



# Contact Center Workforce Management Market Report Reprint

## 2012

Reprinted for:

**calabrio**  
There's no end to better.

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***Table of Contents***

1. Executive Summary .....	1
2. Revitalization of the Workforce Management Market.....	2
3. Calabrio.....	5
About Calabrio .....	9
About DMG Consulting LLC .....	9

## 1. Executive Summary

This is DMG Consulting LLC's fifth annual *Contact Center Workforce Management Market Report*. This Report provides the most comprehensive, timely and fact-based coverage of this technology sector. Workforce management (WFM) is one of the most important productivity tools used in contact centers, and is considered mission-critical in many operating environments. However, due to complexity of many of the earlier WFM solutions, adoption of these solutions has been slower than it should have been, but this is changing. After more than 30 years of trying to break through this barrier, it's finally happening. There are now more WFM solutions available than ever before, and they vary greatly in their complexity, ease of use, functionality, accuracy and a great deal more. Contact centers of all sizes can now find a solution that meet their needs, although they will have to make trade-offs, as the perfect contact center WFM solution does not yet exist.

DMG Consulting encourages all contact centers with more than 25 agents to use some form of WFM solution. Now that many WFM solutions are available in the cloud, it's a lot easier to acquire and implement WFM. As importantly, contact center managers can try an application and, if they don't like it, they can easily cancel their contract and move on to something else. The cloud is helping to change the dynamics of the WFM IT sector because it has made this mission-critical application easily accessible and cost effective for contact centers of all sizes.

Changes in the contact center workforce are also increasing the need for WFM solutions. As Millennials, or Generation Y, enter the contact center workforce in droves, they are altering the well-established workplace structure. Millennials are very different from "Boomers." They have different expectations of their employers and what they are willing to give of themselves to their jobs; they are highly protective of their work/life balance and are not willing to sacrifice their personal lives for their organization. It was never a good idea to ask agents to constantly alter their schedules (unless they were a flex team) to meet the changing needs of the organization. In the past, employees made some effort to accommodate these requests; but no more. Millennials do not see the benefit of sacrificing personal commitments for companies that are not committed to them. As a result, contact centers need WFM solutions to enable them to find an appropriate balance between the need to optimize their contact center's performance and their staff's need to prioritize their personal lives.

What this means is that if you have not updated your WFM solution in the past three years, it's time to invest in a couple of really important modules – scheduling functionality that allows for optimization of agent preferences over

department optimization, and self-service capabilities that allow agents to pick their own schedules, request vacation time, swap work hours and have the ability to approve the changes on an automated basis. If you're satisfied with your current WFM solution and vendor, then it makes sense to upgrade to a newer release that has these advanced features, if one is available. However, if a new and improved release is not available, if upgrading is equivalent to installing a new solution, or if it's too expensive, then it's a good idea to take a fresh look at the market competitors.

Another important WFM consideration today is what is happening in the back office. As recently as three years ago, there were almost no good solutions available to help companies forecast and schedule back-office activities. Companies that wanted to address this challenge had a couple of options – they could build these capabilities themselves, use business process optimization (BPO) solutions where they received a framework and could customize it to address these challenges (with a great deal of time, effort and cost), or they could take a contact center solution and try to apply the erlang-based algorithms to challenges that they were never designed to address, such as backlog. There are now two vendors that specialize in handling back-office WFM – eg Solutions and Verint – as well as a growing number of contact center WFM vendors that claim to have this functionality. DMG expects to see a great deal more activity in this area, as our research shows that the size of the back office sector is three times the size of contact centers.

This Report is intended to give readers a thorough understanding of the WFM market, from competitive, functionality, pricing and best practices perspectives, so that you can find the right solution and partner for your contact center. The 2012 – 2013 edition of the *Contact Center Workforce Management Market Report* provides a detailed review of the ten leading and contending vendors that offer functionally rich and high-value solutions.

## **2. Revitalization of the Workforce Management Market**

Workforce management is one of the oldest applications in the contact center market. It was originally introduced to help contact center leaders manage their agent resources, which account for 70% to 80% of contact center costs in North America, and 40% to 60% in other regions of the world where “people costs” are significantly less. However, even when people-related costs are lower, the complexity of supervising dozens or thousands of agents is high, and managers need tools to ensure that they have the proper number of resources to handle the projected volume of interactions.

The historical issue with contact center WFM solutions is that they were expensive, and overly complex. Workforce management solutions have always been, and remain, the most sophisticated and complicated application used in most contact centers. Their cost and complexity has severely limited their adoption rate, as it requires scale – a large number of agents – to cost justify an investment in WFM. Even when the price started to become more reasonable, the solutions remained too difficult for many contact centers to use effectively. So, WFM became known as contact center shelfware; too many of the contact centers that purchased WFM put it on the “shelf” when they did not like its recommendations and/or did not have best practices to properly apply them.

It has taken close to 30 years, but WFM is finally getting a second chance. New vendors, inside and outside of the US, are taking a fresh look at the challenges, and are delivering a new breed of software. Contact center leaders want WFM software that is accurate and allows them to achieve their goal of cost effectively providing an outstanding customer experience, but the software needs to be useable. The new vendors understand this, but the original competitors acknowledge the issue while continuing to support and sell overly complicated software.

Calabrio, a less well-known WFM competitor, deserves credit for helping to pave the way for WFM application changes, as did vendors such as Teleopti from Sweden, who have placed a great emphasis on handling work rules and agent schedule preferences. Calabrio proved to the market that WFM solutions did not have to be overly complex and difficult to use, introducing the best WFM user interface in the market. Teleopti, as well as European competitors, including InVision, showed the market that WFM solutions could properly address work rules and agent preferences.

These vendors have proven to WFM users that it does not need to be “business as usual,” despite the protests from market leaders that they were doing all they could to make things easier for their customers. The fact is that they were not; what they were doing and continue to do is make things easy for themselves, as they do not want to make the major investments that are necessary to modify their applications.

The leading contact center WFM solutions need improvements that go far beyond a total rewrite of their user interfaces. The application logic needs to be changed in conjunction with the interfaces. The complexity of the applications makes this a major and very expensive effort.

The leading vendors have communicated to DMG that they finally agree with the need to make the investments, but it remains to be seen if they will. It is likely that they will try, or they will risk losing a growing number of customers over the

next five years if they don't make the investments, as the smaller and nimbler vendors make investments that make their solutions more functionally rich and competitive.

Although contact center WFM solutions are improving and there is finally reason to believe that these applications will be significantly better in the future, there is currently no ideal WFM solution. But there are better options than at any time in the history of the contact center market, and more are on the way. End users now have many choices and can decide which trade-offs to make. They can now acquire a majority of these solutions in the cloud, greatly altering the financial impact and return on investment dynamics.



### 3. Calabrio

**Founded:**  
2007

**Headquarters:**  
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**Website:**  
[www.calabrio.com](http://www.calabrio.com)

**Ownership:**  
Private

**Industry Focus:**  
Top verticals  
include financial  
services, insurance,  
higher education,  
distribution,  
manufacturing,  
government and  
retail

**WFM Application:**  
Calabrio Workforce  
Management Basic

Calabrio Workforce  
Management  
Advanced

**Current GA  
Version:**  
8.8

**Current GA Date:**  
January 2012

**Delivery Model:**  
Premise-based

Calabrio is a privately held company with approximately 100 employees. Headquartered in Minneapolis, Minnesota, Calabrio is a provider of customer interaction workforce optimization (WFO) solutions, including call recording, quality management (QM) and workforce management (WFM). Calabrio's WFM strategy is "to provide workforce management software that is easy to install, learn, use and maintain."

The Calabrio Workforce Management solution is sold primarily indirectly via global distribution partners. Cisco and their distribution partners remain an important network for Calabrio; they are also building out their Avaya channel. Calabrio's "sweet spot" is in the 50- to 500-seat range, although their customers vary in size from 25 to thousands of seats.

In 2011, Calabrio achieved their third year of double-digit revenue growth in their WFO business. While their primary market is North America, they sell all over the world through Cisco. Calabrio plans to continue to expand their presence in Central America, AMEA and APAC through their distribution partners. During the next 12 months, Calabrio plans to migrate their WFM forecasting, scheduling and administrative functions into the new Web 2.0 interface.

#### Solution Snapshot

Calabrio Workforce Management is offered on a stand-alone basis or as an add-on component of Calabrio ONE, the company's Web 2.0-based contact center suite. Calabrio WFM supports forecasting and scheduling for inbound calls, email, chat/IM and fax. Currently, the application schedules back-office, outbound and social media activities as a project or block of time.

Standard and optional functional components of Calabrio Workforce Management are:

<i>Calabrio Workforce Management High-Level Functional Modules</i>	
Functional Module	Standard or Optional
Forecasting	S
Scheduling	S
Intra-Day Management	S
Real-Time Adherence	S
Agent Self-Service	S

Time-Off Management	O
Long-Term Strategic Planning	O
Dashboards	S
Functional Module	Standard or Optional
Reporting	S
Performance Management	S
Back Office	S
Branch	S
Workspace Allocation	--
Payroll Management	--
Campaign Management	--
eLearning/Meeting Management	S
Recruitment/Hiring Management	--
Budgeting	--
<b>Legend:</b> S=Standard O=Optional	

## Product Profile

### Supervisor Interface and Reporting

The widget-based dashboard is the primary interface for supervisors. The widgets are highly flexible and configurable, and allow supervisors to construct real-time customized views of contact center, agent and queue performance in 30-minute intervals, at varying levels of granularity. Action links within the widgets support rapid navigation to expanded or more encapsulated data views.

Calabrio WFM utilizes a proprietary engine for its standard reporting environment. The application comes with a set of standard reports that can be modified by filters, parameters and data field preferences. Reports can be generated in HTML, PDF, XLS and CSV formats. Data can be exported for use in other reporting engines, such as Crystal, Aceyus, etc. Users can create a customized dashboard by selecting from the widget library of performance graphs and activities, and configuring the dashboard to meet their personal needs and preferences.

### Intra-Day Management

Intra-day widgets on the graphical dashboard provide users with visibility into real-time staffing, queue and contact center performance.



Dashboards can be fully configured and personalized to display the data that is most meaningful and relevant to each role/individual. Views can be expanded or encapsulated via action links that navigate the user to different data views. The application uses current intra-day data to project call volume and service levels for future intervals during the day. Based on developing trends, schedules can be manually re-optimized using the drag-and-drop features of the scheduling editor.

### **Real-Time Adherence**

Real-time adherence provides the ability to monitor agent schedule adherence (ratio of time in adherence with scheduled activities over the total scheduled time) and conformance (ratio of time worked in service over time scheduled to be in service). The system provides a breakdown of agent state, adherence percent, conformance percent, and cumulative totals. An agent's schedule can be adjusted in order to address exceptions or to override out-of-adherence states.

### **Agent Interface and Real-Time Data**

The agent interface has a customizable widget-based dashboard where agents can view their schedules and personal performance data and trends. Self-service functions include the ability to request an exception and/or time off, offer up a schedule, and initiate a public or private trade. All requests are sent to supervisors for manual dispositioning.

### **Administrator Interface and Reporting**

The application employs a role-based user model with pre-defined access rights and privileges for agent, supervisor, scheduler and administrator roles. The role-based model imports hierarchical structures from the ACD to create a parallel hierarchy within the WFM application. User information is continuously synchronized with the ACD.

### **Technical Environment**

Calabrio WFM has out-of-the-box integrations with Cisco (UCCX, UCCE) and Avaya (CMS r14+, Aura CC 7), and integrates with other ACDs and dialers via a generic connector interface. User names and passwords are authenticated locally within the application or via Microsoft Active Directory, which enables and enforces password policies for strength and duration. The system utilizes AES128-bit encryption methods.

### **Future**

Calabrio has converted their supervisor and agent modules into the new interface, and plan to migrate their forecasting, scheduling and administrative environments into the Web 2.0 interface by year-end 2012.

The next major release of Calabrio ONE, version 8.9, is planned for Q2 2012. It is expected to include the following product enhancements:

- Enhanced Web 2.0 graphical user interface (UI) for forecasting, scheduling and administration modules – the new UI will be applied to other modules within the WFM solution to streamline tasks and simplify navigation
- Enhanced multi-channel support – addition of algorithms for multi-channel/multi-skill forecasting and scheduling
- Mobile support – expansion of existing mobile support to include cellular and android devices
- More granular intervals – ability to view and report on contact center and queue performance in 5-minute intervals
- User-level localization – support for multiple users simultaneously accessing the same system in their own native languages

#### **Bottom Line**

Calabrio ONE's new Web 2.0 user interface is impressive; it is visually appealing, intuitive and easy to use. While a great deal of attention and effort have been invested in building the new environment, additional resources would help speed up the application refresh. Consider Calabrio WFM if you are a first-time adopter, using a Cisco or Avaya platform, or are tired of the complexities of traditional WFM solutions.

## **About Calabrio**

Calabrio, Inc. develops and markets a comprehensive suite of customer interaction and contact center management software that's easy to implement, use and maintain. Calabrio ONE™, a unique Web 2.0-based software suite, gets call recording, quality management, workforce management, speech analytics and performance management working together for increased value. Access to features and workflows are personalized and optimized for each user – agents, supervisors, managers, knowledge workers, and executives. Calabrio distributes their software through channel partnerships and an OEM relationship with Cisco, and has installed software on more than 1,000,000 desktops. For more information, visit [www.calabrio.com](http://www.calabrio.com).

## **About DMG Consulting LLC**

DMG Consulting LLC is an independent research, advisory and consulting firm that provides strategic and tactical advice to contact center managers, vendors and the financial community regarding the contact center, analytics and back-office markets. Our mission is to help clients build world-class contact center and back-office environments by leveraging technology, processes and people. We provide insight and guidance to assist management in optimizing performance by increasing operational efficiency, providing an outstanding customer experience, enhancing loyalty, and increasing sales and profits. DMG devotes more than 10,000 hours annually to researching various segments of the contact center, analytics and back-office markets, including vendors, technologies, best practices, solutions and their benefits and ROI. More information about DMG Consulting can be found at [www.dmgconsult.com](http://www.dmgconsult.com).

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