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Traditional views of the contact center are very operational: people who work and manage in that environment have been trained to see what they do as expensive. Therefore, managers have always emphasized cost control. What they are measured on tends to be very activity-based: how many calls, how long the calls last, how many minutes of talk time per agent hour, and so forth.

These are necessary and valuable measures and views. But they miss the very concrete benefits that contact center activities deliver to the organization overall. They miss the incredible impact that the contact center has on profits and revenues. This is because until very recently, contact centers tended not to use value- or outcome-based metrics to account for its role. It's also because enterprises tend not to ask for those things from the contact center.

Another reason the value argument is missed is because the kinds of things that go into a successful customer experience are hard to measure and difficult to translate into terms that can be quantified. But as the familiar trope about contact centers being "cost centers vs. profit centers" becomes more of a cliché, we find that increasingly people are finding better ways to articulate the true value of contact center actions in an enterprise context.

The key is understanding how connected the activity inside the center actually is to the results outside. Even though contact centers tend to be managed under the auspices of the operations hierarchy (which is largely viewed as tactical), the information generated by contact centers is invaluable for strategic planning. Putting tactical tools at the service of strategic planners involves rethinking management structures and the way data flows through an organization. Doing it is challenging, but once done, it changes the speed and agility an organization has in responding to changing customer demands and patterns.

Tools that bridge that gap are available and widely used; they're just not necessarily widely used for those purposes. Because ROI is often expressed in simple "activity" (i.e., tactical) terms, companies often overlook seeing the multiplication of benefits that traditional call center technologies can bring when applied strategically by other parts of the organization.

Here is an example: call recording information contains within it a huge amount of unstructured data in the form of the recorded voice calls. Because of a decrease in the cost of storage, companies often find themselves recording and saving larger percentages of their total call volume than ever before. Many companies have even gone to 100% recording. Most of the calculation that goes into assigning value (and payback) to those call recording tools emphasize the agent side of the equation: how well you can assess agent performance, target training where it is needed, improve operating efficiency and effectiveness and the like. Those are worthwhile goals, critically important in the context of managing a contact center. But they are clearly tactical goals, cost-based goals, that stop short of strategic planning. They are interesting to executives outside the contact center only insofar as they deliver assurance that the contact center is performing within expected resource allocation terms.

But most ROI and benefit calculations fail to explore the other side of the conversation – the customer part of the conversation. By exploiting potential improvement stemming from that half of the interaction, the contact center can find out about customer preferences or responses to company policies and offers, and even assess the likelihood that the customer is going to churn or defect.

One interesting technology that has come on the scene, speech analytics, takes on the role of parsing both sides of the conversation, and is very good at finding meaningful patterns in customer interactions that go way beyond whether the agent is performing to certain quality standards. It provides important insights into the context in which the interaction is taking place, and helps provide guidance to understanding what the customer's next action might be.



This kind of information is not generally used inside the contact center. It's of more use to people in marketing, planning, and the executive suite. But it originates in the contact center. So the contact center, by virtue of having the tools at its disposal to measure and manipulate the data, can rightfully assert ownership of the benefits case and argue that it is more than just a tactical conduit for knowledge about customer behavior – instead it can argue that it is a critical focal point for directing changes in how the company deals with the customer. In other words, the contact center becomes a strategic tool in adapting to changing business conditions; it has a seat at the decision making table because it has valuable insights into the context in which things happen. And (traditionally tactical) cost control metrics can be considered side by side with value metrics like customer longevity, churn rates, revenue and lifetime value.

Another example: contact centers have been dealing with turnover as a structural issue since the first days of the industry. Essentially, the manager of a contact center is given license to put up to 30% of the year's training and hiring budget into the shredder each period to account for labor churn. It's a form of madness, but it's been going on so long that few think there are many ways to combat it.

But of course churn can be overcome – if the problem is seen as part of an overall, holistic strategy/tactics viewpoint. If the ROI of a workforce management system or a call recording or quality monitoring system is seen solely in terms of the incremental performance improvement it's going to show on the agent side, then it's going to be hard to argue that the call center has meaningful strategic value to the organization.

In fact, those numbers are going to make it look like the call center is a great big hole into which the company pours labor dollars, with technology outlays as a relatively small band-aid stanching the flow of blood. That's a very traditional view – endemic across the industry. Labor does tend to account for as much as 70-75% of the ongoing cost of running a call center. And those costs go not just to salaries, but to the perpetual hiring and rehiring efforts, the training and retraining to account for the fact that one third of the labor force turns over yearly.

But when you look at the problem from a different point of view, an HR point of view, you see it with eyes that reflect the needs of the entire company – not just a silo-ed view that conditions are immutable, as they may appear from within the call center. The benefits of the application of technologies like QM and WFM can seem incremental from inside, but from a wider point of view you can turn them into more powerful tools that affect how you recruit, hire, train, and assess the skill set of huge pools of people.

In effect, your basic contact center tools, when they work together, provide a picture of where the weak spots are in training and supervising that could have a tremendous impact on bringing down turnover. Bringing that down has ramifications not just on the cost of doing business (and the budget that gets shredded every year), but on the quality of the interactions. People who are better at their jobs will share best practices, collaborate internally, better serve customers and understand the effect that their customer interactions have on the health of the company as a whole.

What I'm arguing for is not necessarily new technology, or new management structures, but a new way of looking at what goes on in the center as a lever to help align the goals of the company overall with those of the center itself. Contact centers, by the way they've been operated for over twenty years, are silo-ed institutions. They don't have to be. The seeds of spreading the knowledge and the value around lies in the tools that are already accepted as part of the basic toolkit – QM, WFM, and analytics. The key to making the most use of them is seeing the wider picture, and articulating the benefits to a broader spectrum of people.