

Eight Essential Steps: Moving the Contact Center Beyond Operational Efficiency to Business Effectiveness

Executive Summary

For years, the goal of the contact center has been to operate efficiently, keeping costs as low as possible. During the recent economic downturn, cost reduction became even more crucial, and most businesses measured the performance of their contact centers almost exclusively on how little they spent.

Today, however, the inward-facing, savings-oriented contact center is outmoded. Technology makes it possible, and competition makes it necessary, for the contact center to become an active contributor to revenue goals. Efficiency is no longer enough. To succeed in a fiercely competitive global economy, businesses must see the contact center for what it has the potential to be a profit center that can make significant contributions to the bottom line by fostering customer satisfaction and loyalty, winning new business, and increasing revenue.

To transform the contact center from a cost center to a profit center, managers have to consider every type of contact center system: contact routing applications, interactive voice response (IVR) systems that deliver self-service, workforce management software, and tools for reporting and analysis.

All of these are good tools for keeping the cost of communicating with customers down, and businesses should still tap that potential. But technology advances have given all contact center systems new capabilities that can go beyond cost savings and directly support enterprise goals such as expanding business reach and building new revenue streams.

Perhaps more important, businesses need to look at the way these systems work together. Tight integration that makes contact center applications function as a unified whole can substantially increase the potential of each individual application.

This white paper discusses these issues in detail, explaining best practices employed by businesses that already operate their contact centers as profit centers and touching on the technology that enables those practices.

In its early days, the call center was seen as a cost center. Business managers, IT managers, and call center managers alike focused on keeping costs, particularly staffing costs, low. Early call center solutions were designed to promote efficient operations.

But as the call center has evolved into the multichannel contact center and as increased competition, globalization, and a more demanding customer population have changed the business playing field, many companies have come to realize that the contact center can and must be more than an expensive necessity. New technologies have made it possible for the contact center to be a profit center that increases customer satisfaction, customer loyalty, sales, and revenue.

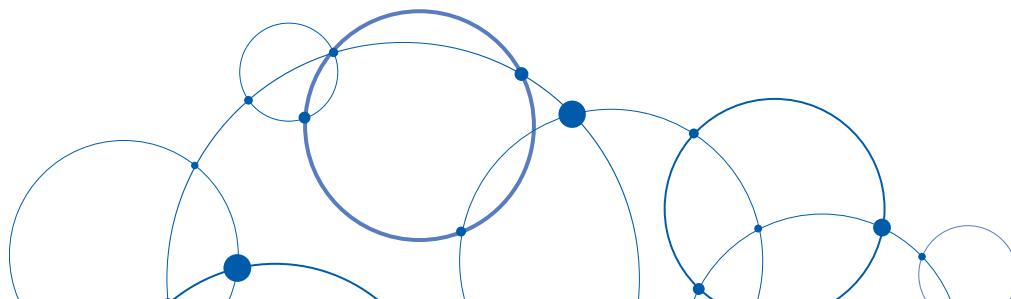
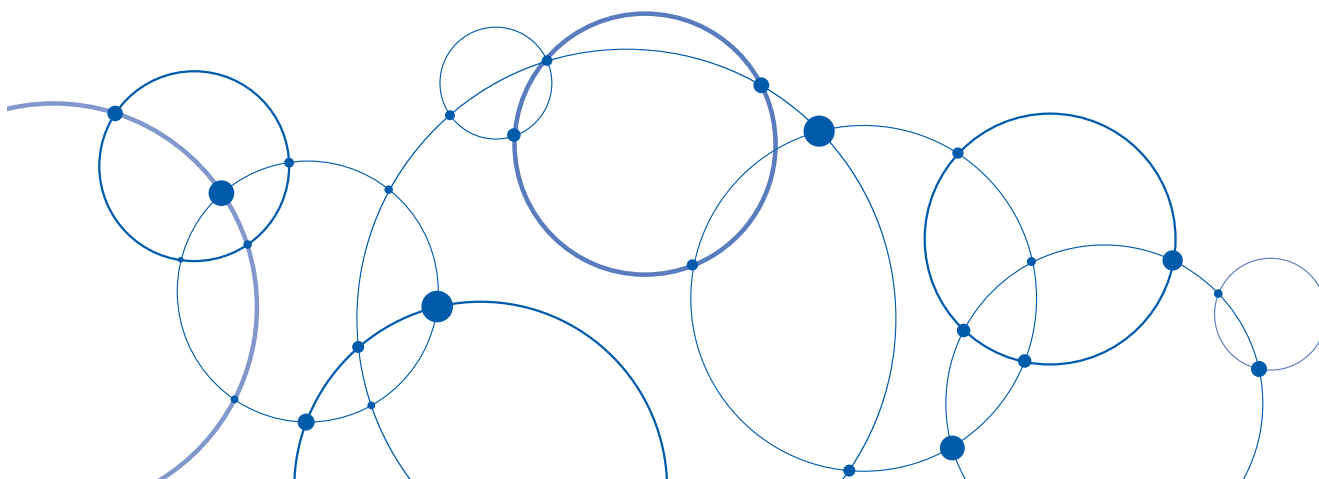


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In short, running an efficient operation that minimizes costs is not enough. Today's contact center must be effective as well as efficient-effective in contributing to the business's most critical goals of winning new business, retaining valued customers, driving sales, gaining competitive advantage, and increasing revenue.

Here are eight essential steps in moving beyond the traditional goal of efficiency into the revenue-generating realm of contact center effectiveness.

1. Use Advanced Contact-Routing Techniques

The most basic function of the contact center is call routing. In its simplest form, the contact center exists to distribute incoming telephone calls to service representatives. And the simplest call-routing strategy focuses on cutting two major contact center expenses-PSTN costs and staffing expenditures. That means reducing wait time by getting calls to the first available agent, balancing loads across agent groups to keep agents from sitting idle, and routing as many calls as possible to an interactive voice response system.

These are all good tactics for cutting costs, but contemporary advanced routing techniques make it possible for the contact center to do much more.

Multichannel Routing

As more customers become comfortable with interactive Web and email, you can extend your market reach and win customers away from your competitors by offering multiple contact channels. But to do this effectively, you need to integrate contact channels rather than operating silo systems for each channel. By managing multiple channels as a single operation and blending telephone, email, and interactive Web contacts into a virtual queue, you can ensure a consistent response no matter how your customers get in touch, make optimal use of agent skills, and keep your agents more consistently productive.

Perhaps more important, you extend the capabilities associated with state-of-the-art telephone contact routing to email and Web applications-using customer data, for instance, to route email and Web contacts and giving agents handling these contact channels information they can use to cross-sell and up-sell effectively.

Skills-Based Routing

Another advanced routing technique is skills-based routing. It is now possible to route contacts based on combinations of agent skills such as the ability to handle different contact channels, languages spoken, product knowledge, up-selling and cross-selling ability, or any other skill critical to effective customer service. Imagine, for instance, that a premier customer in Germany initiates a Web chat to ask a technical question about a particular product. With skills-based routing, it would be possible for the contact-routing system to automatically locate an available agent who reads and writes German, is proficient at Web chat, knows the product in question, and is trained in handling important customers-no matter where that agent sits.

Multisite Routing

Mergers and expansions have put many companies in the business of managing distributed global operations. Enterprise routing applications designed for distributed multisite contact centers can help your business leverage regional labor pools, balance workloads across sites to keep staff productive, and give customers better service and more opportunities to buy through extended service hours and follow-the-sun strategies.

Data-Directed Routing

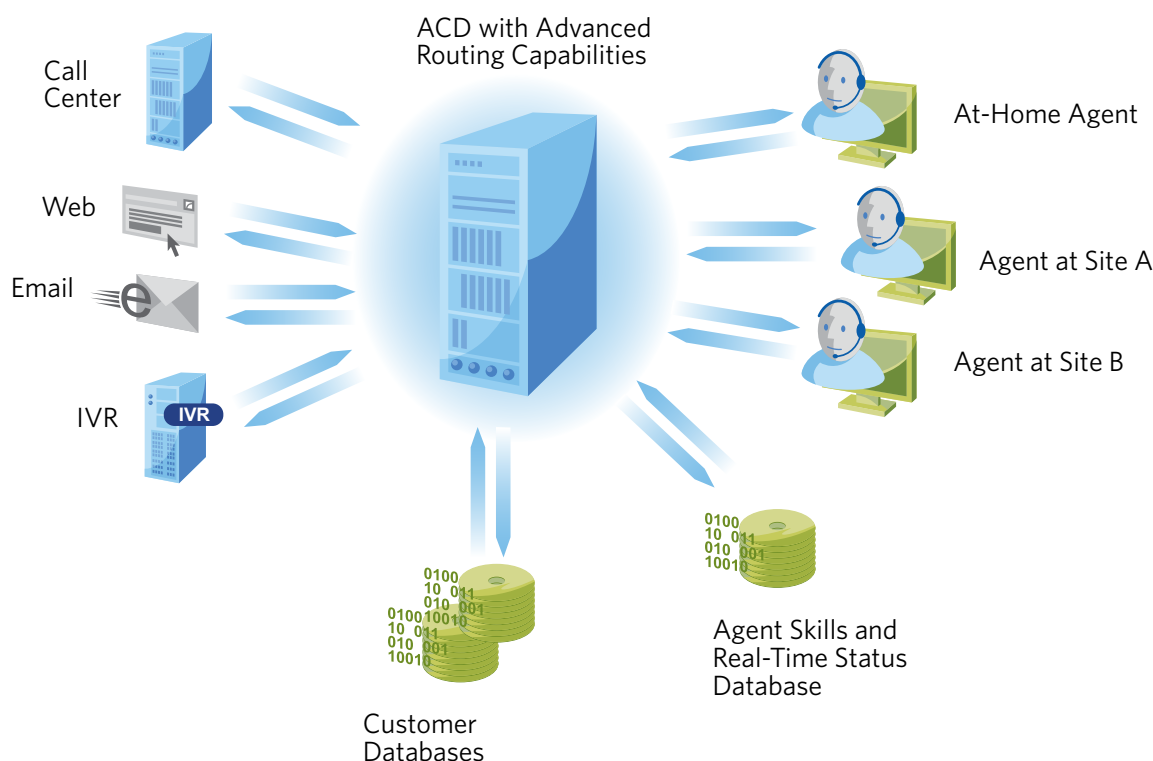
When contact-routing systems are linked to company information sources, the potential of the contact center to generate significant revenue is enhanced in several ways.

Selling is easier when agents have access to customer data. Computer-telephony integration (CTI) makes it possible to bring information from customer databases to agent desktops automatically, at the moment the contact arrives. An agent can know everything about what the customer has bought from the company. And knowing this, the agent knows what additional products or services might appeal to the customer.

For technology companies, knowing what the customer has already purchased can help agents identify upgrades, add-ons, and peripherals that go with the customer's system. A bookseller can know the customer's reading tastes. A clothing retailer can know what types and styles of clothing the customer prefers. In short, integrating contact center systems with customer databases makes it possible for an agent to give the customer the kind of personal attention that is the hallmark of most successful storefront retailers-and to increase revenue in the process.

Customer data can also help your agents conduct more revenue-generating transactions per shift. In an efficiency-focused contact center where every transaction is seen as a drain on the bottom line, the fewer transactions, the better. But in a contact center where every incoming contact is an opportunity to increase revenue, the more transactions agents perform, the more money the company makes. Customer data can increase the number of transactions performed by helping to get every contact to the most effective resource on the first try. If the contact-routing system is linked to customer databases, it becomes possible to automatically identify customers-and their needs-before contacts are routed. A help desk can direct contacts to an agent group with the training to support the exact product the customer has purchased. You can route a customer who purchases hiking gear to the sales group that handles that product line. The end result is fewer misdirected calls, more time for agents to focus on revenue-generating tasks rather than call transfers, and more revenue per shift.

You can also use customer data to focus agent skills on the customers most likely to buy. Information in customer databases can be the basis for segmenting the customer base and routing premier customers-frequent buyers or buyers who make high-end purchases-to agent groups with special training to cross-sell and up-sell. Customers likely to conduct less profitable transactions can be routed to agent groups with training in quickly closing small sales, or even to automated ordering systems.



Using advanced techniques such as multichannel routing, multisite routing, skills-based routing, and data-directed routing, you can get each customer contact quickly to the best resource to handle it, no matter where that resource is. And you give your customers more choices, better service, and opportunities to do more business with your company.

2. Turn Self-Service Applications Into Virtual Contact Center Agents

If you see your voice self-service applications primarily as tools for reducing staffing costs, you're overlooking their most important potential—the ability to increase customer satisfaction and increase revenue. Several advances in IVR technology take self-service beyond its traditional role of efficiency through cost reduction.

Automatic Speech Recognition

Automatic speech recognition gives customers a more convenient way than the telephone keypad to enter information. Rather than using the error-prone method of keying in long account numbers or ID numbers, they can identify themselves by simply speaking. This method of input is so simple, in fact, that it enables customers to enter information, such as names and addresses, that would be inconvenient or impossible to enter using the telephone keypad. And this in turn enables contact centers to deploy much more complex self-service applications that perform certain functions, such as taking orders or enabling account holders to update information, that live agents normally perform.

Text-to-Speech

Text-to-speech software reads information stored as text in enterprise databases and converts it into realistic synthetic speech. Combined with computer-telephony integration, it can be used to give customers access to a wide range of information, even information that changes frequently, such as account balances, flight schedules, or health plan entitlements. Providing convenient, private self-service access to this kind of information can boost customer satisfaction and differentiate your business in competitive markets.

Voiceprint Identification

As self-service applications become more powerful, secure access becomes a key differentiator for companies that use them. Customers want reassurance that the data they enter into your self-service applications and the data they access using them is secure. On the other hand, they are frustrated when they have to enter long, hard-to-remember PINs and passwords that they have to change frequently. Voiceprint identification provides both security and convenience. Customers simply speak an identifying phrase. Since voiceprints are as unique as fingerprints, a voiceprint-enabled self-service application can positively identify the caller and grant access—or deny access to an imposter.

Integration With Live Service

Even the best self-service applications sometimes fail to meet a customer's requirements. When that happens, the best way to ensure customer satisfaction is to make it easy for the caller to transfer to a live agent. And if the IVR system and the ACD system are sufficiently integrated, any information that the customer has entered during the self-service transaction will be automatically transferred to the agent's desktop.

Functions that various industries have successfully automated

Financial Services

- ATM locator
- Account balances
- Transaction confirmations and listings
- Interest information
- Check reordering

Government

- Vehicle license renewal
- Account balances
- Social Security benefits processing
- Emergency transportation information

Healthcare

- Claim status
- Benefits administration
- Prescription refills
- Patient eligibility
- Physician locator

Insurance

- Annuity account management
- Claims filing
- Coverage verification
- Policy renewals
- Rate information

Retail

- Customer account information
- Exchange and return information
- Order processing and status
- Store locator

Utilities

- Automated trouble tickets
- Account inquiry and change
- Outage information
- Meter readings
- Start and transfer service

Advanced IVR system capabilities have enabled businesses in many different industries to offer self-service for a wider range of transactions. And many of those transactions build customer loyalty and generate revenue.

3. Manage Your Workforce for Productivity as well as Cost-Effectiveness

Among contact center professionals, workforce managers have perhaps been the most inclined to focus on internal efficiency. On the surface this makes sense, given that 60 to 70 percent of all contact center expenditures go to pay and support contact center staff.

But shouldn't the biggest investment yield the biggest return? Why not aim your workforce management practices and technologies at empowering contact center staff to make the largest possible contribution to the company's most important goals?

Competitive businesses will use workforce management solutions just as they always have to staff efficiently and keep costs down, but they will also go beyond efficiency to manage for workforce productivity. Here are some productivity best practices and the technologies that enable them.

Real-Time Monitoring

Adherence to schedules is a major factor in maintaining service levels and promoting customer loyalty, so in addition to accurate scheduling and forecasting, effectiveness-oriented contact centers deploy workforce management software that enables them to monitor agent activity and compare it to their schedules in real time. With this information, managers can identify agents who need coaching and bring their productivity up to the levels necessary to meet customer service and revenue goals. Performance statistics can also be used in training sessions to explain to agents the impact of deviating from schedules. Most agents, when they understand the purpose behind scheduling practices, are willing to pitch in and help the organization meet its goals.

Protecting Quality in Outsourced Operations

Outsourcing is an attractive tactic to efficiency-focused contact centers. What better way to avoid the cost of hiring and training agents and providing equipment and facilities for them, right? Not if quality of service and customer satisfaction are important.

Unfortunately, when unintegrated contact centers share loads, they can't efficiently exchange information. The typical method is for the outsourcer to collect statistics on the agents assigned to a given client on a daily basis, encapsulate it in spreadsheets, and email it to managers at the client's main center. These managers must then integrate the spreadsheet data into their workforce management and reporting applications before they can put together an overall picture of the factors that drive the quality of customer service. And by the time they do, service levels-and customer loyalty along with them-can be in jeopardy.

Thus, before moving to an outsource model, effectiveness-focused contact centers will ensure that they have some method other than manual spreadsheets for exchanging information with their outsourcers. Ideally, they'll implement a workforce management solution that makes it possible to automatically exchange information with the outsourcer at set intervals and import that information directly into the forecasting and scheduling software.

Giving Agents Control of Their Schedules

Happy agents deliver more pleasing customer service, and the best way to boost employee morale and reduce agent turnover is to empower contact center agents to control their own schedules and to give them easy access to information regarding their work. Some workforce management solutions include features that let agents view their schedules, request changes and receive approvals online, view other agents' schedules and request shift trades, bid on shifts and vacations, and in other ways exercise more control over their work lives.

Streamlining Administrative Tasks

From the standpoint of both efficiency and effectiveness, any time your supervisors and agents spend performing administrative tasks is time wasted. You can't entirely eliminate processes such as requesting and approving schedule changes and notifying agents when changes occur, but you can automate them. The right workforce management software can give your agents tools for checking their schedules and requesting changes online or by telephone, and give your managers and supervisors tools for automatically communicating approvals and schedule changes. These tools free your staff to focus on the processes that contribute to business goals-monitoring service-level compliance, managing for productivity, delivering loyalty-winning service, and cross-selling and up-selling.

Making Staff Responsible for Their Own Performance

The best way to make contact center staff effective contributors to enterprise goals is to make them responsible for their own performance. In a typical efficiency-focused contact center, managers and supervisors get reports on agent performance. If the contact center isn't meeting its goals-which are usually cost-saving goals-supervisors can do little more than harangue the agents to do better.

The key to making agents effective contributors to revenue goals is giving information directly to them. It's a simple fact of human nature that no one likes to be told what to do, but most people take pride in how well they perform. If you clearly explain the contribution you want them to make and then give agents the tools to monitor their own performance and make their own corrections, you can make them feel and act like committed members of a team rather than disgruntled laborers being forced to comply with rules they don't understand.

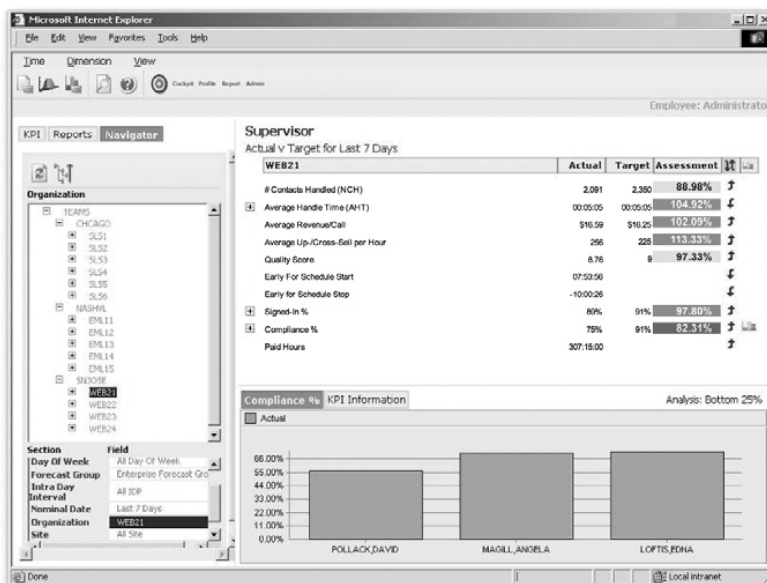
Contemporary analytical applications are ideal for empowering agents as well as supervisors and managers. Contact center-specific applications are available that collect key performance indicators (KPIs) based on years of evaluating contact center statistics and analyzing their effect on business goals. These KPIs can be delivered to every member of your staff on job-specific dashboards that give each worker the information most relevant to his or her job. Analytical applications also give users the ability to drill down in detail and identify root causes, so that they can take corrective action.

Tying Contact Center Metrics and Procedures to Overall Business Goals

The best workforce productivity technology available won't help if your processes and goals remain focused exclusively on cost reduction. Workforce productivity starts not with technology but with practices that tie contact center performance to business goals.

The conventional wisdom is that you can't manage what you don't measure. It follows, then, that whatever you're measuring is what you're managing-and rewarding. If you're asking your agents to keep queues short and call duration down, then you may be working against important business goals. Who is your best agent? The one who answers the most calls, or the one who sells the most products? What benefits your business most-an agent who saves 20 cents by getting off the phone quickly or an agent who wins a customer for life by spending those extra seconds to create a memorable experience?

There are tools available today to measure the really important facets of agent performance. You have information in your enterprise databases on sales, customer buying patterns, and customer satisfaction. With good data aggregation techniques and good integration between your analytical applications and your front- and back-office systems, you can combine traditional contact center metrics with more business-relevant data and manage your contact center for productivity rather than mere efficiency.



An analytical application that can draw information from enterprise data sources such as CRM applications, quality monitoring systems, human resources management systems, and enterprise resource planning systems and combine it with contact center statistics makes it possible to tie contact center performance directly to business goals.

4. Use the Information that Flows Through Your Contact Center Systems to Drive Business Success

Don't overlook the role of reporting outside the contact center in making the operation a valuable contributor to enterprise goals. Executives and managers throughout the company use information drawn from a variety of sources as a basis for business decisions.

The contact center can and should be one of the most valuable of those sources. Consider the information that resides in your contact center: How many customers contact your business, and how often. Whether they prefer the telephone or email or Web chat, or use more than one of these channels. When they contact you. Why they contact you.

One of the best ways to demonstrate the value of your contact center to other functional areas of your company is to make this information available to those charged with meeting business goals. A variety of tools exist for accomplishing this, ranging from traditional contact center reports that can be customized and distributed across the enterprise in easy-to-read formats to data marts that consolidate and aggregate data from multiple contact center systems to analytical applications that enable decision makers to quickly analyze and act on the data most pertinent to their goals.

Which tools you use and what information you report will depend on the nature of your company's business and the functions your contact center performs. But however you go about it, sharing the information in your contact center across your enterprise makes your contact center more valuable and your business more effective.

5. Combine Inbound and Outbound Call Handling

Many companies that have outbound dialers don't think of them as solutions that contribute to staffing efficiency and customer satisfaction, but they are. Outbound dialers read from lists of telephone numbers, initiate outbound calls for purposes such as direct marketing or bill collection, and connect those calls to agents in the contact center. The more advanced versions of these solutions offer a choice of dialing modes so that the system can let agents preview customer information and then initiate the calls themselves; initiate the call and then deliver it to the agent; or initiate the call, distinguish between busy signals, answering machines, and live answers, and only deliver calls that get live answers to agents.

Sending Inbound and Outbound to the Same Agent Group

A common tactic for keeping agents consistently busy is blending inbound and outbound calls and routing them to the same agent group. Since outbound calls originate on your premises under your control, you can use them to fill in the slack periods when inbound call volumes drop and then halt them again when inbound traffic picks up, effectively leveling out the peaks and valleys in contact center activity.

Giving Customers the Option of Scheduled Callback

A variation on traditional outbound dialing is scheduled callback. This term refers to software that estimates hold times and, when estimates exceed predetermined thresholds, plays recorded prompts that offer callers the option of scheduling a time to be called back. These systems offer callback times when predictions show that traffic in the contact center will be light, so they not only offer customers a convenient alternative to waiting in queue, but also help to level out peaks and valleys in traffic.

Consolidating Reporting

You can gain additional advantage from outbound dialing solutions by integrating the outbound dialer with the inbound ACD so that statistics from both go to a single data repository where they are available for consolidated analysis and reporting. This helps contact center managers staff efficiently because it gives them a more accurate picture of all contact center activity.

Unifying inbound and outbound

We use the word unify here to indicate a higher degree of integration than simple blending or consolidated reporting. It is now possible—using advanced business communications platforms that integrate multiple contact center systems such as ACDs, IVR systems, and email response management systems (ERMSs) and put them under the control of one business-rules engine and one development environment—to create a contact center that is more than the sum of its parts.

By bringing the outbound dialer into this tightly unified environment, you can improve customer service by giving business managers a holistic view of customer relationships, and you can make customer service more proactive by integrating the outbound dialer with enterprise databases to deliver proactive alerts and notifications to customers and bring customer information to agent desktops along with outbound calls.

6. Unify Your Entire Enterprise

One of the reasons that the contact center can now make such a valuable contribution to business goals is the fact that so many different kinds of applications are available. Less than two decades ago, basic call routing was all companies could expect from their call centers. Now, IVR systems with speech recognition and text-to-speech, workforce management software with extended feature sets, CTI software, and a variety of reporting and analysis products give the modern contact center a wide range of capabilities.

Until recently, the benefit of this array of applications has been offset by the fact that they are separate systems. Many companies, in fact, still operate multiple contact center applications as standalone systems, with no sharing of information and no integration of the functions they perform. Generally speaking, the more integration there is among contact center components and the more tightly integrated they are with other enterprise systems, the more potential the contact center has to support business goals.

Currently, there are two ways to combine the power of contact center applications. One is to integrate point solutions using CTI and data mart software. The other is to purchase a unified platform that combines multiple contact center functions.

The second alternative is particularly appealing if the unified platform offers a common administrative interface and development environment for ACD, IVR, and CTI applications. Contact center staff working with such a system can build customer-service applications that combine the capabilities of self-service and live service and that draw customer information from enterprise databases. Developers, given a single environment for multiple systems, can focus on building effective applications rather than manipulating multiple interfaces. And with data from multiple applications going to a single database, reporting can be centralized so that business managers can quickly and effectively apply business intelligence to business goals.

7. Standardize on Widely Accepted Technologies

Proprietary technology is a hazard to avoid in selecting products for the effectiveness-focused contact center. In the quest to make applications more capable, many vendors have built systems on proprietary architectures that are incompatible with systems from other vendors. And that's a serious limitation on the potential of the system to support business goals. Unless you can incorporate new technologies and products as they emerge, take advantage of offerings from a range of vendors, and quickly and easily develop new applications of your own, the cost of expanding the capabilities of the contact center becomes restrictive.

An effective contact center has to be based on widely adopted, proven technology supported by a stable vendor with extensive resources. The obvious example is Microsoft®. Microsoft® operating systems and server software are almost de facto industry standards now, and the Windows® user interface is so widely used that any system that takes advantage of it decreases training requirements. More important, Microsoft® makes open developer standards such as Web services and Microsoft.NET technology available that ensure easy integration with a wide range of third-party solutions. So in selecting technology, look for vendors who base their products on pervasive, open technology.

8. Leverage the Expertise of Trusted Partners to Develop Solutions that Meet Your Exact Needs

Finally, consider the vendor as carefully as you consider the technology. No matter how expert your contact center staff, you need the advice and guidance of an expert vendor to make your contact center effective as well as efficient.

First, choose a vendor with the right focus—not too narrow, and not too broad. Some workforce management vendors, for instance, are niche vendors who focus on point solutions. By specializing in a single application, they isolate themselves from the big picture. Narrowly focused vendors are likely to develop inward-facing products that meet traditional cost-reduction goals. But they're just as likely to show little understanding of how their products need to work with other contact center systems to support enterprise goals.

The opposite extreme would be large vendors to whom contact center applications are a minor sideline. Some network vendors, for instance, include contact routing products in their extensive offerings, but their primary focus is network infrastructure, and they are likely to see an ACD product as a tool for selling infrastructure rather than as a means of helping customer meet business goals.

The ideal vendor for the effectiveness-focused contact center is a contact center specialist with a complete or nearly complete contact center product line, extensive experience, and a broad installed base. Such a vendor is committed to developing feature-rich contact center applications based on demonstrated business requirements, and at the same time understands how various contact center systems work together. And by dealing with a contact center specialist, you gain the expertise of technology experts who have seen how business problems like yours have been solved in other contexts and can give you a valuable outside perspective on your operations.

Which Way is Your Business Going to Go?

Deciding whether your contact center will continue to be a cost center or will become a profit center may be one of the most important decisions your company makes in the next few years. Businesses in some industries may in fact be able to continue to focus solely on cost savings.

But in highly competitive industries, especially those competing in global markets, simply holding the line could be a fatal strategy. Aggressive competitors will take advantage of new contact center technologies and practices to win new customers. Do you want your customers to be the ones they win?

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About Aspect

Aspect is a global software and IT services firm specializing in applying Microsoft unified communications and collaboration to help customers achieve optimal results through enhanced business processes across the enterprise and in the contact center. Aspect provides IT consulting, integration services and business applications. For more information, visit www.aspect.com.

