Cinareo

Workforce Management Omni-channel
Capacity Planning & Financial Analysis

Redefining Capacity Planning

What is capacity planning?

Capacity planning involves forecasting the volume of front- and back-office work that will arrive **at defined times;** and then determining the number of **front-line and support staff** that are required to:

- meet service level objectives
- achieve optimal agent productivity
- maximize customer and employee satisfaction.

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Old-school capacity planning

Old-school Excel spreadsheets and home-grown capacity planning solutions are incredibly limiting, time-consuming, hard to maintain, and challenging to scale for new business opportunities and challenges.

Using spreadsheets to prepare capacity plans:

- Requires custom development
- Is labor intensive, taking weeks to months
- May or may not be using appropriate algorithms
- Can be prone to human error and challenging to bug-fix
- Puzzling to build for omni-channel interactions or multiple queues within the same channel
- Often difficult to update for new programs
- Frequently results in errors such as over- or under-staffing and budgeting depending on methodology

Why was Cinareo created?

Even the leading WFM applications on the market often yield erroneous results as they miss or misapply data inputs resulting in inaccurate staffing levels and financial projections.

Challenged to differentiate between non-deferrable interactions (e.g., calls, chats) and deferrable work types (email, letters, back office)

Use Agent proficiency factors as a load rather than using a weighted AHT consisting of tenured agent AHT, learning curve, and attrition rates to align with the monthly plan.

Exclude some or all shrinkage factors (e.g., paid or unpaid leave and non-productive time)

Using ‘industry standards’ where few exist or little to no consideration for capacity planning of support staff and budget (e.g., Supervisors, WFM, QA, Trainers, internal help desks)

Missing Key performance indicator (KPI) targets such as cost per contact/work item.

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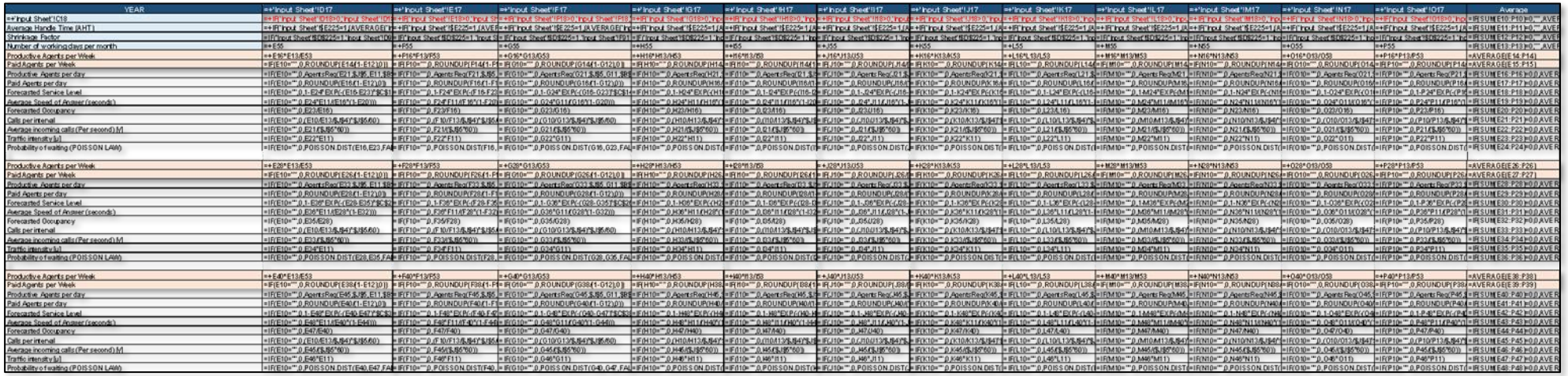
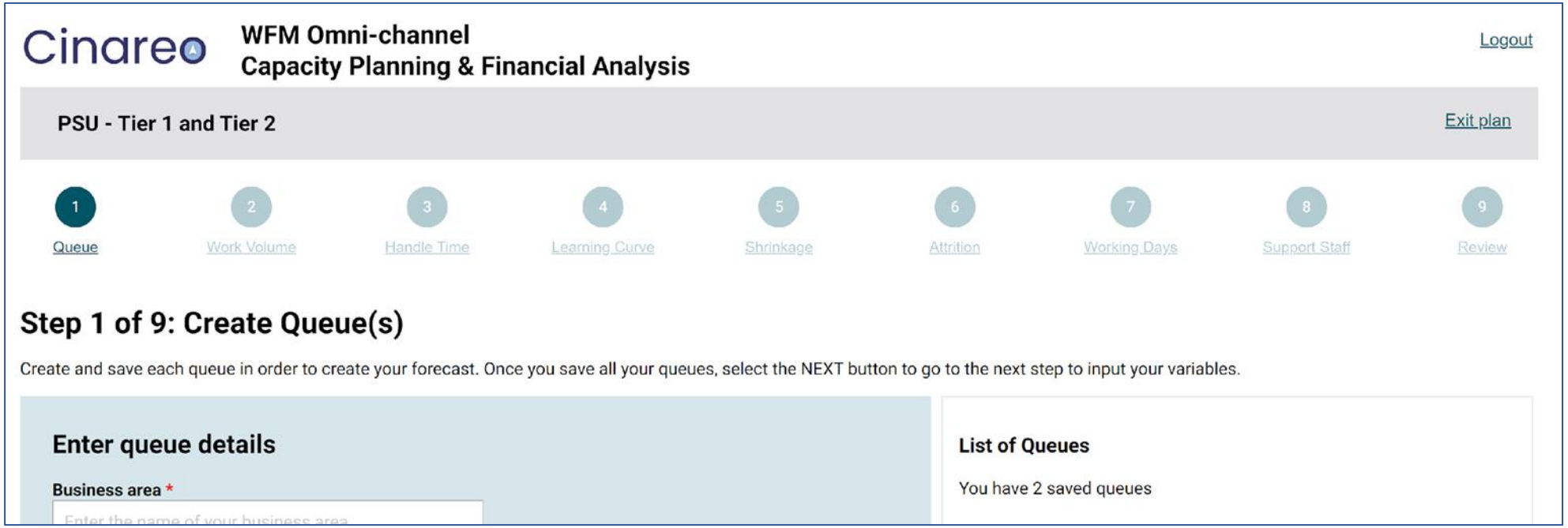
The evolution of capacity planning



Complex, formula-driven spreadsheets



Easy-to-use, wizard-based SaaS

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The Solution

Cinareo is an innovative SaaS application that closes the gaps in capacity planning, financial analysis and scenario modelling.

Reduce staffing challenges

Cinareo handles both front- and back-office operational planning,
allowing you to compare scenarios to determine the ideal resource model.

Improve productivity & boost performance

Cinareo will save you money and reduce risk to ALL of your front- and back-office operations and
cost-effectively manage the customer experience.

Ensure you have the right number of agents

Cinareo will easily calculate staffing requirements, budget & forecasting
for who to hire and when.

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Simple and effective wizard

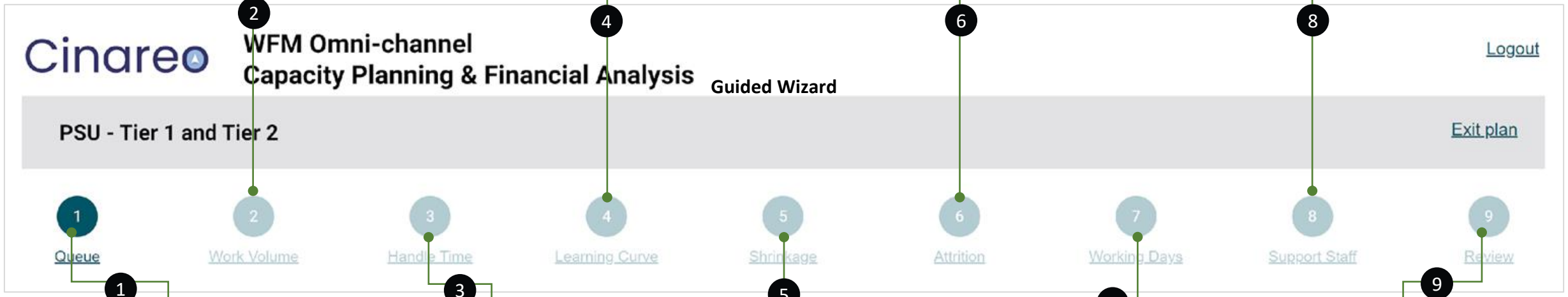
Take the guess work out of capacity planning with a simple and understandable wizard-based tool for WFM professionals and novices that executes practical, real-world repeatable results that can be built in about the same time as a coffee break.

Monthly forecasted work volume for each front and back-office channel; Service Level or Productivity targets dependent on work type. Includes Work Call Arrival Pattern intervals.

New Hire Agent learning curve by month as a percent of productivity of Tenured Agents for true weighted AHT.

Forecasted agent attrition by month for hiring ahead of attrition.

Support staff ratios and Agent and support staff salaries;
Trainer & QA analyst calculators; overtime, overtime rate; and training length.



Create unlimited omni-channel queues based on your needs: Inbound calls, outbound calls, chat, email, SMS, social media, in-person, and back-office.

Tenured Agent target Average Handle / Processing Time (AHT) for each front and back- office work queue.

Shrinkage and Load Factor percentages by month: Vacation, sick, training, coaching, meetings, acting, leave without pay, projects.

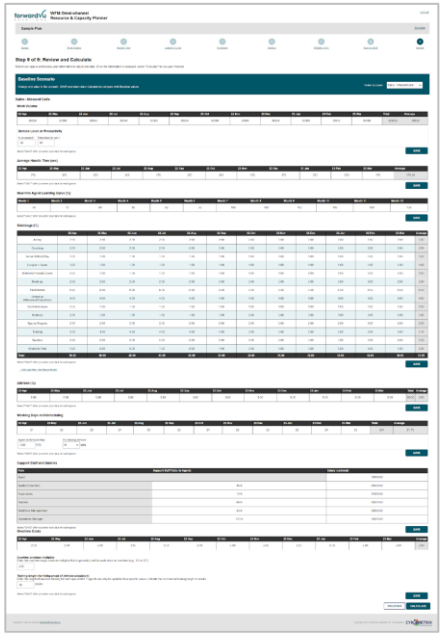
Number of days each queue is open in a month, daily paid hours of work per agent, and the forecasting interval.

Review data input on a queue-by-queue basis and adjust as required before calculating.

EXAMPLE 1

How simple is it to determine the right number of agents for my omni-channel contact centre to meet service level objectives or productivity targets?

Data inputs complete



Calculate

Service Level / Productivity		Baseline Scenario	
Deferrable			
Non-deferrable			
Customer Service - Inbound Calls			
	Service Target	80 %	20 sec
	Forecast	81.23%	20 sec
	Occupancy	90.37%	
Agent Requirements		**# of agents**	
Deferrable			
Non-deferrable			
Customer Service - Inbound Calls		133	
Total Required Agents (Paid)		**133**	
Effective Required Agents		**115**	
Difference (Learning curve cost)		**18**	
Effective Capacity Rate		**86.73%**	
Support Staff		**# of staff**	
Quality Assurance		4	
Supervisors		9	
Trainers		3	
WFM		2	
Operations Manager		1	
Staff Budget		**Cost**	
Agent		$7,970,000	
Quality Assurance		$309,944	
Supervisors		$752,722	
Trainers		$206,630	
WFM		$154,972	
Operations Manager		$132,833	
Agent Salaries		**$7,970,000**	
Support Staff Salaries		**$1,557,101**	
Hiring Ahead of Attrition Costs		**$558,700**	
Overtime Costs (Agents Only)		**$159,400**	
Total Budget (Agents / Support Staff)		**$10,245,201**	
Cost per Work Type		**Cost**	
Customer Service - Inbound Calls		$8.54	

How many agents do I need and for which queues?

If all my agents were experienced, how many would I need?

What are the roles I need to support my agents and how many do I need?

What will it cost me to run my operation?

- Agent costs
- Support staff costs
- Hiring ahead of attrition
- Overtime costs

What is my average cost per call based on forecasted inputs?

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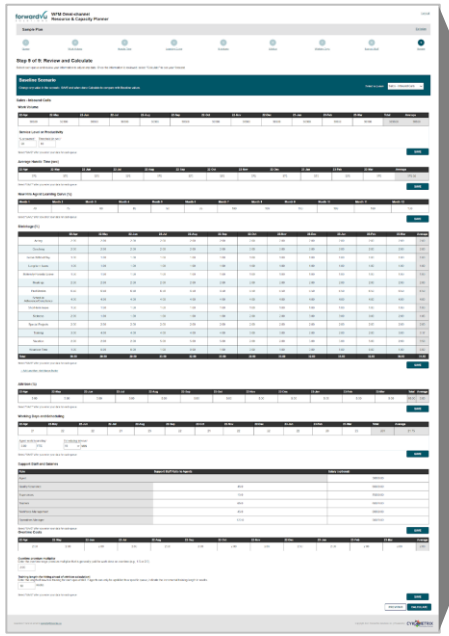
EXAMPLE 2

How much does it cost to be 1% wrong?

Data inputs complete



Calculate

Service Level / Productivity		Baseline Scenario		Scenario 1	
				Edit	Delete
Deferrable					
Non-deferrable					
Customer Service - Inbound Calls					
	Service Target	80 %	20 sec	80	20
	Forecast	81.23%	20 sec	82.20%	20 sec
	Occupancy	90.37%		89.95%	
Agent Requirements		**# of agents**		**# of agents**	
Deferrable					
Non-deferrable					
Customer Service - Inbound Calls		133		126	
Total Required Agents (Paid)		**133**		**126**	
Effective Required Agents		**115**		**111**	
Difference (Learning curve cost)		**18**		**15**	
Effective Capacity Rate		**86.73%**		**88.14%**	
Support Staff		**# of staff**		**# of staff**	
Quality Assurance		4		4	
Supervisors		9		8	
Trainers		3		3	
WFM		2		2	
Operations Manager		1		1	
Staff Budget		**Cost**		**Cost**	
Agent		$7,970,000		$7,463,500	
Quality Assurance		$309,944		$281,565	
Supervisors		$752,722		$664,125	
Trainers		$206,630		$189,750	
WFM		$154,972		$143,090	
Operations Manager		$132,833		$123,995	
Agent Salaries		**$7,970,000**		**$7,463,500**	
Support Staff Salaries		**$1,557,101**		**$1,402,525**	
Hiring Ahead of Attrition Costs		**$558,700**		**$444,078**	
Overtime Costs (Agents Only)		**$159,400**		**$74,635**	
Total Budget (Agents / Support Staff)		**$10,245,201**		**$9,384,738**	
Cost per Work Type		**Cost**		**Cost**	
Customer Service - Inbound Calls		$8.54		$7.90	

Simply run a 'what if' scenario that asks….

Using the same baseline scenario as Example 1, if I miss the workload forecast, AHT, learning curve, shrinkage factors, attrition rates, etc by a mere 1%, what might it cost me?

…it could cost me $860,000 per year

EXAMPLE 3

I need to give my staff a raise, but I don't have the budget.

Goal: Raise agent and support staff salaries by 5% without increasing operating budget

What if: I decrease Average Handle Time (AHT) by 5%?

Increasing salary costs by 5% requires over $497K in additional operating expense. (See Scenario 1)

By reducing AHT by 5% across all queues, **lowers the number of required FTE from 153 to 145, a savings of 8 FTE, support staff requirements by 2 FTE,** resulting in no increase in operating budget (See Scenario 2).

Service Level / Productivity	Baseline Scenario	Scenario 1	Scenario 2
		Edit Delete	Edit Delete
Deferrable			
Billing Back Office - Work Items			
Productivity	85 %	85	85
Customer Service - Email			
Productivity	79 %	79	79
Non-deferrable			
Customer Service - Inbound Calls			
Service Target	90 % 10 sec	90 10	90 10
Forecast	91.84% 10 sec	91.84% 10 sec	91.18% 10 sec
Occupancy	82.32%	82.32%	82.36%
Sales - Inbound Calls			
Service Target	90 % 10 sec	90 10	90 10
Forecast	91.75% 10 sec	91.75% 10 sec	91.42% 10 sec
Occupancy	73.87%	73.87%	73.72%
Agent Requirements	**# of agents**	**# of agents**	**# of agents**
Deferrable			
Billing Back Office - Work Items	14	14	14
Customer Service - Email	17	17	15
Non-deferrable			
Customer Service - Inbound Calls	83	83	79
Sales - Inbound Calls	39	39	37
Total Required Agents (Paid)	**153**	**153**	**145**
Effective Required Agents	135	135	129
Difference (Learning curve cost)	18	18	17
Effective Capacity Rate	88.34%	88.34%	88.35%
Support Staff	**# of staff**	**# of staff**	**# of staff**
Quality Assurance	3	3	3
Supervisors	11	11	9
Trainers	3	3	3
Workforce Management	3	3	3
Operations Manager	1	1	1
Staff Budget	**Cost**	**Cost**	**Cost**
Agent	$7,668,563	$8,051,991	$7,637,183
Quality Assurance	$200,810	$210,850	$200,086
Supervisors	$766,857	$805,199	$763,718
Trainers	$170,395	$178,914	$169,545
Workforce Management	$204,496	$214,720	$203,658
Operations Manager	$115,028	$120,780	$114,558
Agent Salaries	**$7,668,563**	**$8,051,991**	**$7,637,183**
Support Staff Salaries	**$1,457,586**	**$1,530,463**	**$1,451,565**
Hiring Ahead of Attrition Costs	**$669,489**	**$702,963**	**$668,756**
Overtime Costs (Agents Only)	**$153,371**	**$161,040**	**$152,743**
Total Budget (Agents / Support Staff)	**$9,949,009**	**$10,446,457**	**$9,910,247**
Cost per Work Type	**Cost**	**Cost**	**Cost**
Billing Back Office - Work Items	$9.67	$10.15	$9.65
Customer Service - Email	$3.54	$3.72	$3.34
Customer Service - Inbound Calls	$5.59	$5.87	$5.58
Sales - Inbound Calls	$7.11	$7.47	$7.18

EXAMPLE 4

I need to give my staff a raise, but I don't have the budget.

Goal: Raise agent and support staff salaries by 5% without increasing operating budget

What if: I decrease forecasted overtime, decrease new hire learning curve, and lower annual attrition and by how much?

Increasing salary costs by 5% requires over $497K in additional operating expense.
(See Scenario 1)

By **reducing forecasted overtime from 2% to 1% per month, expediting agent new hire learning curve by 1 month, and reducing annual attrition lowers the number of required FTE from 153 to 149, a savings of 4 FTE, reduces support staff requirements by 2 FTE, lowers hiring ahead of attrition costs by almost $100K, and overtime costs by almost $80K** resulting in no increase in operating budget (See scenario 2).

Service Level / Productivity		Baseline Scenario		Scenario 1		Scenario 2	
				Edit	Delete	Edit	Delete
Deferrable							
Billing Back Office - Work Items							
	Productivity	85 %		85		85	
Customer Service - Email							
	Productivity	79 %		79		79	
Non-deferrable							
Customer Service - Inbound Calls							
	Service Target	90 %	10 sec	90	10	90	10
	Forecast	91.84%	10 sec	91.84%	10 sec	91.04%	10 sec
	Occupancy	82.32%		82.32%		82.55%	
Sales - Inbound Calls							
	Service Target	90 %	10 sec	90	10	90	10
	Forecast	91.75%	10 sec	91.75%	10 sec	91.52%	10 sec
	Occupancy	73.87%		73.87%		73.63%	
Agent Requirements		**# of agents**		**# of agents**		**# of agents**	
Deferrable							
Billing Back Office - Work Items		14		14		14	
Customer Service - Email		17		17		17	
Non-deferrable							
Customer Service - Inbound Calls		83		83		80	
Sales - Inbound Calls		39		39		37	
Total Required Agents (Paid)		**153**		**153**		**149**	
Effective Required Agents		**135**		**135**		**135**	
Difference (Learning curve cost)		**18**		**18**		**14**	
Effective Capacity Rate		**88.34%**		**88.34%**		**90.90%**	
Support Staff		**# of staff**		**# of staff**		**# of staff**	
Quality Assurance		3		3		3	
Supervisors		11		11		9	
Trainers		3		3		3	
Workforce Management		3		3		3	
Operations Manager		1		1		1	
Staff Budget		**Cost**		**Cost**		**Cost**	
Agent		$7,668,563		$8,051,991		$7,820,816	
Quality Assurance		$200,810		$210,850		$205,052	
Supervisors		$766,857		$805,199		$782,082	
Trainers		$170,395		$178,914		$173,813	
Workforce Management		$204,496		$214,720		$208,555	
Operations Manager		$115,028		$120,780		$117,312	
Agent Salaries		**$7,668,563**		**$8,051,991**		**$7,820,816**	
Support Staff Salaries		**$1,457,586**		**$1,530,463**		**$1,486,814**	
Hiring Ahead of Attrition Costs		**$669,489**		**$702,963**		**$575,198**	
Overtime Costs (Agents Only)		**$153,371**		**$161,040**		**$78,208**	
Total Budget (Agents / Support Staff)		**$9,949,009**		**$10,446,457**		**$9,961,036**	
Cost per Work Type		**Cost**		**Cost**		**Cost**	
Billing Back Office - Work Items		$9.67		$10.15		$9.98	
Customer Service - Email		$3.54		$3.72		$3.67	
Customer Service - Inbound Calls		$5.59		$5.87		$5.57	
Sales - Inbound Calls		$7.11		$7.47		$6.99	

Other features and functionalities:

New Hire Recruitment & Training Planner

Solution: A model that forecasts attrition and growth up to a year in advance by queue/skill. The model estimates how many people are likely to leave, the average rate of graduation to production, when recruits need to start training, and the salaries for new hires while in training.

Multi-year forecasting

Solution: A model that allows for users to build a 12-month forecasting plan or create a longer range forecast up to 3 years.

Work volume intervals

Solution: A model that allows to determine work volume down to the 60, 30 or 15 minute interval for each day of the week, along with exceptions to months that might have different/seasonal operating times or volumes.

Unlimited ‘what if’ scenarios…

How many agents and support staff (e.g., supervisors, trainers, QA, workforce analysts) do I need if I change my service level or productivity targets?

What service level will I achieve with my current headcount?

What is the total agent and support staff budget I need, and what is the cost per interaction by channel?

What is the cost of adding a new service channel or scaling up my business?

What is the benefit from reducing attrition or improving the new hire agent learning curve?

How many agents do I need to hire and when in order to hire ahead of forecasted attrition?

…and much more

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Questions?

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