



THOUGHT LEADERSHIP SERIES

FLEXIBLE WORK TEAMS

Written by **Tony Tregurtha**
CEO, Enlighten Operational Excellence



Vendors in the market are increasingly encouraging their clients to develop “flexible” back-office operations, whereby work moves seamlessly between teams based on capacity, rather than based on narrowly defined team functions. Indeed, there are several advantages to adopting flexible work teams, and companies that successfully implement this resourcing strategy have much to gain.

ADVANTAGES OF FLEXIBLE WORK TEAMS

A flexible back office can become a powerful source of efficiency, agility and ultimately: competitive advantage. Flexible teams enable organizations to:

- “Move the work to the people”, instead of “moving people to the work”.
- Access the exact right skills for specific projects.
- Strengthen the current workforce by tapping into the inevitable latent capacity that exists across the operations during quieter times.
- Reduce the need to replace natural attrition.
- Decrease the reliance on hiring contractors/ costly overtime to cater to peak periods.
- Improve employee engagement by investing in greater levels of cross-skilling and incorporating a variety of tasks across each day/week.

COMMON PITFALLS OF FLEXIBLE WORK TEAMS

After more than 30 years’ experience in processing areas, I advise clients to exercise extreme caution when implementing flexible work teams, because a flexible workforce can just as easily lead to adverse outcomes, such as:

Reduced quality/higher error rates

The main issue with a fully flexible back office is that associates are constantly multitasking and are required to quickly switch from one work queue to the next (e.g. from processing a complex new account application to validating a wire, to handling an advisor query on an inbound phone line). Multitasking is often praised; however, doing more than one task at a time is distracting to employees and can negatively impact quality.

I have encountered many instances of flexible work teams resulting in significant financial losses for clients. The most memorable example occurred in a bank, which – in the spirit of creating flexible operations – allocated the seemingly simple duty of “stuffing envelopes” to different teams based on availability/capacity. The envelopes were to be filled with bank statements containing confidential customer information. Unfortunately, the multitasking resulted in dozens of confidential statements being sent to the wrong customers because staff were constantly being interrupted/pulled into tasks that were deemed more important and thus could not focus



on the task at hand. Imagine the PR nightmare that unfolded when a client was mistakenly sent the confidential bank statement of another customer! There are quality and error rate implications associated with pursuing a flexible back office.

Processing inefficiency

When an agent is focused on processing a particular type of work, they can get into “the zone” or become immersed in a routine, which leads to higher productivity. However, when someone switches between many different work types, processing times are often impacted because now lateral thinking is required. The “code-switching” interrupts the process efficiency.

This concept holds especially true in organizations with a platform in place to automatically route transactions to associates based on SLA rules and skilling profiles. When the associates complete one task and indicate they are ready for the next, the work item they receive could come from any number of departments’ buckets of work. Processing inefficiencies occur because the associates spend time deciphering what type of transaction they have received before being able to process it.

It is also important to note that the more complex the nature of the work, the more difficult it becomes for associates to seamlessly switch between different types of transactions.

This correlation is an issue, given that so many organizations have already sent their high volume, repeatable tasks offshore, leaving only the more complex escalations and job types in their onshore operations. If you have subject matter experts onshore, there is a tipping point that you need to be cognizant of when trying to vary the number of tasks they handle in any given day.

Lack of proactive management and accountability

Another unintended consequence of implementing a flexible workforce is from a managerial standpoint. In “traditional” teams with clearly assigned work types, it is straightforward for a team leader to manage the team, and to provide coaching and constructive feedback as required. When the workload delivery is outside of their control and tasks are varied, managers are more likely to abdicate themselves from being accountable and proactively managing their workforce.

For example, when teams process activities from multiple different work queues, it becomes more difficult for the team leader to manage efficiency, strategically reduce shared backlogs and implement process improvements (which now effect the whole department and are consequently more cumbersome to approve).



The ability to have effective coaching conversations can also be hampered when team members process work from a variety of job types in a given day.

FLEXIBLE BACK-OFFICE OPERATIONS DONE RIGHT

The key to reaping the benefits of a flexible workforce is about striking the right balance.

Companies that are overzealous in their efforts to implement a flexible workforce risk negatively impacting efficiency and quality. On the other hand, organizations that strike the right balance will have the best of both worlds and benefit from:

- Increased employee engagement, achieved by providing greater variety in the working day, removing siloes and load balancing across teams.
- Higher employee retention, by reducing burnout associated with forced overtime in select departments when SLAs are not being met.
- Increased customer satisfaction through SLA improvements.
- Strong financial outcomes.

There are several steps executives can take to ensure their flexible work team implementations are a success:

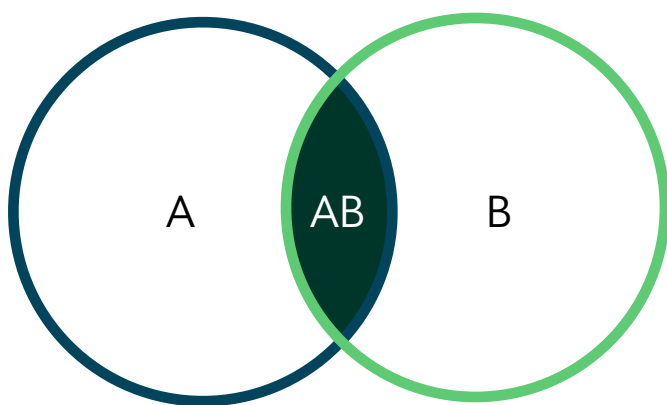
Determine the optimal structure for your flexible workforce

The most fruitful and cost-effective way to determine the appropriate structure for your flexible work teams is to gain an understanding of all work types processed by your teams and to treat each of them like an independent event. More specifically:

1. Understand the demand for each work type.
2. Gather data on the complexity of the processing activities.
3. Conduct efficacy trade-off studies, i.e. due diligence to establish the right combinations of activities that are ripe for “multi-skilling”.
4. Establish efficiency benchmarks to understand what happens when work types are hugely varied within a day, i.e. a comparison of a few logical variations of work to be delivered to a team member’s queue.
5. Gather data on system limitations (e.g. dual systems, the ability to save incomplete work, proportion of activities that are captured automatically from other systems versus manually recorded tasks).



Independent event



Once the above factors are clearly understood, the next steps are to:

1. Determine the number of associates who will be 100% dedicated to processing a work type, i.e. who will focus solely on processing complex queues, rather than getting involved in any of the flexible/common work queues.
2. Schedule the number of “overflow” associates who will be part of the flexible workforce.
3. Review impacts to quality, customer satisfaction, efficiency and employee engagement throughout the pilot phase in order to ensure positive effects in all quadrants of the balanced scorecard.

Select the right partner to accompany you on your OPEX journey

It is imperative that you select the right partner to conduct a pilot phase in your operations and tweak the process as required. Enlighten can provide the best-fit tasks that should be targeted in flexible workforce pilots based on the “UPH” and the number of people already appropriately skilled for the activities through the skills matrix search.

Apply a strong metrics backbone

You should not embark on this type of transformation without a strong metrics backbone, as this will give you the feedback required to ensure you are striking the right balance. You need data to ensure you can adjust your pilot and refine your approach to achieve the optimum operational excellence levels, and to ensure you don’t negatively impact any efficiencies previously gained by swinging the pendulum too far to one side.



Implement value-added standards

Your standard operating procedures and workflow approach needs to be mature and up to date to support flexible resourcing, and you need to have value-added standards in place to support expectation setting.

Facilitate active management routines

As you expand your flexible workforce, having a metrics- and KPI-centric team becomes a must-have, along with the disciplines that support active management. A flexible workforce can be a powerful competitive advantage when done well, but it also means that managers/supervisors

who rely upon tacit knowledge of tasks in order to coach, lead, plan and control have to shift to active management, based on balanced scorecard data.

There is no feasible way for a manager to be able to intimately know the processes involved in hundreds of tasks that could be processed throughout a week, and without the right foundations of disciplines and reliable daily data, this can be a breeding ground for uncertainty and poor leadership experience.





ABOUT US

To meet our vision of being the partner that business leaders want to work with, we understand that a strong, experienced, effective and visionary team is needed, with the energy, commitment and drive to succeed. We deliver on our promise through our leading propriety methodology that combines business experience, technology and data analytics.

To learn more about how to successfully implement a flexible back office, contact your nearest Enlighten office.

CONTACT US



-  +1 617 999 7610
-  enlighten-opex.com
-  info@enlighten-opex.com
-  Enlighten Operational Excellence