

## Leadership Perspective: Approach to Time & Money

There are obvious differences between a contact centre being considered a cost centre or a profit centre and struggling to justify staff, capital and operational expenditures. Individuals looking to distinguish themselves as effective and successful leaders will have an understanding of;

- Direct marketing maths (allowable, breakeven, contribution per activity/sale, response rate)
- Activities of a Profit Centre
- Attitudes of a Profit Centre
- Basic Profitability Differences

### Direct Marketing Maths

In most contact centres more is measured than is valuable and many times what is measured doesn't actually contribute to the bottom line. The best training and discipline of managers in this "direct marketing" environment is to understand classic direct marketing maths, to have an ability to recognise patterns in data and have a common sense approach to profit and loss.

They will appreciate testing and re-testing campaign results from scripts, etc., to establish a breakeven. They know that sometimes a longer call can result in more profit than simply an efficient call. That if 26%-40% of all in-bound calls could result in a sale of some type if handled properly and if there is enough time allowed to make the attempt. Some are even brave enough to begin testing actual cost savings/gains from having their staff answer the phones (novel idea!) rather than try to thwart customers through layers of mind-numbing technological hurdles.

They will know there is a contribution margin for each product and service they offer through a non face-to-face business transaction (and they can establish one if no one in the business has or will establish it for them officially). They will know the importance of realising the cost of their labour force and not simply think of it as an overhead, but as the actual resource for profit.

They will also be courageous enough to practice (not just preach) unencumbered open-book management with their staff - including the staff at the coalface with customers, so they are empowered and knowledgeable enough to make a more significant financial contribution to the organisation.

### **Basic Profitability Differences**

Negative focus	Positive focus
Cost containment or cost cutting	Management of costs
Efficiency	Effectiveness
Time saving	Productive
Ignoring staff & management	Motivation of staff & management
Save money on training	Skilling & empowering team leaders & managers
Meeting management objectives	Educating & managing management's expectations
Management of quantity	Management of quality

Negative focus Positive focus Cost containment or cost cutting Management of costs Efficiency Effectiveness Time saving Productive Ignoring staff & management Motivation of staff & management Save money on training Skilling & empowering team leaders & managers Meeting management

objectives Educating & managing management's expectations Management of quantity Management of quality Time Management Issues

When it comes to time management, meeting management, activities within a well-run contact centre are ultra-dependent on considered and respectful handling of the hours of a day. A good leader has their own way to manage time and they don't average working 15 hours in a day to do it - they manage time!

Ask if they have their diary with them so they can show you how they use it (or not). How do they go about calling and managing a meeting with a group or with another person? This can reveal a wealth of information about their concept of time.

Every contact centre in the world is about managing time and financial resources if it is to successfully retain staff, customers and grow profit.

***Read about the author, Darlene D. Richard, at [www.CallCentreINTEGRITY.com/articles.htm](http://www.CallCentreINTEGRITY.com/articles.htm)***