Smarter call-center coaching for the digital world

The demands facing contact-center staff are becoming more complex, more varied, and more valuable. That calls for a smarter coaching approach.

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Digitization is transforming the role of the customer contact center. Staff are spending much less of their time handling simple, transactional calls, as more of these requests are completed via digital channels. Instead, their focus is increasingly on high-skill, high-value tasks, such as complex support requests or revenue-generation opportunities.

It's no surprise, therefore, that customer-care leaders are working hard to upskill their contact centers. In a McKinsey survey of more than 50 senior customer-care executives, 94 percent said that they expected the skill demands placed on their contact center agents to increase over the next five years.

One-to-one coaching of agents by team leaders and managers has long been the backbone of capability-building efforts in many contact centers. Our research suggests that the average 500-agent call center in North America allocates around $2 million of staff time to coaching activities every year.

But a lot of that coaching doesn't seem to be working. One of the more straightforward ways to evaluate the effectiveness of an agent-coaching program is to look at how performance evolves over time. For experienced agents who have been in their current role for more than six months, metrics such as average handling time (AHT), first-contact resolution (FCR), or customer satisfaction (CSAT) should show a broadly upward trend. At the same time, performance differences among agents should gradually decrease. A gap of much more than 30 to 40 percentage points between agents in the top performance quartile and the bottom suggests weaknesses in the coaching regime—and that customers are receiving inconsistent service.

The hard truth is that many contact centers around the world are struggling with slow or nonexistent improvements in KPI performance, and high variability between agents. And that's despite significant investment in their coaching programs.

What's going wrong?

Investigating the underlying causes of poor coaching effectiveness reveals a number of factors at play. First, there's often less coaching taking place than companies expect. Agents often have regular coaching sessions built into their schedules, but supervisors and team leaders may struggle to keep to those slots, as they juggle meetings, administrative duties, and special projects.
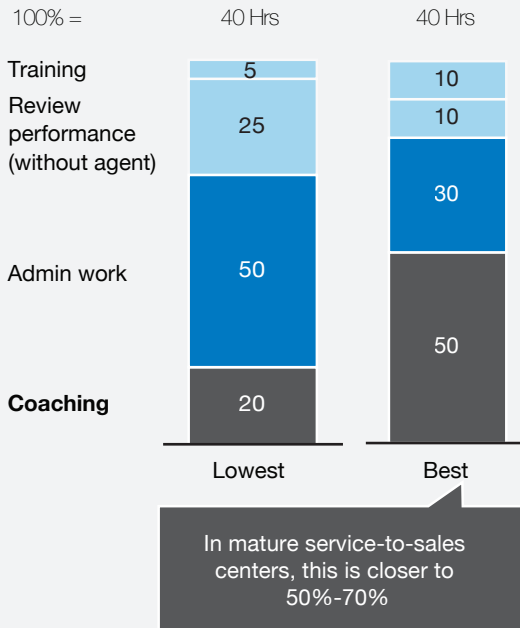
Measuring the amount of time supervisors actually spend coaching their agents can be illuminating. One company found that the percentage of time its managers spent on the floor coaching their teams varied by a factor of six. Among teams led by coaches who spent more than 60 percent of their time on the contact-center floor, staff-retention rates were twice the average. That's a significant benefit given call centers' perennially high attrition rates. Moreover, one retail bank found a direct correlation between the fraction of their time their service-to-sales team leaders spend on coaching and the conversion rates achieved by their teams (Exhibit 1).

Second, we found that coaches often approach their work with the wrong mindset. Supervisors and team leaders may fail to differentiate between coaching and incidental feedback, or actions taken to ensure process adherence. Effective coaching should look beyond the here and now to focus on the skills, attitudes, and behaviors that will improve agent performance over time.
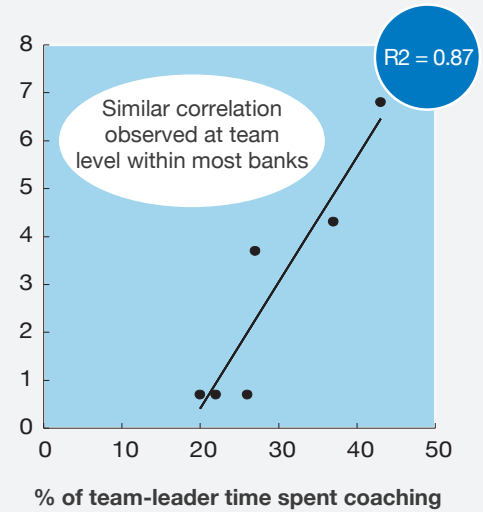
It doesn't help that many coaches are poorly prepared for the job, having received little training from their organizations in the best ways to instruct and motivate their teams. We therefore strongly recommend that managers periodically sit in on frontline coaching sessions to see in person how

Exhibit 1

More coaching leads to more sales.

Team-leader time allocation
%

100% =	40 Hrs	40 Hrs

	Lowest	Best
Training	5	10
Review performance (without agent)	25	10
Admin work	50	30
		50
Coaching	20	50

In mature service-to-sales centers, this is closer to 50%-70%

Sales-conversion rate for all products
%

R2 = 0.87

Similar correlation observed at team level within most banks

% of team-leader time spent coaching

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supervisors handle the task. The results are eye-opening. After observing a supervisor with 10 years' experience, one shocked manager said, "I had no idea there was that big a difference between what was actually happening and what I thought was happening in the coaching sessions."

Third, coaching is often poorly targeted. Coaches may base their feedback on a review of four to six calls out of the five or six hundred the agent conducts every month. As agents handle a rising number of different call types, that small sample size means the coach is likely to miss key issues or opportunities for improvement. And because coaches are often pressed for time, they may resort to "coaching to a number": singling out just one metric and urging the agent to improve it. Without any effort to identify

the underlying behavior driving the metric, this kind of coaching is ineffective and often counterproductive to employee engagement.

A better way
There's good news for contact-center leaders. Once they understand the issues that hamper coaching effectiveness, new digital tools can help address them by improving the availability, targeting, and delivery of coaching inputs.

Automate supervisors' administrative tasks
Many of the activities that keep supervisors and team leaders off the contact-center floor are prime candidates for automation, using techniques such as digital workflows and robotic process automation. Tasks including the preparation of time sheets,

dashboards, and agent-evaluation reports can now be completed with little or no manual intervention. That makes it far easier for these staff to focus on more valuable coaching activities. In most contact centers, supervisors should aim to spend at least half their time coaching agents on the front line.

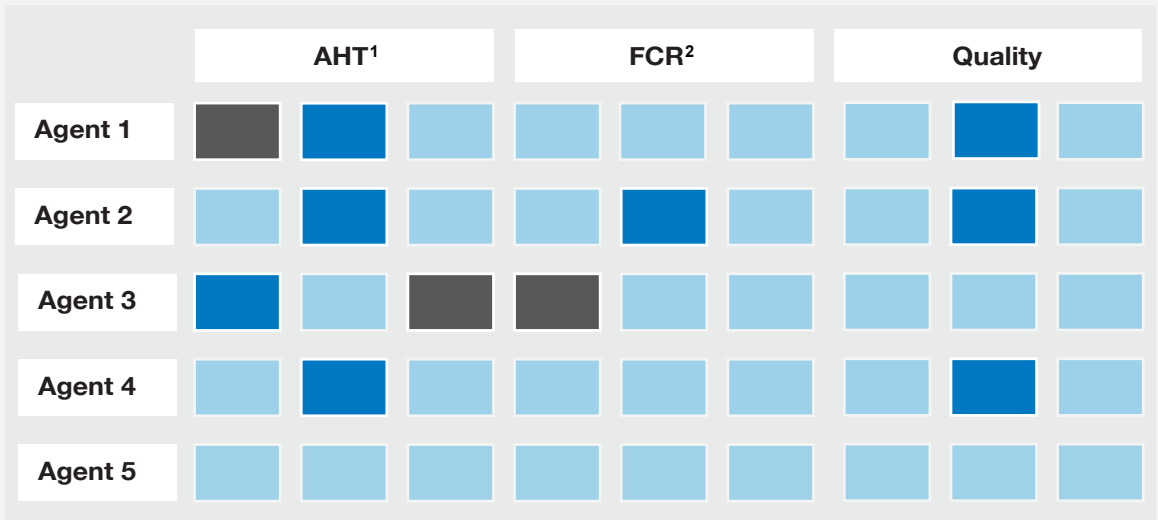### Use analytics to deliver coaching insights

Digital tools can provide a far greater level of sophistication and granularity to the analysis of agent performance, allowing supervisors to see how their agents perform against multiple performance indicators and types of call (Exhibit 2). They can then target their coaching interventions at the topics that will most improve agent performance.

Computer systems that can parse text or speech are generating insights based on hundreds or thousands of calls, not the handful that a supervisor has the time to review manually. Some organizations are also deploying real-time sentiment analysis, a machine-learning technique that identifies phrases and speech patterns that indicate a customer is becoming anxious or frustrated during an interaction.

One global service provider used a combination of technologies to develop an integrated coaching platform for a large contact center. The system used data from multiple sources, including the organization's systems for customer-relationship

Exhibit 2

Digital tools can generate detailed heat maps showing specific coaching opportunities.

■ Bottom quartile ■ Middle 2 quartiles ■ Top performance quartile

	AHT[1]			FCR[2]			Quality		
Agent 1	■	■	■	■	■	■	■	■	■
Agent 2	■	■	■	■	■	■	■	■	■
Agent 3	■	■	■	■	■	■	■	■	■
Agent 4	■	■	■	■	■	■	■	■	■
Agent 5	■	■	■	■	■	■	■	■	■

[1] Average handle time
[2] First-call resolution

SOURCE: Service Ops Analytics and Transformation (TechLab) - Disguised Client Example

management (CRM), call routing, and interactive voice response (IVR). The coaching platform automatically calculated granular performance metrics for each agent and presented its results to team leaders as an "intelligent action board", which highlighted areas of concern and recommended specific coaching actions that could improve agent performance (Exhibit 3). Productivity at the contact center increased by 15 percent.
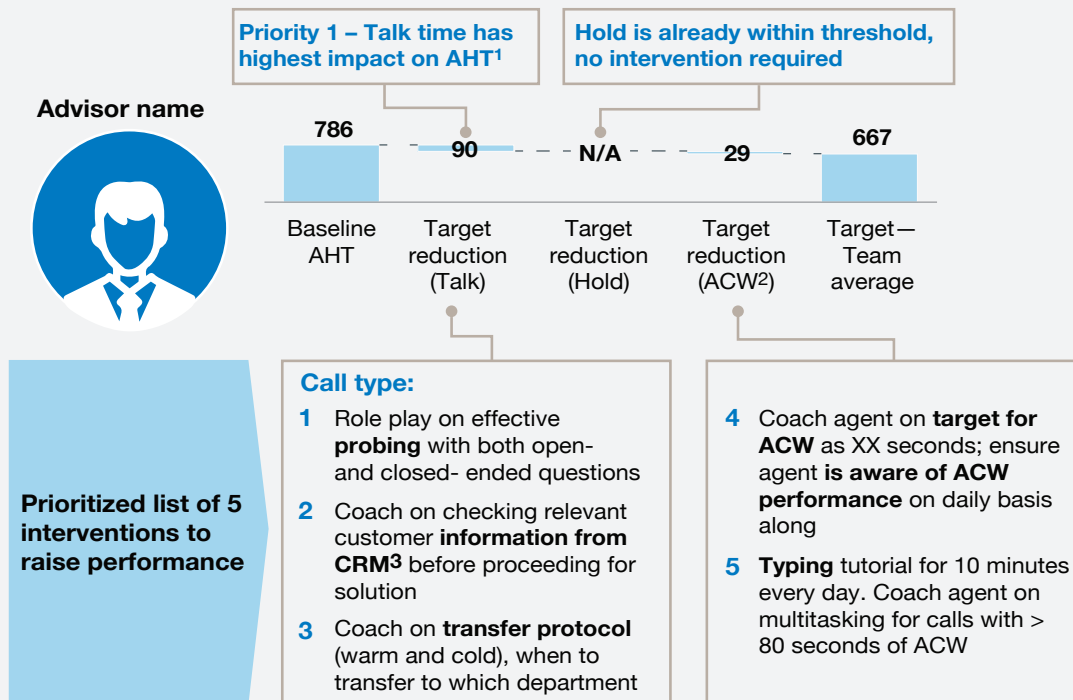
Digital delivery

Leading companies are increasingly making use of digital tools to support and augment face-to-face coaching. Digital coaching can use a range of media, including video clips and recordings of coaching inputs that are available to agents on demand. Companies have successfully used gamification and collaborative learning to improve engagement and boost digital coaching's effectiveness. Some systems even allow real-time automated coaching

Exhibit 3

An intelligent action board automatically generates coaching recommendations based on agent's performance.

Sample performance of a 2nd-quartile agent who has showed 7% improvement

Advisor name

Priority 1 – Talk time has highest impact on AHT[1]

Hold is already within threshold, no intervention required

Baseline AHT	Target reduction (Talk)	Target reduction (Hold)	Target reduction (ACW[2])	Target—Team average
786	90	N/A	29	667

Prioritized list of 5 interventions to raise performance

Call type:

1 Role play on effective **probing** with both open- and closed- ended questions

2 Coach on checking relevant customer **information from CRM[3]** before proceeding for solution

3 Coach on **transfer protocol** (warm and cold), when to transfer to which department

4 Coach agent on **target for ACW** as XX seconds; ensure agent **is aware of ACW performance** on daily basis along

5 **Typing** tutorial for 10 minutes every day. Coach agent on multitasking for calls with > 80 seconds of ACW

[1] Average handle time
[2] After-call work
[3] Customer-relationship management

and feedback to agents. One European credit card provider created a "virtual sales coach", for example, which helped raise its sales-conversion rate by seven percentage points (Exhibit 4).

At a large retailer, visual-management techniques help target specific areas of performance in its centralized contact centers. The approach rests on the simple insight that agent performance can be divided into "skill" and "will" components—on acquiring additional knowledge, or increasing energy and motivation. By creating new dashboards that made performance transparent across the whole site, the company saw a 10 percent improvement in schedule adherence (a will-driven metric) in only six weeks, as teams were motivated to outperform their peers.

Coaching across the board

Even companies that work hard to improve coaching of front-line service agents often pay little attention to coaching in other layers of the organization. That's a mistake. People learn by example, and there is no better way for a team leader or supervisor to understand the value of effective caching than to receive it themselves.

The most advanced companies are now applying the same techniques discussed above, such as intelligent action boards and digital delivery,

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Exhibit 4

A virtual sales coach provides real-time, automated coaching.

The virtual sales coach (VSC) is a desktop solution that helps call center agents sell more effectively on service calls. It combines 3 elements:

1   **Analytical model for identifying next best product to buy through call centers based on real-time situation on call**

2   **Speech analytics and behavioral psychology for identifying the right sales scripts with visual cues**

3   **Ready cues on objection handling such as feature comparison with competitors**

to support coaching up and down the hierarchy. These companies track coaches' performance with the same rigor they apply to frontline staff, monitoring indicators such as time spent coaching, 360-degree feedback on coaching effectiveness, and improvement in team performance over time.

These investments can pay off handsomely. The best-performing team leaders can motivate their teams to deliver up to twice the average team performance, and such teams also typically show less absenteeism, lower attrition, and higher employee satisfaction. In a recent, proprietary study of employee engagement at contact centers, we found that dissatisfaction with their immediate supervisor—including with the coaching process—was the number one driver of agent attrition.

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Across sectors, companies are striving to improve the skills and performance of their contact-center staff. But building an organization's capabilities and culture requires a systematic approach, including the use of appropriate metrics, targets, and incentives. Effective coaching is the single most effective way to improve performance, however. With the right focus, and with new digital tools, companies now have the opportunity to supercharge their coaching efforts. ■

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