

Case Study 2013

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# Knology's CLUE Improves Customer Satisfaction

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## Market Overview

Knology Inc. provides telephone, cable, and Internet services to more than 200,000 subscribers in nine southeastern markets in the United States. Knology, a publicly traded company with 1,500 employees, is headquartered in West Point, Georgia. In addition to the headquarters site, Knology has local sales and field support presence in nine sites within South Carolina, Tennessee, Georgia, and Florida.

## Business Issue

Knology has one call center, located in Augusta, Georgia, staffed with 280 customer service agents. The call center processes approximately 200,000 inbound calls per month. Call types and volumes are depicted below:

- **Billing Inquiries:** 60,000 per month
- **Service Requests:** 115,000 per month
- **Inbound Sales:** 25,000 per month

Knology realized that to improve its subscribers' service experience, it needed to focus on some key agent performance metrics: intake (e.g., greeting, restatement of issue), communication (e.g., courtesy, helpfulness), first-call resolution (e.g., customer satisfaction), policy and procedure adherence (e.g., permission to put customer on hold, on-hold time, average speed to answer, average handle time), and closing activities (e.g., wrap-up, restatement of expectations). The challenges the firm faced were twofold: 1) the call center environment utilized non-intelligent recording technology; and 2) inconsistent application of business rules negatively impacted customer satisfaction. For example, agents' incorrect application of discount plans to subscriber accounts yielded billing disputes and unhappy customers. In aggregate, a consistently negative customer service experience presented a risk of increased customer churn and higher service costs.

## Vendor and Product

- ▲ Witness Systems (Nasdaq: WITS), based in Roswell, Georgia
- ▲ Customer interaction recording and evaluation solution version 6.4
- ▲ Forecasting, scheduling, and adherence monitoring solution
- ▲ Actionable learning/customer interaction editing solution

## Current Installed Base

- ▲ Knology implemented recording, workforce management, e-learning, and reporting solutions from Witness as well as a third-party customer survey tool (Benchmark Portal)
- ▲ Customer interaction recording and evaluation solution version 6.4

## Customer Installation Data

- ▲ Installed 170 licenses (seat-based licensing model) with random call recording (10% of all calls across call types)
- ▲ "Go live" implementation in 4Q04 in a Windows Server environment supported by 0.25 FTE (system administrator)

## Implementation Data

- ▲ Other vendors considered: Envision, etalk
- ▲ \$700 per seat, exclusive of hardware
- ▲ Project duration: Three months in analysis, design, and development, followed by a three-month pilot rollout

## Case Study

### *Implementation History, Business Value, and Benefits*

With Witness Systems, Knology not only is able to implement a workforce optimization solution (i.e., quality monitoring, workforce management, agent analytics, and e-learning components) from a single vendor, but also can effectively reinforce desired agent behavior, resulting in improved service experience for its subscribers. Key performance improvements include the following:

- Internal quality scores increased from an average range of 40%-60% to 75%-100%
- First-call resolution increased from 40%-60% to 85%-95%
- External quality scores (i.e., customer satisfaction) increased from 45%-50% to 65%-70%

Not only are higher-quality calls taking place, but customers are treated in a more consistent manner (e.g., customer service history is taken into account during interaction). Moreover, Knology can incorporate e-learning activities into the agent's schedule based on a structured training program that takes into account prior weeks' quality monitoring scores. With the e-learning feature (a key purchase decision), Knology has witnessed an increase in employee satisfaction and a decline in agent errors. Given the emphasis on solving customer issues, each agent's average call handle time has increased, but this is viewed by management as a positive result and supportive of its key goals and objectives.

Knology attributes the success of the system's adoption to several key factors:

1. A joint requirements planning process was utilized with key staff (i.e., agents, supervisors, software engineers, and managers) and representatives from Witness to design a definitions document that encompassed critical requirements and components.
2. During the rollout phase, frequent team meetings were held to review recorded calls and "calibrate" understanding of how calls would be scored vis-à-vis the key performance indicators.
3. The system was operated in pilot phase for a period of time before people were held accountable for scores.
4. Incentives were devised to encourage agent performance and requisite changes in behavior (e.g., "Race to 100" contest).

Finally, Knology ran a contest to name the system and decided on CLUE (Coaching, Learning, Understanding, and Enabling).