



## CASE STUDY : ABM PROJECT

# Performance Management

*“Major Oak is large enough to have a pool of consultants to help their clients, but small enough to be flexible in their approach in order to best assist them. I don’t think I’ve ever been on a project that has run smoother.”*

### CLIENT

Well established Midwest health insurance provider

### CHALLENGE

To increase capacity, establish consistent processes across multiple contact centers, develop a foundation for virtual call routing and achieve cost savings while maintaining high quality and service standards

### RESULTS

- Developed and fully installed Activity Based Management (ABM) system
- Streamlined work processes across three regional offices
- Reduced unit costs 16%; increased capacity 20%
- First year savings of \$1.7 million (against 237 agents); Project ROI of 3.3:1

Major Oak Consulting  
65 South Street, 2nd floor  
New Providence, NJ 07974

908-771-5500  
866-747-2738 fax

info@majoroakconsulting.com  
www.majoroakconsulting.com

### Background

For more than fifty years our client has been offering flexible, cost-effective health plans to individual, group and senior markets. In staying true to their Midwestern values, typified by the delivery of superior service and affordable health insurance, our client was constantly looking for ways to move beyond good – to achieve great. In this context our consultants were retained to streamline processes, implement a Results Based Scorecard, bring together financial and nonfinancial KPIs and focus the center’s attention on balancing the cost / service / quality equation.

### Project Details

Under the sponsorship of the CFO, the customer service organization (located in three regional offices) embarked on a 16-week initiative to fully install an activity-based performance management system. During the activity definition phase a multi-site collaboration of 14 distinct activities drew out best practices, established consistent processing techniques, and led to the creation of high impact job aides and an overall AHT reduction of 4%. Additionally, a manual WFM model was replaced with automated data loads and a robust forecasting engine, which lead to improved interval level management. A customized set of dashboards was developed for managers and senior leaders to share new information and results. Daily huddles were implemented across the floor to review previous day’s performance with CSRs. These actions resulted in more efficient scheduling, better visibility and awareness of individual and team performance, increased communication and a more efficient contact center.

### The Major Oak Difference

Communication played a key role in changing culture; the bottom-up approach shaped by activity-based management principles provided the structure and discipline needed to achieve significant improvement. Case in point: our Senior Advisors collaborated with CSRs over the course of 12 weeks to identify and standardize best practices across all regional offices. After system implementation was completed, these same advisors led six weeks of leadership training classes focused solely on performance management. Major Oak recognizes it is one thing to install dashboards – it is an entirely different thing to affect lasting, positive, sustained change.