Creating Consistency in Educational Finance:

A Training Curriculum

Introduction

Managing a call center is much like managing a restaurant. Both call center managers and restaurant managers have to find the right balance between meeting customer service requirements and operating efficiently. When customers visit a restaurant they expect to be treated courteously and not have to wait too long before they eat. Likewise, when borrowers call, they do not want to be placed on hold forever. Management must provide sufficient staff and inbound capacity to ensure that the quality of service is satisfactory to the customer. However, staff costs, whether they are at a restaurant or call center, generally comprise the largest expenses of running a business, which means that management often looks to staff cuts as a primary way to minimize costs. Staff reductions many times result in overworked employees. Consequently, this approach poses a major challenge to managers in maintaining a productive work environment and keeping staff motivated.

Whether a call center resides at a school, lender, servicer, or guarantor, call center managers face similar challenges. Although the types of questions differ from call center to call center, each manager strives to keep employees motivated, informed, and productive.

Given the major challenges that call center managers face, this module is designed to:

- Equip managers with some guidelines on cultivating a productive work environment
- Present an overview of conflict resolution skills, which can improve the efficiency and effectiveness of a call center
- Provide guidelines for assessing the performance level of call center staff

Council for the Management of Educational Finance

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0604-32436

Call Center Management

Learning objectives

At the end of this module, you will be able to:

- ❑ Understand and apply different techniques for keeping staff motivated and productive
- ❑ Improve the effectiveness of your call center by applying proven conflict resolution skills
- ❑ Identify areas for improvement in your call center by accurately assessing staff performance

Section I: Cultivating a productive work environment

An organization's call center is a vital part of establishing and maintaining customer relationships. Not only are call center managers challenged to ensure that the necessary technology and training be in place, but they must also keep employees motivated and productive. They must provide a safe working environment, maintain customer service levels, and also attain company goals. Fortunately, there are a number of techniques that managers can apply in order to meet those challenges.

Get to know your employees

Employees may respond better to managers who take the time to get to know them on a professional level. Let employees know that you see them as individuals. Getting to know your employees individually allows you to gain an understanding of what their strengths are, what motivates them, what type of work they find interesting, and what talents they can offer to the call center.

The daily routine in a call center — constantly resolving problems and complaints over the telephone — can take a toll on employees' performance and disposition. One way that you can prevent your employees from growing tired is by assessing their strengths and accordingly assigning them to other duties that extend beyond answering phones. This may help keep the job interesting and help avoid burn-out. Also, try using an employee survey to find out what gives your employees a feeling of value and what motivates them to want to come to work and perform well.

Lead by example

Showing respect to your employees is essential for promoting good employee morale. Also, exercising honesty and integrity with your employees can lead to mutual respect by demonstrating that you value them. Let employees know that you support them by being an advocate for them. Show employees that you are there to defend them. Also, remember to provide them with positive reinforcement when appropriate and in a timely manner.

Managers should always give credit where credit is due and recognize employees' accomplishments. More importantly, managers should never reprimand employees in public. Disciplining employees in front of their peers will cause embarrassment and most likely result in anger and loss of productivity. It can also be uncomfortable for the rest of the staff.

Employees also need to see that you have respect for your customers. The level of customer service you provide to your customers will be mirrored by your employees. Show employees that you expect a high level of customer service from them by providing the same level yourself. When you lead by example, employees will be more apt to apply the same principles when dealing with customers and fellow employees.

Set goals

When setting goals for a call center, managers must be cognizant of the organization's overall goals. In establishing goals for the department, managers must ensure that goals are realistic, specific, measurable, and challenging for employees. Also, goals should be communicated regularly to staff members so that there is a clear understanding of expectations. In order to keep employees motivated, it is critically important that employees be kept informed about the organization's and department's progress in reaching established goals. Keeping employees abreast of their progress will help them stay focused on attaining their individual goals.

Ideally, involving employees in goal setting can prove beneficial not only to meeting an organization's goals but also to cultivating a productive work environment. Allow employees to be creative and offer ideas on how the department can obtain its overall goals. Be receptive to their ideas. Try meeting as a group to exchange ideas that will allow employees to take ownership of the goals established. Employees will know that their input is valuable to you and the department if they are included in the goal setting process.

Give rewards and recognition

Most organizations have some type of recognition program for their employees. It may be an employee -of -the-month award, VIP parking, or other benefits that employees may enjoy. Other programs may include a system where employees can earn points for redeeming rewards like a day off, casual dress days, lunch with the boss, or brown bag luncheons for team accomplishments.

If you are looking to incorporate a recognition program for your employees, you should remember to be creative and select a variety of rewards that appeal to a variety of individuals. Also, keep in mind that rewards should be meaningful and tied to specific goals. Recognize employees for the job they do and how their efforts impact the organization. It's also important not to show favoritism when recognizing employees. Being fair and recognizing employees who truly deserve the award will keep the program credible with your staff.

Section II: Exercising conflict resolution skills

In a call center, there will be times when managers will spend the majority of their time resolving conflict. Almost every call center should be prepared to handle an irate customer. Inevitably, every manager at a call center will receive a complaint or have to confront an angry customer at some point. The easiest way to effectively handle such conflict is to prepare yourself as manager and more importantly, train your employees so that they, too, can effectively handle these types of calls.

When dealing with a difficult situation or person, instinct causes us to simply react and deal with the person in a negative way. However, according to conflict resolution experts, when a person deals positively with customer anger, the outcome of the situation will be positive. When you avoid customer anger, or respond in kind, you are sending the message that you are powerless and that you can't do anything to improve the situation. More importantly, when customers express anger to you, it is a sign they care what happens and that they want a positive solution. Therefore, as manager you are striving to have a productive and effective call center, then you must acknowledge the customer's anger before you can begin to solve the problem.

When you have to say "no"

Along the road to addressing the conflict, there will be times when you have to say "no." It's a mistake to believe that good service means always saying "yes" to customers and your employees. Sometimes "no" is the right answer. It's easy to work with your customer when the answer is "yes, it will be my pleasure." Getting around "no" while maintaining your relationship with the customer is far more challenging. Here are three ways to meet the challenge:

Don't assume you can't. Be willing to seek creative solutions. Before you say you can't, work with your customer to try to find a way that you can. Ask probing questions and confirming questions to ensure that you have all the facts, and that you're not jumping to the wrong conclusion. See table 1.1.

Table 1.1.

Probing Questions:	Confirming Questions:
"Could you tell me more about that?"	"So, what you are saying is…"
"What happened next?"	"How am I doing with my explanation? Am I helping or did I miss the point of your question?"
"What do you need to happen now?"	
"Could you give me an example?"	"How do you feel about the solution I suggested?"

Don't play the blame game. To scapegoat another part of your organization, another player in the industry, or your employee, for a service breakdown simply tells your customers that you are separate departments working in isolated and even adversarial ways, instead of a tight-knit team working for them. Don't do it, not to each other, not to yourself.

Find an alternative. While you may not be able to do exactly what your customer is requesting, you may be able to do something that is just as good.

Example: The borrower was unable to make payments on a loan due to a financial hardship. The loan exceeded 120 days delinquent at one point and the loan became delinquent long before the borrower asked for repayment assistance such as deferment or forbearance. The loan was reported delinquent to all national credit bureaus (e.g. 60-days, 90-days and 120-days late), which is preventing the customer from getting a mortgage loan. It's clear in the guidelines that we will not correct this customer's credit, as we must treat all customers equally in regard to credit bureau reporting. The customer states that this is the only item on his/her credit history and if the derogatory remarks are not removed, he/she will not be able to purchase a home.

We've asked all of our probing questions to ensure the borrower does not qualify for a credit correction. We can, however, offer the customer a letter that states he/she has made timely payments on the loan, and that payment, deferment or forbearance has been received to cover that period of time. If the customer has made timely payments since that time, we can also advise of the consistent timely payments recently received. Offering this letter as an alternative, without correcting the credit, so the borrower can take it to the mortgage company for review, often satisfies the requirements from the lender.

Focus on the positive. Beginning or ending every "no" response with a positive statement will reinforce the relationship you are building with your customer. Examples: "I really appreciate your bringing this to my attention," or "I can understand your concern," or "The information you gave me will help us to make improvements, and I'll be certain to relate your concerns at the next staff meeting" (or directly with the area/person with which there was a problem). See table 1.2.

Table 1.2

Forbidden Phrase	Use Instead
1. "I don't know."	"That's a good question. Let me check and find out."
2. "We can't do that."	"That's a tough one. Let's see what we can do." Then find an alternative solution.
3. "You'll have to…"	Soften the request with phrases like, "You'll need to," "If you will…" or "Here's how we can help you with that," or "The next time that happens, here's what you can do."
4. "Hang on a second; I'll be right back."	"It may take me two or three minutes to get that information. Are you able to hold/wait while I check? Or would you like for me to call you back?"
5. "No" when used at the beginning of any sentence.	If you think before you speak, you can turn every negative answer into a positive response, "We aren't able to correct your credit, but we can put in writing that your deferment has been received and processed for that time frame."

Every customer service professional has times when something said in all sincerity or innocence to a customer causes the customer to explode with anger. It is not the intent of the words to create customer anger, but it is the effect. One of the most common negative messages we can send to a customer is, "I think you're stupid." We send that message when we use phrases like, "Do you understand?" with a certain tone of voice, or when we begin talking to a customer as if we're addressing a four-year-old. Instead, focus on using positive phrases such as the ones provided in table 1.2.

When situations are escalated to the manager

Most often, irate borrower situations will continue to escalate for one or two reasons. First, it's possible that the customer's account or situation wasn't handled correctly the first time. According to conflict resolution experts, *doing things right* requires using technical skills and people skills, learning about the company's products and services, and being able to answer questions about how things work and why.

Second, and likely the most common reason for an escalation, is that someone failed to do the right thing. Conflict resolution experts explain that *doing the right thing* is about deciding what the best thing to do is in a given situation. It involves using good judgment on your customer's behalf — sometimes in ways they may not have asked for or even thought of. It is about deciding whether to comply with a customer request.

To help employees develop confidence and competence when it comes to doing the right thing, take time to get together with your team to learn from each other's experiences. Share stories of successes and failures with tough customer problems. If you can role-play various scenarios with employees, you will help the entire team feel confident when they face one of these situations.

Understanding the rules

Confidence, competence, and developing good judgment will come from knowing the rules for your organization. When we don't know the answer or aren't comfortable making a decision on our own, we're tempted to make up a rule or perhaps fail to do the right thing.

Define for your team the "formal rules" that cannot be broken. These may be set by the government in the form of laws or regulations or by your organization's management team. Also, define for your team the "informal rules." The informal rules are those that have evolved over time and have become department policy or a rule of thumb. The discussion surrounding these rules is vital to learning why the rule exists and their impact on your business.

> **Example:** Within the student loan industry formal rules exist regarding limits on the amount of deferment time available for Economic Hardship. A customer may be upset that he or she has used the eligible months of deferment and cannot qualify for another deferment type.
>
> The customer must then turn to forbearance, which requires the customer to pay the interest. Discussion regarding the rules for deferment should take place within your team.
>
> If you or one of your employees believes an exception should be made, but you aren't sure if it can be done, ask a more experienced peer, manager, or director. Without formal and informal rules, providing consistent, superior service will be exceptionally difficult. Ensure your team knows the nature of the rule(s) in question, the reason for the rule, and the consequences of not following it, then work with your customer to find a solution that works best within your system.

When it comes time for you and your team to work with a customer regarding one of your rules, formal or informal, ask yourself these questions to ensure good judgment is applied:

1. Does the action violate a formal rule? If yes, stop. Look at other alternatives that comply as breaking this rule is not an option.

2. Does the action violate an informal rule? Will bending or breaking the rule allow you to serve customers better? The fact that an informal rule can be bent is not in-and-of itself a compelling argument that the informal rule should be bent or abandoned entirely.

3. Who should make the final decision? Find that person and take action.

Developing a process to assist in decision-making is important to ensure your team is successful when it's time to take action. It is important to identify the various levels of decision-making authority for your team to help team members understand how to get authorization, if needed. Taking these proactive steps will reduce the number of conflicts that come up between your customer and your team members.

Coaching your staff

It is inevitable that there will be customers who question the performance of your team or individuals on your team. It is always important to consider the complaint received from your customer as an opportunity to coach or mentor your employee. Complaining customers are important because they may represent other dissatisfied customers who are convinced that there's no point in sharing their bad experiences.

When you have an opportunity to address a complainant, listen. Work consciously at graciousness and control. Avoid becoming defensive or acting stern or judgmental. Avoid attempting to explain why the problem occurred. Customers want to know that they are being heard, and that their comments are valued. Explanations of why things work the way they do may appear as defensive and will only aggravate and irritate.

Treat complaints about your customer service representatives as an opportunity. Use them for problem solving and learning, not for rebuke and judgment. There are times when the customer is not always right; however, the objective is not to assign blame and hand out punishment. It is to find out what happened, why, what you can do to resolve it this time, and what you can do to prevent it from happening again.

Use negative feedback to improve performance, not to punish people. When you get complaints from customers regarding your people, thank the customer for the information and make it clear that you will check into the problem. Remember not to scapegoat your employees or shoot the messenger by defending your people on general principles. Then, when meeting with your employee, present the feedback, not in a blaming or judgmental way, but with a descriptive "let's work together to resolve this situation" approach.

It's important that you do not take sides if you find yourself in the line of fire between the customer and your employee. Always take the high ground. Instead of choosing sides, the best approach will be to collect all the facts and make a decision based on performance, not the people involved.

When your people perform well, it's easy to identify the good performance and reward then for a job well done. When your people perform — unevenly, or hit a slump, the appropriate technique is to reward the great stuff and to encourage improvement but not at the same time. Patiently communicate continuous faith in the performer, especially when the results have been off and pride, confidence, and self-esteem are at their shakiest. This will focus and reinforce the fundamentals. Also, remind employees that their individual performance affects the team's performance.

Setting the tone

The people you lead are more than a little swayed by your actions. You are a personal role model for many of the people who work for you. How they see you deal with and talk about peers, colleagues, employees, and customers tells them what the real rules of conduct are for your part of the organization. You cannot manipulate people into doing quality work or caring about their customers. You can lead them there. Your personal example of doing things right, doing the right thing, taking the time to listen to customers and employees with patience, and focusing your energy on things that say "quality service" to your customers (internal and external) are critical parts of the leadership role. Through day-to-day examples and leadership, set the tone and lead the way.

Section III : Guidelines for assessing staff performance

Cultivating a productive work environment and practicing good conflict resolution skills can contribute to the success of a call center in meeting its goals. However, to accurately assess the effectiveness of the skills that are employed and practices that are followed, it's important to establish some accountability measures to evaluate the outcomes.

Following are some guidelines for assessing staff performance that can help call center managers identify areas for improvement, improve productivity, and/or serve as reinforcement for what may already be working.

Define procedures clearly

In the process of developing or defining procedures for a call center, it is often beneficial to involve the individuals who will be using them. Employees who are a part of the process are more likely to understand the purpose of, and support, the implemented procedures. The process of defining procedures begins with examining and analyzing current workflow, policies, and practices. When developing procedures, it is sometimes helpful to compare your call center's procedures and performance with those of similar organizations. This practice is often called benchmarking. Many times benchmarking assists in identifying techniques, methods or processes that experience and research have proven to be reliable and yielded some "best practices." The procedures outlined as a result of your review should identify what must be done and specify how it is supposed to be done. Procedures should be thoroughly explained when training employees, and access to documented procedure guidelines should be provided to each employee as a reference tool. Well-delineated procedures promote consistent, high-quality service and enable performance expectations to be communicated to call center staff more effectively.

Set acceptable levels of performance

Before an organization can assess if employees are meeting performance expectations, acceptable levels of performance must first be defined, especially for a call center. When determining what constitutes acceptable levels of performance, call center managers must ensure that the call center's assessment of productivity is aligned with the goals of the organization. In order for the mission, vision, and values of the organization to be reflected in its daily activities, the standards of acceptable levels of performance in the call center must be consistent with those of the organization. Also, standards should be specific, realistic, and measurable. After acceptable levels of performance have been determined, this information should be clearly communicated to the employees. In order for call center employees to be productive and meet goals, it is essential for the call center manager to communicate to employees what is expected of them and what they will be evaluated on.

Perform quality assurance checks

To ensure both that procedures are being followed and performance is at acceptable levels, it is imperative that quality assurance checks be performed regularly. Monitoring phone calls, reading random samples of outgoing correspondence, reviewing employee documentation, and analyzing statistics are all ways of performing quality assurance checks. The most apparent quality assurance check is simply listening to what your customers have to say. Often they will express their opinions or make suggestions without being asked, but it can be very beneficial to periodically request feedback from those you serve. Surveys often provide valuable information.

Conduct assessments

In addition to quality assurance checks, periodic assessments are vital to determining how well procedures are being followed and whether acceptable performance standards are being met. Upon completion of training, an initial assessment of an employee's knowledge should be made. Written tests, oral reviews, role-playing, and observation of work performance are all means of assessing an employee's knowledge and ability to apply that knowledge. Periodic knowledge retention assessments are also a critical component in maintaining acceptable performance standards. Timely evaluations of employees and providing feedback concerning performance are both significant elements of the assessment process. Behavior, use of resources, and error rates may be included in the assessment of employee performance. Comparing an employee's present skill set to the skills required by his/her position is termed "gap assessment." Letting employees know what skills they have that meet or exceed those required by their position, and what skills they need to improve or develop for their position, enables you to assist them with planning their training.

Guide for conducting assessments

Do	❑ Periodically review or evaluate your assessment to ensure that you are really measuring what you need and want to measure ❑ Be honest about the results when making assessments ❑ Keep confidential employee information protected by locking computer screens and storing any hard copy information in locked files.

Don't	❑ Don't use vague language in your assessment questions. Doing so may cause confusion and taint your assessment results. ❑ Don't withhold constructive criticism. Providing feedback is essential to employee growth and development.

Resources for effective assessments:	❑ Software used to record calls and capture screen shots ❑ Call management software to observe and monitor inbound and outbound calls ❑ Telephone records and collected statistics ❑ Assessment forms ❑ Customer service surveys