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Can Your Center Keep Up with the Changes?

Manage the Avalanche of Complexity and Still Control Costs

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White Paper

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INTRODUCTION

The biggest challenge facing today's contact centers is that they do their jobs too well. That may seem counter-intuitive, but consider: the way we deliver service to customers has changed relatively little in recent decades. Contact centers—or call centers, as most of them still remain – are mostly narrowly purposed business units that are phenomenally efficient at fine-tuning the balance between quick response and cost-control for voice calls. Throw in a handful of other types of interactions on the side (e-mails, most often) and you have an environment that looks a lot like 1990. If you brought a call center manager from 20 years ago forward through time, plopped them down in today's center and asked them to run the place, they'd have little difficulty managing the existing people, processes or technology. Today's best practices in operations and workforce management really are that old and fixed.

So what's the challenge there? That this comfortable state of affairs is about to end—forever. And most centers are unprepared for what is already starting to happen to them.

Today's contact centers are beginning to wrestle with some of the most wrenching changes in how service is delivered that have occurred in decades. These business units that are generally reactive organizations have to adopt a much more proactive stance. Centers have to adapt to the many new ways that customers seek information—from the Web, from peers, from many new locations. On top of that, centers are facing a much more direct pressure to return value to their parent companies. This is a challenge for a lot of operations executives, because while some enterprises do recognize the value of customer contact centers, many more are left having to prove themselves and struggle to come up with measures that accurately express how important a role service delivery plays in the profit process. Facing pressure from different directions, managers have to be agile in a way that they've never had to be agile before.

In other words, in order to be successful in the new business climate, you have to rethink the center: it has to be smart, fast, flexible, responsive and more than anything else, active. The center has to be open to new types of tools and new ways of thinking.

WHAT'S REALLY GOING ON? TOO MUCH COMPLEXITY

Another way to think about the problem that contact centers face is as one of complexity. Today's managers are beset by demands for their centers to perform in much more nuanced ways and to express how well they do it. The increasing demands are challenging, but not insurmountable. In fact, they can be seen as an opportunity for contact centers to rise into a more strategic role within their organizations. To do that, they need to understand how the complexity is evolving.

There are four main ways in which the contact center environment is changing. Each comes with its own set of problems (and opportunities), and each represents a different kind of headache for managers. Each of these four is like an ongoing mini-crisis that every center has to reckon with:

1. **The Center versus the Enterprise.** Despite the fact that both entities share values and goals, they often operate at cross-purposes. Any business's overriding goal is to increase revenue and profits; the success or failure of any given project is judged by those results. All the while, contact centers have been tasked with a project that is largely considered a regrettable cost, and whose outcome is measured by counting up telephone calls and expressing work units in terms of minutes. For most of the history of centers, this status quo was acceptable because the demands on the contact center were simple and easily achieved: cost-containment when necessary and service-level objectives otherwise.

But as enterprises have become more aware of the strategic need to stress customer service and measure satisfaction, they ask for more from the contact center. They ask it to speak the language of the business, explaining its operations and its results in stark business terms that sound more like revenue numbers than they do average handle time and queue length statistics. Managers from the operations side of the business have to work more closely with their lateral peers in other departments, especially in marketing, sales and finance. These stakeholders have a fundamentally different way of looking at business problems than the peers in HR and IT that contact centers are used to working closely with. They look at (and ask for) different kinds of data, for example. And perhaps most critically, they operate at a much faster pace than operations traditionally does.

This lateral expansion is mirrored by the interest that upper-level executives are taking in contact center operations. It is clear that the c-suite is vastly more involved in resource allocation and purchasing decisions, meaning that when a contact center manager wants to invest in new tools for managing workforces, he has to explain the necessity with much greater detail and clarity than ever before. The c-suite is also looking at the contact center as the spot where business problems like customer churn become actionable.

Contact center professionals can't afford to merely push their daily telephony stats up the chain. Those metrics are not relevant to c-suite concerns about revenue and customer experience. When the center is asked to demonstrate its value, the manager should respond with measures that correlate contact center activity with practical business-oriented metrics, thereby elevating their exposure and underscoring their value to the enterprise.

2. **The Center versus its Agent Staff.** Today's young agents have been raised in a world that included the Internet and instant communications from the very start. The Millennial generation is coming to work each day with their own personal arsenal of smartphones, social media accounts and expectations of

connectivity. They are savvy, and every bit as impatient and instantaneous as the customer base they interact with.

At the same time, many centers have older workers sitting side by side with the Millennials, and for those workers, the challenge is keeping up with the changes in technology and contact channels. To cope with this they need to be trained on new skills, at a faster pace. Managers, who themselves may be a little older than the new blood on the phones, have to recognize the need to reinvent established methods of training, quality evaluation, incentives and motivation.

Both kinds of workers, old and young, need to use software that is simple to learn and execute. Agent software is incredibly complex behind the scenes, but that's where the complexity should stay—hidden from the worker's view. Tools should be quick to learn, easy to use, and instantly accessible. The Millennials demand it; older workers will welcome it.

3. **The Center versus Customers.** The biggest change and greatest complexity is coming from outside the walls of the company. Customers are very different today than they were even 10 years ago. They seek information in different ways, via the Internet but also from communities of other customers who they might or might not know in real life. They have access to riches of data, much of which might be incorrect or out of date, but which seem real to them and therefore empower them to ask for much more and better service than companies can sometimes provide.

And when they come to the contact center, the proverbial “front door” of the organization, they don't have to knock on the door and wait for you to let them in. They'll root around in forums and knowledge bases, start up chat sessions, send e-mails, and shout on Twitter all at the same time. The old mechanisms they used have multiplied, with no end in sight. For contact centers, there are too many customer options to keep track of. And what counts as excellent service in call handling often doesn't pass muster when applied across a broad spectrum of cross-channel interactions, at least from the customer's point of view.

4. **The Center versus Other Versions of Itself.** The ideal of a center as a large, stable brick and mortar operation is still valid, but it's quickly being supplemented by new permutations that coexist with the traditional model. This began with the move to outsourcing, which involves constant communication between systems that are in-house and those that are off-site. That gave us a taste of what it means to disperse calls, databases and agents. Now we can add agents at home to that mix, as well as knowledge workers in the enterprise who are sometimes called upon to play a role in a customer service call. Also add in the many ways that centers can be networked, virtualized, connected together and managed as a single operation even though they may be geographically dispersed or on different technology platforms, or even owned by different companies.

And what they are really challenged with is complacency.



The problem is that while the contact center doesn't have control over all of those extra channels and complex customers, it is often seen internally as the place where the problem should be solved. And when the contact center struggles, the other corporate stakeholders involved don't necessarily understand that the center wasn't built to be adaptable or flexible. Contact center managers are left holding the bag for changes that are systemic to the company and the world at large. On a micro level, it is hard enough for them to manage their own workforce and operations in the teeth of all these complexities—the best many can do is to simply keep pace.

What they can and must do is figure out how they are going to bridge the gap between what they were (single-purpose operational departments) and what they are becoming—multithreaded engines of the customer relationship that drive profits and focus the goals of the entire company on that relationship.

The next generation of contact center is going to have better insight into what the customer wants and the knowledge of how to turn that desire into sales opportunities. It is going to be much more flexible in its use of technology and its ability to manage its own processes, with help from the rest of the organization (and in particular marketing and sales departments). It is going to be a fast-acting entity that the company uses like a scalpel, not a blunt instrument, to obtain competitive edge.

That's the next-generation contact center. Today's contact center professionals have to ask themselves: How am I going to be part of that future? What kind of center do I have now, and how can I remake it into something faster, more flexible, more competitive? To answer those questions, and genuinely move forward, centers need to fight their natural complacency and learn to be active participants in setting strategies.

WHAT KIND OF CENTER ARE YOU?

There are two kinds of contact centers. They look the same superficially, but what sets them apart is how they fit into their parent company and how they approach their service mission.

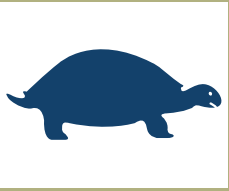

The first kind we'll call "tortoise" centers: these are the ones that we've been describing all along, the traditional centers that are conservative and slow to change. In this center, cost-control is paramount and new technologies are adopted only when they are tried and true. This is not a bad way to operate; it has been the conventional wisdom for decades precisely because it achieves good call handling results. But centers in this category typically have difficulty influencing action in peer departments like IT and marketing. Instead, IT is often perceived as a barrier to effective technology improvement that imposes delays and extra costs on the center.

These centers tend to measure their activity in tight telephony terms, using data that comes from telecom equipment like ACDs and call recording systems.

What we find in these centers is that they usually have a very limited view into the content of customer interactions. For example, they don't have visibility into things that happen before or after the phone call, like retail experiences, or interaction with field service technicians. They have a narrow view of the customer, one that starts when he hits the IVR and ends when the agent ends the call. As a result, managers of these centers have a hard time expressing the value that their teams bring to the business overall.

Unfortunately, this majority of centers in existence are tortoises.

What Kind of Center are You?

	<p>Cost-Focused and Conservative</p> <ul style="list-style-type: none"> • New technologies are adopted only when they are tried and true • Difficult relationships with IT and Marketing • Stresses telephony KPIs
	<p>Forward-Looking and Flexible</p> <ul style="list-style-type: none"> • Understand what drives the business, and then provide services to support that • Broad, integrated view of the whole interaction environment • Use tools with the best reputation in the market, most innovative and most advanced features/capabilities

Then there are the “hares.” This minority of centers is starting to play a leading role in defining the way forward. They are creating best practices that combine the best of the traditional methods with innovative ways of delivering service. What distinguishes the hares is their speed of action and flexibility in the face of changing business conditions.

This new-model center starts by breaking down the silos of information that exist between systems and departments, so that it can have real insights into the behaviors of agents and customers. It measures performance based on the outcome of calls, as most always have, but balances that with metrics that dive into questions of value—first-call resolution, revenue per customer, customer longevity, and more. Managers with this information are able to create balance between cost pressure and value creation.

“Hares” also plan for the changes in their customer base. They use the information at their disposal to craft responses for mobile customers, for example, or those who take a convoluted pathway into the service organization with multiple contact points. Overall, the goal of the next-generation center is to build a view of the interaction that really is comprehensive. It has to extend beyond the traditional contours of day-to-day operations to touch on the ways that hiring, training and quality evaluation all affect each interaction.

In short, next-gen centers are using their workforce optimization infrastructures as the keystone in understanding how to upgrade agents skills, satisfaction and insight, rather than just to squeeze AHT productivity. If IT can’t solve their technology request fast enough—no problem, they’ve been smart enough to have simple software in place that they can adapt themselves. These are the centers that are

taming the complexity they encounter, not avoiding it. To do that, they have to be faster, more agile, and open to creating new best practices. And unlike the old fable of the tortoise and the hare, in this race the hare wins.

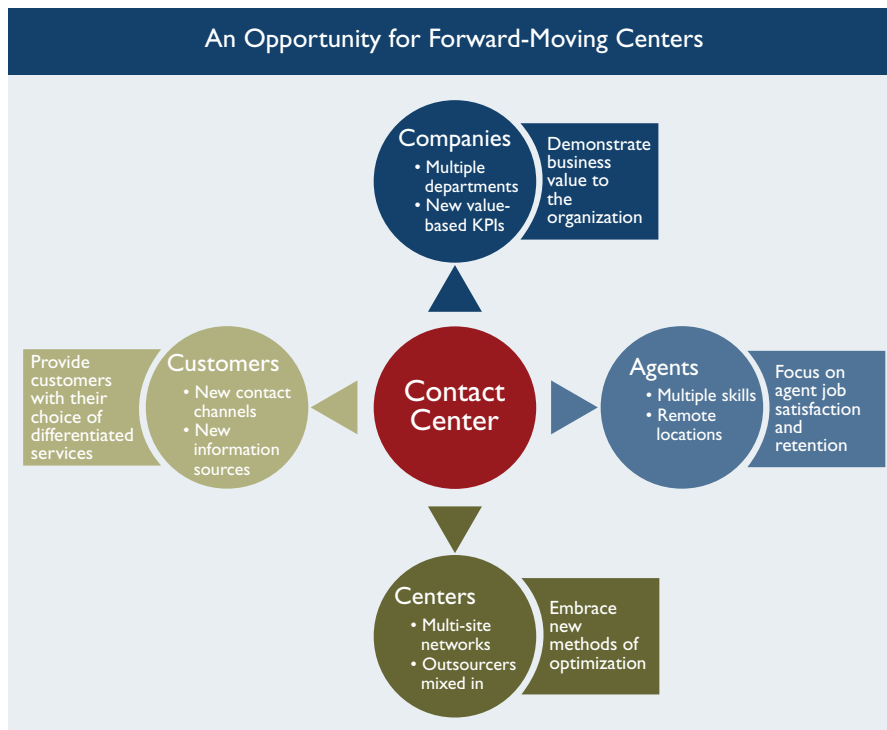
The questions every contact center executive has to ask him or herself are: What kind of center will I run? Which kind of manager am I?

THE SOLUTION: FORWARD-MOVING TOOLS

The difference between these two kinds of contact centers is rooted more in mindset than it is in anything fundamental and unchangeable. It is quite possible to move from one track to another within a reasonable timeframe.

The locus of all the operational complexity described above is in the workforce optimization infrastructure. This combination of tools for scheduling, performance evaluation, analysis, training and coaching touches every aspect of the problem: agents' skills and readiness; interdepartmental reporting; measuring customer behaviors. Choosing the right balance of tools—and then using them to their fullest—is the key to speeding up contact center responsiveness.

This is an especially dynamic period for technical innovation in workforce optimization. The melding of analytics systems that find subtle patterns in siloed data is a welcome and exciting trend. As these systems evolve, there are some criteria that forward-looking centers should gravitate toward as they replace or upgrade their workforce optimization systems:



Simplicity of design. Contact centers devote as much as 70-75 percent of their ongoing expenses to labor costs. But at the same time, managers spend too much of their time overseeing technology instead of people. Tomorrow's centers need tools that allow managers and supervisors to concentrate on doing work that is most essential: overseeing the performance of the expensive labor force. To that end, the next generation of workforce optimization tools should be designed from the ground up to be easy to use, deploy and upgrade. Operating them, pulling data from them, and drawing conclusions from them should all be transparent and obvious, with the tools themselves fading into the background.

Web 2.0 and beyond. Today's agent pool is more tech savvy than their predecessors. They come to work armed with smartphones that carry sophisticated information-gathering apps. They are comfortable working with tools that marry different modes of messaging (voice, text, and video). They know how to search for solutions to problems and questions in data repositories that are official and unofficial. The contact center should strive to be the gatekeeper of all of these options, channeling the agents' proclivity to use personal, portable technology into approved applications. If they don't see a similar level of sophistication in the tools you give them to work with, they will find alternatives. Give them tools that are Web-based and integrated.

The generation of workers coming up behind today's agents is going to be even more sensitive to this trend. They are going to be used to a software experience that is flexible, fast and modern in design. And Millennials will lose patience with an experience that is not intuitive or personalized for them. In adopting better tools for managing the workforce, you allow them to put themselves on an even footing with the mercurial customer base. They'll be more helpful and sympathetic, and customer satisfaction will improve.

The benefits of adopting a Web 2.0 framework stem from its openness and extensibility. Application Programming Interfaces (APIs) enable separate software programs to share data, which simplifies integration from one application to another. Another benefit is mobility. Web 2.0 simplifies application delivery across channels and across devices. Users have an unlimited degree of flexibility for delivering content.

Personal insights for people in different roles. Today's (and tomorrow's) workforce optimization tool has to see the agent as an active participant in his or her own success. To that end, it has to give the agent a clear view into the statistics through personalized dashboards and scorecards.

This is already happening in many existing tools. But they need to go further by integrating metrics that portray the real costs and benefits of agent behaviors. In the same way that executives need to see the value-metrics of the call center as a whole, agents need to see their activities expressed in business KPIs and comparisons. They need to see what they can do to lift revenue, generate sales, and identify profit-making opportunities.

Ideally, this kind of insight would be available to people no matter where they are in the organization. The right tool will parse contact center data appropriately, based on roles. It will, of course, keep the agent informed about his status. But it will present a different view of that data for a supervisor or manager, who needs to see a picture comparing agents and groups. And for executives and decision-makers, the view has to expand to the outcomes of what those agents and groups are doing: give them insight into the impact it has on customers and revenues.

In this way, the right tool functions as a way for the contact center to express how well it is supporting the overall enterprise goals. People in every role have a stake in understanding the relevance of the center's KPIs.

Big-picture views of the customer experience. The workforce optimization system is a logical place where there are enough sources of information available to assemble an integrated picture of the entire interaction in the context of the whole relationship. A next-generation contact center has to have the analytic capability to put those pieces together. This gives managers and supervisors the insight to target problems in as close to real time as possible. And it gives them what they need to "manage up" by demonstrating their contributions to the success of marketing, sales, and other corporate goal-setters.

CONCLUSION

While contact centers are excellent at handling calls, they face significant challenges in coping with the changes in customer and agent behavior that are threatening to swamp their systems.

Those four areas of complexity—the business, the agent, the customer and the technology—all come together at the contact center manager's desk. The key is to attack them as one unified problem that manifests itself in four different ways. The changes happening in the agent base and the customer base are very similar, for example, and have common causes. But they require different angles of approach: training for agents and better interaction analysis for customers.

The one common solution to all of these challenges is to adopt a stance embracing change. Not "change for change's own sake," but smart change that makes the center and its parent company more flexible and adaptable. It's change that gives them eyes and ears into the minds of customers and employees. The best place to make that change in a non-disruptive way is through the new generation of workforce optimization tools that embrace the new dynamics of contact centers and the new expectations of the worker. Today's tools combine ease of use with sophisticated data insights and big-picture analysis, exactly what is needed to remain fleet of foot in the competitive race.



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ABOUT CALABRIO, INC.

Calabrio, Inc. develops and markets Calabrio ONE a comprehensive suite of contact center workforce optimization software that's easy to implement, use and maintain. Calabrio ONE includes call recording, quality assurance, workforce management, speech analytics and performance-based dashboards and reporting. Calabrio ONE is flexible—providing product bundles and add-ons that make it easy for customers to begin with the right set of applications and features for their business today, then build on their success with new applications and features as their business matures and their needs evolve. The Calabrio ONE is built on a modern Web 2.0-based architecture that allows the contact center to integrate new applications easily, as well as personalize and optimize the desktop toolset for each user agents, supervisors, managers, knowledge workers, and executives. Calabrio is a member of the Cisco Developer Network (CDN), and a gold member of the Avaya DevConnect program. Find news and information at www.calabrio.com.

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