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PREFACE

The effort it took to write this thesis was—as it should be—a laborious process. Keeping that in mind, there is no way I could have even imagined completing this project without the love and support of my wife. She selflessly picked up the slack, and continued to be the foundation of our household. Beyond that she is an incredible mother to our boys, and we’re incredibly thankful to have you in our lives. I could not have done it without you. Thank you!

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Finally, I extend my sincerest appreciation to all my fellow classmates. Your untiring efforts and perpetual support helped refine and produce this final product – a product for which I am proud. I wish you well in your future endeavors, Godspeed!
ABSTRACT

Over the last decade, the way in which warfighters receive support has changed dramatically. Gone are the days when base-level personnel offices had the autonomy to resolve, update, and provide face-to-face customer service with their servicing populations. Instead, the AF, due to budget constraints, has centralized all personnel support at the Air Force Personnel Center (AFPC). This action has resulted in an increased footprint of a fully contracted call center function, known as the Total Force Service Center (TFSC). As a result of this growing concept and function for the Air Force, many lessons learned potentially exist within private industry. This paper asks the question “What best practices can the TFSC adopt to provide higher levels of service and increased customer satisfaction?” During development, this paper will employ a mixed method research methodology, specifically a comparative case study analysis of both companies coupled with an examination of published reports and technical papers. By comparing two organizational constructs, coupled with legitimate “hands-on” experience relating to each company’s customer call center operations, a better understanding as to whether shortfalls exist within the TFSC.
INTRODUCTION

The landscape of customer service delivery is rapidly changing throughout the Department of Defense (DoD). Military organizations once teeming with robust support staffs have now been reduced to little, if any, personnel to provide customer service at the tactical level. One of the main reasons for such a dynamic change is due in large part to an overall decrease in government spending and a downward trending DoD budget.\(^1\) This forced Air Force functional managers to draw a hard line as to what was important and, if retained, how to provide continued service to the warfighter. One of those decisions inevitably marked the inception of the Total Force Service Center (TFSC) at Randolph Air Force Base, San Antonio, Texas.

The Total Force Service Center, by today’s standards, is the DoD’s version of a customer call center, and is the single point of contact for all Air Force Active Duty members stationed world-wide. In addition to serving roughly 393,000 customers annually, personnel within the TFSC advise members on myriad actions, ranging from updating duty histories to processing separation orders.\(^2\) Fortunately, the consolidation of such a large function garnered spending efficiencies. Unfortunately, it came at the expense of the warfighter. The function that once was provided by the wing personnel office, an office that provided timely, local management, is now an enterprise function with little to no quality customer service. In addition, by removing the local personnel authorities, Air Force members began to see an increase in inaccurate information regarding policy interpretation and general guidance regarding personnel solutions.\(^3\) Fortunately for the Air Force and the TFSC, the private industry, particularly large diverse insurance firms, thrives on the capable functionality provided by their customer contact center. Often times the “call center” for each of these firms provides the daily interaction between senior
executives and the customer. Of course, some companies provide this service better than others, but still best practices exist that may provide suitable solutions for the TFSC and its customer population.

This paper proposes that private industry customer contact centers provide process improvement opportunities for the TFSC. In addition, it will answer the question, “What best practices can the TFSC adopt to provide higher levels of service and increased customer satisfaction?” For the purpose of this paper, the private industry partner that was chosen for comparison was a diversified financial services firm serving the US military, and for proprietary reasons, the name of the company will be kept generic and will not be specified. In addition to servicing a similar customer base, this company is perpetually in the top half of Fortune 500 companies among customer satisfaction, and have fostered their approach so as to be constantly in-tune with over 11 million customer demands. As a result, this paper maintains that the TFSC can learn from these private industry leaders, and improve the current level of service provided.

This paper will employ a mixed method research methodology, specifically a comparative case study analysis of both companies coupled with an examination of published reports and technical papers. The intent of partnering two research frameworks is to compare documented organizational constructs, accolades and metrics with legitimate “hands-on” experience relating to each company’s customer call center operations. In addition, the examination of technical papers and published reports will foster the discussion of past and present organizational structures, as well as the shift in customer support provided by both private and federal organizations. These sources are not only relevant, but important in understanding the strategic vision of both organizations, as well as highlighting common guiding principles. In addition to published research, interviews with both organizations will be
conducted to round out the qualitative analysis of both company operations. This will result in two independent case studies, measuring the culture and environment, call center metrics and contractor relationships and how they interrelate. Completing these case studies will hopefully highlight similarities but accentuate the disparities the TFSC may have from an organizational approach. The goal, as mentioned, is to provide suitable results for the TFSC to adopt, thus providing a better product to Air Force member’s world-wide.
BACKGROUND

The Total Force Service Center (TFSC)

The TFSC is functionally aligned under the Air Force Personnel Center at Joint Base San Antonio (JBSA) Randolph in San Antonio, Texas. It was originally the Total Force Call Center, but was aptly renamed to the TFSC because their mission set dictated more than just call center operations. In today’s organizational structure, the TFSC is located in the Operations Support Branch, DP1OS, which is organizationally aligned within the Operations Support and Records Management Division, DP1O (Figure 1).5

![TFSC Organizational Alignment](image)

Figure 1: TFSC Organizational Alignment6

Historically, the TFSC was started solely to provide contract surveillance for evaluations and discharge paperwork (DD214s). They were also chartered to report numbers, but provide little to no analysis of personnel programs. As a result, the TFSC encountered a multitude of problems to include manning shortages, increased processing errors and dissatisfied customers.

In order to mitigate these issues and become more proactive to customer demand, senior leaders decided to combine manning from the transition and sustainment directorates to help with
customer workload and build a collaborative environment across each branch. By doing so, a workload that was typically done in segmented directorates, is now compiled into a single work center function, now located in DP1O. This change was due in large part to AFPC reorganizing into a new matrix organization to better meet customer demand through a four-tiered approach, Tiers 0-3.

The lowest level, tier 0, consists of self-help applications and systems. An example includes on-line system functionality that allows you to manage your own products provided through an Information Technology (IT) platform. It is typically available 24 hours, 7 days a week and 365 days a year, and requires little, if any, face-to-face interaction. Despite tier 0 being the foundation for AFPC’s shared services delivery to the customer, it varies slightly from tier 1.

Tier 1, unlike tier 0, consist of mappable, repeatable, transactional work. Although still dependent on an IT platform, Customer Service Representative (CSR) interaction increases within this tier by performing simple, repeatable tasks. An example of work found within this tier includes awards and decorations processing. Although basic and not incredibly dynamic, both of these tiers present a standardized form of customer service. This varies greatly when entering Tier 2.

Tier 2 is the most dynamic of the 4 tier levels. It consists of work that requires subject matter expertise and the black and white becomes more grey, regarding policy interpretation. This tier leverages personal experience garnered from training classes and experience in the field. It is also the tier that presents the most frustration stemming from customer questions and demand. Although vast, an example of work found in this tier includes referral performance reports and administrative actions. As a result of the broadening scope, Tiers 2 (and 3) have an
increased dialogue regarding policy interpretation and customer delivery. However, the only
difference is that Tier 3, the functional process owners, do not interact with the customers.
Instead, they foster communication up and down the chain of command, regarding policy
development and interpretation. This is done at the local level or with Headquarters Air Force
(HAF), located at the Pentagon. Figure 2, AFPC‘s Shared Services Delivery Model, highlights
the relationship across the directorates, via the functional managers found in DP3, and the
customer service provided in DPO, DP1 and DP2.

Figure 2: AFPC Shared Services Delivery Model

Not Just a Call Center

Complexities exist in most organizations, and AFPC is no exception. It is not only the
execution arm for all Air Force personnel programs, but the reach-back capability for all AF
members deployed throughout the world. In addition to personnel programs, AFPC is also the
authority for AF casualty reporting. For example, if an AF active duty member is involved in an
automobile accident and they are transported to the hospital for accident related injuries,
AFPC/DPFA, Casualty and Mortuary Affairs Division, will update and up-channel the medical
prognosis through the AFPC Commander to HAF until the member is fully recovered or the member is declared deceased. Despite events as highlighted, casualty and mortuary affairs are not the only additional function within AFPC. DPF, Directorate for Airman and Family Care, is also chartered with providing care to Wounded Warriors via the Disability Division, located in DPFD and DPFW, as well as Airman and their families in DPFF.

However, most external customers still believe AFPC is just a call center. It is, quite simply, an operation perpetually stove-piped with functional limitations rarely extending beyond a call center providing customer support to only active duty members and active duty programs. Understanding the public optic is not only paramount, it is justified. Most AF members have very little interaction with DP2, 3, and 4, but are intimately familiar with DP1, despite it being a sliver of the AFPC organization. As a result, it is important to focus on this operation to better understand the services provided and streamline delivery to capture customer needs.

Figure 3. New AFPC structure
As mentioned, the TFSC, located within DP1OS, is embedded within the DP1O division. The DP1O division is one of three divisions of the DP1, Total Force Service Center - SA Directorate. The DP1 directorate is one of five directorates that make up AFPC. As previously discussed, DP1OS, despite being a small function within AFPC, has truly a global impact.

Breaking it down even further, the TFSC provides much more than just Customer Service Representatives. It also provides Quality Assurance (QA), both military and civilian, aimed at providing innovative solutions for future incorporation into new personnel processes once approved by DP1 leadership. An example of this is the future development of a common operating platform between service centers. What this is aimed to provide is a broadened service platform aimed at increasing the workforce management capability and support up to 1,100 concurrent phone calls at any given time - in other words, opening the valve to increase the customer call volume demand.

Additional responsibilities of the TFSC include personnel records management, field activity webcast for AF programs implementation, and personnel IT systems support. DP1 has a total of 420 personnel (military/civilian/Contract Military Equivalents or CME’s), 36 percent of which belong to the TFSC (151 personnel). In other words, a third of one directorate, in an AFPC that consists of only five directorates, provides call center Tier 1 support to approximately 320,000 customers. To better understand the magnitude of service in such a small function, the annual breakouts from calendar year 2014 include 452,000 calls offered, 393,000 calls handled, 39,020 Email Us Inquiries, 12,985 live chats, and 40,750 DD 214 resolutions.

How does this compare to the private industry? In the next chapter, a comparison to industry standard will be made with respect to contractor relationships, call center functionality and metric comparison, and overall culture and environment.
THREE COMPARISONS WITH INDUSTRY STANDARD

The contact center industry is still in its infancy, with the most mature not exceeding a quarter century.\textsuperscript{16} However, their presence is becoming ever more relevant within most private industry corporations. It has been said that the companies that succeed in the 21st century will be those that learn how to strategically integrate the contact center into the rest of the organization.\textsuperscript{17} However, learning how to successfully integrate a call center and provide suitable customer service is the single greatest component. This action, or lack thereof, not only dictates the company’s ability to provide a service, but establishes a better optic for the customer to decide whether to stay with a certain company long-term.

In the case of the TFSC, the customer base remains fairly static. It is a call center operation providing an organic service with zero market competition. However, this does not mean suitable customer service should not exist. Instead, with the inception of such a specialized service to a specialized population, opportunities for improvement exist unlike those in private industry. In other words, the TFSC has to continue to develop to meet the needs of the Secretary of the Air Force (SECAF) and the Chief of Staff of the Air Force (CSAF). A few recent examples include static close-out dates for all Technical Sergeant performance evaluations or leave accrual balances reducing to no more than 60 days of leave held over a 365-day period, excluding deployments. Unfortunately for the TFSC, all of these programs are downward driven through policy, with accelerated timelines for implementation. Very little of what the TFSC changes regarding service is dictated by the customer – bottom up feedback. As a result, this can put a significant strain on the TFSC and their operation to meet the customer demand and still provide service driven by senior leader policy.

Many factors play into the success of call centers, a few of these to be examined include
contractor relationships, certain call center metrics and the overall culture and environment of each organization. These comparisons will provide the opportunity to delineate best practices from private industry for implementation within the TFSC. However, before recommendations can be made, let us examine the relationship between private industry and the TFSC and examine their respective contracts.

**Contractor Relationships**

As one would expect, many organizations use contracts to outsource some level of work that is required for day-to-day operations. It is the cost of doing business. Often times, most executives within a company have to determine if their current Manning levels can perform the work required. If companies cannot, or if the determination is made that it can be done at a lesser cost, then a contract is awarded. Unfortunately, myriad questions exist when an outside source does business on behalf of an organization. Questions, such as: Is the contractor a separate entity or does he become part of the team? How do the employees relate to the contractor? et al. The fact remains that a customer expects a service, regardless of how it is provided.

As part of the contractor relationship, it is important for the company to clearly define the duties associated with awarding a contract. When the industry completely outsources a given duty, they lose a tremendous amount of control over the execution of that responsibility. An example of this includes updating call center scripts to standardize the dialogue between the company and the customer. If consistent negative customer feedback is received regarding customer interaction, then the contracting organization has to coordinate with the contract lead to modify all CSR literature. This action could take time, in turn negatively impacting the overall bottom line. In an effort to always retain control, very little of what most private companies
outsource involves frontline interaction with the customer base. Instead, private industry often possesses this frontline interaction in-house, to afford maximum control over customer perception and industry communication. If a contract is awarded by private industry, the work conducted is considered basic, and would include requesting customers to validate personal information on-file.

Still, some level of trust is given and successful endeavors rarely stray from ensuring that the contractor does not feel like a part of the team. Instead, when flawlessly executed, customers have a difficult time making the distinction between the contractor and the organization. In other words, who and how the service is being provided should be invisible to the external customer.

Another critical component of the contractor relationship is the contract administration. Contracts are formal legal agreements that specify the services the contractor has been hired to perform on behalf of the company. What and how they will provide it is often detailed in Performance Work Statements (PWS), which can vary greatly in length depending on the services requested and from company to company. In addition, a Contracting Office Representative (COR), or industry equivalent, is appointed to ensure that the contractor is adhering to the contract and providing the service for which they were hired. This relationship between the COR and Contractor Site lead is vitally important to the success of the contract. As depicted in Figure 4, the most successful contracts involve lenient COR’s and responsive contractors mainly because the COR gives adequate space for the lead contractor to make adjustments to customer demand or organizational input. On the other hand, the most detrimental contracting relationship also involves a lenient COR but includes an unresponsive contractor. This situation lacks accountability from the COR and incorporates a contracting site lead disassociated from customer demand or contract delivery.
Private industries’ approach to contract relationships generally fall within the green category mainly because all industry COR equivalents up-channel vital information directly to the unit they support. In other words, these supported units work directly with the contract on tactical priorities and evaluation measures. As a result, the responsive contracting site lead can make real-time adjustments without going back through a contracting officer every time. This is afforded by the flexible environment fabricated within the confines of the contract and executed by the COR. Outputs generated by this approach avoid tarnishing the COR and contractor relationship and produce an optimal product to the customer.\textsuperscript{19}

AFPC, on the other hand, has contracted all of the TFSC call center operations within DP1OS. The contract currently in place was awarded to Lockheed-Martin (L-M) in 2005, and was established as a performance-based contract.\textsuperscript{20} Additionally, all of the contractors within the TFSC are physically located within AFPC, and COR responsibilities exist with the Quality Assurance shop, also located within DP1OS.\textsuperscript{21} Over the tenure of the contract, a symbiotic relationship has evolved between the COR and the contracting site lead. Despite positive trends
in rolling Fourth quarter customer service satisfaction surveys, problems still persist primarily with increased errors and dissatisfied customers.22 One solution recommended by the COR to the site lead to decrease CSR errors was to increase training and standardize call center scripts to adjusting AF policy. Despite being vocalized by the COR, no adjustments were made by the contractor. Part of the reason for the stationary approach by L-M was that the PWS specified the contract was performance-based and not based on customer satisfaction. As a result, despite owning the contract and awarding it to L-M, adjusting the contract would initiate additional funds allocation, a cost the AF is not willing to accept. By virtue of this contract relationship review the classification of this relationship would be yellow. It is clear that the COR is being strict and operating within the confines of the PWS, but the contractor is clearly being unresponsive.

In summary, it is evident that the private industry understands the value of control, especially in regard to customer service. It is also evident that the TFSC is willing to accept this shortfall, until it has adequate funds to modify the PWS or wait until the contract gets renewed.

**Call Center Metrics**

Many different performance measurements are used to gauge the efficiency and effectiveness of a call center operation.23 Some of these measures are for overall call center performance; others focus on the individual employee. The main purpose of these performance measures is to ensure the call center is meeting its goals and objectives and that all personnel are achieving their work potential.24 Additionally, these key performance indicators vary from operation to operation, and from company to company. For example, one company may focus on the abandoned call rate for their call center while another focuses purely on hours of operation
and the company’s self-service applicability. Even though companies differ in their choices of which industry measurements are important, companies that successfully integrate these business measures understand they need to remain adaptive, and balanced, without placing punitive measures alongside certain measurement indicators.

One example of a business practice adapted to work center measures and customer value includes the TFSC and its CSR service delivery. As mentioned in the previous chapter, the TFSC contract is performance-based. The primary focus of L-M is on production and throughput, despite CSR delivery. Unfortunately for the customer that did not result in adequate customer service. As a result, Quality Assurance (QA) within DPSO1 decided that product delivery was important to overall customer satisfaction. In response, QA initiated two forms, pictured in figures 5 and 6, which focused on CSR interaction and customer feedback. The intent was simple. It was an attempt to partner an increase in service, as expected via the PWS, and improve overall customer interaction.

![TFSC Customer Satisfaction Survey](image)

Figure 5: TFSC Customer Satisfaction Survey and Product Delivery Increase
The primary focus of the TFSC Customer Satisfaction Survey, was to acquire customer feedback. This process afforded customers an opportunity to fill out a form provided by the TFSC, depicted in the background of Figure 5, and rate the level of service they were provided by the CSR on a 5-point scale. Once completed and returned to DPSO1, data was compiled for the month and used to determine trends or CSR performance. As expected, customer satisfaction has projected upward since its inception 1 June 2015. This initiative validates that adjusting to feedback vocalized by the field, coupled with process improvement initiatives by the TFSC, has increased overall customer service.

Figure 6. TFSC CSR Quality Monitoring Form and Service Delivery Increase

Similar in concept to the TFSC Customer Satisfaction Survey, the TFSC CSR Quality Monitoring Form was the second form implemented to adjust and provide better overall
customer service. However, unlike the customer satisfaction survey, this was an internal measure fabricated by the QA shop within DPSO1 to “listen in” to conversations between a CSR and the customer. The overall intent was to focus more attention on delivery and provide feedback to CSR representatives and encourage training of L-M contractors if the delivery intent was not met. As seen in the customer satisfaction survey, upward positive trends in service level surfaced since its inception 1 June 2015. Additionally, this information helped socialize delivery techniques with CSR representatives and helped focus on the interaction between them and the customer. This not only resulted in an overall service level increase of CSR agents but also increased the positive feedback provided by the TFSC customers (Figure 6).

As mentioned, if work center measures are not adaptable and deliver direct insight into operations, they have little worth. Instead, it is vitally important that companies remain adaptive to their approach, and if partnered with an emphasis on customer value, then metrics will have significant value to an industry’s operational relevance.

Another metric that is vitally important to business operations, regardless of how it is obtained, is balanced metrics. These metrics indicate that anytime something is measured, or an action is taken, an effect will occur. The effect may not necessarily be in the same process, but it will be present somewhere within the organization. The importance behind these metrics is to determine process adjustments and forecast the downstream effect to the customer. Figure 7 depicts an example of this within private industry. As the figure indicates, the company identified that an adjustment was necessary to reduce customer hold time. Customer hold time, by definition is the time it takes to answer a call. As a result, call center supervisors adjusted manpower to reduce hold time, which drastically improved that specific metric. However, during that process a negative trend was noted within the amount of time customers spent on
Fortunately, understanding that processes have a give and take effect afforded them the opportunity to make adjustments on the fly to provide customers with suitable solutions. Additionally, it reemphasizes that having applicable business measures affords any company the ability to make changes to impacted operations.

The last principal regarding metrics is ensuring that they are not punitive. Metrics should be a means to provide tangible results for industry leaders to use in making decisions for the betterment of the company and their customer base. In other words, metrics measure company production, and identify potential shortfalls. They should not be force management tools stemming disciplinary action. In the event punitive measures exist for sub-standard performance, a platform is now established for metric manipulation, which could impact how metrics are reported. An example of metric manipulation can be found in how companies deal with defect rate and how it relates to First-Call Resolution Rate (FCRR).

Defect rate is also known as Error and Rework Rate (ERR). This metric measures the
degree to which errors have to be corrected or work redone.\textsuperscript{32} Its importance is that this metric can identify performance issues or lack of call center efficiency.\textsuperscript{33} Issues such as these could generate additional cost if it is necessary to allocate man-hours to track, rework and correct associated errors, thus impacting the company overall bottom line. Yet, despite ERR possessing such negative traits, what it does not measure is call processing quality.\textsuperscript{34} In other words, ERR does not address the interaction between the customer and the CSR. For example, the customer may have given the CSR exemplary remarks in terms of customer service, despite the original issue not being resolved.

The FCRR, on the other hand, is the opposite of the ERR, because it measures the “one and done” effect – the percentage of calls completed within a single contact by a single operator.\textsuperscript{35} Also unlike the ERR, it provides a good indicator of the efficiency of the company or the CSR in assisting the customer in one interaction, and can greatly impact man-hour efficiency if there is no need to reallocate man-hours to the same issue, days or even hours later.\textsuperscript{36} Yet, despite being vastly different, what the FCRR has in common with the ERR is that it also does not measure the quality of call processing. Similar to the ERR, it does not measure the interaction between the customer and the CSR, either good or bad. Using the previous example, the customer may have had a poor interaction with the CSR, but was able to resolve the issue in one call.

Although these metrics provide a good indicator of call center efficiency, they do not provide a good indication of the customer satisfaction rate. If a company has established punitive measures based on an elevated ERR and a low FCRR, the company may completely disregard a satisfactory CSR versus a poor CSR, and propose a solution to remove members that do not correlate to the root cause of the problem.
In terms of private industry and TFSC comparison, private industry closely monitors the defect rate, but does not use this as a CSR performance indicator. Instead, a poor defect rate in private industry probably more closely relates to overall customer satisfaction, with very little relation to CSR performance.

The TFSC, on the other hand, does not track ERR or FCRR. Since the contract is performance based, this is one less measure in terms of performance that the contractor has to report. When the contract was awarded to L-M, no mention was made of accuracy as a tangible delivery or indicator of performance. As a result, while QA within DPSO1 has since noted the importance of reporting the ERR, it can effect little change unless the contract is modified or the contractor agrees to absorb these duties.

However, the bottom line is that neither company is placing an emphasis on customer service quality as it relates to the ERR and FCRR. Keeping that in mind, if the TFSC decides to implement a concerted effort to establish a high FCRR, it may provide a short-term solution for the TFSC in terms of providing better customer service.

**Culture and Environment**

Leadership is the foundation for every successful operation regardless of the type of organization. In addition, all successful leaders recognize that employees are their most valuable resource and without them, the organization fails. As a result, the relationship between these two entities, leadership and employees, has to be symbiotic. In the event of a fractured organizational relationship, a business will not be successful, especially if its employees are unhappy. One way to improve employee output is to provide a suitable work environment. One way to achieve this objective is to clearly delineate the relationship between each employee and their relationship to the mission. Another way is to ensure that employees have suitable
outlets for stress that may be induced by the daily interaction or demand from organizational leaders.

Through observations, it is clear that both the TFSC and private industry go to great lengths to ensure each employee has bought-in to the organizational vision and principals. This results in employee cheerfulness, which directly impacts the level and quality of service provided to the external customer. A good example found within the TFSC is the incorporation of the contractor in all team building events. These can include potlucks, unit social gatherings, weekly staff meetings, or DP1 Commander’s calls. By placing an emphasis on not excluding the contractor, a synergetic relationship between the military and the contractor is formed. As a result, the us-versus-them mentality dissolves and a fostered team environment permeates throughout the organization. In turn, buy-in from the contractor leads to responsive quality customer service to the external customer.

Private industry also embraces establishing a positive culture and environment, and places a tremendous amount of emphasis on its execution. In fact, this has become a cornerstone for most private industry companies. Not only do most executives firmly grasp the importance of a positive culture and environment they foster it by developing certain processes or bolstering infrastructure to meet the employee needs.

These improvements can range from furnishing quiet lounges to establishing game rooms outfitted with a myriad of single person or team activities. In addition to fostering an employee’s emotional well-being, executives understand the importance of adequate health care and emotional resilience through physical exertion. As a result, on-campus clinics operated by certified health care providers and fully outfitted fitness centers ensure each employee can take care of themselves, while still being within close proximity to their work center. Food service
operations are also very prominent within private industry work centers. They not only offer suitable options despite variations in employee diet, but also provide grab-n-go, cashless options fueled by technology through food service transformations. The concept is about taking care of employee needs in such a way the employees can focus on the external customer.

As noted, it is imperative for leaders to focus on establishing a suitable organizational culture and environment. Despite variances in organizational infrastructure, leaders from both private industry and the TFSC clearly understand how employee satisfaction plays into the successful execution of daily operations.
ANALYZING CALL CENTER OPERATIONS

Performance Based Contracts

While this paper has established that the TFSC is an adequate call center operation, it is obvious that it pales in comparison to its private industry partner in terms of what and how service is provided. One of the principal reasons for this, as previously mentioned, is the confines associated with the current contract. The majority of the CSR functionality located within DPSO1 is performed by the contractor, Lockheed-Martin. Complicating things further is that the contract is performance-based. This means that the call volume answered outweighs, in terms of priority, customer feedback and service provided. In other words, what the contractor does is more important than how they provide the service. This is in stark contrast to their private industry partner. Little, if any, of what private industry contracts out affects their overall operation. Instead, control is vitally important to private industry call center operations and remaining flexible to customer demand is what separates both operations.

Operational Flexibility

The impact of operational flexibility on each call center now needs to be examined. Three critical areas of a call center operation need to retain operational flexibility. The first two, which interrelate, are call center script standardization and information accuracy. The last area focuses on the training aspect of each CSR that addresses information delivery and customer interaction.

Call center scripts are extremely important and are the tactical delivery module for CSR’s to communicate with and help the customer. They are a living document that can adjust to changing company policies. As a result, if these documents cannot be updated in a timely manner then they are of little value to the company and to the customer. Additionally, if they
cannot be updated, the accuracy of information delivered is severely hindered. In the case of the TFSC, losing operational flexibility due to the confines of a performance-based contract means the COR can provide updated scripts but is at the mercy of the contractor to use them since it is not a contract measurement standard.

CSR training and information delivery are also severely hindered if the company loses operational flexibility. As previously stated, CSR’s are the conduit between company executives and the customer. They interact with the customer in a direct and more intimate way than organizational leaders. As a result, standardizing delivery and fostering good interaction is paramount to the company’s success. If this falls short, so does the company. In other words, this interaction is the lifeblood of the organization and the reason private industry chooses not to outsource any operational work.

The TFSC, on the other hand, has outsourced this responsibility. Consequently they have lost the operational freedom to adjust the organization to meet customer demand. Instead, change relies heavily on the type of relationship the contractor site lead has with the COR. Fortunately for the TFSC, they have a sound working relationship with L-M and do make some adjustments AFPC has recommended. Unfortunately, when and how adjustments are implemented is left to the L-M site-lead.

**Impact to the Customer**

In the call center service industry, the customer is king. From interaction and flexibility to promptness and accuracy of service, if the customer is happy, so is the company. Simply understanding that relationship and how it transcends to company success is critical, but how that is achieved is just as important. It starts with providing a suitable work environment for
employees, and cascades through delivery from IT functionality to CSR interaction. It also includes understanding and managing metrics to adapt to customer demand.

Both the TFSC and its private industry partner have a firm understanding of this relationship. As expected, private industry is more in-tune with customer demand, hence the 98 percent customer retention rate. Although the TFSC, does not need to measure retention rate due to a fixed customer base, they have realized that by improving their customer service, some leeway is given on other delivery shortfalls. The TFSC, through a superb COR and L-M site-manager relationship, has made adjustments within the confines of the contract to ensure that they optimize delivery. As a result, they have seen an increase in both customer satisfaction (2 percent) and service levels (10 percent) in the six months since implementation.
RECOMMENDATIONS

In an attempt to help streamline and better the service provided by the TFSC as compared to private industry, this paper proposes two recommendations, one long- and the other short-term.

1. **Long-Term Recommendation.** In terms of operational flexibility, it is clear that the private industry has the ability to ebb and flow with the tide of customer demand. The TFSC, on the other hand, does not have that luxury. In addition, the performance measure confines outlined in the current L-M contract remove the focus from quality of service and instead place the emphasis on quantity of customers serviced. These two issues make it clear that the reason for the TFSC not reaching its full potential is the contract. The author is not projecting operational shortfalls on the contractor, L-M, but instead on the nomenclature outlined in the PWS. It is evident that the contractor is performing well within the confines of the PWS, but it is clear that customer demand fluctuates and the TFSC’s rigidity prevents them from adapting their service. Unfortunately, a change of this type lies within the re-write and awarding of a new contract, either to the same or a different contractor. As a result, this solution set may be at least 2-5 years from implementation.

2. **Short-Term Recommendation.** By far the quickest way to improve operations of the TFSC so that it can keep pace with private industry is to place a greater emphasis on defect rate and customer satisfaction. As previously mentioned, defect rate, or ERR, can be a telling metric in terms of call center efficiency. A positive trend in customer satisfaction indicates that CSR delivery is on par with company customer expectations. Although there were no negative trends in either metric, expanding the focus that already exists exacerbates forward movement – continued growth. It is clear from all of the industry programs witnessed and researched that companies in tune with
product delivery and customer satisfaction, displayed positive growth. For the TFSC to do the same within the confines of the existing contract, it must do the same.
CONCLUSION

This paper began with the question: “What best practices can the TFSC adopt to provide higher levels of service and increased customer satisfaction?” Because its inception was a result of a restrained DoD budget and process consolidation, it resulted in the removal of robust base personnel offices and their on-site customer interaction and personal resolution. However, due to a changing expectations in service delivery the AF has been forced to embark on establishing and improving its call center operation.

Fortunately for the AF and the TFSC, many private industry companies have paved the way for success and have also identified the pitfalls to avoid. As mentioned, private industry embraces its relationship with the customer. Beyond that, they also leverage the customer’s desired level of service and infuse that into product delivery. In the pages leading to this conclusion, examples of both good and bad business practices have been examined and recommendations have been provided for consideration. As a result, the final question has been framed: Will the AF place the emphasis on taking care of its most important weapon system? After visiting the TFSC and witnessing the passion each employee possesses for taking care of the warfighter, all the ingredients are present to make this happen, provided someone with vision is present to see it through.
NOTES
(All notes appear in shortened form. For full details, see entry in the bibliography.)

4. Fortune. *100 Best Companies to Work For*.
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