

On the Road

*A call center applies Elliott Jaques’
“Requisite Organization” principles*



to Utopia

by Ginty Burns, *COREinternational, Inc.*



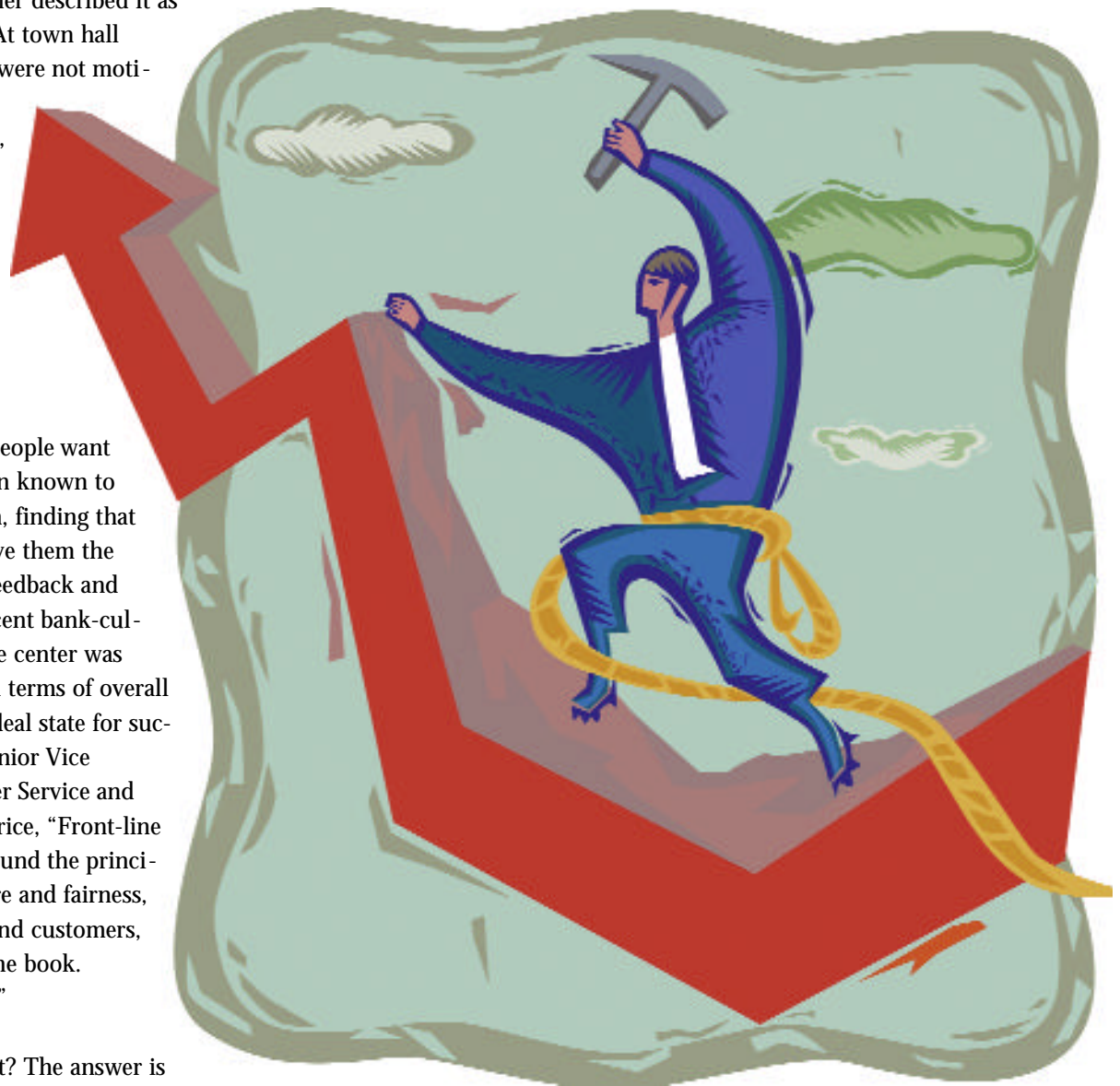
The CIBC Toronto Visa customer service call center appears to be full of happy, smiling people. The director, Tom Briscoe, pats customer service representatives on the back to say hello as they talk with customers and greets others by name with “Hi, how is it going today?” as he walks around. No one is ignored. The center, nicknamed Centerville, is decorated for Easter: pinks, purples, yellows, flowers, stuffed rabbits (with real carrots). Street signs, such as “Achievement Way,” identify the passageways and each desk has its own street address. Hanging from the ceiling are hundreds of motivational cards. In a “quiet room” a couple of CSRs are relaxing to music. In another room, four are playing table soccer. The coaching rooms are decorated with themes: hockey; Disney; retro; film; and even a “backyard deck” with real fencing, a wooden bench and a washing line. On Briscoe’s desk is a collection of about 15 cards, many homemade, thanking him for providing support and development opportunities.

Compare this to the scene two years ago when Briscoe became director. The center at that time had an overwhelming grayness to it. It consisted of long lines of desks and barriers, with no decorations and very few personal pictures. Employee attrition was high. One person says it was "...like being in a fishbowl...we were losing people because they wanted to go where Big Brother was not watching." Another described it as "gloom and doom." At town hall meetings CSRs, who were not motivated and had little interest in their work, railed against working conditions and management. Managers had no decision-making authority: escalations were the norm.

Today, it's the place people want to be. CSRs have been known to leave and then return, finding that other jobs did not give them the same environment, feedback and job satisfaction. A recent bank-culture audit showed the center was rated 6.8 out of 10 in terms of overall strength against an ideal state for success. According to Senior Vice President of Customer Service and Operations, Donna Price, "Front-line managers operate around the principles of valuing culture and fairness, both for employees and customers, instead of going by the book. There is a new spirit."

How did Briscoe do it? The answer is not necessarily that he is a superhero or a great leader, although some of his staff claim that he is. Briscoe claims it is simply about accountability and doing the work you are supposed to do. When he took over the center and began to evaluate it, there was a command-and-control mentality and an excess of management layers. CSRs reported to managers (assisted by admin managers), who reported to senior managers, who reported to the director. In essence, the admin managers, managers, senior managers and director were all doing the same

work; the CSRs had trouble identifying who their real manager was. People followed the rules and there was little encouragement for anyone who showed initiative or creativity. Adding to the confusion, the senior vice president of customer service and operations role was vacant and the divisional executive vice president was relatively new in her role.



It was Divisional Executive Vice President, Christine Croucher, who got the work started. She announced that her organization would be run similarly to Elliott Jaques' Requisite Organization, where accountability is clear and the right people are doing the necessary work at the appropriate level. Croucher asked a management consulting company to help implement requisite organization, with the aim of building an inspired workplace. Briscoe took the work very seriously. He bought Jaques' book,

Executive Leadership and read it several times. He worked closely with Price, the new senior vice president of customer service and operations, to help her understand the business and select the right structure for the center. Briscoe also spent additional days with the consulting team, asking questions and reviewing ideas. It all made sense: There were too many layers of management competing for the same work, spans of control were too narrow and people were not being held accountable. The call center staff was under-whelmed and over-supervised.

The first challenge for Briscoe, as director, was to begin doing director-level work—setting context for managers, translating divisional strategy into concrete goals and objectives and succession planning—instead of getting

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pulled down into the day-to-day operations of the center. He clarified the work and the reporting lines to build a strong team of direct reports who were able to truly manage the call center. In doing this it became clear to Price, Briscoe and even the senior managers that the senior managers' roles were superfluous and their work could be easily incorporated into the managers' roles. For Price, a strong people person, this was the toughest part: "Delivering was hard: telling two people they didn't have jobs. But removing the senior

manager role showed how much managers had been held back, which led to a new level of understanding. It was amazing to watch people grow."

The sentiment is echoed by others: Derek Taylor, a business specialist in the new organization, says, "Losing the senior managers was a bit intimidating—we would go to them for a final call when we couldn't land as a management team—but I was happy to see it. It empowered us as managers and gave us more responsibility. And it helped to know that the senior managers themselves bought into the idea." Stacey Holland, another business specialist who was a manager at the time of the reorganization, also supported the increased accountability: "Less-experienced managers still wanted the handholding, but the senior managers were happy—I wanted that

CIBC Card Products Division Overview

CIBC is a leading North American financial institution offering more than eight million personal banking and business customers a full range of products and services through its comprehensive electronic banking network, branches and offices across Canada, in the United States and around the world.

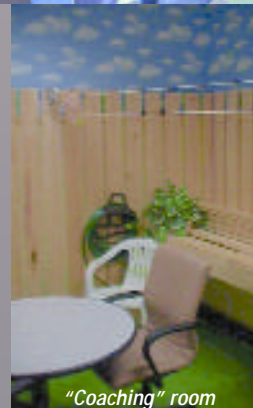
CIBC is Canada's number one credit card issuer with over 3.9 million accounts.

CIBC Cards consist of a wide selection of house-brand and co-brand card

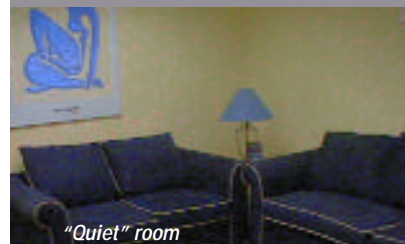
products to meet a variety of financial and credit needs. CIBC also has the largest portfolio of co-branded products in Canada including its co-branding partnership with Air Canada and Aeroplan—one of the most popular loyalty card programs in Canada.



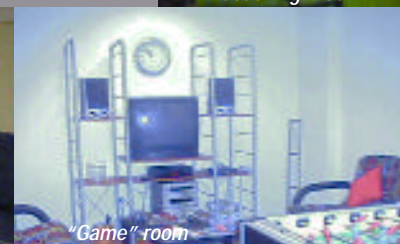
Reps at work.



"Coaching" room



"Quiet" room



"Game" room

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rope to hang myself with! It's good to have a director who has faith in our decisions."

To help the managers with their increased responsibilities, Briscoe changed the admin manager role to that of admin coordinator, to help the managers schedule, forecast and audit work. He made it clear that the managers would be held accountable for their team's results and could make whatever decisions were necessary (within established limits) to ensure the smooth running of the center.

Next came determining the *right* span of control. Briscoe worked with Price and other directors within customer service and operations to settle on one manager per 20 CSRs, since the CSRs were all doing similar types of work. Again the managers were concerned: How could

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they track the performance of 20 CSRs and coach them, as well as provide project management and financial reporting? And what would they do if their team didn't perform? In response, Briscoe added some business specialist roles in the help desk/center administration areas. These roles took on project management/financial reporting work, allowing the managers to focus on running the center and developing the employees. Furthermore, Briscoe provided what Price

describes as incredible coaching to help the managers transition and deal with the loss of the senior managers.

Briscoe also followed through with the work the consulting firm did with VPs and directors, which he described as energizing, in having all his managers clearly articulate their work: the purpose of their role, what was included and what was excluded, until "nothing was left: we all knew who had what." The role descriptions are on a shared drive, accessible to the entire management team. Taylor describes the process as challenging. "Instead of just results, you're putting in how you get the results, which is just as important." It provided the managers with clarity and targets, but used general principles that allowed them to be very creative in their jobs. It also provided the foundation for objective performance evaluation.

For the front-line staff, Briscoe used an open-forum approach to define their key results areas (KRAs). The CSRs and managers worked together to come up with a realistic approach—the first time that CSRs had been given the opportunity to tell their managers how hard or easy things were to attain. In the first year of the reorganization, Briscoe articulated his expectations of their per-



formance targets. In the second year, the CSRs set their own KRAs and raised the bar with higher targets, which they exceeded and sustained.

To further solidify the managerial accountability for the call centers, Briscoe reviewed the weekly management meetings that were previously held by the senior managers. This responsibility went to the managers, to work together as a team to solve call center issues before esca-

tion. Briscoe puts in an appearance at every meeting to set context and provide updates from senior management, but otherwise trusts the managers to do the work and make the decisions on their own. Briscoe has such confidence in his managers' abilities to manage, that when a high-profile group arrived from within the bank to tour the call center, Briscoe felt no need to be present.

Briscoe is, however, very much available to his staff. One of his own responsibilities is to walk and talk (or "walk and learn," as he puts it) every day—to get to know the CSRs, to find out something personal about each and every one of them and show an interest in their lives. He spends one hour a month with each manager and reviews growth plans so he understands the performance of every manager and every CSR in the center.

He sets high targets and rewards accordingly. The results of his focus on accountability and role clarity speak for themselves. In the last two years the center has seen the following improvements, resulting in operational savings of millions of dollars:

- A 70 percent increase in productivity (from 11 to more than 18 true calls¹ per hour).
- Call handling time is down to 196 seconds from 275.
 - Customer service quality (as measured by an independent quality group) now averages 21-22 out of 25 (up from 18-19).
- CSR availability (time spent speaking with or waiting to speak with customers) is up to 85 percent from around 70 percent.
- Attrition is down from 6 percent to 2.5 percent. Attrition is now more often than not a result of an internal promotion in the call center or elsewhere within the business.
- Identified cost savings of \$2 million.
- 73 percent of staff performance exceeds management's expectations.

¹ The number of calls per hour actually handled (time waiting to answer has been factored out)



Tom Briscoe

Tom Briscoe has been with CIBC for 15 years and has worked in a Senior Leadership capacity in virtually all areas of Customer Service and Operations within CIBC Card Products Division. Prior to joining the CIBC team, Tom spent 11 years as a policeman with the Toronto Police Service.

Asked what he feels has been his greatest achievement over the past two years, Briscoe says:

"The growth of the people, at every level, over the suppressed organization of two years ago. The managers really run the place. I can give you several examples of people who were thought to be low contributors who have been promoted in the past two years and are now outstanding performers. It has been fun to watch it happen. I would not ever want to be in a call center that didn't have this structure."

Creativity was able to flourish in an environment where people have clearly defined boundaries and the freedom to operate within them.

Briscoe and his managers have worked hard to develop a sense of community and fun in a stressful environment. The ideas for the street names and coaching room themes came from an offsite meeting where the managers were

tasked with finding a way to improve morale. They thought that their ideas were “so way out, we’d never get approval.” But, with full support from Price and Briscoe, a budget for the ideas was approved and the managers did the work themselves on weekends. The fact that many people in the center cannot describe anything they particularly dislike about working there speaks volumes for the quality of work life and the development of an inspired workplace. Town hall meetings are now concerned more with how to improve the customer

experience than with how bad things are in the workplace.

Of course there were challenges. The call center model Price and Briscoe selected was a little different from the bank’s accepted ideal, both in terms of structure and physical layout. In a sense, it was a guinea pig with the attendant weight of responsibility as others watched to see if it succeeded or failed. The senior managers, naturally, were concerned about losing their jobs, although every effort was made to place them in other roles and Briscoe had to work hard at building trust. Admin managers were disappointed to lose their manager title, although they saw the reasoning for it and accepted it. They were further disappointed to find they were no longer invited to the

weekly managers’ meetings (an “error in judgment,” as Briscoe puts it, that he was quick to fix). Asked what he feels has been his greatest achievement over the past two years, Briscoe says “The growth of the people, at every level, over the suppressed organization of two years ago. The managers really run the place. I can give you several examples of people who were thought to be low contributors who have been promoted in the past two years and are now outstanding performers. It has been fun to watch it happen. I would not ever want to be in a call center that didn’t have this structure.”

This, then, is the new CIBC Toronto Visa customer service call center. In two years it has become an energized, high-performing area that promotes common values, fun and a sense of community: a place where *how* you do something is just as important as *what* you do. In Stacey Forbes’ words, “Guess what? Big Brother is still watching—that’s the nature of a call center. But we’ve had to get creative to increase morale.” That creativity was able to flourish in an environment where people have clearly defined boundaries and the freedom to operate within

them. Both Price and Briscoe, it seems, can be confident that the center does indeed have the right people performing the necessary work at the appropriate level. **csm**



Ginty Burns is an editor and technical writer with over 15 years experience in business administration, project management, documentation development and software training. As a partner in COREinternational, she performs a role in ensuring high quality deliverables and customer service.

COREinternational is a Toronto-based management consulting company that has been in business under its current name since August 1998. The company, which has five owners and a wide network of associates, focuses on “accountability-based management”—helping customers obtain superior results by aligning roles, people, work, practices and behaviors with business strategy. For more information, e-mail info@coreinternational.com, or visit our website at www.coreinternational.com.