you should eat there (and I highly recommend that you don't) find out if it's a franchisee or not. Otherwise, you could be out of luck if anything goes bad."

Erwin's Comment: Whenever your brand is at stake, don't pass the buck. Never hide behind the franchisee (or the corporation) but go beyond what is expected. This doesn't have to break the bank... an invitation for a free bowl of soup would've done the trick.



Customer Servings: A New Style

A new look and layout for Customer Servings.

After years of just sending a simple HTML or TEXT newsletter to you, we've decided to give it a major overhaul.

Our goal is to make it more inviting to read, and more visually appealing... but also easier to print and share.

We've chosen to deliver the newsletter in Adobe Acrobat format (also known as PDF).

Acrobat is the de-facto standard for creating documents that are easily readable and printable online documents.

This change means that from now on, you'll receive an e-mail with the headlines and highlights (so you can still have a quick peek to see if there's something interesting for you), and a link where you can download the actual PDF document.

Feel free to share...

We have a passion for great customer service, and we want to share that message. Please help us spread the word, and feel free to share this newsletter, either as a file or in print, with your co-workers, or anyone else you feel would benefit from it (we do trust you to

honor our copyright on the articles).

We want your feedback!

Right now, we're in the stage of testing what works. This is our first try on the new format. **We** think it just looks great, but what **we** think is of little importance... **Customer Servings is made for you, not us.**

So, your feedback on the new layout is greatly appreciated. In fact, we need it to make it even better.

Please share your thoughts by responding to:

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We make a point of good customer service.



We're on the web!
Visit us at:
customerservicepoint.com

Customer Service Week: Oct 6-10, 2008

October 6-10, 2008 it's National Customer Service Week again. Are you ready?

In 1988, the International Customer Service Association proclaimed a customer service week and finally in 1992 the U.S. Congress announced that it would be a nationally recognized annual event, the first week of October.

Customer service week might sound like just another com-

mercialized celebration time with no real meaning behind it besides trying to make customer service representatives feel legitimate in their choice of occupation.

The reason many customer service agents do not see this week as anything special is because of the lack of participation by many call center employers. After working in call centers for years, I still didn't have a clue that a customer service week even

existed! Although it hasn't been around forever, it was certainly around for years.

I had no clue!

Read the entire article at <http://www.customerservicepoint.com/customer-service-week.html>

Need a CS Week Slogan?

<http://www.customerservicepoint.com/slogan-for-customer-service-week.html>.

Customer Service Point Info

Special Request

If you like Customer Servings, and know somebody that would benefit from the articles we write, why not send it to that person?

If you received this newsletter from someone you know, but aren't yet subscribed, we invite you to [subscribe to Customer Servings!](#) We won't share your e-mail address with anyone. Scout's honor!

About Customer Servings

Customer Servings is the newsletter for Customer Service Point, your resource on improving customer service.

Customer Servings is for you!

If you have any suggestions for subjects you would like to see in future issues, or have comments in general on Customer Servings or Customer Service Point, please contact us.

We welcome your remarks!

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Feel free to share this newsletter with colleagues, business partners or friends. Republication of any content from this newsletter or the Customer Service Point website is strictly prohibited without our express written permission. Play fair!

Service Sellers Master Course Updated

You can use the Web to build your client base. Download the 'updated for 2008' version of the highly acclaimed Service Sellers Master Course, which shows you how to do it in a fast, cost-effective way.

Most services, of course, are delivered offline. But to build your all-important client base in the most cost-effective manner ever -- use the Net!

The possibilities are endless. And whether your clients are "local" (ex., a fitness trainer) or "global" (ex., someone who indexes books) in nature, the Service Sellers Masters Course shows you how to use the Net to build a client base in a fast, cost-effective way.

The Service Sellers Masters Course has been a free download in the [Member Info Point](#) for a couple of years now. Frankly, it needed

an update. And now, that update is available.

Please get the updated version now at the [Member Info Point](#).

Web address of the Member Info Point:

<http://www.customerservicepoint.com/member-info-point.html>