Chapter 17

Call Center Operational Performance Indicators and Customer Satisfaction: An Explanatory–Exploratory Investigation

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ABSTRACT

This article purports to investigate the relationship – in an empirical way – between the various operational indicators currently used for the management of call centers in Brazil and customer satisfaction. In this context, a set of call centers rendering services to a telecommunications company will be analyzed in order to verify which of their indicators are positively associated with customer satisfaction. A methodological approach based on surveys as well as stepwise multiple linear regressions is developed and applied in order to achieve the objective of this paper. The “First-Contact Resolution Rate” and the “Average Handle Time After the Call” indicators present a statistically significant relationship with customer satisfaction. Some alternative call center operational performance indicators are proposed, in an exploratory way, so as to convey an enhanced relationship between call center performance and customer satisfaction.

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INTRODUCTION

Despite the relevance of the call center industry, there is a lacuna in academic literature in correlating the relationship between operational performance indicators used by call centers and customer satisfaction. Some prescriptive paths are singled out in call center manuals – books that analyze call center operations and management – specifying a set of operational indicators that need to be monitored to achieve excellence in customer service (Tom et al., 1997).

In the United States, two studies conducted by Feinberg et al. in 2000 and 2002 attempted to pinpoint operational indicators which determine customer satisfaction. The results encountered were, however, divergent. In the first study in 2000, two indicators appeared to have some connection with the customer satisfaction level (Feinberg et al., 2000). In the second study, in 2002, with the focus of research directed at the call centers that served the financial market, no performance indicator showed any correlation to customer satisfaction (Feinberg et al., 2002).

Thus, this article aims to contribute to the technical literature, seeking to answer the following research question: Which call center operational performance indicators have any bearing on customer satisfaction? This question is relevant as there is no consensus on this point in the academic world.

An attempt is also made to find empirical evidence to help company managers who either operate or hire the services of call center operations to develop strategies that improve customer satisfaction, thereby enhancing the competitiveness of these organizations, both in the domestic and international markets.

With this in mind, three operations of one of the leading companies in the Brazilian call center outsourcing market were analyzed. For reasons of confidentiality, this study will safeguard the identity of all the companies involved in the research.

This article is structured as follows. After the introduction, the literature review used is set forth. Then, the research method used in this investigation is presented. Based on the research method unveiled, the data collected is analyzed in an explanatory way, in order to test the relationship between the operational performance indicators gathered and customer satisfaction. Alternative call center operational performance indicators are then proposed in an exploratory way. Lastly, some final remarks are presented as well as the managerial implications of this study for the call center industry.

LITERATURE REVIEW

Call Center Operation: An Overview

According to Dawson (1999a, 1999b), call centers are run by a group of hierarchically organized people, which may range from a small to a large number of participants. The staff is usually divided into different levels, with a larger group for first contact and a smaller group for more specialized inquiries requiring more in-depth training of the agents, and involving a longer conversation time with the end customer.

In addition to the agents, there are also systems that can automatically handle less complex calls, thereby avoiding staff overload. These systems are called IVR (Interactive Voice Response). These are synthesized voice systems that by eliciting replies from customers can guide them to the automated service, such as obtaining a current account balance for example. According to Brown et al. (2002) for the financial sector, 80% of customers can be handled directly by automated systems.

When service cannot be handled directly by an IVR, the call is directed via an ACD (Automatic Call Distributor), to an agent who is able to handle that type of service.
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