Escalation

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When to escalate service problems

First-contact resolution is critically important for customer service, but it can be an elusive goal. Whether you are fielding account inquiries with a 95 percent resolution rate or technical problems with a 50 percent resolution rate, you will probably have to escalate some calls to specialists. How well you track and manage those calls is as important as how many you resolve on first contact.

The key to managing call escalation is to adopt the customer's point of view, says Nancy Alter, former director of IT customer support at Penn Mutual Life Insurance Company in Horsham, PA. Customers don't want to hear that their problems have been bucked to another group or an outside vendor; as far as they are concerned, there is only one service organization.

Alter manages a help desk that solves technical problems primarily for internal customers. Her group resolves as many calls as possible, but refers those that require field visits or high-level security access, or that involve contractors such as the company's Web host. The group has developed collaborative working relationships with the second- and third-tier groups that handle these complex problems. "It's taken a number of years to get there, but the system works well now," she says.

To manage escalated calls effectively, Alter recommends improving referral processes and using performance measures. Here's how:

Process improvement

■ Decide when to escalate calls. In addition to escalating the issues that the frontline staff can't handle, you may also want to refer problems that would tie them up in lengthy phone calls, especially if other calls are waiting in queue.

■ Reach agreements with each of the second-tier groups about the types of calls it should receive, and about the referral process. Should you notify the group leader, or a specific individual? What if the individual isn't there? Can it accept assignments through your tracking system? The agreement should cover the tracking information the group must provide you in return, and the form in which it is provided.

■ Survey customers to find out which types of problems are most urgent. Alter's group categorizes all issues as Severity Level 1, 2, or 3.

A Level 1 problem might leave a large number of customers, or even a few very important customers, "dead in the water." Level 2 and 3 problems have smaller business impacts.

■ Train the first-tier staff when to refer calls and to whom, and how to assign the appropriate level of urgency.

■ Decide who owns the problem once it has been referred. "There are varying points of view on this," Alter notes. "I started out thinking that the first level has to own every problem, but I'm beginning to believe that's not possible anymore." Alter's current thinking is that an individual case is owned by the person currently assigned to it, but that the first-tier manager owns the referral process and is responsible, along with the second- and third-tier managers, for making sure it works smoothly.

■ Find out how well the process is working, and make it better. Survey customers to discover how quickly their problems were resolved, and to hear their perceptions of the experience. Where the system hasn't worked well, research the case to find out what happened. Was the call misrouted, or did the second-tier staff drop the ball? Take documented problems to the second-tier managers and work with them to tweak the process. Don't try to impose solutions on them. As Alter warns, "If they don't agree to the process, they're not going to do it."

Performance measures

■ Develop service-level measures and service-level objectives for the second-tier groups. Again, don't impose these unilaterally but reach them through negotiations with customers and the second-tier groups. Customers can tell you what their "moments of truth" are — such as first callback and the final resolution — and what turnaround times they can live with for problems of different degrees of severity. The second-tier groups can tell you what objectives they can aim for. You can tell them (based on reports from your tracking database) how well they're doing today.

■ Finally, review the service-level reports frequently and make improvements to the referral system or to the objectives. Beware of making too many changes — if the process or objectives change from week to week, no one will be able to remember what they are. A few changes per year is as much as anyone can handle. ■