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Ready, Set, Jet

Home-based contingent agents provide an airline with exemplary customer service

By Subadhra R. Sriram

When ExpressJet Airlines decided to stop leasing 69 of its fleet of 274 aircraft to Continental Airlines and promote them under its own brand in October 2006, Trish Winebrenner had just around six months to launch an airline.

Winebrenner, the company's VP of marketing and an aviation veteran, inherited an operational carrier. But there were no systems in place for handling reservations, ticketing or customer service. Because it would hurt the company's bottom line to have its aircraft parked idly in the hangars, speed was of the essence. In April 2007, ExpressJet was up and flying.

Around 200 contingent agents in customer service were the key to how the company went operational quickly and efficiently while keeping its costs down. Further, these workers were part of a virtual call center, which allowed the airline to tap a much larger pool of potential candidates as there were no restrictions of geographical borders. These contingents are used for ticket sales, reservations, schedule changes, and special arrangements like frequent flier programs.

ExpressJet Airlines is one of the world's largest operators of regional aircraft - providing both commercial services to partner airlines such as Continental and Delta, and corporate aviation flights to a variety of clients from sports teams to executives. It is a subsidiary of ExpressJet Holdings, a \$1.6 billion company headquartered in Houston, Texas. Despite first quarter losses, the company remains "focused on providing first-rate-customer service and running an excellent operation," says President and CEO Jim Ream.

Virtual Center

Customer service in the airline industry is critical for the survival of air carriers around the world. ExpressJet was no exception. So Winebrenner had to make an important decision on how she was going to proceed with customer service. She could buy an existing call center or build it. She looked at a wide range of different options including bricks and mortar call centers, offshoring and independent contractor models and she sent out a request for proposal (RFP).

After thoroughly reviewing five responses, she short-listed three companies and finally went with Alpine Access, a private home-based call center company headquartered in Denver, Co. It boiled down to customer service.

"We needed a highly efficient and responsive group of professionals to handle in-bound customer service and reservation calls up and running two months prior to our first aircraft in the skies," says Winebrenner. Alpine Access agents fit the bill.

Challenges

Starting fresh brings with it a whole set of issues. Alpine agents had to introduce the ExpressJet brand to consumers. The advantage: ExpressJet provided non-stop service between routes that until then were not easily accessible at competitive prices. The airline would save the customer both time and money.

It was an easy selling point. Besides the core customer service curriculum, Alpine Agents were well-trained on specific product knowledge including the types of planes owned and operated by ExpressJet, the floor plan of each plane, types of seats, how to work the reservation system, and even the layouts of many airports.

Alpine agents also aided experienced travel agents who couldn't access ExpressJet's new reservation and sales system. While the company worked to solve the problem, Alpine Access reservation agents stepped in, booking tickets for the travel agents manually.

Thanks to their intense training, which included modules designed by ExpressJet Personnel, Alpine agents were well-prepared to deal with emergencies that cropped up. "Alpine was very open to work on training in tandem, where their trainers and ours literally worked in one conference room together," says Winebrenner.

Even today, if any new problems emerge, ExpressJet writes the training module to address them, which is then sent out to the Alpine agents. Alpine was also flexible with its hiring practices and willing to change for ExpressJet. For instance, traditional call centers usually hold training classes for their employees two times a year - spring and fall. Alpine Access, however, conducted training through a series of small, staggered classes of approximately 25 people. Each group received personal attention and were carefully monitored and supported when taking calls. In turn, ExpressJet was able to ramp up as each group completed the course.

Further, ExpressJet has benchmarks against which it measures these contingents' performance. The abandonment rate - how quickly contingents are taking the call and not letting it drop - the average speed to handle calls and the effectiveness of the sales pitch are some of metrics that are being tracked.

Training

"ExpressJet is often complimented on its customer service," says Winebrenner. Alpine contingent agents are a great way to represent the ExpressJet brand to customers due to the tough training provided.

Alpine's training is Web-based. It involves a combination of instructor-led courses and self-paced home study. Home agents participate in a Web- and phone-based conference call. Training materials are also sent out in advance for a self-paced home study.

An online training library offers different course modules. Students are exposed to customer calls and interactive tools like simulations, animations and videos during online training. There are also Q&A sessions where agents in training can ask the instructor questions.

Agents are tested after each training class or module. Some of the tests are written, but many involve role-based testing so the instructor can assess how effectively the contingent agent could handle a difficult customer or unusual situation. For example, a teacher could pose as a customer with a major concern and then monitor how well the worker handles the situation. Students are evaluated on their actual use of systems and programs as well as their tone of voice, listening skills and ability to connect with the customer.

Virtual Chat

Training aside, management experts refer to open lines of communication between the C-floor, managers and employees within an organization as being paramount to a company's success because it helps workers feel connected and be more productive. But what do you do when most of the staff is in their home offices miles from one another and company headquarters?

Alpine Access resorts to creative ways and technology to foster lines of communication. Every month Alpine Access executives sit down in a roundtable format and take questions via video conferencing. Issues are also discussed. For example, an executive could talk about how to prepare for the anticipated call volume surge leading to summer travel.

The company also publishes an electronic newsletter once a month, which contains company information and employee recognition awards. ExpressJet's Intranet supports instant messaging, bulletin boards and chat rooms all of which allow employees to share information one to one or one to many. Personal stories and anecdotes including first-hand narratives on solving problems can be accessed through Alpine's own social networking site.

Each customer care agent is part of a program team with a lead and a coach. These teams hold monthly town hall meetings conducted again via the Web and video conferencing. Workers can bring up specific issues they face every day, performances are reviewed and anyone can also share information related to a client.

The Alpine Advantage

As a result of the arduous admissions and training process, ExpressJet has access to a very talented pool of home-based call center agents whose average age is 35 to 45 years old, 75 percent of whom are college educated. Their industry experience is between 10 and 15 years. In contrast, the traditional brick-and-mortar call center worker is 18 to 29 years old. Twenty percent are college educated and their work experience is five to seven years.

These demographics suggest that these contingent workers would tend to be more reliable. Their livelihood depends on showing up for work - wherever it may be - and taking calls. "We can

really manage this virtual environment to a point where they can come on and off and it's one single hour of time for me," says Winebrenner. In contrast if workers are driving into an office, you need to pay them for a minimum of 4 to 8 hours.

Thanks to advances in technology, ExpressJet managers can monitor customer service calls any time without the customer being aware. The resultant feedback helps the agents tweak and improve their performance. The quality of customer service and the agents have been phenomenal, says ExpressJet insiders.

These contingent agents are paid hourly; they are monitored on the time they spend answering calls and helping customers through a sophisticated electronic scheduling tool. The online program allows employees to set their own schedule within 15 minute increments. It then matches the schedule with ExpressJet's forecasted need. To begin work, the employee signs in via computer. The scheduling tool informs managers of any discrepancies, such as if the agent logs on and isn't scheduled to work. It also records on-phone time and provides other important performance metrics such as call length.

Intense monitoring apart, Winebrenner wanted agents to be familiar with suburban America, as ExpressJet serves smaller secondary cities like Fresno, Calif., Omaha, Neb.; and Colorado Springs, Colo. Consequently, she ruled out off-shore contingent agents who may not be familiar with small U.S. towns and culture.

Not having an office to maintain has also resulted in savings for ExpressJet. Building its own call center would have cost the company around \$2 million, including IT infrastructure, staffing and facility costs. More important, the call center would have swallowed a lot of other resources at the onset, taking away capital and manpower from other important areas of the business.

What also worked in favor of Alpine was the fact that its contingent agents were Alpine employees and not independent contractors. Some other call centers had independent contractor models. "I for one did not feel the contractors would be loyal. These contractors also seemed to come and go much more often," says Winebrenner. Further working in Alpine's favor was that its IT staff is knowledgeable about airline systems.

Going forward, given the current economic downturn and skyrocketing fuel costs, ExpressJet will be decreasing the number of flights to 116 from 166 flying under its logo. But Winebrenner hopes to grow company revenue through increasing share in the markets it remains in. One possibility is to sell to corporations. The goal is to make ExpressJet a company's preferred carrier. In return, the company would receive discounted travel for its employees.

Here, too, Winebrenner thinks she will turn to Alpine contingent sales agents, who can supplement her marketing efforts as and when needed. The sky is the limit. And as ExpressJet takes off, it's going to be business as usual for its contingent agents. They stroll into their home offices, put on their headsets and go online helping passengers take pleasure in flying.