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Telephonic Interpreting: Your Secret Weapon for First Call Resolution and Customer Satisfaction

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FIRST CALL RESOLUTION DRIVES CUSTOMER SATISFACTION

Your customers need issue resolution, and they want it the *very first time* they contact your call center, as quickly as your Customer Service Representative (CSR) can make that happen. The representative's ability to achieve First Call Resolutionⁱ (FCR) will, in large part, shape your customer's perception of service quality and can affect the length of your relationship.

Ten years of benchmarking studies conducted by the SQM Group (Service Quality Management Group, Inc.) demonstrate that every 1% gain in FCR translates into a 1% gain in customer satisfaction.ⁱⁱ According to Mark Desmarais, SQM Group company president, FCR is the measure they believe is most important for measuring and managing call center customer service. The SQM Group also reports that for the average call center, a "1% improvement in their FCR performance equals **\$276,000 in operational savings.**"ⁱⁱⁱ

It follows that a perception of inadequate customer service will have negative consequences. According to the Genesys Global Survey performed in 2009^{iv}, "Nearly **70%** of consumers said they had ended a relationship due to poor customer service alone." The Genesys survey further indicates that the **average value of each lost business relationship in the U.S. is \$289 per year**. Depending on the nature of your business, that loss could be *much* higher.

WHEN YOU DON'T ACHIEVE FCR: THE HIGH COST OF REPEAT CALLS

A caller's issue may be as simple as requesting general information, such as your hours of operation; a little more involved, such as setting up utility service for their residence; or as complex as setting up an insurance policy or applying for a loan. What matters to the customer, however, is that their need is satisfied, hopefully during that first call.

According to the SQM Group, "**call center customer satisfaction drops an average of 15% with each repeat call,**" so the impact repeat calls have on your overall customer satisfaction is enormous. The SQM Group also reports that "customers who are at risk of going to competitors are a result of unresolved customer inquiries or problems, and have the biggest impact on the call center's financial performance...If the customer's (issue) is not resolved in the first call, 40% or more of those customers will not call back."

Even if the customer does call back to resolve the issue, there are high associated costs. Based on a May 2010 report from the U.S. Bureau of Labor Statistics^v, the 2010 mean annual wage of a CSR is \$32,780. Adding 28% for benefits, CSRs in the United States have a mean annual compensation of \$41,958. In a call center with 200 CSRs, that equates to labor costs of \$8,391,600 per year.

Consider the cost savings of reducing repeat calls by 5% in the following example of a call center with 200 CSRs.

Cost of Repeat Calls for a Call Center with 200 Customer Service Representatives	
Mean annual wage for CSR, plus 28% benefits	\$41,958
Total CSR labor, 200 agents	\$8,391,600
Average calls/agent/year (assumes 1,200 calls/mo/CSR)	14,400
Total annual calls for a 200-CSR center	2,880,000
Average cost per call (rounded down to nearest cent)	\$2.91
Percent repeat calls from (same caller, same topic)	25%
Number of repeat calls @ 25%	720,000
Cost of repeat calls @ 25%	\$2,097,900
Number of repeat calls @ 20%	576,000
Cost of repeat calls @ 20%	\$1,678,320
One-year savings by reducing repeat calls from 25% to 20%	\$419,580
Equivalent FTEs	10

If you conservatively assume that 25% of your callers end up making a repeat call, reducing that ratio of repeat calls by 5% (to 20%) means a cost savings of **\$419,580** direct labor costs annually. This is the equivalent of 10 CSR positions. When you factor in the costs of supporting these agents—network services, seat licenses, hardware, training, IT support, facilities costs, and more—the potential savings nearly double. Witness again the power of FCR.

LIMITED ENGLISH PROFICIENCY CAN PLAY AN IMPORTANT ROLE

Often times, FCR is not easy. There may be technology problems, such as poor cell phone reception. Your CSR may use industry terminology that confuses the customer, leading to frustration and miscommunication. Add to those factors the increasingly-common scenario of a caller with Limited English Proficiency (LEP), and you can see how challenging FCR can be!

In 2010, there were over 289 million individuals in the United States over 5 years of age; of those, **over 25 million people** (8.73%) speak English “less than very well,” requiring some level of language support.^{vi} How many of those 25 million people are your customers?

Consumers responding to the Genesys survey felt that two of the most significant factors contributing to poor service were the caller’s *need to repeat themselves* and *the CSR’s lack of skill to answer their inquiry*. A caller with LEP may have to frequently repeat themselves during a call, if, for example, the caller feels one or more questions were misunderstood based on the CSR’s response(s). This experience could easily damage the caller’s perception of your representative’s competence. Now you have an unhappy customer who may well need to initiate a repeat call to get his/her issue resolved.

TELEPHONIC INTERPRETING: A CLEAR WAY TO IMPROVE FCR AND CUSTOMER SATISFACTION

Improving your ability to communicate with LEP callers will quite obviously increase the likelihood that the caller’s issue can be successfully resolved during initial contact. Enter telephonic interpreting. Once your CSR has established the need to use an interpreter, here is how a call would commonly work:

1. With the LEP caller on the line, your CSR dials a dedicated toll-free phone number provided by your telephonic interpreting provider to access one of the following:
 - Direct calls would be routed right to an interpreter for the associated language (e.g., dial a Spanish interpreter directly).
 - Menu calls would access a phone tree, such as “Press 1 for Spanish, press 2 for Mandarin, etc.”

Note: Some services also provide the option to go to a live Customer Service Agent for situations such as rare languages, or when the caller’s native language is not easily determined.

2. The interpreter requests any required data from the caller, such as caller’s name and department.
3. The interpreter places a third-party call(s), if needed.
4. The interpreter proceeds with the call, interpreting in first person.

While there is obviously a cost associated with engaging a language interpreter, it is truly minor in comparison with the costs of repeat calls and lost customers, as previously discussed. To minimize the up-front costs, seek vendors who do not charge setup fees or monthly minimums, so you only pay by the minute for the services you use. Also, comparison shot to avoid surcharges for time-of-day, hard-to-find languages, 3rd- and 4th-party calls, and scheduled calls.

By using telephonic interpreting to remove language barriers, you will reduce customer effort for callers with LEP. Consequently, this will improve customer (and employee) satisfaction and mitigate risks associated with failure to provide these callers with equal access to your products and services.

Despite the time that interpretation adds, if a call goes more smoothly and communication is clear and effective, time on the call may actually be lower. Most certainly, fewer repeat calls and reduced customer attrition will increase operational efficiency and save you money.

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ⁱ Definition of First Call Resolution, SearchCRM, TechTarget: “In customer relationship management, First Call Resolution is properly addressing the customer’s need the first time they call, thereby eliminating the need for the customer to follow up with a second call.”
<http://searchcrm.techtarget.com/definition/first-call-resolution>

ⁱⁱ Helping Contact Center Agents Improve First Contact Resolution, Pelorus Group, May 2008
<http://www.pelorusassoc.com/download/helping-contact-center-upstream.pdf>

ⁱⁱⁱ Top 5 Reasons to Improve your FCR and Csat Performance, SQM Group,
<http://www.sqmgroupp.com/first-call-resolution-level-1>

^{iv} The Cost of Poor Customer Service, Genesys, November 2009
https://www1.vtrentz.net/emarkownerfiles/ownerassets/1076/Genesys_Global_Survey09_screen.pdf

^v Occupational Employment and Wages, May, 2010; Unites States Department of Labor, Bureau of Labor Statistics; 43-4051 Customer Service Representatives; <http://www.bls.gov/oes/current/oes434051.htm>

^{vi} U.S. Census Bureau, American Community Survey, 2010, <http://www.census.gov/acs/www/>