



## Design against Demand

This article was previously published in "CONTACT" magazine

When you can predict why customers call a Call Centre from the customers' point of view, and you know what matters to the customers (the 'value' work); and then, when you respond to the customer you do only the 'value' work; you find your service improves as your costs fall. Customers 'pull' value from the Call Centre.

Tell that to most Call Centre managers and they will give you a strange look of disbelief. Managers are conditioned to believe that improvements in service and costs must be traded - you cannot have both.

Managers have a problem understanding these ideas because their fundamental approach to the design and management of work in a Call Centre is based on a production view of work. And this production view is no more than a view; it does not represent an understanding of how the work of a Call Centre works. The Call Centre 'production manager' is pre-occupied with how many things his people do; he thinks the more they do, the better the Call Centre will perform. It might seem crazy but this is just wrong, to equate activity with performance is at the heart of the sweat shop phenomenon.

Only when managers learn to see the Call Centre as a system do they learn the weaknesses of the sweat shop model. The first requirement is to understand demand from the customers' point of view. This is not 'what we do with it' but 'what did the customer want?' This simple distinction has a profound impact on the design of Call Centre work. The traditional factory design uses the idea of functional specialisation - people are experts in narrow specialisms; in the systems design people are trained against demand. The first time managers hear this idea they assume this means people need to be experts in everything - it is because they hear this argument from their current point of view. The starting-place for changing management thinking is the same as the starting-place for re-designing the work of a Call Centre, managers must understand demand from the customers' point of view.

A powerful exercise for establishing the need for change is for managers to follow customer demand through their current system. Having identified demand from the customers' point of view and then established whether it is predictable or unpredictable, managers take a predictable high-frequency demand and 'walk the flow' to see how the current system responds to the demand. If and when this produces a diagram that looks like spaghetti, managers begin to understand the need for change.

The next step in change is to identify the 'value' work - what actually needs to be done to satisfy the customers' demand. Managers should re-trace the flow to find out where the value work is done; more importantly they should identify what else is done - and all of this will be waste. Sometimes you find more resources expended on waste than doing value work. It is at this time that managers start to realise that costs can fall as service improves, for it becomes a simple proposition of doing only the value work. To do that you have to re-design to cut out all waste.

There are two kinds of waste. Type 1 waste is waste that can be removed immediately with a beneficial impact on flow. For example we often do not need work to be counted, duplicated and so on. Type 2 waste is waste that cannot be removed without re-designing the work, for example changing the way IT works when handling calls.

These methods need measures to guide their application. Instead of the normal production measures (calls per man per day and the like), managers need measures of capability and flow. Such measures can be used by managers and workers alike - they lead everyone in the Call Centre to engage their ingenuity in improving the work. The consequences are improvements in performance and morale.

By working to understand their organisation as a system, Call Centre managers achieve a true understanding of how the work works and from that position they can improve it. It is far better than having a 'view', it is to work with knowledge - something that is distinctly lacking in most Call Centres today.

**John Seddon is the founder of the Vanguard Method and author of "The Vanguard Guide to Transforming Call Centre Operations".**