

APPLYING LEAN TO ADD VALUE IN A SERVICE DELIVERY ENVIRONMENT

Services Case Study



Organization Profile

Medium-sized, contact center operation, providing tailored, outsourced, solutions to businesses.

Project Goals

A reduction of Non-Value Added (Lean Waste) activity leading to an increased capacity to handle more calls.

Project Timeframe

3 months

Key Deliverables

- Reduce average handling time (AHT) by 5%
- Increase awareness of how to apply Lean within a Contact Centre Environment
- Identify unique selling points (USP) to help the organization win new clients

Leading Edge Group introduced Lean Thinking to add value in a contact centre environment

The client, a medium-sized, national call center operator, was struggling to deliver growth as a result of capacity constraints and low levels of new customer acquisition.

With support from the national enterprise support agency in the country, the client approached Leading Edge Group (LEG), with a request for Lean Business Support in the form of LEG's successful Lean Start program.

The Lean Start program was selected due to the combination of training and practical implementation support involved. A four-week, pilot project was set up for a particular cell involving a cross functional team.

The objective of the program was to address capacity limitations to enable staff handle more calls and enable the organization to aggressively grow their customer base. Specifically it set out to:

- coach / train client staff on their call handling process in order to reduce the amount of time and effort required to deliver expected results
- highlight significant opportunities to reduce Non-Value Added (Lean Waste) activity leading to increased capacity to handle more calls resulting in increased revenues.

"We talked to a number of consulting firms but none had practical experiences of working in contact centers. The Leading Edge Group knew our business intimately and the associated drivers of our business - they were simply able to talk our language!"

How was the project implemented?

In-house training was given to the project team and key stakeholders by the Leading Edge Group. This provided a general understanding of Lean principles, identification of “Wastes” and an introduction to the various tools, several of which would be used on the pilot project. This created a common understand and language across the team and set common expectations.

A pilot group was then established to undertake a Lean project, with support from LEG. The results below were achieved over the four week trial period.

Results	Without Lean	With Lean
Average Handling Time (AHT)	600	530
Calls Per Person Per Week (PPPW)	200	235
Extra Sales (PPPW)	0	+3.5
Team Opportunity Calls (150 FTE)	0	+2,900
Team Opportunity Sales (150 FTE)	0	+525
Financial Opportunity	0	Confidential

These pilot results were reviewed by the project team and organizational stakeholders. The pilot project was agreed to have:

- Delivered an 11%+ reduction in Average Handling Time
- Achieved Lean awareness and application within the Contact Center environment
- Created USP in the form of a new call assessment scorecard developed for Lean Coaching that embeds Lean in the organization’s way of working.

The conclusion was that the primary goal of the project had been achieved and that Lean thinking had delivered a demonstrable and significant difference in the effectiveness and efficiency of the contact center’s operations and service delivery.

The organization expects to progress to a full Lean Transformation.

Frequently Used Terms

Term	Description
Non-Value Added Activity	Any activity that does not add value to a product or service from the customer’s perspective.
Scorecard	A scorecard is a strategic planning and management system that is used extensively in business and industry, government, and non-profit organizations worldwide to align business activities to the vision and strategy of the organization, improve internal and external communications, and monitor organization performance against strategic goals.

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