

A White Paper – June, 2013

Customer Support within a Shared Services Model

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Today, Shared Service organizations are widely utilized in almost all industries and business sectors. Many large corporations utilize shared services within HR, IT, Finance, and Supply Chain. A simple definition of Shared Service is ‘the provision of a service or services by an organization across multiple functional units or groups of an enterprise’. Our experience shows that typical cost savings from shared services are in the 25% to 50% range while also providing additional business value from improved operational efficiency and quality, customer service, data access and visibility, process efficiency and compliance, core business focus, utilization of resources, and customer satisfaction.

A typical Shared Service center model utilizes a self-service opportunity for customers along with an assisted support through various contact channels (phone, mobile, web, email, chat, social media, etc.) as shown in Figure 1 below.

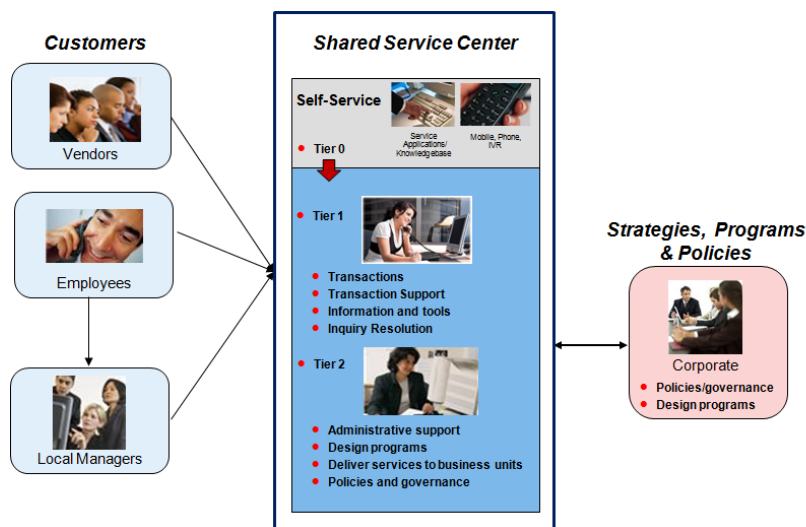


Figure 1

This model is implemented by many organizations that want to either eliminate or reduce mediated support by a “live” person as a way to reduce operating costs when implementing shared services. In addition, this model is recommended by many consulting companies that want show clients a large amount of savings for implementing shared services.

The employees that are responsible to conducting the main type of transaction for the Shared Service Center (Payroll, Benefits, Accounts Payable, Procurement, etc.) are the same employees who are expected to provide some type of mediated customer service using one or more of the available contact channels. The basic premise is that the employees who handle transactions are the experts and can answer customer questions quickly and efficiently. However, when large volumes of transactions are coupled with large volumes of customer contacts this model can reduce the effectiveness of both handling transactions and assisting customers with their issues or questions.

Customer Support impacts Shared Service organizational effectiveness

When a Shared Service center must interact with many customers (employees and/or vendors), the organization will benefit from utilizing a front office or customer support function to segregate the customer facing tasks from the back office transactional tasks. This segregation allows for more effective and efficient use of resources by allowing specialization, reducing interruptions in back office processes, and improving the quality of all services provides. This typically involves a contact center to address large volumes customer inquires in a cost effective manner while providing the desired level of customer satisfaction. The back office group provides support to the contact center by assisting with inquiries and investigations that required their particular expertise.

A well designed and executed customer support function or contact center significantly contributes to the Shared Service organization’s success and ongoing effectiveness by allowing other areas of the organization to focus on their core competency of providing services and thus is transformed into a High Performance Center.

The contact center provides the first level of support, concentrates on one call resolution and taking ownership of all inquiries until they are resolved. The back office function continues to perform the transactional, analytical and strategic tasks while becoming the escalation point for unresolved issues and focusing on quality support and time to resolve inquires without the continuous interruptions or large inquiry backlogs.

A typical High Performance Shared Service Center model utilizes a self-service opportunity for customers along with dedicated front office area providing support through various contact channels (phone, mobile, web, email, chat, social media, etc.) and a back office area specializing in transactions, line manager support and program management as shown in Figure 2 below.

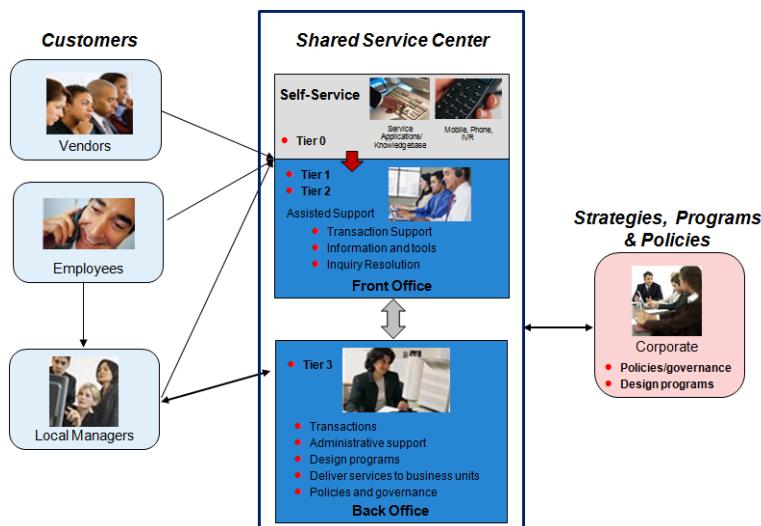


Figure 2

As an example, a large national health care provider estimated a supply chain annual savings of \$2.2 million in labor and \$20 million in product savings following the implementation of a shared service procurement organization that utilized a front office contact center working with a back office transaction center. In addition, creating a front office contact center for their Accounts Payable Shared Service Center resulted in the elimination of the large backlog of customer and vendor inquires and significantly improved customer satisfaction based on subsequent customer survey results.

High Performance Center Solution

A shared service effort may require system application changes, new roles, new processes, and even changes in work locations. Achieving the goals of Shared Service Center can drive very significant changes for a broad group of people, both internal and external to a company.

It would be wise to elicit the assistance of consultants who have extensive experience with designing and deploying effective Shared Services customer support functions that provide superior end user support. These firms should utilize the proven principles of multiple contact channels (web, email, IVR, live contact, social media); advanced skills-based routing, knowledge management, tier triage escalation, case/problem management, quality and accuracy management and ITIL compliance to successfully implement High Performance Shared Service Center customer support projects.

Based on our experience working with organizations who have implemented High Performance Shared Service Centers, there are four main work streams of a shared service project: Assessment, Design, Build and Implement.

The **Assessment** work stream identifies the current capabilities, processes, systems and facilities utilized by the organization whether it is currently utilizing a shared service model or not.

The **Design** stream addresses the mechanics of how functional organizations, processes, systems and infrastructure will need to be changed, added or modified to operate in a shared services environment. All shared service projects require an end user support component that addresses the support needs of each constituent group and yet also leverages the economies of scale and synergies associated with a combined support function.

The **Build** phase acquires and builds out facilities, equipment and systems, hires staff and conducts training, executes testing and system audits, and creates implementation guides and documentation.

The final work stream is **Implementation** where the High Performance Shared Service Center operation is started, targets are tracked and performance is optimized, operational processes and system configurations are adjusted to better meet the needs of the customer, the continual improvement process is initiated, and a full center audit is conducted.

In conclusion, Shared Service organizations need to be both efficient and effective to provide the services required by their customers at an appropriate cost and complete centralization of all functions into one group of employees is not always the best solution to achieve these goals. High Performance Shared Service Center that utilizes a separation of responsibilities and expertise to provide services can achieve high levels of service at lower costs when designed and implemented appropriately. Experienced contact center and customer service professionals and consultants can provide the necessary expertise and knowledge to assist your company with achieving specific goals and implementing a High Performance Shared Service Center.

About the Authors

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Ike is a customer service professional and management consultant with more than 20 years experience in the contact center industry and is currently working as a senior consultant for CSC. He has also worked for such companies as Entergy, TCS and American Express. He has an in-depth knowledge of process re-engineering, customer service, and technology and has provided consulting services in over 100 contact centers covering multiple applications, sizes, technologies and industries. In addition, Ike has published many articles relating to contact centers and customer service since 1996.

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Mike is the owner and senior consultant for Lauro Consulting, Inc. He has also worked for CSC, Ansell Healthcare, Prodigy, Entergy, and Timex. He is a contact center, customer service and performance management specialist with more than 25 years experience and in-depth knowledge of technology, customer service, and process improvement methods. His experience includes developing strategic direction; planning and completing contact center consolidations; selecting and implementing contact center telephony, including ACD's, IVR's, workforce optimization systems and CRM systems; business process redesign; and successfully directing customer service, contact center, financial, and technical functions.