



# FIRST CALL RESOLUTION: Comprehensive Guide

FOR DEFINING FCR, ITS BENEFITS, MEASURING IT, AND TIPS FOR IMPROVING IT



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# First Call Resolution Comprehensive Guide

For most call centers, the primary goal is to deliver great customer service at the lowest cost. This First Call Resolution (FCR) blog is a comprehensive guide for defining, measuring, tracking, benchmarking, and improving FCR to deliver great call center customer service at the lowest cost.

The FCR guide was developed based on SQM Group's over 25 years of measuring, benchmarking, and improving FCR with leading North American call centers. SQM is considered the thought leader for the call center industry to measure and improve FCR. This call center FCR comprehensive guide will answer the following primary (5) First Call Resolution and related questions.

Discover the following:

- What is FCR?
- Why is FCR Important?
- How to Measure FCR?
- How to Improve FCR?
- How to Measure FCR Using CX Software?

## CALL CENTER FCR COMPREHENSIVE GUIDE QUESTIONS



# 1. What is First Call Resolution (FCR)?

**First Call Resolution (FCR)** is a metric that measures a call center's performance for resolving customer interactions on the first call or contact, eliminating the need for follow-up contacts. The FCR metric is essential for monitoring a call center's operating cost efficiency and customer service delivery effectiveness. As a result, **FCR is one of the most-watched** call center industry metrics and is considered the **most important call center metric**.

The meaning of the First Contact Resolution rate is the percentage of customers who resolved their touchpoint interaction on the first call or contact. Therefore, each touchpoint should measure the FCR rate. SQM's experience shows that there can be significant FCR rate differences among the touchpoints that an organization uses to serve its customers.

Ideally, the First Call Resolution definition means that no repeat calls or contacts are required for follow-up from the initial call or contact reason from a customer journey perspective.

Furthermore, FCR measures a company's ability to resolve calls, chats, emails, interactive voice response (IVR), and website customer interactions resolved on the first contact.

We are often asked, "what is the difference between call resolution and First Call Resolution metrics?" The call resolution metric is a Key Performance Indicator (KPI) that measures if the customer interaction was resolved versus FCR measures if the customer interaction was resolved on the first call.

First Call Resolution and First Contact Resolution are commonly used interchangeably. Typically, the First Call Resolution metric name is used when measuring the FCR rate for the phone or IVR touchpoints. On the other hand, the First Contact Resolution metric name is often used to measure the FCR rate for touchpoints (e.g., email, chat, website, retail).

One Call Resolution (also known as one contact resolution) measures an organization's performance for resolving customer interactions on the first call or contact using only one touchpoint. One Contact Resolution (OCR) metric uses tougher criteria than the FCR metric because it considers all touchpoints (e.g., call center, website) used to resolve the same interaction. Conversely, the FCR metric only measures CX using one touchpoint (e.g., call center) to resolve the same interaction. Typically, OCR is 10% or lower than FCR.



The infographic is set against a blue background. On the left, the words 'First', 'Call', and 'Resolution' are stacked vertically in a large, white, serif font, with 'Call' being the largest. To the right, there is a line graph with a grid. The y-axis is labeled 'FCR' and ranges from 0 to 100. A blue line with circular markers shows an upward trend, starting at approximately 20% and ending at 100%. A star is placed at the 100% mark, with the text 'World Class FCR' next to it. In front of the graph is an illustration of a woman with dark hair in a bun, wearing a yellow shirt and a headset, sitting at a desk with a laptop. Below the graph, the text 'First Call Resolution Definition:' is written in yellow, followed by a definition of FCR in white.

**First Call Resolution Definition:**  
FCR is a metric that measures a call center's performance for resolving customer interactions on the first call or contact, eliminating the need for follow-up contacts.

# What is a Good FCR Rate?

Based on a post-call survey method, the **Call Center Industry benchmark average for the First Call Resolution rate is 70%**. The FCR rate means that 30% of customers have to call back the organization about the same inquiry or problem.

The **First Call Resolution industry standard for a good FCR rate is 70% to 75%**. However, the **World-class FCR rate is 80% or higher**, and only 5% of call centers can achieve the World-class FCR Rate. Therefore, call centers with an FCR rate below 65% are considered at the low end of FCR performance.

It is important to emphasize that the FCR rate varies by contact centers, call types (e.g., billing, claims, orders, inquiries, technical), lines of business, and industries. Furthermore, the FCR rate can differ due to how the FCR rate is measured.

First Call Resolution and First Contact Resolution measurement calculation use the same method to measure the FCR rate. Below is the First Call Resolution rate formula used to measure the FCR rate.

## FIRST CALL RESOLUTION FORMULA



From a high-level perspective, the FCR formula rate is based on calculating the number of customers whose inquiry was resolved on their first call, divided by the total number of customers who had a unique inquiry.

The First Call Resolution formula rate applies to internal (e.g., QA, CRM, workforce suites) and external (e.g., post-call survey) FCR data measurement methods.

# First Call Resolution Best Practices

Our view is that First Call Resolution is more than just a metric; it is a proven call center operating philosophy for people, processes, and technology operating practices for cost-effectively delivering great customer service.

Most call centers' primary goal is to deliver great customer service cost-effectively. Moreover, SQM's CX research shows that 93% of customers expect their call to be resolved on the first call. Given that the customers expect to resolve their inquiry or problem on the first call and the desire of most call centers to reduce cost, the FCR metric has been an essential method for measuring and managing service and cost.

For cost-effective delivery of great customer service, many call centers use an “FCR operating philosophy as a way they work for their core people, processes, and technology practices” at the call center and enterprise levels. Below are the top 10 First Call Resolution best practices to increase the FCR rate.

## Top 10 First Call Resolution Best Practices

1. Measure, benchmark, and track FCR and Csats for all touchpoints
2. Recognize and reward employees for FCR, call resolution, and Csats
3. Use VoC closed loop FCR process improvement team
4. Create accountability for FCR, call resolution, and Csats
5. Agents and managers are hired for being a customer-centric fit
6. Performance management system incorporates VoC data
7. CRM and KMT are designed to help agents achieve FCR
8. Agents can contact subject matter experts in real-time
9. Supervisors are trained on how to coach agents for high FCR
10. QA evaluations include customer survey and call compliance data



## TOP 10 FIRST CALL RESOLUTION BEST PRACTICES

### Top 10 First Call Resolution Best Practices



1. Measure, benchmark, and track **FCR** and **Csat** for all touchpoints



2. Recognize and reward employees for **FCR**, call resolution, and **Csat**



4. Create **accountability** for **FCR**, call resolution, and **Csat**



5. Agents and managers are hired for being a **customer-centric fit**



3. Use **VoC Closed-Loop FCR** process improvement team



6. **Performance management system** incorporates **VoC** data



8. Agents can contact **subject matter experts** in real-time



9. Supervisors are trained on **how to coach agents** for high **FCR**



7. **CRM** and **KMT** are designed to help agents achieve **FCR**



10. **QA evaluations** include customer survey and call compliance data



# What Affects Call Centers for Improving or Achieving a High FCR Rate?

There are many challenges for improving the First Call Resolution rate. At SQM, we identified the three main sources of errors (SOE) that hinder a high FCR rate:

- 38% are due to **agent** mistakes,
- 13% are due to miscommunication by the **customers**,
- and 49% are because of **organizational** policies and procedures

Furthermore, SQM research shows that the top five repeat call reasons that hinder a high FCR rate and great customers service are:

1. A customer needed to **verify or check the status** of their unresolved issue
2. While the customer was on **hold, they got disconnected**
3. Agent **lacked the knowledge** to resolve the issue
4. The customer **request was not done**
5. The customer **was redirected** to a 3rd party

Improving or achieving a high FCR rate requires call center leadership to be FCR obsessed to enhance the support experience for agents, customers, and the organization as a whole. Furthermore, it is essential to determine the root causes of repeat calls to resolve the same inquiry or problem.

Moreover, numerous factors affect First Call Resolution rates, including agent turnover, call volume, average handle time, calls transferred, WFH, labor shortages, and agent training. It is also SQM's view that the number one hindrance in 2022 for achieving high FCR is the historically high agent turnover rate of 35%.

## 2. Why is First Call Resolution Important?

At SQM, we are often asked, “Why First Call Resolution is the Most Important Call Center Metric?” FCR is not only a measure of customer service effectiveness but also measures to call center’s operating efficiency. No other metrics provide effectiveness and efficiency insights to the level that FCR does. Furthermore, the First Call Resolution metric should be considered the most important call center metric of all metrics and KPIs due to the following positive impact areas when an increased FCR rate takes place:

- Reduces operating costs
- Reduces customers at risk of defection
- Improves customer satisfaction
- Improves employee satisfaction
- Increases opportunities to sell
- Improves Net Promoter Score
- 

Below is an infographic of why FCR is the most important call center metric.

### WHY FIRST CALL RESOLUTION IS THE MOST IMPORTANT CALL CENTER METRIC





Furthermore, FCR is the KING of all call center metrics because it is a gateway CX metric for Csats, referrals, and retention business outcomes. For example, customers who experience call resolution and FCR are more likely to be very satisfied, continue to do business, and recommend the organization to others due to their call center experience.

Put differently, Csats, customer referrals, and retention business outcomes cascade from call resolution and FCR metrics. Another essential point is that the statistical correlation between the FCR leading indicator and lagging indicators (e.g., Csats, customer referrals, and retention) is the highest of all call center metrics.

The bottom line, when FCR performance is high or low, so too are the performances of Csats, customer referrals, and retention.

The business case of the FCR metric importance is so high that some enlightened leading North American organizations have used it as an enterprise-wide metric for performance accountability, including at the CEO level.

## LEADING/LAGGING KPIS OF A CALL CENTER CX



## 6 Benefits for Measuring First Call Resolution

The benefit of the FCR metric is you gain tremendous insights into how customers view your organization's performance for efficiency and effectiveness metrics. For example, FCR performance correlates to your operating efficiency (e.g., cost per call resolution) and customer service effectiveness (e.g., Csat, retention, referrals). Put differently, when your FCR is high or low, so are your operating efficiency and customer service.

SQM's call center CX research shows the following six benefits for measuring and increasing the First Call Resolution rate are the following:

- For every 1% improvement in FCR, you **reduce your operating costs** by 1%.
- 95% of **customers will continue to do business** with the organization due to achieving FCR.
- For every 1% improvement in FCR, there is a 1% **improvement in customer satisfaction**.
- For every 1% improvement in FCR, there is a 1% to 5% **improvement in employee satisfaction**.
- When a customer's call is resolved, the **cross-selling acceptance rate increases** by 20%.
- For every 1% improvement in FCR **increases transactional Net Promoter Score®** by 1.4 points."

Below is an infographic of the six benefits of measuring and improving First Call Resolution.



# 3. How to Measure First Call Resolution?

As the old saying goes, you can't improve what you don't measure, and you can't measure what you can't define. Therefore, it's up to an organization to define, measure, and calculate the First Call Resolution rate.

The key is to develop your data-gathering criteria by answering specific questions to define and measure the FCR rate. Also, it is helpful to use First Call Resolution analytics tools like mySQM™ CSM software to measure FCR.

Below are the common practices for measuring and calculating external and internal First Call Resolution rates.

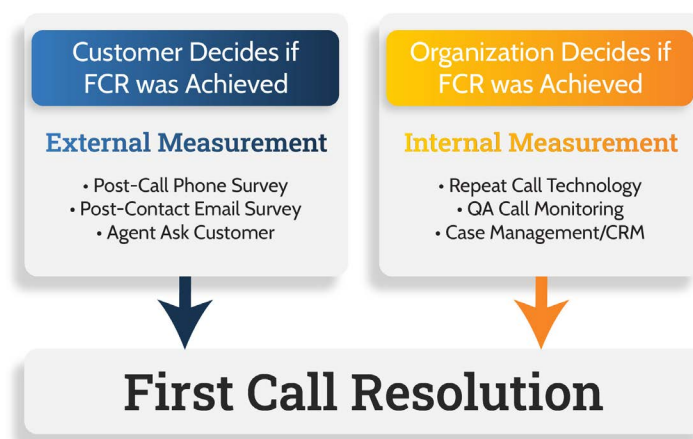
**External FCR measurement** is considered the most accurate method for measuring and benchmarking FCR. External FCR measurement lets the customer decide if First Call Resolution took place; after all, their opinion is what matters the most.

In most cases, a post-call phone or email survey method is used as an external FCR measurement Voice of the Customer (VoC) listening post. It is also common for agents to ask a customer if they resolved their call. The phone and email survey external FCR methods use a standardized measurement methodology so you can benchmark the First Call Resolution rate against other organizations' call centers.

**Internal FCR measurement** can be insightful for trending First Call Resolution and is widely used by contact centers. Based on organization criteria, the FCR rate is determined. However, because the organization uses its own chosen internal standard for measuring FCR, the FCR data, in most cases, is not benchmarkable against other organizations' call centers.

It is common for the internal FCR measurement to use workforce suites, CRM, case management, QA, and repeat call technology methods to determine the FCR rate. The internal FCR rate is based on whether the customer called back for the same issue within 1 to 30 days. However, choosing the appropriate callback time can be difficult, and as a result, there is no standard for internal FCR measurement, making the FCR rate less accurate and can inflate the FCR rate.

## FIRST CALL RESOLUTION MEASUREMENT METHODS



# How is First Call Resolution Rate Calculated?

## External FCR Rate Calculation

To determine the external First Call Resolution rate: callers are asked directly whether the issue was resolved using a post-call survey method. The First Call Resolution questions are asked using survey methods such as email, Interactive Voice Response (IVR), or a phone interviewer.

The First Call Resolution rate is calculated based on customer survey questions for the external post-call survey measurement. For example, one method is asking two survey questions where a call is considered FCR if a customer answers 'yes' to the question, "Was your call resolved?" and in 'one call' to the question, "How many calls did you make to resolve your call?"

For example, the First Call Resolution rate calculation is the total number of customers who said their call was resolved on the first call (280) divided by the total number of surveyed (400) = First Call Resolution rate of 70%.

$$\text{FCR} = \frac{\text{Total \# of Customers Resolved on the First Call*}}{\text{Total \# of Customers Surveyed}}$$

Contact centers are encouraged to use an open-ended survey question to ask callers why they could not resolve their call on the first call. Caller feedback can be tagged for identifying call-back reasons for targeted opportunities for First Call Resolution improvement.



A post-call survey is an external FCR measurement method completed by a customer via email, IVR, or a phone interviewer survey method within one business day of their call to a contact center. The pros and cons of using a post-call customer survey method to measure the First Call Resolution rate are listed below.

### Pros with the external measurement method are:

- The customer determines First Call Resolution
- The best FCR, Csats, and NPS® accuracy insights of all methods
- Provides tremendous insights for improving operating costs
- Can make the call center more customer service focused
- Identifies dissatisfied customers for service recovery
- Standardized measurement so you can benchmark FCR to other call centers
- Provides call resolution accountability/coaching to the agent
- Has the best track record for helping improve FCR, Csats, NPS®, and Costs

### Cons with the external measurement method are:

- Highest cost method to measure First Call Resolution
- Small sample size compared to internal measurement methods
- Some customers reluctant to complete a phone or email survey
- Customer survey fatigue
- Having to send call list to survey vendor if using a 3rd party
- Requires following government guidelines in contacting customers (e.g., Telephone Consumer Protection Act)

## Internal FCR Rate Calculation

To determine the average internal First Call Resolution rate: customers who called back are identified using workforce suites, Automatic Call Distribution (ACD), and Customer Relationship Management (CRM) repeat call technology. First Call Resolution is determined based on repeat callers identified by a phone number, account number, or case number within a specific time frame.

While internal measurement methods are straightforward to implement, there are flaws with this technique because there is no First Call Resolution industry standard for measuring it.

Some flaws are the same person might call from a different number, or the follow-up call may not happen immediately. But this can be an excellent approach to see First Call Resolution trends over time if the limitations are understood.

Each organization must define, measure, and calculate their call center internal First Call Resolution rate. The key is to determine the FCR data-gathering criteria (e.g., call types, transferred calls, escalated calls, caller identification, and specific time frames for repeat callers).

Once the data-gathering method is chosen, you need to decide how to calculate First Call Resolution. There are two conventional approaches used.



For example, the first approach for calculating First Call Resolution is the total number of calls resolved on the first call (8,000) divided by the total number of calls received (10,000) = First Call Resolution rate of 80%.

$$\text{FCR} = \frac{\text{Total \# of Calls Resolved on the First Call}^*}{\text{Total \# of Calls Received}}$$

While this can be a simple way to measure internal First Call Resolution, it is not always accurate. However, this approach can give a solid perspective on customer service team performance if looking at the First Call Resolution rate from a snapshot perspective.

The second approach for calculating First Call Resolution only looks at calls resolved on the first call divided by the total number of first calls, which we call unique inquiries.

For example, the First Call Resolution rate calculation is the total number of calls resolved on the first call (7,000) divided by the total number of unique inquiries (10,000) = First Call Resolution rate of 70%.

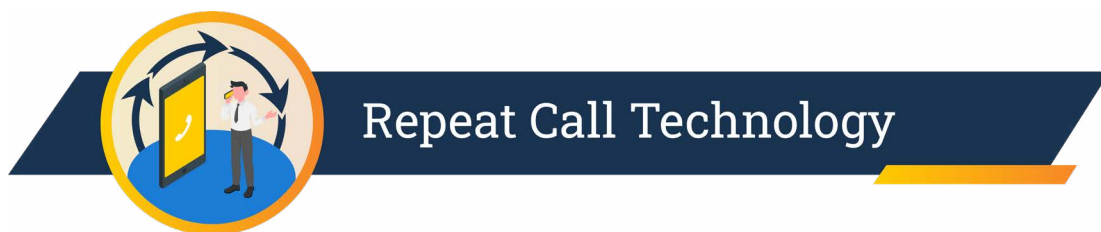
$$\text{FCR} = \frac{\text{Total \# of Calls Resolved on the First Call}^*}{\text{Total \# of Unique Inquiries}^{**}}$$

While the second approach for measuring internal First Call Resolution may take more work, the results are more meaningful and accurate than the first approach.

Both approaches are valid ways to calculate the internal First Call Resolution rate within the contact center, and an organization can choose the path that makes the most sense. However, whichever approach is selected, an organization must explain the calculation method to the customer service team and leaders to understand the First Call Resolution meaning.

*\* Total # of customer/calls resolved on the first call refers to the total number of calls resolved with no-repeat calls required about the initial call reason. The total number of calls resolved in one call/contact is calculated by checking if a customer contacted the organization 30 days prior or 30 days after a unique interaction, using any contact channel. For example, if a customer did not contact an organization using any touchpoint (e.g., call center, web, and email) either 30 days before or 30 days after their unique interaction with a touchpoint, it would be viewed as resolved in the first call/contact.*

*\*\* Total # of unique inquiries refers to the total number of unique customer interactions where no other calls were made about the initial call reason.*



Repeat call technology is an internal FCR measurement method that identifies repeat callers using workforce suites, ACD, speech analytics, and CRM technology. Listed below are the pros and cons of using this technology method to measure First Call Resolution.

**Pros with the internal measurement method are:**

- Utilizes existing workforce suites, ACD, and CRM technology
- CRM and speech analytics can be used to do deep-dive analysis for repeat calls
- These methods are the lowest cost method for measuring First Call Resolution
- Can customize data gathering criteria for measurement
- Provides extensive data for trends and fail-points
- It can be used for agent accountability and coaching
- Provides organizational insights that customers cannot

**Cons with the internal measurement method are:**

- The organization determines if the call is First Call Resolution
- Can conflict with external data
- Can substantially overstate First Call Resolution (e.g., 10 to 20%)
- Provides limited Csats or NPS improvement insights
- Can make a call center less customer-centric focused
- Measurement is not standardized, hindering your ability to benchmark FCR
- Does not have a consistent track record for improving

## 4. How to Improve First Call Resolution?

### FCR Strategies for Improving CX

Many organization and contact center leaders struggle to define an FCR Operating Strategy and how to implement it. At SQM Group, we have identified four distinctive FCR Operating Strategies based on two variants: FCR focus and FCR scope.

These two variants can help an organization determine its competitive position for the FCR Operating Strategy they want to use in the marketplace. The FCR focus is either on a customer experience (CX) differentiation or a lower-cost emphasis. In addition, the FCR scope is either enterprise-wide or a contact center level.

#### The Four First Call Resolution Strategies Are:

1. Contact Center with a Cost Focus
2. Enterprise-Wide with a Cost Focus
3. Contact Center using CX Differentiation
4. Enterprise-Wide using CX Differentiation

All four FCR Operating Strategies provide cost savings and improved CX. However, there can be significant differences in the benefits achieved from each FCR Operating Strategy. The quad map infographic below illustrates the competitive position of First Call Resolution Strategies.

# FIRST CALL RESOLUTION STRATEGIES

## COMPETITIVE POSITION

### FCR Focus



### Legend:

- Contact Center** = relates to this channel only
- Enterprise-Wide** = relates to some or the whole organization
- Lower Cost** = involves cost per contact resolution
- CX Differentiation** = involves differentiating CX based on FCR

## 1. Contact Center with a Cost Focus

Many companies use a contact center with a lower-cost focus FCR strategy. The FCR focus is not on improving the customer's journey experience; it is fixing areas to avoid repeat calls for the same issue and lower cost per call resolution. Typically an ad-hoc (e.g., temporary) project management team is assigned to improve the repeat call reasons and root causes that the contact center has control over for fixing. The project team usually consists of agents, supervisors, analysts, and a project manager.

The project team focuses on FCR improvement issues that the contact center is the source of error (SoE). 38% of all repeat calls for customers trying to resolve the same interaction the contact center is the SoE. Post-call surveying is conducted monthly, quarterly, semiannually, or yearly and is used to identify and check if repeat call issue initiatives improve the FCR rate.

## 2. Enterprise-Wide with a Cost Focus

Few companies use an enterprise-wide with a lower-cost focus FCR strategy. However, this FCR strategy represents a significant cost-saving opportunity because the enterprise (e.g., outside the contact center control) SoE is 49% of all repeat calls for customers trying to resolve the same interaction. As a result, this FCR strategy relates to departments inside or outside the contact center to fix non-FCR issues.

The project team usually comprises cross-functional team members, analysts, and a project manager. Post-call surveying is conducted monthly, quarterly, semiannually, or yearly and is used to identify and check if repeat call issue initiatives improve the FCR rate. The cost-saving from this strategy is also from call avoidance for customers not having to call back a company to resolve an interaction they previously called to get resolved.

## 3. Contact Center Using CX Differentiation

Many companies focused on improving FCR and customer service use a contact center CX differentiation FCR strategy. The FCR focus delivers a great customer journey experience (e.g., MoT - understanding, helping, caring, and resolving) to provide high FCR and customer service. Typically a permanent project management team is assigned to improve the MoT, repeat call reasons, and root causes that the contact center has control over for fixing.

The project team usually consists of agents, supervisors, analysts, and a project manager. In addition, post-call surveying is conducted daily to identify and check if repeat call issue initiatives improve the FCR rate, service recovery, and customer journey. A significant advantage in the CX differentiation strategy is being differentiated from the competition by delivering contact center world-class FCR and customer service.



## 4. Enterprise-Wide Using CX Differentiation

Very few companies focused on improving FCR and customer service use an enterprise wide CX differentiation FCR strategy. Moreover, most C-level leaders have never considered FCR as an enterprise-wide metric, but at SQM Group, we think they should. There is a strong business case to be made that FCR reflects the enterprise-wide ability to provide great customer service. Typically, a permanent project management team is assigned to improve the MoT, repeat call reasons, and root causes that the enterprise (e.g., some or all departments) has control over for fixing.

The project team usually consists of cross-functional members, analysts, and a project manager. In addition, post-call surveying is conducted daily to identify and check if repeat call issue initiatives improve the FCR rate, service recovery, and customer journey. A significant advantage in the CX differentiation strategy is being differentiated from the competition by delivering enterprise-wide world-class FCR and customer service.

### Summary

Each FCR Operating Strategy requires a different level of FCR commitment. For example, CX differentiation requires the highest level of FCR commitment; conversely, cost focus requires the lowest level of FCR commitment.

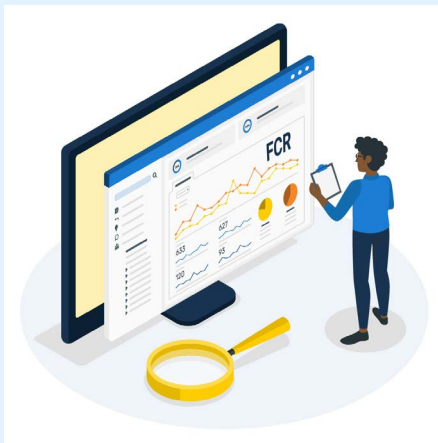
Furthermore, each strategy requires an FCR goal, accountability, and incentives for some or all employees. Whether the FCR scope is at the contact center or enterprise-wide level, the FCR focus can have a narrow (e.g., some employees) or broad (e.g., all employees) applicability.

The bottom line is the CX differentiation strategy focuses on providing great customer service based on achieving high FCR versus a cost strategy that focuses on lowering operating costs based on improving FCR.

## First Call Resolution Improvement Tips

It is often said that it is hard to measure First Call Resolution accurately but even harder to improve it. Many call center leaders do not know how to improve First Call Resolution. SQM Group's research shows that only 5% of contact centers improve First Call Resolution 5% or more in a given year. SQM's First Call Resolution tips have a proven track record for helping clients improve their FCR rate. First Call Resolution activities require a high commitment from senior management. Below is how to increase First Call Resolution tips using SQM's FCR Improvement Cycle:

# FCR Improvement Cycle

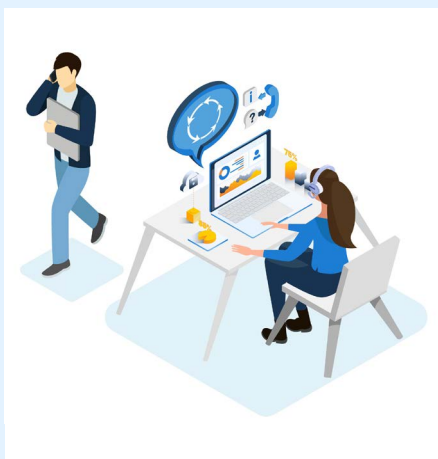


## 1. Measure First Call Resolution Rate

Measure, benchmark, and track the First Call Resolution rate using external and internal measurement methods continuously. Common examples of internal and external FCR measurement methods are:

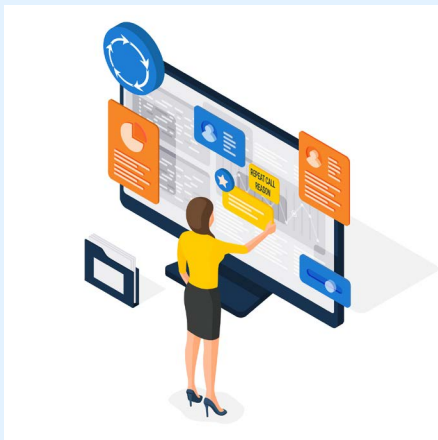
**Internal:** agent logging, quality monitoring, reopened issues, and repeat call tracking

**External:** post-call phone surveys and email surveys



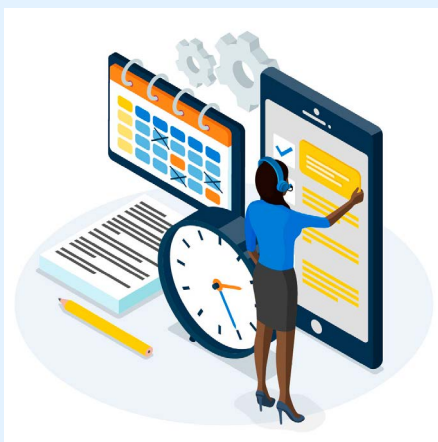
## 2. Identify Repeat Call Reasons

Identify repeat call reasons by using a post-call survey to identify customers who did not achieve First Call Resolution and ask them open-ended questions about why they could not resolve their transaction on the first call. The customers identified from the survey feedback as not receiving FCR also use CRM, call recording, and speech analytics to review and analyze those calls. For the same call, using survey feedback supplemented with CRM, call recording, etc., will provide in-depth insights into repeat call reasons. Develop repeat call reason categories and then tag customer feedback into repeat call reason categories (e.g., agent soft skills, billing, the status of the inquiry, complaint, agent knowledge, and First Call Resolution training).



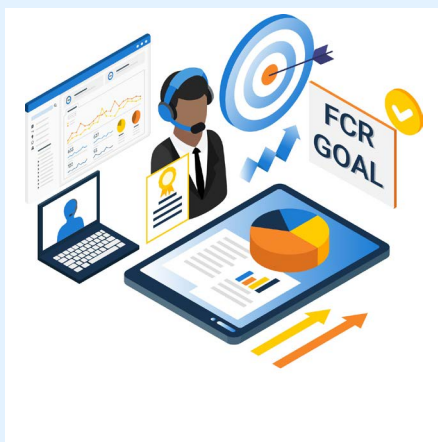
### 3. Determine Repeat Call Reason to Improve

Identify which repeat call reasons to improve by leveraging the data identified in the repeat call reason categories. Targeted opportunities for improving a specific repeat call reason should be based on the criteria of high-frequency and low customer satisfaction. It is essential to focus on improving on only 2 to 4 repeat call reason categories at a time.



### 4. Develop Action Plan to Improve FCR

Use a VoC closed-loop improvement process for First Call Resolution. Based on repeat call reasons targeted opportunities that are identified develop an action plan. The action plan should include the 5 W's (i.e., what, when, who, why, where) and how. The action plan will need to be reviewed and championed by senior management or a steering committee and include First Call Resolution scripts, tips, training, and coaching for agents.



### 5. Determine First Call Resolution Improvement Goal

Determine your FCR goal by conducting a call center First Call Resolution benchmark of your FCR rate using an external measurement method with a 3rd party specializing in First Call Resolution research. Then, based on your current FCR rate, establish an FCR rate improvement goal for the call center. Many organizations' FCR goal is to strive for the call center industry 1st quartile (75% FCR Rate) or the world-class (80% FCR Rate) standards level. A conservative FCR improvement goal is 1% to 2%, a moderate FCR improvement goal is 3% to 4%, and an aggressive FCR improvement goal would be 5% or more. A best practice is to hold all employees (e.g., CEO to Agent level) accountable to the First Call Resolution or a call resolution goal. In most cases, Agents are held accountable for the call resolution metric.

## 5. How to Measure First Call Resolution Using CX Measurement Software?

### Customer Experience Management Software

Now that you have read about the business case for why FCR is so essential, how to measure it, and how to improve FCR, let's now cover how to measure FCR using customer service management software.

Start learning how to measure First Call Resolution today with our free software demo for customer service management explicitly designed for call centers.

FCR measurement software is often called customer service management (CSM) or customer experience management software (CXM). SQM's CSM software is specifically built for call centers and designed to measure, track, benchmark, and improve Csats, first call resolution, the net promoter score, customer service, quality assurance, and employee experience.

Capturing and measuring FCR using CSM software is only part of the broader picture for delivering great customer service. For example, measuring First Call Resolution can be complex.

As a result, it is essential to measure multiple metrics to get a comprehensive picture of customer service delivered by the call center. For example, FCR and call resolution metrics are leading indicators, and when these metrics are high or low, so is customer satisfaction (e.g., lagging metric). Therefore, an effective CXM software needs to capture leading and lagging data to effectively measure and manage customer experience.



To keep up with customer expectations, understand performance, and improve FCR and Csats, a call center VoC program needs to employ CSM software.

Again, CSM software is an excellent tool for capturing, measuring, benchmarking and reporting customer service delivery. However, before choosing a CSM software vendor, you need to understand how it fits your call center VoC program. Listed below are a few questions to consider:

- What are your call center objectives? Higher FCR and Csats? Lower cost? Improve transactional NPS? You need to understand your goals and objectives before choosing a CSM software vendor.
- Do your CSM software features need to be designed to specifically measure, coach, and reward agent and supervisor customer service delivery?
- Does your call center need a VoC closed-loop process at the agent level? For example, can agents follow up on customer feedback one-to-one to close the loop?
- What are the customer survey quota requirements? For example, will the quota be at the agent, line of business (LoB), or call center level? What will be the survey methods used (e.g., phone, email, IVR, website pop-up, or a mixture of different methods)?
- Who will be accountable for FCR, call resolution, and Csats results (e.g., agent to CEO)?
- Do you want to capture, analyze, and report internal and external data in the same software platform?
- Do you want the CSM software capabilities to include agent coaching, recognition, or soft skills e-learning? Do you want your CSM software capabilities to recognize agents for their call resolution and Csats using a debit card for instant gratification?
- What customer insight data is already available, and by what function or department (e.g., research, workforce management, QA)?
- How are existing internal and external data being used? For example, is the data used by agents, supervisors, or leaders, and accountability metrics based on FCR or Csats performance targets?
- Where are the gaps in customer service understanding? First, consider all contact channels (e.g., phone, email, chat, IVR, website), job levels (e.g., agent to CEO), segments (e.g., LoB, products, services), and call types (e.g., claims, service, sales, billing, technical, complaint).
- How will the information be analyzed? For example, will you use internal and external data for the same calls? Will you use structured data (e.g., FCR rating, QA score) and unstructured information (e.g., open-ended survey questions, call recording text)? Will analysts need to be fully trained in analyzing and reporting structured and unstructured data?
- How will the information be reported? For example, will agents, supervisors, or leaders access dashboard reporting? What VoC data needs to be shared? How often will the VoC data be shared, and who needs to see it? For example, will you share it with customers?
- How will you action the customer feedback? Will you use a VoC closed-loop process (e.g., to go from identifying to actioning people, processes, and technology improvement opportunities)? Do your CSM software requirements need VoC closed-loop capabilities?





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