

Yakkatech

Business



Yachted Ltd. Is an information technology services firm employing 1, 500 people across Canada.

Yachted has a consulting division, which mainly installs and upgrades enterprise software systems and related hardware on the client's site.

Yachted also has a customer service division, which consists of four customer contact centre serving clients within each region. Each customer contact centre consists of a half-dozen departments representing functional specializations (computer systems, Intranet Infrastructure, storage systems, enterprise software systems, customer billing, etc. . These centre typically have more than two dozen employees in each department. When a client submits a problem to the centre by email or telephone, the message or call is directed to the department where the issue best applies.

The query is given a “ ticket” number and is assigned to the next available employee in that department. Individual employees are solely responsible for the tickets assigned to them. The employee Investigates and corrects the Issue, and the ticket is “ closed” when the problem has been resolved.

If the client experiences the same problem again, even a few days later, a new ticket is issued ND sent to whichever employee is available to receive the ticket. A client's problems are almost always handled by different employees each time, even when the issue is sent to the same department. Furthermore, when a customer centre department Is heavily backlogged, clients are redirected to the same department at another regional centre where their problem can be addressed more quickly.

At one time, Yachted operated more than a dozen small customer contact centre in each city because client problems had to be diagnosed and resolved on-site. Today, employees investigate most software and hardware system faults from the centre through remote monitoring systems, rather than personally visit the client. Consequently, eight years ago, Yachted amalgamated its customer service operations into four large regional centres. Customer service staff work entirely within the centres. When a client visit is required, the ticket is transferred to an individual or team in the consulting business, who then visits the client.

Haystack's customer service business has nearly doubled over the past five years, but with this growth has come increasing customer complaints regarding poor quality service.

Many say that employees seem indifferent to the client's problems. Others have commented on the slow response to their problems where the issue requires involvement of more than one department. Several clients have also complained that they are continually educating Haystack's customer service employees about details of their unique IT systems infrastructure.

Another concern is that until 18 months ago, Haystack's voluntary employee turnover rates in the contact centre had risen above the industry average. This increased labor costs due to the cost of recruiting new technical staff as well as lower productivity of new employees. According to results of an employee survey two years ago (as well as informal comments since then), many disconnected from the consequences of their work.

A few also complained about ongoing conflicts with people in other departments and the stress of serving dissatisfied clients.

Eighteen months ago, Haystack's executive team decided to raise pay rates for its customer service staff to become among the highest in the industry. The assumption was that the high pay rates would improve morale and reduce turnover, thereby reducing hiring costs and improving productivity. In addition, Yachted introduced a vested profit-sharing plan, in which employees received the profit-sharing bonus only if they remained with the company for two years after the bonus was awarded.

Employees who quit or were fired for Just cause before the vesting period forfeited the bonus. Employee turnover rates dropped dramatically, so the executive team concluded that customer service quality and productivity would improve.

Instead, customer complaints and productivity remain below expectations and, in some cases, have worsened. Experienced employees continue to complain about the work. There are a few disturbing incidents where employees are careless at solving client problems or do not bother to forward tickets that belong in another department.

Employee referrals (where staff recommend friends to join the company) have become rare events, whereas at one time they represented a significant source of qualified job applicants. Furthermore, a few executives have recently overheard employees say that they would like to work elsewhere but can't afford to leave Yachted. Copyright 2009 Steven L.

Machines Discussion Questions 1 . What symptom(s) in this case suggest that something has gone wrong? 2. What are the main causes of these symptoms? 3.

What actions should Yachted executives take to correct these problems? - The tickets being closed after each problem and new employee given a new problem each time - Employees complaining about work - Turnover rate increasing, and then stabilizing, but employee productivity decreasing - Customer complaints Job satisfaction is low as many employees feel the work is monotonous (dull, lacking in rarity and repetitive) This in return, decreases employee motivation, resulting in productivity also decreasing.

This further affects employee behavior as they are not doing their work properly, or even assisting the customers efficiently. Due to pay rates increasing many employees are simply not quitting because of their continuance commitment (motivated to stay only because leaving would be costly, it's the financial value of staying).

3) tickets being closed and thrown away after the issue has been resolved. Perhaps keeping a file of the individuals and who last eloped them should be kept in the data base for each customer.

That way when a customer experiences the same problem again there is information already available from the past to better assist the customers. Job satisfaction is important as a happy worker is a more productive worker. Workers who are satisfied with their jobs tend to have somewhat higher job performance. Job satisfaction can be improved by implementing a new reward system.

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The rewards must be ones employees would want, they have something to expect from their performance, a positive outcome.