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# Operations Assurance Framework

## White Paper



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# 1. Introduction

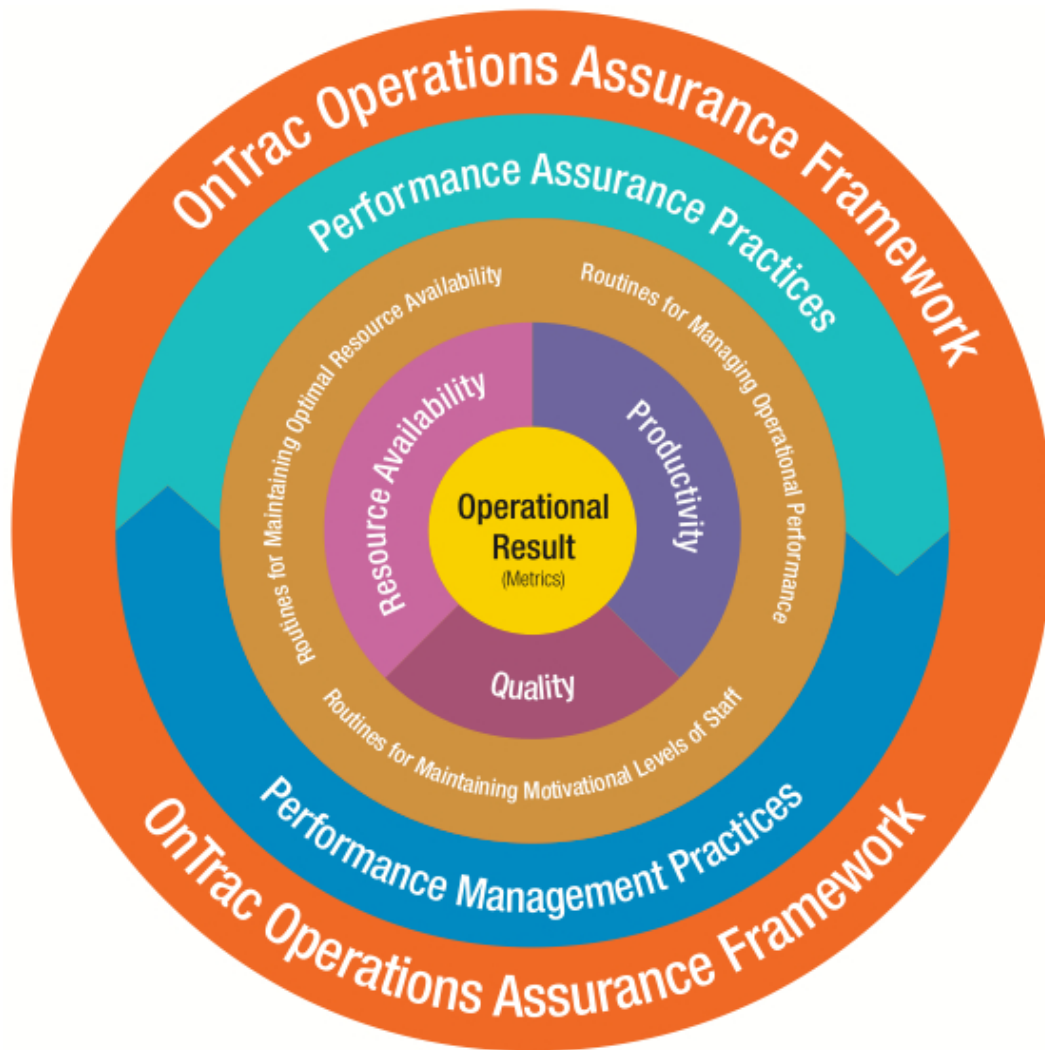
The ultimate goal of every service operation is the ability to provide a consistent service experience to clients and customers. This service experience can be defined in many different ways, including steady productivity, predictable quality, superior customer satisfaction etc. However, this is easier said than done. Unlike in manufacturing operations, the production unit in service operations is a live person. This people centricity of service operations brings with it, inherent challenges that affect consistent delivery of service. These challenges are primarily related to the inability of people to perform tasks in a repeatable and reliable manner. While automation has, to some extent, alleviated the reliance on people for certain tasks, service operations by and large, are still people driven.

In order to compensate for this lack of reliability, many organizations have a supervisory layer, whose primary job is to ensure that the production layer delivers a consistent output. The supervisory layer is considered to be the backbone of the services business. The problem really, is that the supervisory layer also consists of people. When this backbone is not strong, it is but natural that the production layer will not be able to provide the consistency that the business is looking for.

The key to developing supervisory capacity and capability lies at the heart of service operations' problems. Supervisory training does help but the question still remains, as to how supervisors can become more reliable in their own tasks, so that the production layer delivers consistently.

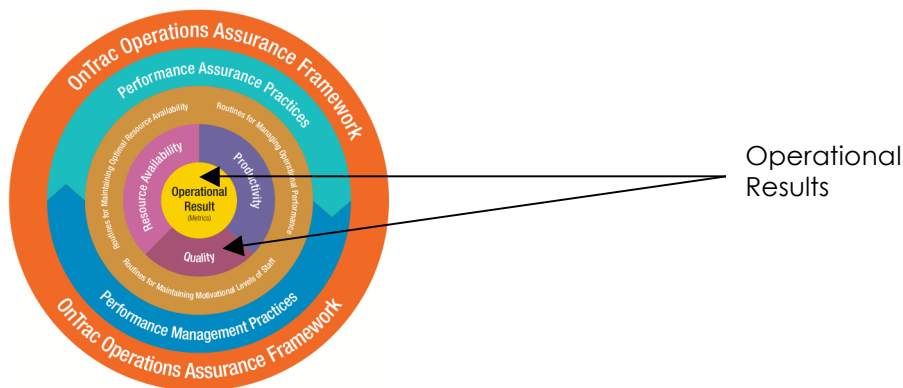
## 2. Operations Assurance Framework

The OnTrac Operations Assurance Framework is designed to help the supervisory layer deliver consistently on their promise, thereby ensuring that the production layer delivers a consistent output to clients and customers. The following image provides a description of the Operations Assurance Framework.



## Operational Results:

The two innermost circles represent operational results.



Operational results are typically clustered around the following three categories:

- a. **Resource Availability:** In order for services to be delivered, the production resource (i.e. the person) must be available. While this is the expectation, there are innumerable problems that can prevent proper resource availability. Some of these problems will be due to poor scheduling of resources. Many others are related to problems originating from the resource and these manifest in higher absenteeism, poor schedule adherence and even attrition. These result in the resource not being available to do the job. Overstaffing can reduce this problem, but it will place an additional burden of increased operational costs.
- b. **Productivity:** Assuming that the resource is available to do the work, it then becomes important that the resource is productive enough. The resource will be expected to produce, process or handle a pre-determined number of transactions failing which; there will be an impact in the service experience. Low productivity can be a

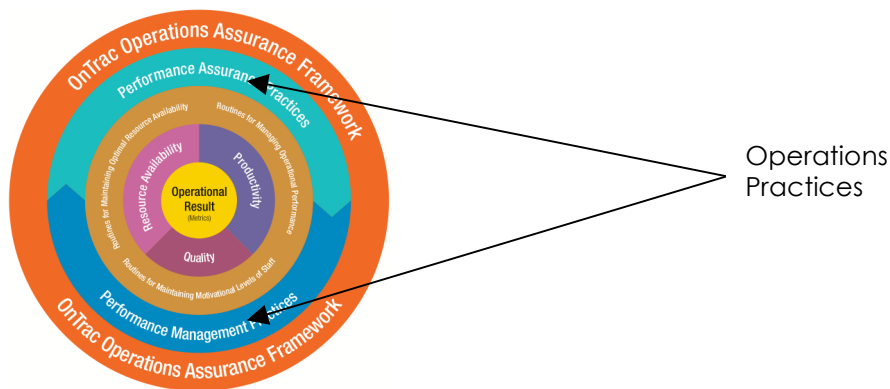
function of skill and therefore training can definitely alleviate this problem. Most organizations do spend a significant amount in training their resources before putting them into production. In spite of this, productivity of resources is still a concern.

- c. **Quality:** Assuming the resource is productive, what ever is being produced must adhere to certain minimum quality standards. Without this, the entire effort of production is wasted because the end result will be unacceptable. Again, training can definitely help. Also, process changes and automation can improve quality of services delivered. Once all of these are done, the responsibility for delivering on quality still rests with the resource, and that is where the cause of concern still lies.

(Quality here, is being referred to at a broader level and includes metrics such as accuracy, customer satisfaction, first time resolutions etc. )

## Operations Practices:

The OnTrac Operations Assurance Framework is aimed at ensuring that all metrics clustered in these three categories are delivered consistently. The framework addresses challenges at the supervisory layer, so that they can work with the production layer and enable them to deliver consistent service. The Framework consists of two inter-related practices represented by the second set of circles from the outside.

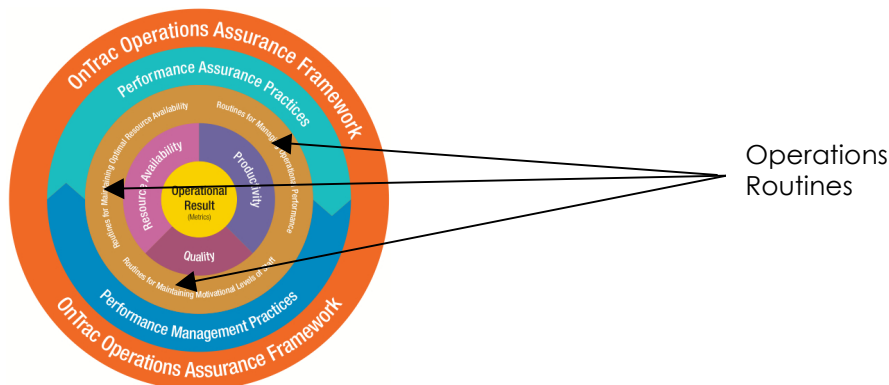


- A. **Performance Assurance Practices:** These practices reduce the chances of problems occurring in the future. If these practices are adopted, the future will be more in line with what we want to see. For example, the simple act of leave planning will ensure a decrease in unscheduled absenteeism.
- B. **Performance Management Practices:** These practices help in dealing with events once they have occurred. These are generally daily events and not one-off emergency situations. For example, performance reviews typically look at past performance to determine problem areas, and what could be done to resolve them.

## Operations Routines

Both these practices are brought to life using well-defined operations management routines that help in:

- A. Maintaining performance level of staff (the production layer)
- B. Ensuring optimal resource availability
- C. Ensuring staff motivation



Operations routines are at the very core of supervisory performance. If these are not adhered to predictably, services cannot be delivered consistently. There are various types of operations routines, each of which help in the three areas mentioned above i.e. (a) maintaining performance levels of staff, (b) ensuring they are available and (c) ensuring they stay motivated.

Each routine by itself is a simple activity, but taken together, they form a powerful set of routines that virtually assure operational results. Given below are the set of operational routines that the supervisory layer needs to execute. These routines are independent of the underlying nature of the work done by their team members.

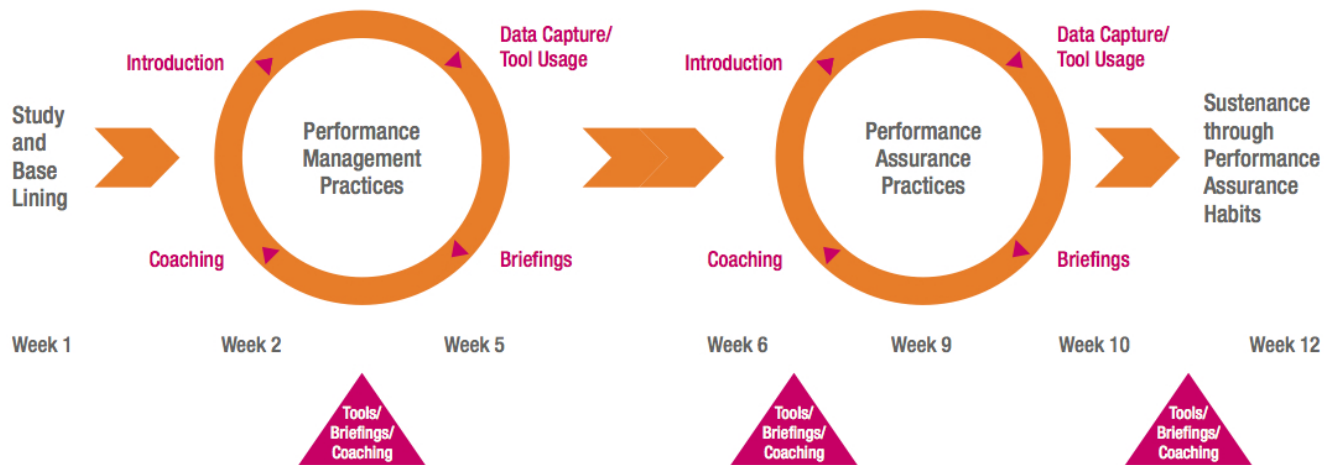
<b>Performance Management Practices</b>		
<b>Ensuring Resource Availability</b>	<b>Managing Operational Performance</b>	<b>Maintaining Team Motivation</b>
<ul style="list-style-type: none"> <li>• Daily Attendance</li> <li>• Return to Work Interviews</li> <li>• Team Member Absenteeism Records</li> <li>• Post Attrition Analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Performance Monitoring</li> <li>• Coaching</li> <li>• Bottom Quartile Management</li> <li>• Performance Reviews</li> <li>• Action Planning</li> <li>• Floor Support Schedule</li> <li>• Incident Reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Rewards</li> <li>• Recognitions</li> </ul>

<b>Performance Assurance Practices</b>		
<b>Ensuring Resource Availability</b>	<b>Managing Operational Performance</b>	<b>Maintaining Team Motivation</b>
<ul style="list-style-type: none"> <li>• Leave Planning</li> <li>• Forecasting Triggers for Attrition and Absenteeism</li> <li>• Attrition Predictor</li> <li>• BCM Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Pre Shift Briefings</li> <li>• Monitoring Plans</li> <li>• Developmental Needs of Team Members</li> <li>• Communication of Goals and Expectations</li> <li>• Quality Calibrations</li> </ul>	<ul style="list-style-type: none"> <li>• Team Member Portrait</li> <li>• Team Outings</li> <li>• Succession Planning</li> <li>• Skip Levels</li> <li>• Celebrations</li> <li>• Competitions</li> <li>• People Development</li> </ul>

### 3. Implementation

The implementation of this framework takes place over a course of 12 weeks. There are 4 distinct phases as shown below:

#### 12 Week Implementation Process



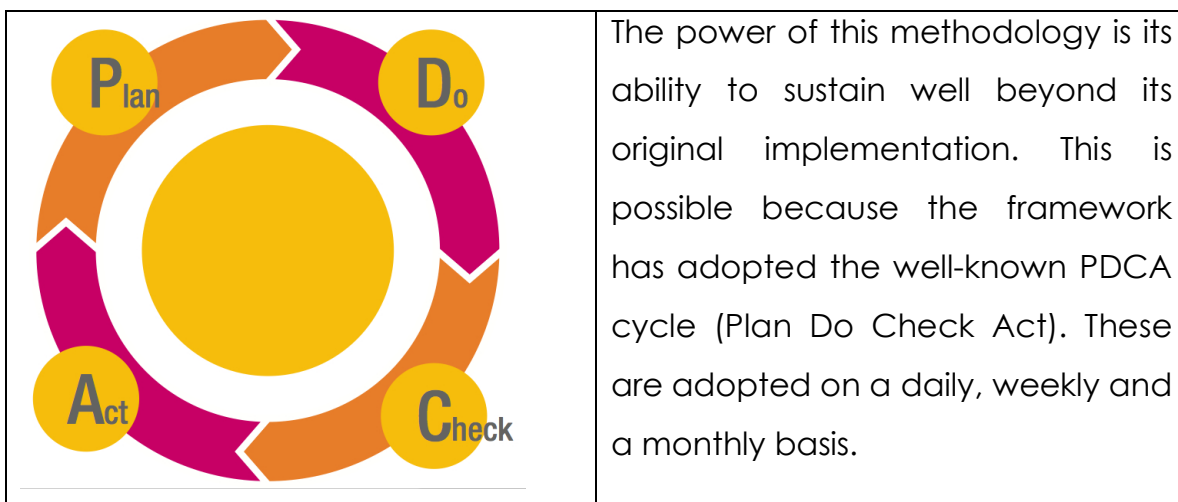
In the first phase, a study and baselining is done. During this time, the OnTrac consultant understands everything about the company, the process and its history. The consultant also observes the current capability of the supervisory layer.

The next phase deals with the implementation of performance management practices. It starts with an introduction of the operational routine that team leaders need to implement. Next, they are provided with tools to capture data and are given short briefings on specific routines. This is followed by on the floor coaching. The entire process is repeated for every operational routine.

The third phase is similar to the second phase, except that it deals with performance assurance practices. Team Leaders are taken through an introduction to the routine, are provided with data capture tools, given a briefing and followed up with on-the-floor coaching.

In the last phase, all the operations routines are burned into the Team Leaders' way of working. The consultant works with them to remove possible road-blocks that prevent them from implementing these routines.

## 4. Sustenance



**Daily:** Every day, the TL is expected to review his achievements as against yesterday's plan. He is then expected to create a new plan for today, that takes into account any backlog from yesterday. He is also expected to re-prioritize his work for the day, depending upon the latest urgencies.

**Weekly:** At the end of every week, the TL is expected to forecast how much effort he needs to put into various operational routines, for the next week. He also needs to forecast the amount of support he needs from

training, quality etc. The plan needs to take into account backlogs that need to be cleared. He needs to have a review meeting with his manager to ensure the plan is workable.

**Monthly:** At the end of every month, the TL is expected to repeat the activities done at the weekly level, for the next month. This plan needs to be reviewed by the manager to ensure his buy in.

As long as the PDCA cycle is followed, the Operations Assurance Framework will continue to deliver value to the business.

## 5. Enablers

The framework makes additional efforts to coach TLs on a variety of enablers that help them become more efficient at implementing operational routines. Knowledge of these enablers help TLs overcome roadblocks that they may face during implementation. Also, these enablers help sTLs see the bigger picture, on the benefits of implementing the framework. Given below is a list of enablers:

<b>Industry knowledge</b>	<b>Handling conflicts</b>
<b>Company knowledge</b>	<b>Motivational techniques</b>
<b>Performance Metrics</b>	<b>Controlling absenteeism</b>
<b>Performance Analysis</b>	<b>Controlling attrition</b>
<b>Conducting Performance Reviews</b>	<b>Understanding financial impact</b>
<b>Conducting pre-shift briefings</b>	<b>Cost of poor quality</b>
<b>Using buddy systems</b>	<b>Handling client escalations</b>
<b>Creating a team portrait</b>	<b>Break Management</b>
<b>Goal Setting</b>	<b>Prioritization of issues</b>
<b>Understanding work arrival patterns and matching resources</b>	

## 6. Results

The OnTrac Operations Assurance Framework helps develop high capability frontline operational leadership who will have the habit of doing the right things, at the right time, in the right way, resulting in improved and predictable performance.

For more information, please visit our web site to review case studies.