

# Planning unproductive time and managing cost

Almost 150 professionals from nearly 60 organisations have joined The Productivity Journey, taking a focussed approach to an area that planning has paid least attention to. This has created valuable benchmarking data; see how you compare with other organisations.

Launched in January 2015 our Planning Challenge for 2015 is focussed on “the Productivity Journey” and the cost of unproductive time – often called ‘shrinkage’ by contact centre planners. The Planning Challenge kicked off with six regional workshops, in Manchester, Glasgow, Dublin, London, Cardiff and Newcastle. This first stage was designed to set the scene for the year ahead as we take a deep dive into shrinkage analysis. The key objectives were common across the regional workshops:

**1 Benchmarking** – A key reason for focusing on ‘shrinkages’ this year was the many questions we get asked on the topic. Almost every participant was wanting to benchmark against other organisations and see where they stand.

**2 Understanding** – The challenge programme will take members through all stages of planning for productivity, from long-term capacity planning, through scheduling to real-time. Importantly, we will help design mechanisms to close the loop and promote continuous learning at each stage to improve future plans.

**3 Engagement** – Buy-in from the operation and the need for a change in culture was raised in every workshop. This means overcoming a lack of understanding of ‘shrinkages’ in the organisation; indeed it was admitted that not all planning teams have consistent thinking in this area, so the starting point was actually with planners themselves.

Our Productivity Journey started nearly ten years ago and the first results were published in The

Forum’s 2007 Best Practice Guide as the ‘Planning Wheel’. At the time, the aim was to standardise what was talked about as ‘shrinkage’, to work towards industry recommended values. In 2011, we took a closer look at calculating shrinkage and re-visited the categories and definitions:

- **Sickness** – Long & short-term sickness.
- **Holiday** – Annual leave & bank holidays.
- **Training** – Development and coaching.
- **Communication** – 1 to 1s, team meeting, company briefs, etc.
- **Other** – Catch all for exceptions.
- **Breaks** – Paid breaks.
- **Customer Contact** – Talk time, task time, etc.
- **After Call Work** – Wrap, or equivalent administrative work.
- **Wait Time** – Idle, time between customer contacts.

These categories may have sub categories, where necessary for greater granularity, but with benchmarking regarded universally

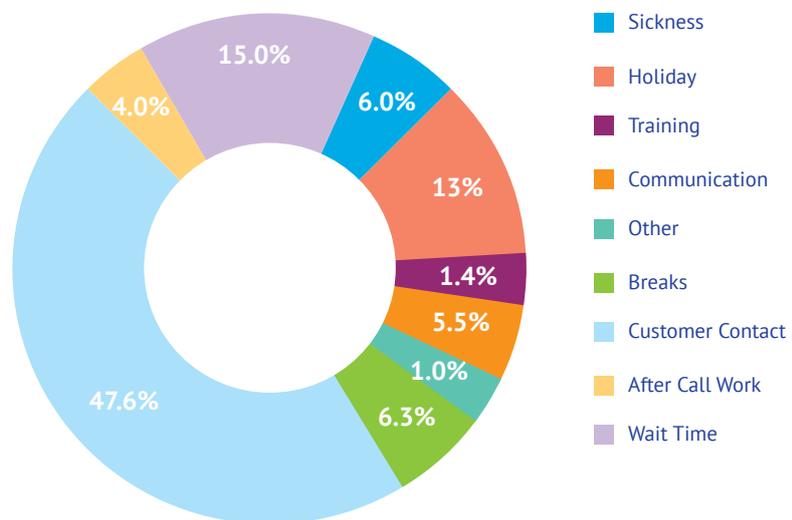
**5 Critical Factors**

- **Categorisation**
- **Sight of 100% (the wheel)**
- **Don’t flat-line shrinkage**
- **Forecast shrinkage, not just workload**
- **See the interconnection**

as important we need to ensure consistency when comparing against other operations and have standardised on the list above. Other categories and considerations may include:

- **Secondments** – It is common practice for secondments to be taken from the contact centre for team leader cover, project work, training/mentoring, etc. Currently this would be captured under “Other”.
- **Maternity** – An interesting category, which has currently been left out of the planning wheel, and the debate.
- **New starter/induction training** – Another interesting category which needs further debate.

The Planning Wheel





*“Useful interaction with other companies, it is an open forum to discuss best practice.”*

**Megan Johnson,**  
Claims Insight Team Leader, Direct Line Group

*“I’m not alone – other companies face same challenges.”*

**Grant Robertson,**  
Real Time Team Leader, Tesco

*“I will be devising a new shrinkage model with more seasonality based on historic data.”*

**James Kelly,**  
Planning Analyst, RBS Bank

*“Shrinkage plays a key role in everything.”*

**Brian Greene,**  
Resource Planner, Scottish Power

*“Your shrinkage should always add to 100%, so be wary of this. When you see increase in one area, it is taking from another area.”*

**David Harle,**  
Resource Planning Analyst, Fexco

*“Operational buy-in is important. Similar issues are faced by many other organisations.”*

**Colin Ramsay,**  
Resource Planning Manager, ACCA

*“Seasonality is important in your planning, around shrinkage.”*

**Matt Holstein**  
Planning Manager, Volkswagen Financial Services UK

- **Attrition** – Though not part of the planning wheel, attrition needs to be considered/correlated when considering ‘shrinkages’.
- **Customer and Employee Satisfaction** – Likewise satisfaction and quality scores need to be correlated against, development/communication time and customer contact time.

**4 Forecast shrinkage** – The first benchmark results have illustrated that overall less than 50% of an advisors time is spent in contact with your customers – which typically is where all forecasted time is spent. Spend time also analysing shrinkages and identify trends and coalitions.

**5 See the interconnection** – Don’t just look at shrinkage in isolation. Be sure you make visible the impact on customer and colleague satisfaction, overall cost, attrition and other hygiene factors. The planning wheel (sight of 100%) only tells you one part of the story. An increase in customer contact time could impact development time, reducing customer & colleague satisfaction increasing attrition. Squeezing the cost in the short-term could lead to longer term expense.

Five critical factors emerged from the workshop discussions:-

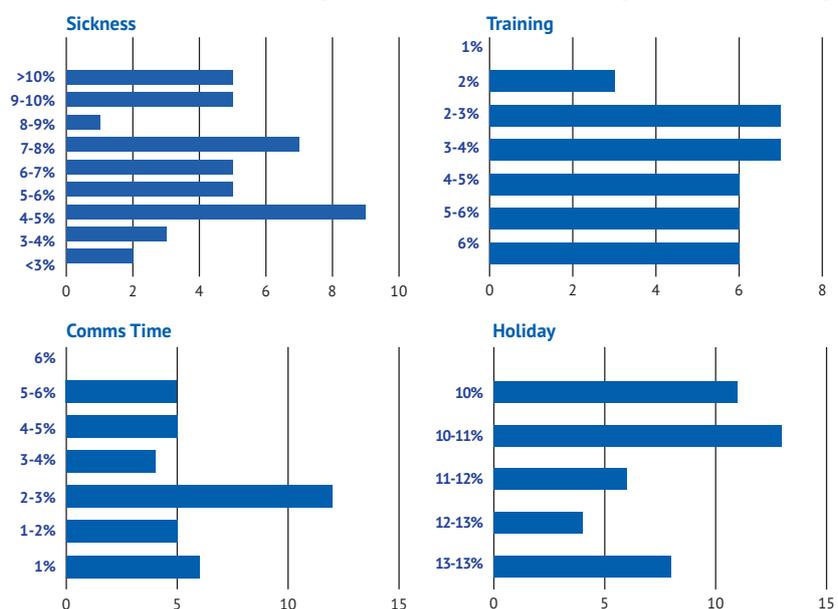
**1 Categorisation** – To enable benchmarking there needs to be a set of standard categories for comparison. The nine categories, originally developed in 2007 and discussed at workshop 1 in February 2015 have been described as suitable to catch the all-important 100%. You may need further granularity within the main areas, e.g. sickness – short and long term, Customer Contact – inbound talk time, outbound talk time, web chat, back office, etc.

**2 Sight of 100%** – One of the biggest take aways from workshop 1 is the importance of being able to see 100%. It is not unusual to just consider absence, sickness and holidays as shrinkages, however this approach doesn’t help you to understand if a category changes how this impacts everything else. Do you have sight of 100%?

**3 Don’t flat-line shrinkage** – Shrinkage values will change seasonally, annually, weekly, daily, etc. So don’t flat-line shrinkage across the year. There will be seasonal differences to sickness and absence so these need to be forecasted just like you would for your workload. Other categories like training/development are also likely to change as new systems are rolled out, or changed.

It’s not too late to join this year’s challenge. If your organisation would like to be part of this journey email [phil.anderson@theforum.social](mailto:phil.anderson@theforum.social).

**Variations between organisations in the Planning Wheel percentages**



Frequency analysis: Number of organisations stating each percentage