

BEST PRACTICES

FROM FORTUNE 500 COMMUNICATIONS PROVIDERS

Components of Successful and Effective CEM Programs

Approach

SkyCreek conducted a research study of industry and client best practices to identify the process and behavioral components of successful CEM programs. Our research focused on Fortune 500 communications providers in the United States and Canada. Our approach used a combination of interviews, research, and empirical evidence to identify the components common to those companies that use CEM programs to consistently “move their needle” and achieve leading scores in the eTouchPoint Industry Benchmarking index.

Key Outcomes

Our findings indicate that the most effective CEM programs have all or most of the following elements:

1) CEM Program Lead

A resource accountable for directing the day-to-day operations of the CEM program.

2) Closed Loop Alerting Process

A well-defined process for following up with dissatisfied customers.

3) Established Cross-team Communication

Peers at every level meet on a recurring basis to collaborate on CEM strategies.

4) Goal-driven CEM Programs

Performance goals are clearly communicated and updated annually based on performance, company goals, and industry benchmarks.

5) Customer Sentiment Analysis

Customer comments are routinely analyzed to identify key operational themes and issues.

6) Cross-silo Communication Process

An established process for tracking and communicating CEM issues across lines of business for resolution.

7) Recurring Segmentation Analysis

“Deep dive” analyses of CEM data to segment results based on specific customer segments and/or business areas.

8) Integrated Operational and CEM Performance Scorecards and a Process for Coaching Employees

Scorecards that incorporate both operational and customer experience metrics in rating the overall performance of a frontline employee on a recurring basis, and a process where employees are coached on performance expectations with regard to the “model” customer experience.

9) C-Sat Performance Incentives

Top performers are recognized and performance incentives are provided for frontline employees and teams.

CEM Program Best Practices, Benefits, and Examples / Results

CEM Best Practice	Benefits	Client Examples / Results
<p>1) CEM Program Lead A resource accountable for directing the day-to-day operations of the program.</p> <ol style="list-style-type: none"> Define program goals and hold users accountable Manage key processes: alerts follow-up, data feeds, and cross-group coordination Facilitate training and ongoing support Recurring communication Champion the initiative throughout the company 	<ul style="list-style-type: none"> Improved customer satisfaction scores and fewer customer issues over time Greater field engagement in and awareness of CEM results Increased Program ROI SPOC for Users and Stakeholders Greater focus on driving improvements in process and service Fewer operational issues with CEM Program (e.g. data feeds) 	<p>Clients that have programs with designated leads have many of the following characteristics:</p> <ul style="list-style-type: none"> Over 90% of customers are satisfied in terms of Overall Satisfaction Typically score above 90% with regard to the Overall Score for all areas Percentage of Alerts range from 4-7%, which equates to hundreds of “saved” customers monthly Fewer operational issues, which leads to better field engagement and more focus on issues that matter
<p>2) Closed-Loop Alerting Process A well-defined process for following up with dissatisfied customers.</p> <ol style="list-style-type: none"> Established procedures for follow-up by either: <ul style="list-style-type: none"> Centralized Customer Escalation Team / Dispatch Area Operations Managers / Supervisors Alerts Provided in Emails and Reports 	<ul style="list-style-type: none"> Proactively Address Customer Issues Reduce Customer Churn Work with techs to reduce likelihood that the issue will occur again in the future Increased customer satisfaction 	<p>Over a 6 month period, a large Telco saw significant improvements in the following metrics after implementing their closed loop alerting process:</p> <ul style="list-style-type: none"> Percentage of Customer Alerts decreased by 29%, which equates to ~2,400 fewer dissatisfied customers over the course of a year Percentage of Perfect Scores increased by 42%, which equates to ~28,000 more highly satisfied customers over the course of a year NPS scores improved <p>Clients that do not have a formal process for following up on alerts typically do not see a decrease in alert volumes over time; are more likely for issues to recur; and, show little or no improvement in percentage of highly satisfied customers.</p>
<p>3) Established Cross-Team Communication Management peers meet on a recurring basis to collaborate on CEM strategies.</p> <ol style="list-style-type: none"> Weekly scorecards highlighting key metric scores among peers Quarterly or monthly conference calls to review results, discuss strategies, and share lessons learned 	<ul style="list-style-type: none"> Standardized training and customer follow-up processes across organization Cross-team collaboration and brain storming creates program buy-in Reduction in the variance in scores among different teams, resulting in a more consistent experience for all customers 	<p>Many of our more successful clients have defined expectations for using eTouchPoint and meet frequently to review and discuss CEM program strategies and results. For many, there is a healthy competition between directors and managers as to whose teams have the highest scores week-to-week and month-to-month. Companies that provide opportunities for peers to discuss operational issues and share what is working and not working are able to respond to customer service and operational issues more quickly and consistently company-wide.</p>
<p>4) Goal-Driven CEM Programs Performance goals are clearly communicated and updated annually based on performance, company goals, and industry benchmarks.</p>	<ul style="list-style-type: none"> Employee performance improves in an attempt to reach new goals Employees take goal values more seriously when held accountable for results 	<p>A large communications company decided to increase focus in the area of “Calling Ahead”. Prior to increasing the goal by 10 percentage points, 60% of technicians were performing at or above goal and only 48% of technicians</p>

<ul style="list-style-type: none"> a. eTP goals are set as part of the annual goal setting process for Key Drivers b. Performance on goals is an integral part of the performance review process c. Attainment of goals is used to determine eligibility for bonuses and compensation increases 		<p>were performing at or above the new goal value. Through an increased focus on “Calling Ahead” the company was able to increase the percentage of technicians that were at or above goal by 25% over a 90 day period. A Fortune 50 cable provider was able to reduce the percentage of missed appointments by 12% through “Calling Ahead”. At a cost of \$55 per truck roll, the company was able to save ~\$800,000 per month in reduced truck rolls alone. Additional savings were realized in reduced overtime costs and double dispatch situations.</p>
<p>5) Customer Sentiment Analysis Customer comments are routinely analyzed to identify key operational themes and issues.</p> <ul style="list-style-type: none"> a. Sentiment analysis of comments during transcription b. Informal sentiment analysis of customer comments periodically 	<ul style="list-style-type: none"> • Identify other areas of concerns that are not directly measured by survey questions • Identify process issues in other areas that are impacting CSAT scores • Create plan to prioritize and address issues, thereby reducing operations issues over time 	<p>A large communications company implemented customer sentiment analysis and saw a 40% decrease in the number of comments with negative sentiment after process improvements were implemented to address the most common customer concerns. The analysis identified that appointment scheduling and customer service were the most common concerns of customers. Furthermore, the company instituted an ongoing process that identifies the top 3 concerns on a quarterly basis, and then implements a plan to address these concerns over the next quarter.</p>
<p>6) Cross-Silo Communication Process An established process for tracking and communicating CEM issues across lines of business for follow up / resolution.</p> <ul style="list-style-type: none"> a. Key contacts are identified for other areas of the business (e.g., Billing, Call Centers, Programming, Appointment Scheduling, Provisioning, etc.) b. Relevant issues are forwarded to the appropriate groups for handling and resolution 	<ul style="list-style-type: none"> • Entire company (brand) benefits • Fewer issues from other groups make life easier for all lines of business • Improved “Recommend” scores • Cross-group collaboration helps identify process/tech/service improvement opportunities 	<p>Companies that have a process in place for tracking and communicating common concerns raised by customers are able to implement process improvements in other areas (e.g. Call Center, Billing, Support, etc.) that oftentimes indirectly impact customer satisfaction with the business area conducting the CEM survey.</p>
<p>7) Recurring Segmentation Analysis In depth analysis of CEM data to segment results based on specific customer segments, products/services, or business processes.</p> <ul style="list-style-type: none"> a. Identify strengths and weakness by line of business, product, process, or customer type 	<ul style="list-style-type: none"> • Better understanding of how specific customer segments rate customer experience • Target improvement activities based on specific customer feedback 	<p>A Fortune 500 financial services company identified that new customers had lower customer satisfaction levels with the services provided by frontline employees than “returning” customers. Across every performance metric, the new customer segment scored the company 5%-10% lower than returning customers. Additionally, new customers generated 40% more negative alerts and 14% fewer perfect scores than returning customers. Armed with this information, corporate stakeholders were able to place more emphasis on the new customer experience by implementing new processes and employee training programs to improve c-sat levels among this important growth segment.</p>

<p>8) Integrated Operational and CEM Performance Scorecards and a Process for Coaching Employees Scorecards that incorporate both operational and customer experience metrics in rating the overall performance of employees on a recurring basis, and a process where employees are coached on performance expectations with regard to the “model” customer experience.</p> <ol style="list-style-type: none"> a. Integrated KPI Scorecard for employees (monthly) b. Training and certification programs in customer service for employees 	<ul style="list-style-type: none"> • Foundation for coaching frontline employees across all KPI metrics, leading to improved performance • Enables supervisors and corporate trainers to focus training on areas of weakness for each individual employee • Greater consistency amongst frontline employees with regard to their customer service skills • Decreased % of Alerts and increased % of Perfects • Frontline employees that are motivated to earn additional certifications 	<p>Many of our clients utilize scorecards to evaluate frontline employees and to provide feedback on their performance. In addition to the standard technical indicators (e.g. Jobs / Day, % Rework, Safety, etc.) most clients have begun to add customer experience metrics from eTouchPoint (e.g. Overall Score, # of Alerts / Perfects, Overall Satisfaction, etc.) to these scorecards. This approach enables management and frontline employees to consider all service and operational elements when assessing performance.</p>
<p>9) C-Sat Performance Incentives Recognize top performers and provide incentives for frontline employees and teams.</p> <ol style="list-style-type: none"> a. Posting results for frontline employees to see b. Playing positive feedback in team meetings to motivate employees c. Monthly/Quarterly Incentives (paid days off, gift certificates, etc.) 	<ul style="list-style-type: none"> • Healthy competition between areas and teams • Increased employee satisfaction • Employees that are motivated to be top-performers 	<p>In 2011, a cable company saw a 167% increase in the percentage of technicians that were at or above goal for Overall Score. These results can be partially attributed to the implementation of monthly incentives to encourage technicians to focus on improving their performance with regard to customer experience.</p>