Managing what we measure in back office operations

Getting data, and using it to plan and manage resources effectively, is the key to successfully transforming performance in the back office. Phil Anderson and Colin Whelan chart the opportunities and encourage managers and planners to grasp the nettle in 2014/15.

Data is the issue that most frustrates anyone with an understanding of planning, when it comes to back office or processing operations. Such a contrast to the front office – sometimes described as the most measured operations in human history! Yet operationally, team leaders and managers are so used to working without good data that they often don't realise what they are missing. It's hard to justify the resources required to create good data, because there is no common understanding of the value it can add.

The sheer scale of transformation is manifest and tangible in back office operations that have been through this transition. Take the IFDS case study on page 75. By engaging team leaders in planning, productivity was raised 18% by turning operations data from their AOMi software into intelligence for optimising resources in both the UK and India. Significantly overtime was cut by over a third and over 1,600 hours of training were scheduled in a seven-month period with no extra budget.

Good data – and the people with confidence, skills and understanding to use it – makes back office processing operations efficient and quicker to react. There is less fire-fighting, less reacting after the event and a careful plan for cross-skilling. This opens up opportunities for colleagues and also creates a very different working culture or environment for them. "They have ownership… (but) everyone works together… it is much more of a collaborative approach now", explains Tom Cornelius, Director of Transaction Processing at IFDS.

Start by understanding the processes that we are looking to deliver and to identify the point at which we want to measure and track. At Capita, planning analyst Graham Watson has highlighted some great tips (see box).

Contact centres are the most measured operations in the history of man; the opportunities for IT are infinite but we need to focus on the right business processes.

For instance, get staff to log work when it is available to be worked, rather than when they can work it, understand what work is generated by other work items being completed and plan to the timescale required by your SLAs. In doing this, you want to identify as many potential uses for this information as you can – not just in planning but also in performance management, quality, compliance, number of sales and so on. There are often many uses of data from a single tracking point and this hugely increases the desire to obtain the data.

Understanding ALL processes is critical, because this information underpins the assumptions built into both short-term resourcing decisions and long-term capacity plans. It is also important to understand the impact of process changes on metrics, service level, performance management etc.

Talking with members there are five common options for sourcing data, but remember these are all options you can only start when you quantify why it is important.

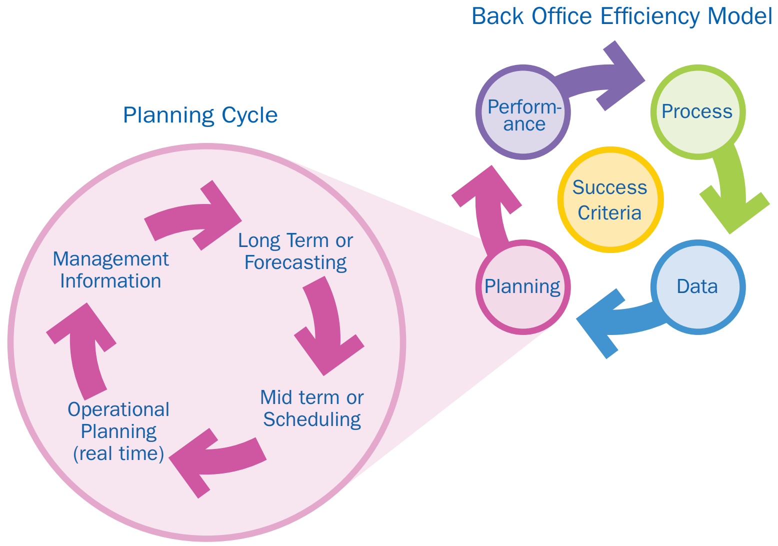
1. Workflow systems – getting data from them either direct or via third party software.
2. CRM/mainframe systems – again getting data direct or via third-party software .
3. Technology like screen scrape or keystroke capture.
4. Manual recording of work, where individuals input information as they do the work.
5. Manual tracking, where it becomes someone's role to count and track work for a team(s).

Three further things need stating before we conclude. Firstly, having data is not the same as having credible data. The quality of the data we have affects our confidence – and the confidence of our colleagues at all levels – and this is perhaps the biggest challenge many of our members face. Without a culture of people who are happily measured and managed, it can be extremely difficult to introduce planning to the back office.

Secondly, even large organisations with specialist back office data or planning software need to spend time understanding and cleaning their data. For example you will need to consider the impacts on your data of system outages, process improvements, system changes, marketing campaigns – as well as normalising actual data and maintaining historical logs.

Thirdly, even highly-developed back office operations often have to source some pieces of data manually. For example at RSA, Angela Auld finds that around 20% of the Workload has to be estimated manually at present, because there is not yet a 'shrinkage' reporting tool within the back office and therefore discussions with team leaders is the vital link to finding out about all offline activity.

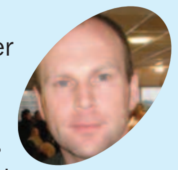
At Capita, Graham Watson is in the interesting position of planning for clients in different sites with different IT capabilities. In one site, 80% of the data comes from technology – the actual task & process volumes, actual shrinkage, staffing time and productivity. Only 20% is manually sourced – actual unit times, planned holidays and staffing lists. On another site, 100% of data is manually sourced; all items are input in Excel by staff. The collation of the data is automated but volumes, staff attendance etc. are all in Excel and stored in a database for planning.



These two very contrasting ways of capturing data represent the diversity we hear about from our members. Yet both support the planning process and perhaps the best part about having variety is that you see the value that comes from credible data. This can give you the confidence to invest in sourcing the information you need. In 2014, we are delighted to be arranging a series of best practice events to share what works, identify if there are other approaches and help members move forward to overcome their challenges in this area. Please do get in touch if you are not already involved in our back office programmes.

Colin Whelan is Head of Professionalism and Phil Anderson is Contact Centre Specialist at the Professional Planning Forum.

Sourcing the data you need for effective planning



"Get staff to log work when it is available to be worked, rather than when they can work it. We got team manager buy-in by showing staff capacity plans and how the visibility of outstanding work lets us flex resource. Understand what work is generated by other work items being complete. When tracking work in any system avoid tasks that are based on time spent, rather than volume, and plan to the timescale required by your SLAs. For example, e-mail may be planned at intraday level, some teams daily and others weekly."

Graham Watson is Planning Analyst at Capita, supporting back office operations for multiple clients over several sites.

Sourcing the data you need for effective planning

"The biggest challenge was around operations teams changing the ways teams are set up and how they record work. This prevents us from having stable historical data on which to draw trends and conclusions. We have overcome this by demonstrating the importance and consequences… really being persistent does work eventually. When you first start planning for an area, there is always resistance of some nature. However by showing improvements in results, with data that the operation can trust, this trust will build and eventually you will have the business asking you for your knowledge and expertise rather than the other way about."

Angela Auld is Business Partner in the planning team at RSA, with particular experience in planning for back office areas.

Digging Deeper on this topic

Case study – See the work by IFDS on page 75 or look online.

Best practice – see the new Back Office programme for 2014.

Specialist training – standalone, in-house or as part of an Advanced Diploma.

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