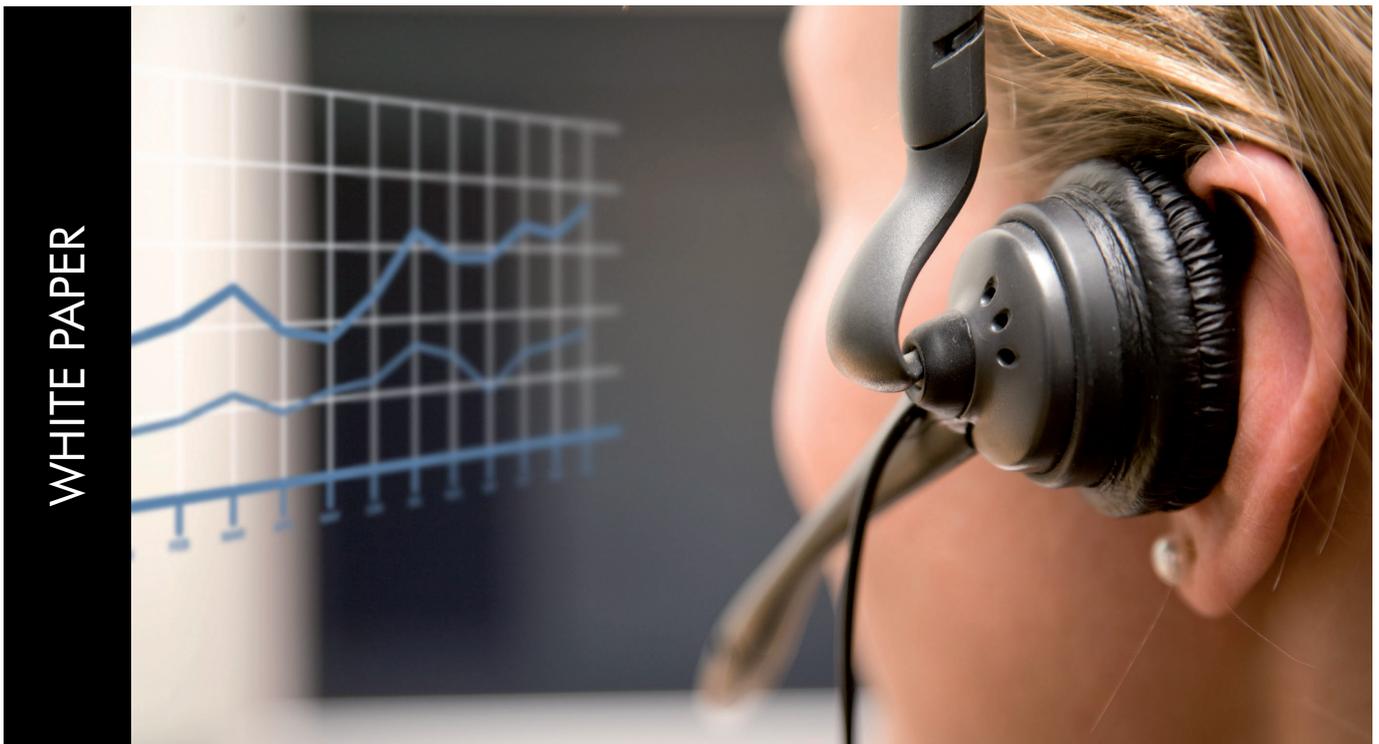WORKFORCE FLEXIBILITY

How to succeed with flexible scheduling in your workplace

WHITE PAPER

by Matt Woodward
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INTRODUCTION

A question we always get from our customers is how they can optimise their operation further. One topic that always raises both interest and debate is flexibility within the workforce.

This paper is aimed at members of the Customer Management and Resource Planning team and outlines the items that you should take into consideration when deciding to introduce flexible scheduling into your organisation. It focuses on the drivers for change and touches upon implementation and measuring success. The paper talks about the decision process ahead of embarking on a programme of change and suggests ideas on flexible scheduling options. It isn't a technical 'how-to' so as such is suitable for all audiences whether you are a Teleopti customer or not.

1. UNDERSTANDING FLEXIBILITY

Many organisations set about seeking a solution to flexible scheduling in their workplace without being sure what their objective is in so doing and also what they mean by flexible scheduling. It is obviously important to have both the definition and your objectives clear in your mind before undertaking any business change to ensure that your programme is successful.

Unfortunately, like so many areas within the sphere of resource planning, there is no single correct answer. Each organisation is unique and will have different success criteria based upon the business drivers that determine success in their environment. However, the good news is that there are common factors in those key performance indicators (KPI's) that successful flexible scheduling will positively impact, regardless of the organisation, which means that you can work on defining **your** success criteria.

The other good news is that there is also common ground in defining flexibility so that you can understand the changes that you need to make to ensure that any changes work for you and don't simply mimic a bland, generic model which is of little relevance to your day-to-day operation.

1.1 Objectives of flexible scheduling

When organisations review the way that they resource their customer contact operation they usually do so to satisfy one or more of three groups of key stakeholders;

- the customer
- the shareholder and/or managing board
- the employee

Regardless of the driver for change, the KPI's influenced by the driver, all fall into similar categories so it is best to undertake such a programme with a positive outcome for as many of the stakeholders as possible, remembering that each of these different KPI's will have different priorities depending on which stakeholder group a person belongs to.

The KPI's that you use to measure performance in your organisation will probably fit into one of the areas outlined here; these are all areas which will benefit from the introduction of or enhancement to flexible scheduling.

Key Performance Areas (KPA's)

- Service Performance
- Customer Satisfaction
- Employee Satisfaction

By identifying KPI's within these KPA's that will be directly improved by flexible scheduling you can establish the hard numbers by which your programme of improvement can be measured.
We will visit this in more detail in the 'Implementing flexible scheduling' section of this white paper later on.

1.2 Defining Flexibility

Too often organisations take a one-eyed approach to what constitutes flexibility in the way that they staff and run their operation.

Whilst, when you are looking at the objectives of a programme to introduce or enhance flexible scheduling, it may be that you have to consider the needs of three separate stakeholder groups, when you are looking at the definition of flexible scheduling for your operation it really comes down to two groups; the employees and the organisation.

When organisations take the one-eyed approach mentioned above it is because they are only considering flexible scheduling from one viewpoint. Typically, if the driver for change is the resource planning function, then flexibility is defined as being able to make schedules less rigid and easier to change at short notice. If that agent for change is employee driven, perhaps via a union or work

council then that change may actually be the total opposite and flexible working is defined as a fixed shift for a particular group of employees or an individual.

It is therefore important that you are considering both the business and the employee viewpoint and requirements when you start to design solutions to flexible scheduling within your own environment.

1.3 Summary

In summary, before, undertaking a programme to review your current staffing practices and/or schedule patterns it is important to ensure that you have a clearly defined objective including those KPI's which you need to improve and by what degree. It is also imperative to have an understanding of how change might impact the organisation and the employee so that these changes can be clearly communicated at least as a concept clearly at an early stage in the process even if establishing the finer detail may not happen until later on in the project.

2. TAKING A BALANCED APPROACH

We have already explored the importance of establishing a definition and an objective when embarking on a programme to introduce or improve flexible scheduling but how do you decide what these might be and more importantly, evaluate whether a programme of significant change is something that you need to embark upon if the potential rewards don't justify the effort expended?

It is therefore important that whoever is responsible for running the programme goes through a process of evaluating the needs of the organisation and models likely impacts of potential scenarios. This means asking yourself some questions about the need to run a programme:

- What is the driver for the change?
- From which stakeholder group has the need for change been identified?
- Which KPA(s) will be impacted by the changes and what is the scale of that impact?
- What types of flexibility are we able to consider using?
- How long do we have to introduce the changes?

When you are answering these questions it is important that you consider them from all angles. For example, you need to consider the difference between flexibility to the organisation and flexibility for the individual and whether, in your environment, they are complementary or even mutually exclusive. You also need to consider the impact to all the stakeholder groups and on all KPA's.

It's vital that you take this balanced approach to reviewing the programme at the outset so that you can anticipate any potential issues, take mitigating action and communicate likely outcomes at an early stage so that you can set expectations at all levels within your organisation.

3. IMPLEMENTING FLEXIBLE SCHEDULING

3.1 Setting Objectives

You have established the KPA(s) that will be impacted by change as part of the decision to go ahead and embark on a change programme so it important that you can identify the KPI's which you will use to understand that programme's success. The table below gives examples of the type of KPI that you may already be measuring in your organisation within the KPA's discussed earlier on.

| Service Performance	Customer Satisfaction	Employee Satisfaction
Percentage of calls answered in x seconds	First call resolution	Employee turnover
Average Speed of Answer Handling Time	Quality scores Average time to answer	Staff satisfaction scores
Quality Scores		

It is also important to consider not only the hard metrics which will help document programme performance but also the softer aspects of scheduling, these are typically linked to employee satisfaction and measured through staff surveys if you have them or through anecdotal evidence by Team Leaders or other managers. It is just as valid to have these in mind and set objectives around them as well when setting out on your programme.

3.2 Types of flexibility

Regardless of the main driver for change the outcome that you are aiming for when seeking flexibility within your schedules is to better match the supply profile to demand. There are a number of different options you can consider when seeking flexibility within your workforce not all of them will be suitable for all organisations and not all of them will match differing types of demand profile. By way of example, look at these three different types of demand profile; they are all difficult to staff with fixed resources working standard days on a week-in, week-out basis so would benefit from flexibility to meet customer demand.
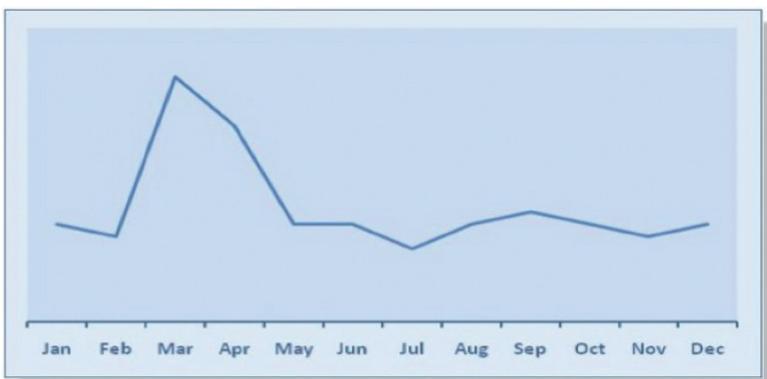
This monthly demand profile shows a strong seasonal spike in the first quarter of the year and a reasonably stable demand for the remaining months
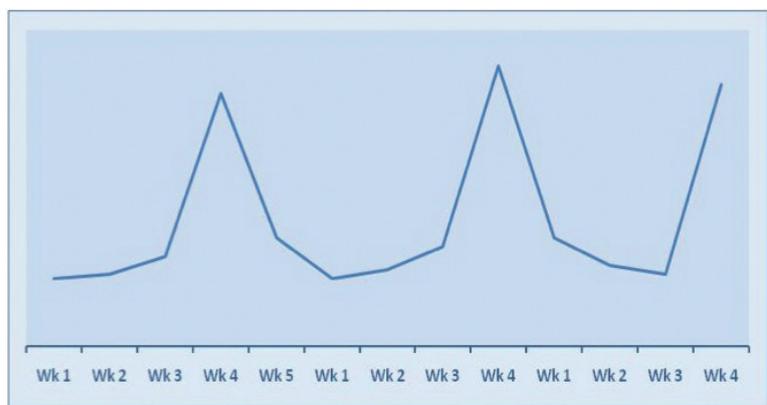
This weekly demand profile shows a strong demand on the same week in each month with associated ramp up and down.
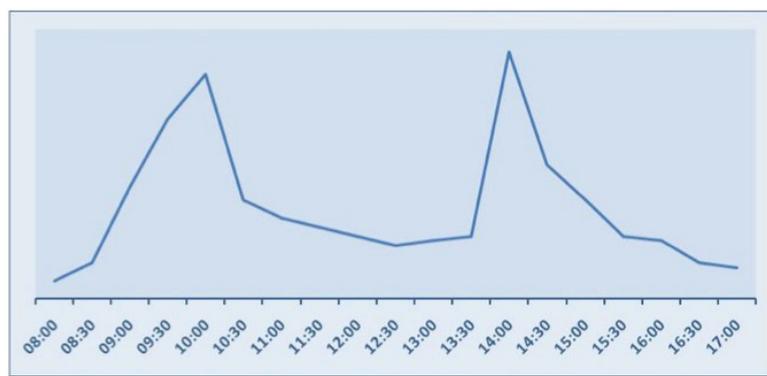
This hourly demand profile shows that contacts increase to extreme spikes at two points in the day meaning that blocks of long shifts would result in overstaffing through the middle part of the day.

All of these demand profiles present different challenges but all have the issue that a flat or fixed staffing provision will not give good results and will result in lost contacts or significant over-staffing and therefore over-spend.

Once you have assessed the gaps between your current demand and staffing provision you can consider the type of flexibility you could introduce to help improve *schedule goodness-of-fit* [1] and this is where it is important that you are clear on the issue you are seeking to resolve and the impact that possible solutions will have upon your workforce. The list below contains resourcing techniques that you can consider using within your operation. It isn't intended to be exhaustive and not all techniques are suitable for all types of scheduling gap or all types of workforce but all have been successfully used at one time or another.

Flexible resourcing

- Student or other term-time workers
- Home workers
- Preference-based scheduling
- Annualised hours
- Multi-skilling across contact types/media/channel
- Reduce non-call-events
- Loaned resources from other parts of the organisation
- Part-time workers
- Outsourcing
- Overtime

When identifying the types of flexible resourcing techniques that you want to use you can decide whether they are the suitable for existing staff, new-hire or both. It is also important to remember that changes needn't be applied wholesale and can be used in tandem with existing shift patterns. For example you may have a core of full time staff on a fixed rotation who provide vital coverage against your demand but don't enable you to meet spikes in contacts so some staff working through one or more of the flexible arrangements may complement them perfectly to meet those spikes.

Recognising that it's easier said than done you should be aware of the other constraints which you may have to overcome on a programme of multi-skilling which may include collaboration with colleagues from Human Resources and Learning & Development to take mitigating action.

- Keeping skills alive; will people used tactically (part-timers, multi-skilled and loaned staff for example) be able to retain enough knowledge to answer contacts effectively?
- Existing employment contracts
- Unionised workforce
- Technology; can your contact routing and CRM platforms meet the requirements of a more flexible and agile workforce?
- Impact of change on staff morale and motivation
- Any impact on staff remuneration

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[1] *Schedule goodness-of-fit is the measure of how accurately your staffing plan matches your demand profile. In Teleopti CCC it is measured by the delta between actual and required heads in the schedule viewer and can be seen graphically and as an actual number. In some organizations it is referred to on deviation reports and can also be expressed as a percentage and used as a KPI to measure scheduling performance.*

3.3 Modelling the impact

Once you've considered the types of flexibility that you may want to introduce and considered other constraints, you can work on your staffing plan to see what benefits your programme will yield. Whilst you have already put in a good deal of work in researching what is appropriate in your organisation and deciding how you will proceed this is where the hard work starts for the re-sourcing team, as only through modelling the outcome can you decide how or even if you proceed to implementation when your decisions start to impact others.

To model the impact you will need to use your workforce management tool to build a replica of your existing organisation in a "what-if" scenario to enable you to replicate new shift patterns or additional support from staff you may use tactically. By running a schedule including the proposed new work types it should be possible to see how successfully your revised staffing plan meets your demand. This is your opportunity to fine-tune your proposed changes before you start to communicate what you need and who the changes will impact. As staff schedules are inextricably linked with employee satisfaction and service performance it is vital that you are thorough at this stage and all possible scenarios are modelled so make sure that you look at not just at times of high demand but also when it is lower as there may be a negative impact then which you have to mitigate against.

When you have been through enough iterations of your model to ensure that you are confident that the new schedules and work styles your are proposing are the right ones for you it is time to communicate.

3.4 Communication Plan

As with any major change programme it's vital that you get communication right, depending on the size of your organisation you may have an Employee Communications team, if so, get them on the case, if not then you have to work with your Management colleagues to ensure that the right messages are shared at the right time with the right people.

As mentioned previously, changes to employee schedules can be an emotive subject and it is vital that the right messages are communicated early so that there is one version of the truth rather than information leaking out piece by piece. Whether you are seeking volunteers to change to dif-ferent work styles or mandating change, whether you are planning to offer new work styles to new-hire staff or to anyone it is vital that everybody receives a clear message about the programme, the reasons for change, what that change will look like, how people can get involved and the timesca-les for the programme. Having introduced the programme to your colleagues it is then important to keep them regularly informed of progress and any changes to the original plan

3.5 Deploying new schedules

The actual deployment of the new schedules will largely depend upon the type of flexible work styles that you have chosen and existing practice with regard to the way you schedule people cur-rently so it's not possible to cover all eventualities here. However, there are some general principals to take into consideration when managing your deployment.

In advance of the first communication you need to decide whether changes are to be mandatory or voluntary, who they will apply to and whether anyone can apply for new work styles or not. You also need to decide upon criteria to decide who will be awarded certain shifts should they be over-subscribed. You should also have designed a process to allow in-life migration between different work styles and make sure that this is clearly communicated to the workforce and that the business rules associated with that process are understood and agreed by employee representatives if necessary.

You could also decide if you want to roll-out changes to the whole organisation or if you want to do a control-group first to assess how new schedules work in practice or alternatively roll-out in stages by skill, location or department for example.

3.6 Measuring Success

You should focus on those objectives which you defined at the outset of your change programme and use the KPI's associated with them to gauge the performance of your new schedules. Remember to compare results with not only recent weeks but with other relevant weeks, such as the same time last year, or a week with similar contact volumes.

It is also just as important to look at any other factors which may be affecting your KPI's in any way so that you are looking at a like for like comparison so accurately measuring the impact of your scheduling changes and not other unrelated items. Also make sure that you are taking a 'clean' measure of your schedules in terms of scheduled heads against requirement so that you are accurately measuring schedule goodness-of-fit. Using the number of actual heads after the fact will be skewed by absence other shrinkage and any failure to adhere to schedule.

You should also revisit any softer objectives that were set at the beginning of the programme to measure the softer side of performance in how employees feel and respond to the new work styles.

4. HOW DO I MANAGE FLEXIBILITY SUCCESSFULLY?

Once you have been through the initial process you will need to have a process to work on maintaining your new way of working. This will include how employees are able to move between different work styles, whether new joiners are able to opt for a particular type of working or are even targeted at the point of recruitment. The maintenance plan should also include some way of assessing whether your current mixture of work styles is the right one to meet your demand should customer behaviour change or the type of customer contact you support change significantly. Keeping on top of your schedule fit metric is a good way to do this. Use any changes and fluctuations in demand that require re-forecasting as an opportunity to make changes to the mix of work-styles if possible so it appears seamless to the organisation.

As changes to employee conditions are always an emotive issue its worth thinking about putting major shift reviews in the 'if it ain't broke don't fix it' category. By having a flexible framework of shifts with a sensible maintenance routine you can leave as long as you need to between wholesale changes but if you do have to re-visit your programme and make changes make sure that you learn from your programme and be honest about what went well and what you would do differently if given the task again.

5. A note on legislation

It is important that you are aware of any legislation or corporate rules that may impact your decision to alter the way that people are scheduled in your organisation. Different countries and regions have differing labour laws and you need to make sure that any schedules you design or agreements that you enter into satisfy those laws. It is good practice to engage with your human resources professional to ensure that you are up to date with the latest relevant legislation and company policies regarding working hours.

6. Summary

Flexible resourcing is sometimes held up as a utopia by resource planning experts that meets all planning challenges head on. The truth is that it can be very difficult to decide what degree of flexibility will work in your own situation let alone deploy changes in your workforce. Having said that, with good forward planning and analysis and sound programme management it is possible to run a change project to successful completion and many organisations are using a range of techniques to improve their flexibility today.

Before you embark on your change programme make sure that you keep a clear plan in mind using the areas discussed in this paper as a starting point;

1. Planning phase

- Why do I need to introduce flexibility?
- What type of flexibility is suitable for my organisation?
- What are the constraints?
- Model the impact and decide on a framework
- Set clear objectives and measurable success criteria

<u>2. Deployment phase</u>

- Have a strong communication plan
- Allow appropriate time for change
- Regular reviews to check understanding

<u>3. Measurement and follow up</u>

- Check that changes have been deployed to plan
- Check performance against your KPI's
- Consider other external impacts
- Be honest in your appraisal of performance
- Modify changes if necessary

<u>4. Maintenance (business as usual)</u>

- Always measure schedule goodness-of-fit
- Check regularly whether the flexible options support your organisation and your workforce
- Remain flexible with your workforce; allow controlled migration from, to and between styles of working.

Good luck!

About Matt Woodward

Matt is a Management Consultant with nearly twenty years' experience in the Customer Contact industry. He has held senior posts with blue chip organisations in the UK and has experience of running Contact Centre and Shared Services supporting operations varying in size from fifty to more than ten-thousand seats. He has experience of large-scale business change programmes and worked as the Business Manager for Teleopti in the UK working with customers such as NHS Direct, HEROtsc and Allianz in helping deliver improvements in the way that they manage their resource planning processes.

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