



Keeping It Simple

Improving Agent Effectiveness and
Cutting Unnecessary Costs

An Independent White Paper Commissioned By

message pad
the contact centre specialists

Many of today's contact centres use complicated, multiple applications, often only loosely-linked, which require skilled and experienced agents to navigate, let alone to manage interaction with customers successfully at the same time. Even after the call is completed successfully, each system may need specific inputs from the agent in order to start the required back-office processes, or to keep each database consistent with the others.

The results are expensive:

- ❖ **Each year, UK contact centres spend £2.1bn on post-call wrap-up alone**
- ❖ **Training costs are between 2 and 4 times what they are in a simple contact centre environment**
- ❖ **Average call lengths rose by 18% in 2005 as the contact centre environment became ever more complex**

The result is that even though a contact centre may be staffed with experienced, hard-working and skilled staff, its overall performance is disappointing, leading to low customer satisfaction, unnecessary costs and decreased profits. This White Paper outlines the problem, but suggests ways in which unnecessary expenditure can be cut, while improving customer satisfaction, and thus, revenues too.

It is not uncommon to find a contact centre agent regularly using half-a-dozen or more applications in their daily job, including:

- ❖ Product databases
- ❖ Customer management systems
- ❖ Knowledge bases
- ❖ Multiple trouble ticketing applications (depending on customer and product line)
- ❖ Complaints handling systems
- ❖ Supply chain management solutions
- ❖ Personal productivity tools (email, word processing, spreadsheets, etc)
- ❖ Fulfilment
- ❖ Instant messaging
- ❖ Inventory management
- ❖ Credit card payment systems
- ❖ Real-time network status systems
- ❖ Pricing systems
- ❖ Accounts ERP/Financials and Sales Order Processing systems
- ❖ CRM (customer relationship management)
- ❖ System monitoring (network administration level)
- ❖ CTI (computer telephony integration)
- ❖ Web browsers
- ❖ In-house bespoke systems

Research indicates that it can take between 6 and 12 months for agents in a complex, multi-application environment to become fully competent (compared to around 3 months in a simpler environment) – a very significant cost, especially in high-attrition environments, and one which also has a definite impact on the average

quality of service experienced by customers. Taking into account that the average agent tenure is only 36 months¹, it can be viewed that a significant proportion of an agent's career at a company can be relatively unproductive.

In most cases where complex, multiple applications are used, they are necessary for the agents to do their job, so the question is not "How can we reduce the number of applications?", but rather "How can we improve how the agent uses the applications?". At the moment, due to complexity, expense and the sheer weight of constant change, applications are either integrated very loosely, or not at all. Agents are "trained" to switch rapidly between applications, relying on their experience to make sure they don't forget to do everything.

Specific vertical markets will tend to experience this the most:

Vertical market sector	Use of multiple applications
Finance	Customer accounts, CRM, product database, payment systems, email, quotation system (esp. insurance), complaints, other sister companies' systems (often through merger and acquisition), legal and compliance scripts, insurance claims
Facilities Management and Support Services	Customer accounts, asset management, scheduling, mobile workforce tracking, email, fax, complaints, payment systems, telefixing, workflow
Utilities	Customer accounts, payment systems, utilities status systems (e.g. scheduled or emergency work being done on water, gas, electricity supplies), cross-selling/up-selling prompts, product information, maintenance and booking systems, complaints, email
Telecoms	Customer accounts, cross-selling/up-selling applications, CRM, field maintenance booking systems, real-time network status screens, complaints, payment history, credit/debit card applications, fulfilment systems, email
Outsourcing	Multiple screens and applications depending on customer requirements, not all of which will be familiar to agents
Retail & distribution	Supply chain systems, distribution and shipping history, warehouse stock systems, CRM, customer history, pricing applications, payment systems, complaints, email

The bottom-line is that using complex, multiple applications without any specific agent support usually leads to longer calls. However, this is not the end of the problem, as this type of work also tends to initiate requests for processes to be

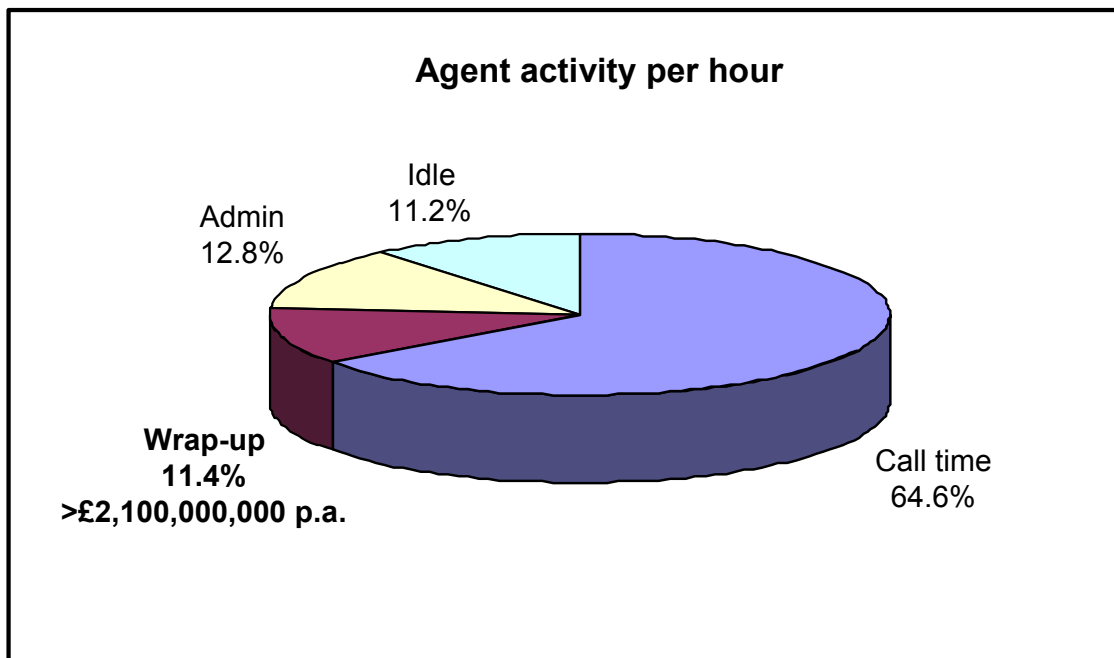
¹ ContactBabel, "The UK Contact Centre Operational Review" (2nd edition – 2004)

carried out within the back-office (e.g. initiating an engineer or sales visit, sending out literature, moving a customer request onto the right department with the right information, flagging a customer as a hot prospect for a specific marketing campaign, etc.). This, as well as the need to enter information in multiple applications, will tend to increase post-call wrap-up to a point where the agent spends a great deal of their time unavailable to take more calls. Additionally, manual inputs involved in transferring data during wrap up commonly lead to data entry and processing errors, causing an adverse effect on operational efficiency, contact centre cost, performance and customer satisfaction.

In the UK, almost 7 minutes in every agent's hour are spent on post-call wrap-up. Agents in contact centres using complex, multiple applications can spend twice as much time as this on post-call activity.

In itself, this may not seem like much, but it actually amounts to an expenditure of over £2.1 billion in 2005 on wrap-up alone.²

Long wrap-up times mean more agents are needed to deal with calls, and/or queue times grow, hurting customer satisfaction and revenues. If there is already a problem with dealing with call peaks, this will be exacerbated by the high amount of agent unavailability and the reduction in the number of staff with the skills to handle all types of complex calls.



² ContactBabel, "The UK Contact Centre Operational Review – 3rd edition (2005)" and "UK Contact Centres in 2006 – The State of the Industry"

In the past, a lot of effort has been put into decreasing call handling times, but this can go too far: cutting calls to the bone can mean losing cross-selling and up-selling opportunities, can make customers unhappy, lower first-call resolution rates and create agent burn-out. However, by focusing on decreasing wrap-up times, a positive effect can be achieved on customer service levels, contact centre performance and agent morale, as long as the various applications and databases in use are maintained with accurate and relevant information.

The IT issues surrounding multiple applications

Even if applications are implemented smoothly and maintained regularly, there are still considerable hurdles to overcome to getting them to work together in the contact centre environment:

- ❖ Businesses are failing to get the most from their CRM applications and this is not helped by low value-add at the desktop. When businesses have tried to integrate CRM with other applications at the agent desktop, they have found that new applications are added and requirements move on before they have even completed the first integration. They are forever chasing a mirage which never quite comes into full view, spending money excessively as they go: leading analysts Gartner have suggested that more than half of CRM implementations fail to meet expectations
- ❖ To get the most out of CRM applications, businesses need a single user interface that provides only the relevant data and functionality of the CRM system, along with the other functionality required from other systems. Depending on the nature of the project, this can be an extremely complex and expensive task, with costs even outstripping the considerable CRM software licence outlay (some user interface projects have cost 50% of the overall budget). However, there are now ways to create a user interface much more cheaply without the need to change underlying systems
- ❖ Adding more and more applications to an agent's desktop has serious effects on the performance of the IT systems and the IT department itself. If multiple applications are held open on the agent's desktop, the PCs' processor and memory resources become over-burdened. As a result navigation between applications is slowed, calls take longer and PCs may need to be upgraded sooner than the business would have liked
- ❖ The perceived cost and risk of adding and integrating new IT applications may make businesses wary of doing so, even though it could give them competitive advantage. This reticence could cost dearly in the long-run
- ❖ Multiple applications make the desktop difficult to IP enable, closing out the many advantages offered through IP technology, especially the trend to incorporate home workers in the contact centre mix.
- ❖ For today's complex, multiple application contact centre, it need be no longer a choice of whether to integrate expensively and hope for the best, or to rely on an agent's experience and arcane skills which they have learnt over a great deal of time. By putting an opaque user interface application over

existing systems – effectively making them invisible to the agent – businesses can simplify the agents’ tasks without abandoning functionality such as database updates and workflow triggers.

The multiple databases and applications are still present behind the user interface, but the agent is dynamically presented with the fields that are relevant to their specific task and skill-set. Furthermore, the level of guided interaction that the user interface gives to the agent is determined by the same criteria – who the agent is and what they are doing at the time – and field validation minimises miskeyed data. Workflow applications in the background take care of much of the repetitive nature of post-call wrap-up and initiates back office processes automatically. One result of this approach is that less IT support needed, as the business can keep underlying processes stable and consistent, making tweaks as needed at the desktop level

Although the IT issues surrounding multiple, complex applications are important, they are only a part of the whole picture. Perhaps even more important is the impact upon cost and quality that can occur in these contact centre environments. Usually, cost and quality are traded-off against each other – you can focus on one, but not the other as well - but in the circumstances outlined above, it is possible to decrease cost and increase quality **at the same time**.

The cost of complexity

Training costs

Although the industry-wide induction training period for contact centre agents is around 4 weeks, companies which use unintegrated, multiple applications report that agents do not become fully familiar with systems and therefore totally competent before they have had 6 months in the job, and some take up to 12 months. In an industry where average staff attrition rates are 22% p.a. and rising, this means there is a lot of time in the average agent’s career where they are not pulling their full weight. Therefore, any application or process which gets agents up to full competency (or at least makes sure that they are guided to do exactly the right things) should be a valuable tool.

Even more telling than these statistics is the fact that more than half of training time is spent on showing agents how to navigate through and use the IT systems, rather than working on areas which could make a positive difference to company profits, such as cross-selling strategies, explaining company products and services in-depth, or developing soft skills such as listening and conversational abilities.

Table: Training type by vertical market

Vertical market	Hard skills	Soft skills
Outsourcing	38%	62%
Utilities	46%	54%
Telecoms	48%	52%
Retail and Distribution	52%	48%
IT	59%	41%
Transport and Travel	59%	41%

Finance	65%	35%
Public Services	70%	30%
Average	54%	46%

Using an application which dynamically presents a single screen to the agent with all of the relevant information on it – regardless of where that information has been drawn from – goes a long way to cutting training times. The key word here is “dynamically”. After the caller and the relevant issue/product/service has been identified, the user interface presents only those fields appropriate to the interaction, the client and the agent. Through the use of drop-down lists and check-boxes, the interaction is both speeded-up and made more accurate, as there are fewer opportunities for miskeying information. Having a knowledge base which sits behind the user interface application, providing the agent with further background on the interaction in hand is another way in which less experienced agents can present a more knowledgeable and effective face to the world.

Call lengths and wrap-up

The other unnecessary major cost surrounding complex, multiple applications is connected with call length – both talk time and wrap-up.

As agents have to navigate between screens, and cannot always maintain a dialogue with the customer while they were doing so, the time spent on the call itself can be longer. The added complexity of systems can also have a negative impact on the agent’s ability to find the information they are looking for, leading to more escalations and lower first-time call resolution – bad both for the customer experience and the performance of the contact centre.

After the call itself, a wrap-up time more than double the industry average may be experienced in complex, multi-application environments. This is primarily caused by the large number of separate applications that agents have to work with to ensure the accurate and consistent entry of data. This has a major impact on queue lengths and agent availability to take calls, which in turn has a negative effect on customer satisfaction ratings as well as increasing staff costs. Rekeying of data can also mean that inaccurate and misleading information is inserted into the different applications, which reduces the availability and accuracy of a single view of the customer and their interaction history, as well as significantly reducing the chances of successful future interactions.

However, a dynamic user interface can reduce wrap-up time dramatically, by passing data collected during the call to the applications and databases running in the background, without the need for rekeying. These outputs can be linked to start back-office processes automatically, without the agents needing to do anything else, or even to be aware that these processes are happening, enabling and supporting the effective use of less-experienced agents - whether in-house or outsourced.

Staffing for peaks and anomalies

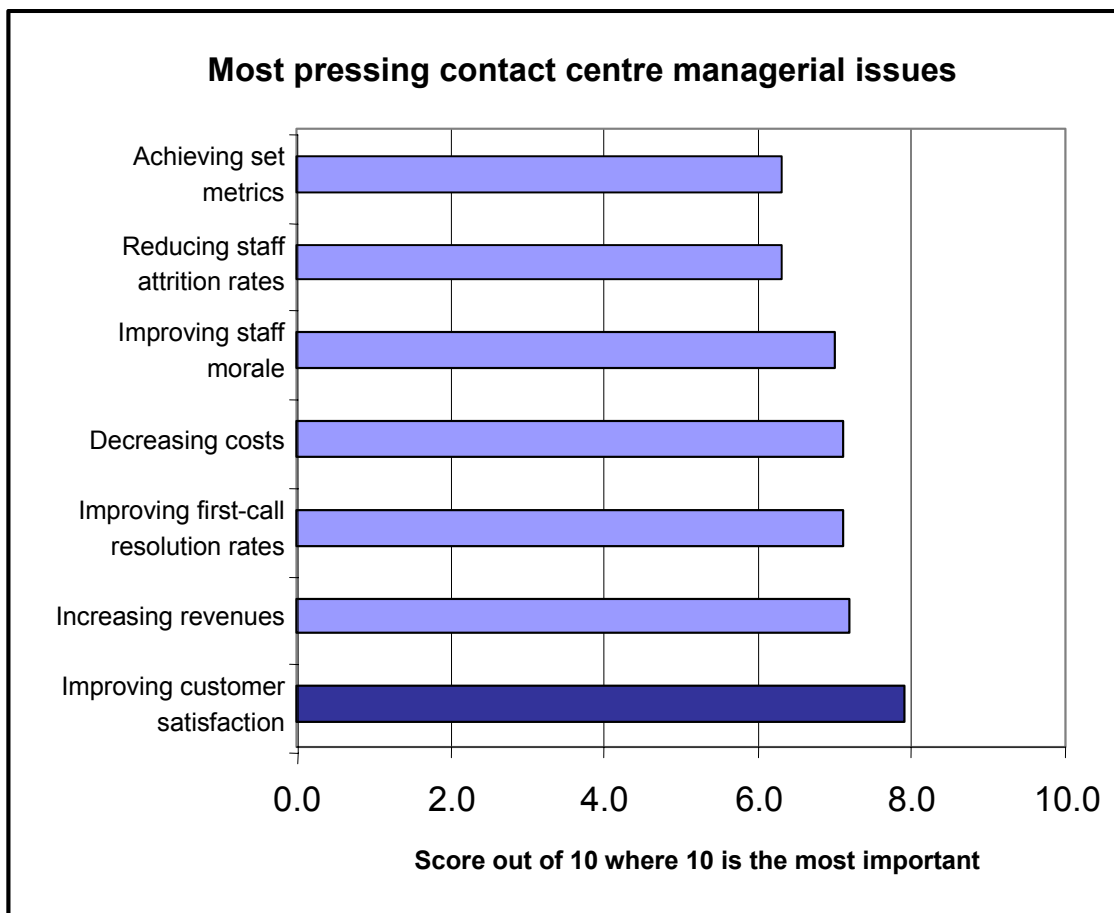
Quality or cost can both suffer if the contact centre isn’t staffed correctly at all times, yet it can be hard to run a contact centre successfully if staff are in wrap-up for a

quarter of their shift. Staffing so as to deal successfully with call peaks can mean that agents are sitting idle for some of the day, pushing costs up dramatically. Furthermore, in an environment which supports many products, demarcation along specialist team lines means lower overall contact centre performance, due to high numbers of call transfers, the cost of employing many experts and subsequent overstaffing.

A solution is to have a dynamic pool of labour available when it is needed. Businesses can use either outsourcers or the "middle-office" – i.e. the rest of the company – to assist the contact centre when necessary. In either case, these casual agents may not need to be entirely familiar with every product or service that the company supports, as long as the interface which they use is tightly presented, allowing them only to ask and collect the specific and relevant information for that interaction. The middle-office agents can also be used in the event that a specific high level of expertise is required that most contact centre agents do not have.

Quality issues

Although contact centres have traditionally focused on cost reduction as the key improvement strategy – and for most, it is still central – the last few years have seen customer satisfaction force its way up to become the most important strategy for contact centres.



“Increasing customer satisfaction” scores 7.9 from a maximum of 10, whereas “decreasing costs” scores 7.1. Customer satisfaction has been at the top of the rankings for the past three years, and the gap between that and the other issues has steadily increased. It is worth noting though that “improving first-call resolution rates” – with its attendant positive result for both cost savings and customer satisfaction ratings – has also strongly grown in importance every year³.

However, the typical use of multiple, complex applications does not lend itself to supporting higher levels of customer satisfaction or interaction quality:

- ❖ Mistakes and omissions are more likely as data may need to be rekeyed several times. The business relies upon the agents to carry out consistent actions and make the same decisions between systems, which may not be auditable (e.g. in trying to enter consistent and important information on multiple screens, an agent may get it wrong, forget something or decide not to do it in order to save time)
- ❖ Agents who need to navigate multiple screens while managing call lengths are under pressure to reduce the non-core interactions they could have with customers, such as a cross-selling, spending a little more time in conversation with the customer in order to build a better relationship or answer their questions more fully. This is likely to lead to a process-driven mindset, where the agent has to remind himself to tick mental boxes along the way and has little desire or motivation to do anything outside the confines of the call process
- ❖ This idea of missed opportunities also applies to the IT department and the business as a whole: if the contact centre environment is already too complex, the introduction of new systems – even those with a potentially massive upside to them – is much less likely to be considered. Businesses could find themselves so scared to implement new systems (as their existing contact centre staff and processes are already seen as being at breaking-point) that they miss out on gaining a real commercial advantage
- ❖ Many contact centres have little knowledge of business-wide marketing initiatives, which impacts negatively on quality, performance, training and agent morale. For example, agents can come to work on Monday morning and be greeted with numerous calls about a new product or campaign of which they are unaware. In fact, 39% of contact centres are told nothing about advertising or marketing decisions, and only 11% claim “a high level of input” into such matters⁴.

In such cases, a dynamic user interface can assist agents in delivering consistent levels of high-quality, up to date information without the need for many months of training, by guiding the agents through questions and responses, and by running data validation checks dynamically. An application which can ensure that the correct information is requested, and then distributed automatically to the right systems, will provide the agent with the confidence to make sure the interaction is of a good quality, dealt with entirely to the customer’s satisfaction, and takes as little time as

³ ContactBabel, “The UK Contact Centre Operational Review”, 2003, 2004 and 2005

⁴ ContactBabel, “The UK Contact Centre Operational Review – 2nd edition” (2004)

possible. The application can even support cross-selling or up-selling at the right moment, through setting business rules which trigger a sales effort within the flow of the conversation.

As contact centre agents are usually the people who know most about what works and what doesn't, it is also a good idea to provide them with a dynamic means of providing feedback. Whether that is about conversations, campaigns, competitors or how the system itself could be improved, the ability to offer immediate feedback after the interaction has been completed can be of great value. Keeping agents informed of changes, and listening to them is crucial: most contact centres do not offer agents this ability, but it has been found that this two-way communication improves quality and reduces staff attrition rates. Having an intuitive and dynamic user interface, rather than a mass of complex applications, makes agents feel as though the system is working for them, rather than vice versa, thus improving quality and job satisfaction.

Summary: increasing quality while decreasing cost

Being unable to integrate complex, multiple applications at the desktop has a definite effect on call length and performance, which, in turn, has an immediate impact on customer satisfaction. Cost per call rises, and productivity per agent declines. First-call resolution rates slip as more calls are escalated due to the complexity of the systems hindering agents, rather than helping them. So we can see that poor application integration and presentation at the desktop level has a direct and negative effect on those long-term contact centre strategies deemed most important and desirable, such as customer satisfaction, lower first-time resolution and higher escalation levels.

It was mentioned earlier that businesses can usually focus either on cutting costs or improving quality. However, businesses can now consider a third way, which allows desktop solutions for users to be developed separately from the underlying applications, re-using existing logic and interfaces rather than replacing them. The agent works with a single desktop application which is tailored to their specific needs (for example, offering only those fields which the agent needs for an account opening process), pulling in only the right data and applications from disparate systems and presenting them on a single screen. In the background, business rules and workflow make sure that the right back-office processes happen without agent intervention, thus reducing wrap-up costs.

This third approach also supports the availability of a higher level of business intelligence, as every aspect of the call, including the outcome, can be viewed holistically during and after the call. This is especially useful for gauging first-call resolution rates, which are growing in importance every year - there being a very strong positive correlation between first-call resolution, lowering costs and improving customer satisfaction - yet few contact centres measure it accurately.

An application which supports less experienced agents, and helps them to learn means that staff attrition rates can be managed more effectively. High attrition rates and poor knowledge bases mean that people take away the knowledge as they leave. By having a user interface which provides the right information dynamically - and which increases the amount of leeway an agent has as they become more competent

– means that agents can find the right balance between being too tightly managed and feeling cast adrift by the system’s lack of user-friendliness.

The application’s ability to react to changing circumstances (whether by interaction type, the product being supported or the agent’s own skill-sets) means that it is ideally suited to helping contact centres staff their operations cost-effectively without compromising on quality. As call peaks occur, the business can seamlessly overflow them to an outsourcer with access to the same user interface (but with business-defined access rights to the database), or bring in the “middle-office” – other parts of the business where casual agents can log on and take calls until the peak is dealt with.

Contact centres with complex, multiple application environments may well have recognised these problems and issues as ones which they face everyday: their challenge now is to consider the approach described within this white paper and how it can help their business move towards the holy grail of improving customer satisfaction while keeping costs low.

About ContactBabel

ContactBabel is the contact centre industry expert. If you have a question about how the industry works, or where it’s heading, the chances are we have the answer.

The coverage provided by our massive and ongoing primary research projects is matched by our experience analysing the contact centre industry. We understand how technology, people and process best fit together, and how they will work collectively in the future.

We help the biggest and most successful vendors develop their contact centre strategies and talk to the right prospects. We have shown the Department of Trade and Industry how the UK contact centre industry will develop and change. We help contact centres compare themselves to their closest competitors so they can understand what they are doing well and what needs to improve.

If you have a question about your company’s place in the contact centre industry, perhaps we can help you.

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About Message Pad

Founded in 1994 Message Pad are contact centre specialists. We operate a network of contact centres offering outsourced services and do so via contact centre technology continually developed in-house. In the last few years Message Pad has rapidly grown the number of 3rd party users of the technology, and technology sales and development is now the major part of the company’s success.

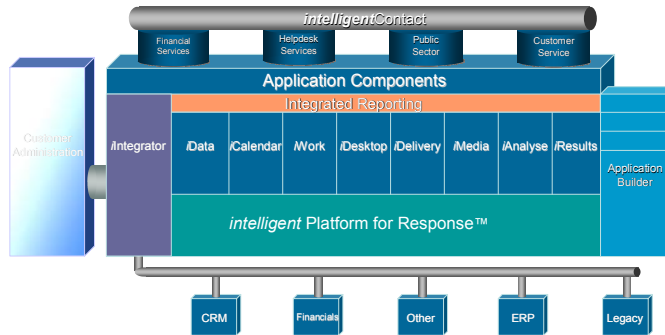
Message Pad’s **intelligent Contact** platform presents to contact centre agents a unique, intuitive desktop which always looks and behaves in the same way irrespective of the nature of the call and the underlying processes needed to manage the interaction. Information for every aspect of the call is drawn from as many sets of data as necessary and the inherent scheduling and workflow capabilities provides an environment that meets any point-of-call challenge for a wide range of sectors. In addition, tight integration of the desktop with Message Pad’s own soft switch ensures post-call wrap up and data dispatch

is completely automated. Dynamic skill set routing, Message Pad's own patented VSoIP call distribution technology and incomparable MIS complete the offering.

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Application Architecture



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