# Performance Analysis Report

## Introduction and Background

This report is submitted to Mike Merrill, Vice President of Sales of PJ Enterprises and Jane Mackenzie, Director of Sales Support of PJ Enterprises. During the initial meeting, Mr. Merrill communicated the organization's business objectives: (a) maintaining or exceeding projected targets, (b) maintaining profitability, (c) improving customer service scores by 10%, and (d) increasing the quality of the work environment with staff development and recognition.

In an effort to meet the organization's business objectives, senior management would like to change how the quarterly telephone operator catalog training is facilitated; therefore, they have contracted START to design, develop, and deliver a learning solution before the release of the next catalog.

In order to validate whether catalog training will be the most appropriate and effective solution, START conducted a gap analysis to determine the root cause of the performance or business issue.

## Purpose of the Report

The purpose of this report is to communicate the findings of START's gap analysis and to recommend a learning solution that will best meet PJ Enterprise's needs.

## Analysis Methods

To better understand the barriers to achieving sales targets and providing superior quality and service at PJ Enterprises, START performed the following tasks to gather information:
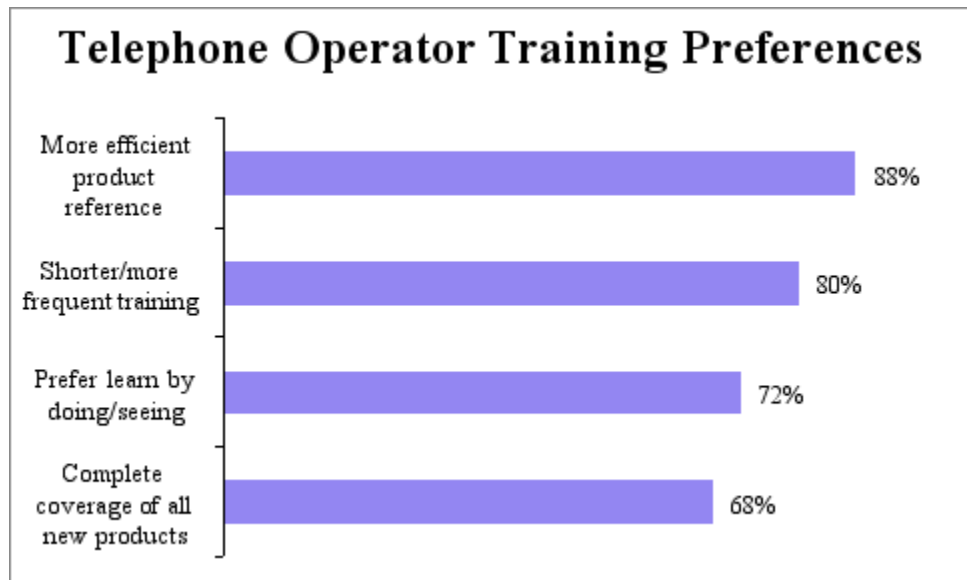
- Administered a survey to determine employee satisfaction with their job, management, the work environment, and training as well as identify perceived problems and suggested solutions
- Conducted a site visit to observe the physical layout of the call center, employee collaboration, and day-to-day operations
- Held focus groups with the customer service supervisors discuss job performance standards, call quality, customer service referral procedures, perceptions of causes for increase in employee complaints, perceived challenges and solutions
- Met with Telephone Operators, Customer Service Supervisors, Catalog Director, Merchandising Manager, VP Sales, Director Sales Support, VP Information Systems, and Intranet Head Manager to obtain information about

current state and improvement needs of sales call procedures, customer service protocols, workflows, training and information support, the work environment and technology systems, staff motivation and incentives, human resource practices, and growth management.

- Observed telephone operators to determine typical performance capacity, frequency of key behaviors on a call, work activities outside of direct customer interactions and type/frequency of work disruptions
- Collected data from observations of facilities including floor plans, traffic patterns, workspace ergonomics, as well as light and noise levels
- Reviewed documents provided by Judie Thompson, Sheena Perez, Customer Service Supervisors, Bruce Bennett, Yun Sien, Human Resources, Jane McKenzie, and Mike Merrill to determine departmental needs and potential performance gaps as illustrated in production timelines, call volume data, shift schedules, metrics data, customer service data, automated system desktop procedures/screen shots, IT information, data on employee turnover/termination, training schedules/curriculum, employee work history, employee education, and sales statistics
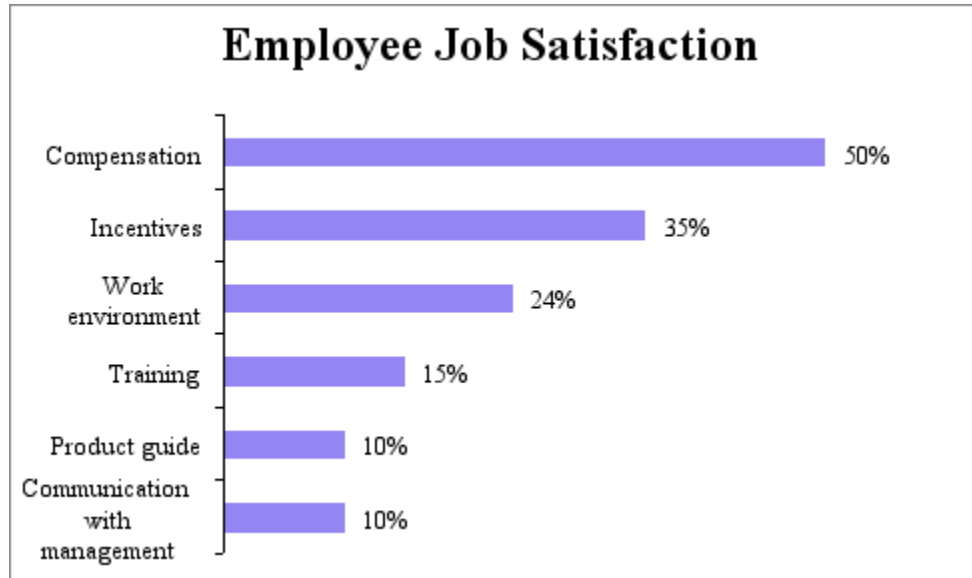
## Data Summary: Telephone Operator Training Preferences

The chart below summarizes various categories that would make training more effective for employees.



Telephone Operator Training Preferences

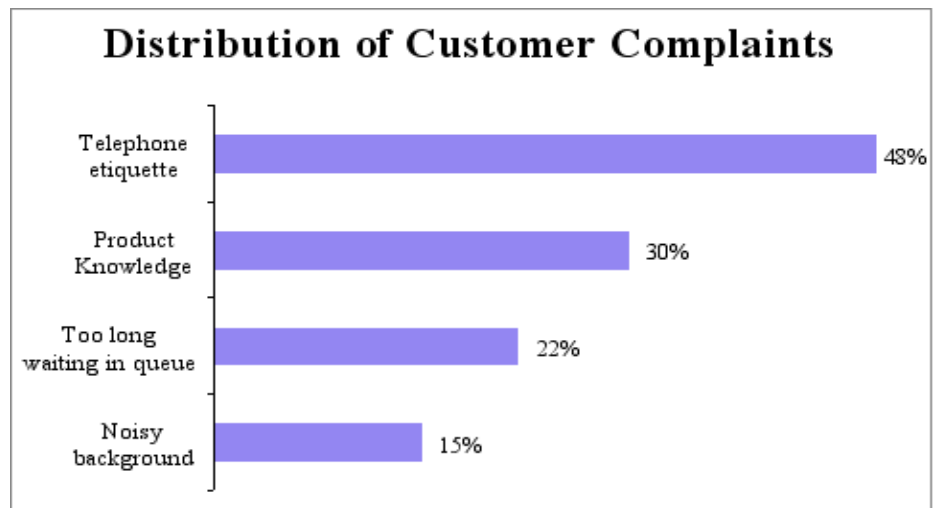| | |
|---|---|
| More efficient product reference | 88% |
| Shorter/more frequent training | 80% |
| Prefer learn by doing/seeing | 72% |
| Complete coverage of all new products | 68% |

## Data Summary:  Employee Job Satisfaction

Job satisfaction at PJ Enterprises is very low. The percentages below indicate the level of employee satisfaction with their jobs. Their lowest satisfaction occurs with training, the product reference guide, and poor communication with management.

### Employee Job Satisfaction

| Category | Percentage |
| --- | --- |
| Compensation | 50% |
| Incentives | 35% |
| Work environment | 24% |
| Training | 15% |
| Product guide | 10% |
| Communication with management | 10% |

## Data Summary: Customer Complaints

The results below were compiled from customer surveys. The two largest complaints are with telephone etiquette and product knowledge.

### Distribution of Customer Complaints

| Category | Percentage |
| --- | --- |
| Telephone etiquette | 48% |
| Product Knowledge | 30% |
| Too long waiting in queue | 22% |
| Noisy background | 15% |

# Findings, Needs, and Recommended Solutions

A summary of our key findings regarding the current state of PJ enterprises and recommendations for addressing these areas of opportunity can be found in the chart below.

| Finding | Need | Recommended Solution |
|---|---|---|
| The paper-based product reference is poorly indexed causing long wait-times on calls while Telephone Operators (TOs) search for answers to customers' questions. | User-friendly formatting and indexing for product reference tools. | Reformatted, ideally electronic, product reference which includes the following features: <br><br> Indexed by product name, keyword, and product number. <br><br> Detailed product information including: dimensions, special colors, fabric content/care, etc. |
| TOs reference the paper-based catalogue for more than 80% of their customer interactions, demonstrating very limited product knowledge despite having attended the four-hour trainings. | TO's that have greater product knowledge and ability to promptly answer product questions. durable and | Provide training in more frequent and shorter sessions broken down by related product types and include mastery quizzes for TOs to practice and assess their content comprehension. |
| Staff meetings are poorly attended because of schedule conflicts. | More flexible and accessible product information training. | Schedule trainings for each shift team and allow TOs to make up training by attending a different team's session as needed. |

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| Calls are frequently transferred to Customer Service Supervisors (CSSs) for answers to common policy questions. This practice extends call time and reduces satisfaction significantly. | Quick-reference guides, who would allow TOs to address the most, frequent customer questions. | Intranet Product HUB which includes the following features:<br><br>• Frequently Asked Questions resource searchable by keywords.<br><br>• Shipping calculator.<br><br>• Return policy scripts.<br><br>• Script response for when a product has been discontinued.<br><br>• The indexed product reference mentioned above.<br><br>Develop desk top job aids for top selling products and frequently asked questions |
| TOs are given little to no guidance in managing customer conversations that exposes customers to many frustrating interactions while TOs are learning. | Training for standardized etiquette, chat-flow, and acknowledgment phrases. TOs that are more skilled in managing customer conversations through the use of chat flow and etiquette standards as well as problem solving and de-escalation techniques. | Training for all staff who handle customer calls in the following areas:<br><br>• Chat flow and etiquette standards<br><br>• Questioning techniques to promote upselling and cross selling<br><br>• Active listening<br><br>• Dealing with difficult customers |
| Training schedules are limited by the availability and capacity of the two instructors. | More flexible training schedules with more trainers.<br><br>Have a small corps of skilled trainers facilitating TO education. | Training for managers and supervisors who will facilitate small-group trainings regarding product information and customer interaction skills and have a small corps of skilled trainers facilitating TO education. |

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| New hires spend multiple days learning how to use the ordering system by trial and error. | More Provide new hires with instruction and practice on using the ordering system for new hires. | Implement a mentoring system, which allows new hires to shadow and practice with experienced TOs over the course of the first week before taking calls independently. |
| Calls are prolonged by TOs administering customer service surveys. They could be spending this time with the next caller. | Automated survey system. | Implement an automated satisfaction survey system to take this work off the TOs. |
| Feedback provided by supervisors is predominantly negative and difficult for TOs to interpret or implement. | Balanced feedback based on objective, actionable metrics. | Training supervisors to provide feedback based on standardized rubrics that clearly identify what TOs must say and do during a call. |
| TOs largely work in isolation only reaching out when in desperate need. | Increased collegial collaboration and information-access skills to improve problem solving . | Develop tools that encourage productive collaboration including:<br><br>• Internal Instant Messaging to allow non-vocal requests for assistance while on calls.<br><br>• Intranet board for posting unanswered questions and troubleshooting. |
| Staff meetings are poorly attended.  . | Consistent and reliable channels of communication for important operations information. | Improve meeting effectiveness by:<br><br>• Share meeting agenda topics in advance.<br><br>• Structuring meetings to facilitate employee feedback.<br><br>• Compensate staff for their time spent in |

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| | | trainings and company meetings and schedule them at times for maximum attendance. |
| Current employees were unaware of a change in the performance evaluation process. This demonstrates a serious gap in company communication. | Improved channels of communication between employees and leadership. | Establish internal communication standards that support team structure and it easy to track changes in policy and procedures. |
| Employee incentives are minimally used and not engaging. | Implement incentive and recognition programs that are meaningful to the employees. | Form a multi-disciplinary committee, representing employees, managers and leadership, to research and recommend engaging incentives and recognition strategies. |

# Proposed Solutions for Consulting Firm to Carry Out

| Priority | Solution | Description |
|---|---|---|
| 1 | **Transition catalog and product reference guide to an electronic/digital document or web-based program.** | START proposes transitioning the paper-based reference guide to an electronic database. This database could be housed on the company intranet or developed in a PDF form. The electronic format would be more user friendly because the TOs could search for content by keyword. Copywriters and IT could work collaboratively to update information easily, and production costs would decrease. An intranet-based guide could also include additional job aids such as FAQ references and a shipping calculator. START believes this tool would decrease call time and call transfers. |
| 2 | **Develop telephone operator job skills training for existing employees and modify the current training structure.** | START proposes the development of a standardized chat flow to ensure quality and consistency. While the chat flow is not a script, it provides a basic guide for the course of the conversation.<br><br>START would also develop trainings on customer service etiquette and sales strategies for the telephone operators. These trainings could be implemented during monthly |

meetings or developed into reusable learning objects for asynchronous learning. Emphasis would be placed on active listening, de-escalation techniques, first-call resolution, acknowledgement phrases, upselling, cross selling, and values of the target demographic. START would also develop trainings and practice simulations for SimplyOrder and the electronic product reference.

START would modify the structure of the new product training meetings by chunking the new products into product categories. This would increase retention and allow the TOs to see the relationships between similar products. A knowledge of these relationships would increase their ability to cross-sell and upsell products. Each TO will need to pass an assessment for each product category with a score of 85%. TOs will have a maximum of three attempts to complete each assessment before possible disciplinary action. START also proposes conducting the new product training in small groups with each supervisor's team to promote interactivity.

| 3 | **Develop Customer Service Supervisor Training** | START proposes revising the current call checklist to reflect desired call behaviors in the standardized chat flow, customer service training, and sales training. Supervisors would then be trained to use the checklist as a tool to conduct observations on the floor for each of their team members twice monthly. The supervisor would then meet with the employee at the end of the month to provide qualitative feedback on strengths and areas in need of improvement. START would also consult customer service supervisors as subject matter experts during the development of a standardized on-boarding curriculum. . . |
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| 4 | **Restructure Work Environment to Promote Collaboration and Communication** | START proposes the use of a team lead/mentor program for new employees to promote collaboration on the floor. This would increase employee product and sales strategy knowledge, while reducing call transfers to supervisors. To promote this type of collaboration, START proposes a change of the physical layout of the call center to a team-cubicle structure. This layout would allow for collaboration, while also reducing noise and distraction. A switch to dual monitors is also recommended so that employees can easily access the information they need to resolve calls. |
| 5 | **Address employee motivation** | START proposes working with HR to develop a system for annual goals tracking. Information from supervisor |

| | | observations will be added quarterly and TOs will have access to this information in addition to their metrics for each quarter.<br><br>START proposes collaboration with HR and each level of management to address employee incentives and rewards by developing systems for employee recognition, employee advancement, and performance-based rewards. |
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# Evaluation Plan

START will collect data on a bi-monthly basis for approximately one year to measure the effectiveness of implemented solutions. Data collection will center on the top 5 training priorities:

**Transition catalog and product reference guide to an electronic/digital document or web-based program.**

- START will conduct a comparative analysis of calls per hour before implementing an electronic reference guide and post implementation.

- START will use call reports to determine the average call time using the paper-based product reference guide. As an electronic guide is implemented, START will obtain averages for each bi-monthly period to show change.

- START will survey Telephone Operators on felt preparation to use the system, functionality, and ease of use every 4 months.

- START will compile customer service data on TO product knowledge post implementation and will compare this data with customer service data collected before the electronic reference guide.

**Develop telephone operator job skills training for existing employees and modify the current training structure.**

- Customer service supervisors will conduct observations using an updated call checklist twice monthly. START will compile this data and measure employee growth.

- START will compare customer service data collected before training with customer service data collected on a bi-monthly basis.

- START will compile sales statistics on a bi-monthly basis to compare with baseline statistics gathered at the start of the project.

- START will compile data on the number of calls transferred prior to training and the number of calls transferred post training.

- START will compile data from product category assessments to quantify employee product knowledge.

- START will compare upselling/cross-selling rates after training to the baseline data.

- START will track attendance at monthly meetings and compare the data to baseline attendance.

- START will survey TOs on their perspective of access to managers and ongoing professional development every 4 months.

- START will survey TOs on the effectiveness of RLOs, job aids, group mini-lessons, and available resources on a bi-monthly basis.

- START will survey TOs on the use of SimplyOrder every 4 months to assess their level of preparation/ease of use.

**Develop Customer Service Supervisor Training**

- START will track the number of employee observations turned in by each supervisor each month.

- START will track the number of manager/employee one-on-one meetings held each month.

- START will develop a training spreadsheet for supervisors to track their use of mini lessons and RLOs during monthly meetings and times of low call volume.

- START will survey each new hire class on their felt level of preparation and compile data.

**Restructure Work Environment to Promote Collaboration and Communication**

- START will survey TOs and supervisors on the perceived success of the mentor program/how TOs source product knowledge every 4 months. Customer service metrics on product knowledge will also be a factor in this evaluation area.

- START will survey TOs and supervisors on their perception of the work environment every 4 months.

**Address employee motivation**

- START will survey TOs and Customer Service Supervisors on their current level of job satisfaction every 4 months. A comparative analysis will then be conducted using new data and baseline data.

- START will compare turnover rate pre-training to turnover rate post training.

# Request for Proposal

START specializes in assisting dynamic companies like PJ Enterprises meet performance targets through expert trainings, analysis, assessments, and superior processes design. Already START has demonstrated its capability in assisting management begin to reach organizational goals through planning and implementing a comprehensive analysis of the current state and achievement potential of PJ Enterprises. At your request, START would be pleased to submit a proposal to carry out the solutions in the section, "Proposed Solutions for Consulting Firm to Carry Out".