

Credit Union Contact Center Cost Model

An Essential Service for Tactical Insights and Strategic Planning

Credit Union executives face a dual role when providing oversight of contact center operations. They must **invest wisely** in people, processes, and technology to deliver a timely, professional response each time a member contacts the Credit Union. And they must **contain costs** to demonstrate fiscal responsibility and return value to those same members.

Strategic Contact's credit union contact center cost model provides **key economic insights** that help CEOs, COOs, and CFOs balance the scales between member and institutional needs.

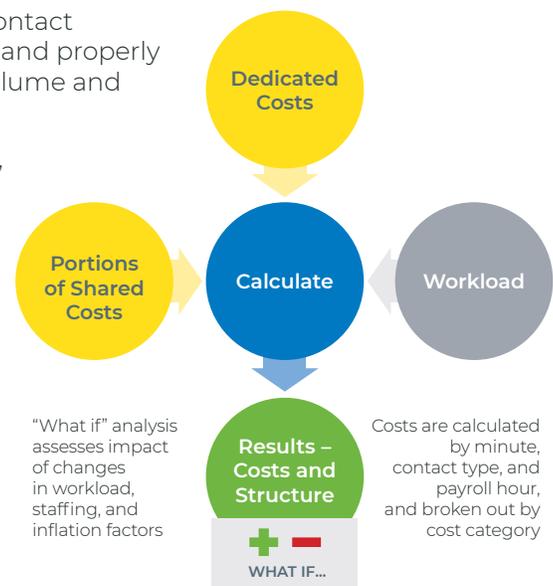


Understand Cost Structure

The model takes a comprehensive view of cost by considering contact center specific costs – e.g., labor, technology, network, facilities – and properly allocated shared enterprise costs. Based on workload input of volume and average handle times by contact type and channel, it computes:

- **Cost per interaction type** – e.g., inquiries and transactions, new accounts and membership, loan servicing and applications, fraud, wire transfers, payments/bill pay
- **Cost per channel** – e.g., phone, chat, email, text
- **Overall cost (per contact, minute, and payroll hour)** – based on weighted average volumes and handle times

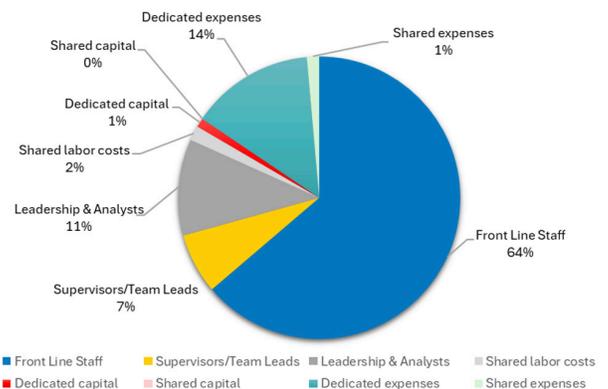
In addition to cost structure details and the summary of the cost distribution, results include dedicated labor costs by category (salaries, benefits, bonuses, overtime), and cost distribution for the center (direct labor by role, shared labor, dedicated and shared expenses, dedicated and shared capital).



Cost Category	Annual Cost	CPC	CPC Min	Cost PR Hr	FTEs
Direct labor costs	\$6,666,677	\$13.67	\$1.64	\$40.06	93
Front Line Staff	\$5,202,302	\$10.67	\$1.28	\$31.26	80
Supervisors/Team Leads	\$565,802	\$1.16	\$0.14	\$3.40	6
Leadership & Analysts	\$898,573	\$1.84	\$0.22	\$5.40	7
Shared labor costs	\$139,201	\$0.29	\$0.03	\$0.84	10
Dedicated capital	\$83,867	\$0.17	\$0.02	\$0.50	
Shared capital	\$-	\$-	\$-	\$-	
Dedicated expenses	\$1,154,583	\$2.37	\$0.28	\$6.94	
Shared expenses	\$115,000	\$0.24	\$0.03	\$0.69	
Total	\$8,159,327	\$16.74	\$2.00	\$49.03	

Annual Vol: 487,700 Workload Hours: 67,715 Payroll Hours: 166,400

Cost Distribution



Contact Cost by Communication Channel



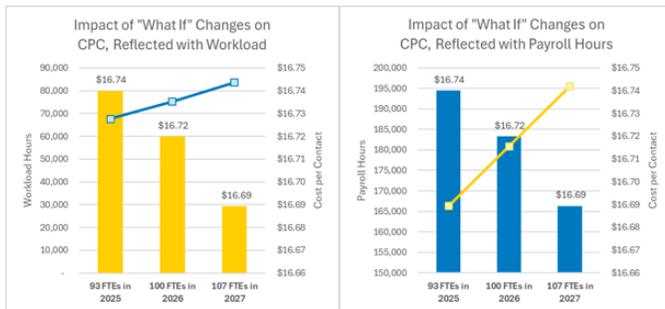
Numbers shown are based on example only, your results will vary!

Conduct “What If” Analysis

Using the baseline cost structure, the model provides the means to measure impact for a variety of strategic initiatives, whether your focus is sales and growth, service and member experience, or efficiency. Strategic Contact can help you explore a variety of “what if” scenarios, such as:

- Identify opportunities to reduce costs or better justify costs during the budget cycle
- “Right-size” staff to match the workload while delivering a high-impact, cost effective member experience
- Invest in technology and/or process improvement to reduce workload (volume and/or average handle time) and assess staffing impacts
- Add analysts, team leads, trainers, and other support resources to improve efficiency and effectiveness
- Compare in-house versus outsourcer costs to weigh options of where and how to handle contact types
- Plan for growth through changes in members served or products per member

Change Example	Impact/Result
“Right Size” – increase frontline staff 4 FTE	CPC increases to \$17.26
Reduce workload – automation reduces voice volume 5%/yr (CPI at 3.2%, 3.4%)	CPC increases to \$18.07 ('26), \$19.56 ('27) without staff change; attrit ~9 frontline ('26), 8 frontline and 1 TL/Sup ('27) to stabilize CPC
Significant growth – membership increases expected to boost voice volumes 10%, AHT 2% (e.g., sales efforts) (CPI at 3.2%, 3.4%)	CPC decreases to \$15.84 ('26), \$15.01 ('27) without staff change If add ~7 staff/yr, CPC stable



With this model, you can avoid “back of the envelope” expectations or vendor promises that may sound too good to be true. Detailed, trusted analysis builds a credible business case for project funding and creates a structure for evaluating results. In addition, end of year/end of project reviews can help facilitate accountability for progress and assess outcomes against expectations.

It’s Easy to Get Started!

Credit Unions interested in analyzing their contact center cost structures can sign up for a subscription, available for the first year at **\$9,900**. With the subscription, we create a current state model, run your “what if” scenarios, provide documented results, and discuss what those results mean for your center, credit union, and members. Each 1-year service subscription includes up to three updates during the year (e.g., consultation on a change in progress or being considered), and an end of year review.

Your Key to Success: Subscribers will assign a leader to facilitate gathering the inputs we need from the contact center, IT, HR, finance, etc. We provide a workbook outlining the characteristics, workload, and cost inputs we need, and work with you to address any questions, gaps, or issues.

The Future Holds Even More Insights!

We are excited to engage with credit union leaders to develop a deeper understanding of their contact center cost structure. Once we obtain a critical mass of participants, we expect to share benchmarking information on costs and associated characteristics (e.g., volumes, staffing, performance, channel use, contact types handled, technology maturity, use of outsourcers, etc.), segmented by assets, members, and/or center size, as part of the subscription. Multi-year subscriptions will offer even greater value!

**Contact us to discuss your cost model and opportunities:
503-579-8560 or consult@strategiccontact.com**

