WHITE PAPER

FIVE STRATEGIES FOR TRANSFORMING YOUR BACK OFFICE

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Transforming your back office is challenging and requires key strategies. Knowing how much of your employee's day is spent on work-related activities is critical. Uncovering the best practices employees are using to perform their work, as well as the poorly optimized processes, can help you unlock hidden capacity in your back office. Understanding root causes of processing errors and delays and resolving them quickly keeps your organization well ahead of the regulatory sanctions and disgruntled clients associated with poor quality and missed service levels. Without these insights into your processes, every decision—from staffing headcount to employee goal setting and managing quality—is made at a competitive disadvantage. But most back office environments struggle to provide the kind of comprehensive insights needed to make these important strides.

Transform your business and your back office with these proven strategies for shining a light on employee activities, optimizing your processes, managing your forecasting and capacity planning, rewarding excellent employee performance and reducing your backlog of work items.

STRATEGY #1: **UNDERSTAND EMPLOYEE ACTIVITIES**

STRATEGY #2: **OPTIMIZE PROCESSES AND SHARE BEST PRACTICES**

STRATEGY #3: **GET SCIENTIFIC ABOUT FORECASTING, CAPACITY PLANNING, RESOURCE ALLOCATION AND SCHEDULING**

STRATEGY #4: **COMMUNICATE AND REWARD GOOD PERFORMANCE**

STRATEGY #5: **CAREFULLY MANAGE INVENTORY**

STRATEGY #1: **UNDERSTAND EMPLOYEE ACTIVITIES**

The start and stop time for a work unit tells only a fraction of the story of how it was completed. An open case may be delayed by lunch, breaks, meetings, unscheduled and unproductive activity, or a need for escalation or customer input. Raw and unrefined timing measurements don't create an accurate view of the time and path taken by each employee to complete tasks. Time-and-motion studies only capture a moment in time and do not tell the whole story of how a process is being managed. Manual productivity reports—such as the "tick sheets" employees may use to track work processed—have similar drawbacks.

By observing the applications employees use, you can create reasonable time standards for your work types. Free from bias, this approach presents both individual and aggregate analysis of all your associates—capturing processing times for various types of work items across all skill levels. By chaining together multiple steps in a process, the desktop application monitoring system can provide visibility into entire desktop processes, even those that span multiple desktop applications, such as the sequence of tasks necessary to process a new loan request or an insurance claim. This process-level monitoring also allows uncover best practices in your environment.

STRATEGY #2: **OPTIMIZE PROCESSES AND SHARE BEST PRACTICES**

Real-time activity monitoring can help you determine how processes are currently being managed and how they can be optimized. By identifying, enhancing, and distributing the best practices used by your most effective employees, you can reduce the mistakes that stifle productivity.

Most back office environments run on complex software. An employee's screen may be full of overlapping windows ranging from legacy green screen emulators to modern cloud applications. In some organizations, employees must copy and paste data between fields and windows dozens of times to complete even a basic task. These disconnected applications typically offer no guidance or enforcement of the different processing procedures associated with each type of work unit. In short, processing work may be taking too long simply because the process requires multiple applications and manual work steps. This lack of automation opens the door to errors and frustration, which could be easily avoided if employees were given a context-sensitive helping hand at each step in the process.

New process optimization software can guide employees through complex processes, presenting guidance relevant to the task at hand and can automatically copy and paste information fields across multiple application windows. This automation cuts down on errors, reduces manual steps and guesswork, and ensures that every employee follows the proper procedure on key tasks. These optimization layers can be deployed at a fraction of the cost and risk of conventional software customization, and are compatible with virtually every enterprise application and database.

STRATEGY #3: GET SCIENTIFIC ABOUT FORECASTING, CAPACITY PLANNING, RESOURCE ALLOCATION AND SCHEDULING

Capacity planning tools allow you to anticipate the various types of back office work. Accurate forecasts and efficient capacity plans lower costs and increase customer satisfaction. Managing back office forecasts and schedules with spreadsheets is a costly mistake. Hours and minutes count in the back office as well, even when typical processing times can be measured in days. When managers gain insight and control over planned, non-productive activities such as meetings and training sessions, they are empowered to match resources to demand and keep customer service levels where they should be.

The workforce management (WFM) discipline brings more to the table than automatically generated schedules. With WFM, back office resources can be scheduled and assigned based on skills and how employee capabilities match up with expected work volumes. Vacation planning is guided by flexible, fair rules that your organization defines, be it seniority or merit-based. And schedules can be accurately generated months or even years into the future, aiding in capacity planning. Instead of hiring on a reactive basis when volumes get out of hand, WFM can help smooth the transitions from attrition or other planned workforce reductions, and provide insights into ideal hiring patterns.

STRATEGY #4: COMMUNICATE AND REWARD GOOD PERFORMANCE

The surest way to enhance employee quality and consistency is to clearly communicate expectations. Personalized dashboards and on-demand reporting of employee KPIs such as proficiency, productivity, quality, and SLA contributions help employees understand how their performance stacks up against individual and team goals. Making this information available at all times in turn frees up supervisors to spend more time coaching their employees instead of compiling and distributing basic performance data. Adding such gamification strategies as badges and leader boards keep your workforce motivated to achieve at new levels.

Consistent performance goals also make it possible to reward and recognize top performers on both the quality and quantity of work they do. Individuals and groups should be encouraged with incentives that are sensitive to deadlines, high-value tasks, and low error rates.

STRATEGY #5: **CAREFULLY MANAGE INVENTORY**

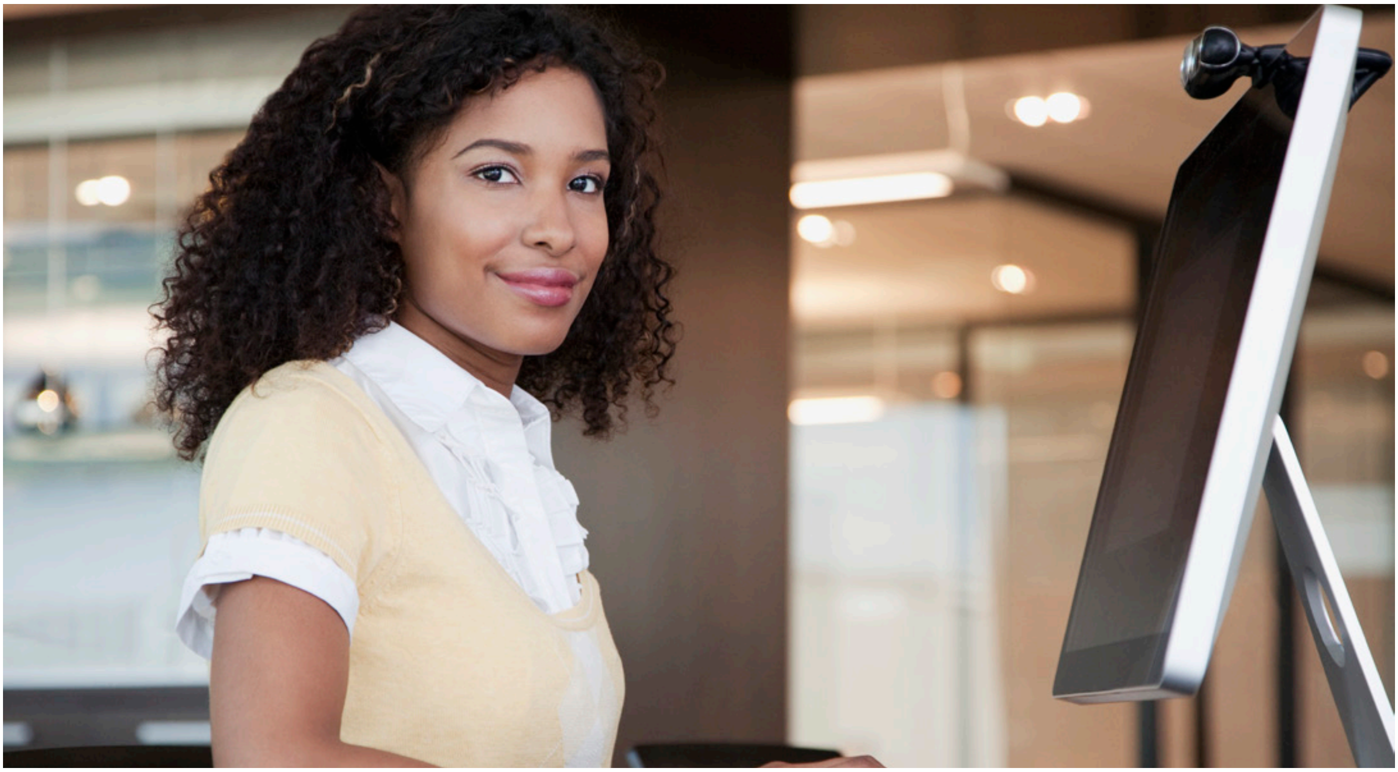
A typical back office sees inventory aging reports on a weekly basis, at best. The lack of timely reporting makes it very difficult to adjust staff focus and promote crucial work before several items have already slipped through the cracks. Instead of waiting to react to a few high-profile fumbles, consistently measure and manage work inventory across all employees, teams, and work types. Work inventory management, which provides detailed analysis on work items by type, aging, and status is the surest way to reduce backlog and improve service levels.

Work inventory management provides insight into logjams before they happen. A comprehensive solution will provide a timely view of the current backlog status, as well as the expected staffing levels required to meet your service levels. It will also be able to project total inventory and overdue item volumes weeks and months into the future, providing an early warning system that allows you to address potential delays before they happen.

Unlike a simple aging report, work inventory management does not view all tasks equally. Reporting can be tailored to the SLA unique to each work type or client, helping managers make intelligent decisions about prioritizing high-value or sensitive work. And jobs that are waiting for customer responses can show as pending, so that the aging clock is paused and additional work can be assigned to the employee. Alerts should be automated, bringing supervisory attention to crucial backlogs which can lead to penalties, sanctions, or givebacks.

BRINGING IT ALL TOGETHER

Transforming your back office requires adopting key strategies. The strategies outlined above set you on the road to making more informed decisions about long-term trends, highlight areas in which service levels may be improved, better manage your workforce, and ultimately enhance the value and processing power of the back office.



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