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interactions
talking with customers

Under pressure:
How to stay in the game

Stephen Strydom talks about in an increasingly competitive market, companies the world over are being forced to cut costs and add value at the same time



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How to stay in the game

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This Quarter:
We focus on **value**

In an already highly competitive industry, contact centres across the world are under more pressure than ever to drive cost savings and increase revenues. The New Year heralds a challenge for all contact centres to get more from their people and their technology. Importantly, it's not just about driving costs down; we look at how you can add value to your business and your customer experience.

Drawing on our 27 years of experience in the contact centre industry, we focus on ways to optimise your operations and resources to ultimately benefit your business. In this edition of Interactions, we hear about the success stories, new approaches and how to use your people and technology more effectively to achieve your business objectives.

In our first featured article, we look at how Interaction Management can drive value within a contact centre and save money. Read how one leading financial services institution has cut costs by 30% within a mere two years and driven service levels up by 15%.

Taking an holistic approach to Workforce Optimisation is the key to getting the most out of your human resources. We look at how Workforce Optimisation

should be seen as a continuous loop and how integrating all the elements can make a difference to your operations.

As the contact centre industry looks to self-service as the answer to rising call volumes and cost pressures, our final article offers advice in understanding what to automate, how and when. I hope that you'll also be interested to hear about the exciting developments with voice biometrics and how they are transforming the realm of security.

We hope you will find this New Year issue of Interactions valuable and interesting. As we tackle the challenges we face through economic pressures, I hope it will give you food for thought on how you can add value to your business and your customers.

Please feel free to pass this on to any of your colleagues who might be interested.

Best wishes,



Martin Dove

Managing Director,
Customer Interactive Solutions



Under pressure: How to stay in the game

In an increasingly competitive market, companies the world over are being forced to cut costs and add value at the same time. The challenge, in the midst of a global economic downswing, is how to stay in the game and change the way we do business and run our contact centre operations.

One leading South African bank is not only cutting customer service costs but has improved its service levels beyond expectations. Through effective interaction management, this leading financial services institution has seen real improvements to the customer experience and, importantly, its bottom line. Servicing over 40 million customers annually, the bank's reputation for inspired service is critical to its core business. Just 24 months post-implementation, it is already showing a 30% saving of close on a quarter of a billion rand (\$25m). This saving, coupled with improved service levels, means that the bank can hold on to its position as one of the big four in the financial services sector in South Africa.

Through a strategic partnership with Ciboodle, Dimension Data's Interaction Management team was tasked with a series of challenges:

- to replace the bank's outdated CRM system
- to increase efficiencies
- to improve customer service levels, and
- get operating costs down

The results speak for themselves. The bank's 23 different contact centres have merged into one virtual operation. Call abandon rates are down by 27%, average handling times have shrunk by 5% and average agent training time is down from eight to six weeks. With service levels up by 15% on average, results have far exceeded initial expectations and all the effort put into the project has really paid off.

Stephen Strydom, Dimension Data's General Manager CIS

“Key to delivering a solution based on efficient processes was the **close scrutiny of each and every process **across the different business sectors.**”**



(Middle East & Africa), says they had to take a bottom up approach and build the processes from the ground. He says,

“we had to ask ourselves what the ‘nirvana’ was in as far as business processes go and had to design the application as if we had all the information to hand.”

The end goal was a system that would provide the right information at the right time. By developing a centralised CRM system, based on efficient processes, bank contact centre agents could get to the information they needed from one screen. On the old system, agents had to toggle between nine different front ends to find the right information. The new flexible solution with its user-friendly desktop gives agents the ability to get to the information easily and the power to resolve multiple customer queries in one transaction.

This has translated into a real boost to the bottom line through a drop in transactions. First Call Resolution rates have also gone through the roof. In reducing handling times, the bank has seen its need for better efficiencies met and matched.

With a cost of between R8 and R15 per interaction in South Africa (\$0.80 - \$1.50), it's easy to see why talk time has to be controlled.

Agent productivity is on the rise across the bank's 2,200 seat contact centre. This means real savings in terms of attrition rates and training. The new system now offers 'on the fly' guidance for contact centre agents. Strydom says:

“Agents are now guided through each process every time. This means more efficient agents and consistent service and a move away from being dependent on agent experience.”

This, added to the drop in initial training time, means agents are now hitting the ground running within a mere three to four weeks. Through real time guidance, agents are resolving queries quickly and effectively and are feeling more empowered.

“We can now say that we are serving our clients well”, says Strydom.

“By getting back to basics, we have been able to resolve client requests in the quickest, easiest and most efficient way.”

The improved quality of management information has also meant more intelligent reporting and measurement. Instead of poring over basic, and often meaningless, telephony statistics, managers are now able to see whether clients are being serviced and how. Strydom says

“the new application offers a richer management information solution which offers true First Call Resolution rates and shows how many cases are being resolved and how many clients for example are waiting for a callback”.

This, in turn, means that bank operations managers are better able to understand their business and identify new opportunities for growth.



Key to delivering a solution based on efficient processes was the close scrutiny of each and every process across the different business sectors. A team of core business analysts spent time in the contact centres getting to grips with the issues faced by agents and how they dealt with queries. After stripping away unnecessary steps, the team had to rebuild the processes and make sure they were both easier and better for the customer. Strydom says,

“We had to think about the customer at the beginning of the process. One example was looking at how a customer might like to apply for a credit card. We had to look at all the information needed and then how to best personalise the process to make sure the design was right.”

By first streamlining processes and then building a future proofed and scalable solution, processes can be changed quickly to keep up with customer and business demands.

Through merging shared services, the new solution offers better efficiency and cost savings by removing duplicate activities. The cross platform application is more powerful and offers a centralised enterprise solution. This benefits the bottom line further in reducing build costs when changes have to be made. Strydom says,

“this is a continuous process, we are constantly reviewing efficiencies to make sure that we think smarter.

“By designing and delivering a responsive solution based on robust and efficient processes, companies can follow suit and make sure they keep their competitive edge”.

About the author:

Stephen Strydom is the National General Manager for CIS Africa and Middle East. Stephen is responsible for Dimension Data’s five go-to-market strategies, which include Contact Centre Integration, Interaction Management, Workforce Optimisation, Managed Services and Speech Self-Service. Stephen has been with Dimension Data for five years and has over eight years experience in the industry. He has consulted to various leading organisations in Europe, Africa and the Middle East, specifically in the areas of application architecture and customer service strategy.



How the integration of all elements of WFO makes a difference

Imagine a contact centre where agents are doing the right things at the right time, getting training when they need it and managers are focused on higher level issues to deliver better customer service. Workforce optimisation does just that. But how?



“By linking the elements together, you **create a closed loop** of continuous **improvement**. This then enables **better long-term planning** and **has an added benefit of providing auditable trails**, which are important for compliance in some sectors.”

We take a look at this holistic approach and how you can get the most out of your workforce and ultimately add value to your customer while driving costs down. Dimension Data’s 2008 Benchmarking Report clearly shows what businesses need – one of the top three commercial drivers for cost centres is cost reduction. The choice is then to do things better or reduce your headcount.

According to Dimension Data Consultant Greg Parker,

“workforce optimisation looks at how to use your people better. This means getting the right people working effectively and understanding the impact of what they’re doing.”

It also includes monitoring, which is fed back to HR to improve training and recruitment, and into forecasting and scheduling to make sure that calls are routed properly. Parker says

“workforce optimisation is a continuous loop, it’s not only about forecasting and scheduling.”

To meet contact centre objectives, managers have to handle things like people, operations, customer management, technology, facilities, interfaces with other business functions and continuous improvement. And while progress is being made in these areas, the focus is shifting to how people are managed and how they can help deliver on those objectives. Workforce optimisation helps businesses get the most out of their people through empowerment and better use of technology.



Let's look at the four main elements that make up workforce optimisation:

- Performance management
- Workforce management
- Quality management
- Competency management

Individually, each has an important role. But it's the way they're integrated with each other, and the core contact centre systems, that will add the most value. Parker says

"what we find is a lot of companies that have these elements and the technology in place. The real issue is the lack of business know-how in using technology optimally to link the elements together. Management processes, data and systems must be aligned in a way that ensures a seamless flow of data and a fully integrated operation."

The benefits of linking and automating these elements are wide-ranging and include:

- **Reduced costs** – better resource planning, improved matching of skills to call types to reduce average handle times
- **Reduced management time** – more automated planning and rostering, less manual data distribution, reduced error rates, automated tracking and allocation
- **Improved service delivery** – improved call handling skills, single view of performance across all elements and areas
- **Empowered agents** – allowing agents to monitor their own performance
- **Effective training programmes** – proactive monitoring of skills gaps and scheduling of training

- **Future recruitment better understood** – better understanding of competencies needed, creation of targeted recruitment programmes, long-term resource planning
- **Better reporting** – real time information across all channels and areas, consistent metrics, better integrity
- **Insight driven management** – systematic analysis to track trends and behavioural changes, better information for mid/long-term planning, better decision-making

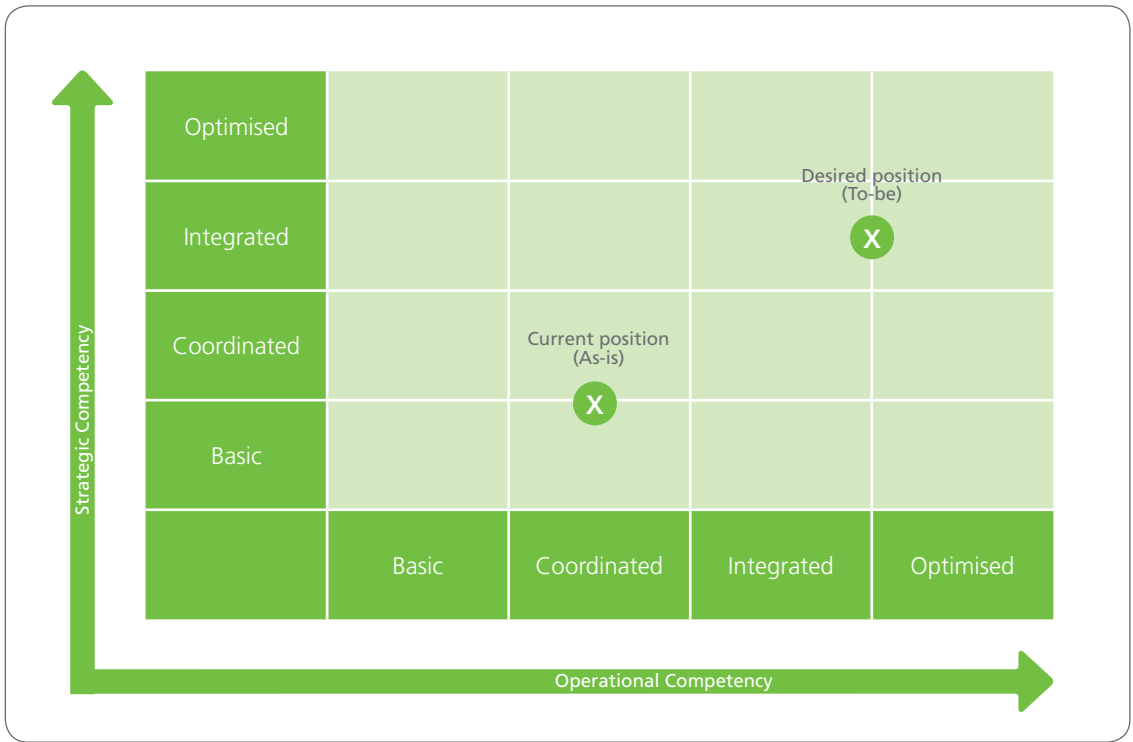
Parker says,

"By linking the elements together, you create a closed loop of continuous improvement. This then enables better long-term planning and has an added benefit of providing auditable trails, which are important for compliance in some sectors."

For workforce optimisation to work, people must understand who does what. For example where process management feeds into quality management, it must be clear where different managers take over – to avoid gaps or duplication.

Technology plays a key role. And it depends on a number of other factors like strategic capability, operational competence, people skills, management and forward planning. Combining all of these brings maximum benefit to the contact centre and its customers. Any number of sophisticated solutions can give you more functionality and insight, but it's no use running them as single, standalone applications. Review your

Positioning in relation to Strategic Capability and Operational Competence



technology and check that it's being used optimally, falls in line with company and contact centre strategy and can provide real time data through an integrated solution.

Most importantly, the choice of technology should be appropriate. Parker says that

“not everyone needs a complicated solution – use what’s best for you and be flexible. What you’re trying to do is link them together to reduce costs and management time.”

An example of this is automated forecasting and rostering. Performance information is presented directly to agents which means team leaders can focus on other things like finding efficiency gaps and managing the quality of service. HR can then also be alerted to training needs. Parker says,

“It’s a totally different approach to reams of papers and reports -this is about getting a dynamic solution that crosses all areas of the centre.”

Workforce optimisation does mean change. Tackling all four elements will have a ripple effect on the rest of the business and may mean a managed culture change. Weigh that up against the benefits and you’ll see that using your people better means happy staff and ultimately delighted customers.

About the author:

Greg Parker is a Consultant within Merchants, part of Dimension Data CIS. Greg is responsible for Merchants Workforce Optimisation Surveyor, a methodology to assess a contact centre’s current capability, define a performance improvement plan and create a road map to move the centre forward. Greg has been with Merchants for five years and has over 11 years experience in the contact centre industry, working in consultancy, account, operational and project management roles in the UK and Europe.

Understanding what to automate, how and when

Self-service is here to stay. In fact, organisations are looking to self-service as the answer to rising call volumes and cost pressures. The challenge is how to balance the need for cost savings with the impact on the customer experience. While self-service can clearly offer many advantages in automating transactions, the real issue is understanding what to automate, how and when.

Self-service is made up of different channels the internet, SMS, touch-tone Interactive Voice Response (IVR) and speech recognition. These lower cost channels are changing the way we do business and helping us focus our human resources where they're most needed. But the real value of self-service lies not only in reduced labour costs. Organisations are using technology to enhance the customer experience by focusing on specific functions and services for automation. Other key benefits for consumers include 24-hour access to services and better security when compared with operator-assisted transactions.

New trends are emerging in self-service for organisations and their customers. Businesses are thinking about self-service as an opportunity for brand differentiation. By focusing on the customer experience, self-service is now being incorporated into an overall customer management strategy. Customers are also more accepting of self-service than previously thought and are using self-service channels regularly to interact with companies. We only have to look at how customers use the internet for online transactions including click to talk, click to chat, online forms and traditional web browsing.

Over the last 10 years, the change in human agent (contact centre staff) and self-service statistics shows clear progress in the acceptance of self-service channels. Dimension Data's Global Benchmarking Report 2008 shows that operator-assisted transactions by phone have dropped from 90% to 50% of total volume over the



“Businesses are thinking about **self-service** as an opportunity for **brand differentiation**.”

past decade and self-service now accounts for 30% of all transactions.

Consistent high quality service should be the clear focus for organisations that want to implement self-service.

The key to success is offering appropriate self-service options that are integrated across the different channels. Consider how customers are interacting with your organisation and how you can enhance that experience. You may well be surprised by the number of options for service improvements and the willingness of customers to take them on.

Let's take a look at some pointers when considering self-service for your business:

- Know your customer – research your customer base and have a clear customer experience strategy that is consistent across all channels
- Look at all enquiry types – buddy up with agents to hear what people are saying
- Examine your call statistics for different types of enquiries – look at average handling times
- Understand the end-to-end customer experience
- Ask yourself what you want out of self-service and whether it is an appropriate fit

The next step is a pilot – test what it would sound like, how it would work and make sure the change works for you and your customer. Planning with the customer in mind will make getting their support easier and ensure that they stay loyal.

We know that customers are more accepting now of self-

service and in many cases are encouraged to use lower cost channels. We just have to look at the internet to see that customers are already adept at using this channel to access information and carry out transactions easily and quickly, 24 hours a day. Dimension Data Speech Recognition Consultant Isabella Villani says

“speech self-service is following the same path and in countries like the USA and Australia, voice biometrics and speech recognition solutions are becoming commonplace.”

From a customer point of view, speech recognition offers an easier and more intuitive way of transacting. Villani says

“It's more natural to speak than press buttons, and there is a lot less to listen to and remember. Huge menu structures can be collapsed to give customers only the options they need and interestingly, the perception is that call durations are shorter than they actually are.”

Contact centres are seeing the benefits of speech recognition solutions -the larger the centre,





the bigger the benefit. Savings are estimated to be up to 85%, which means that human agents can focus on achieving their KPIs and sales targets.

When planning to introduce speech solutions, Villani says it's important to encourage your customers to use speech as a separate channel from the start.

“Speech solutions should reflect the brand of the organisation and its objectives in the design – it's not about simply replacing the touch tone option.”

If you are planning to adopt a speech recognition solution, keep the following in mind:

- Design it from a user perspective
- Use language specialists
- Be consistent – language, wording and phrasing must be the same across the

organisation, within the contact centre and the speech recognition solution itself

- Promote internally – get staff buy-in through education and involvement
- Do usability testing to try out typical scenarios
- Involve marketing in developing voice branding guidelines, eg the level of formality, the style of language, key phrases and the overall sound

Villani warns that there will always be a small number of customers who don't like automation of any sort;

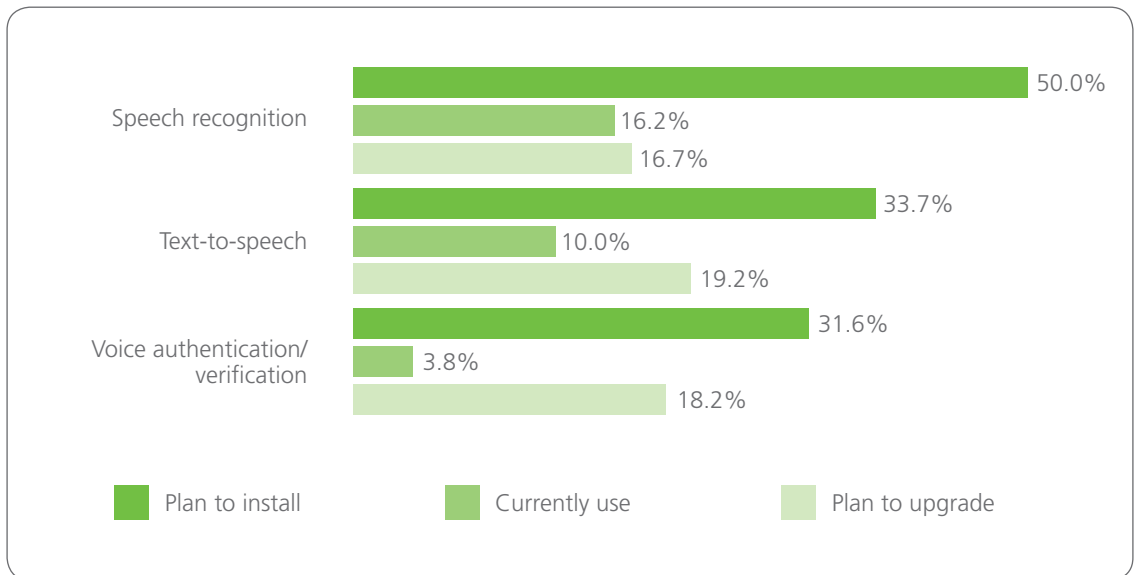
“that is why it's important to design solutions from a user's perspective and offer good integration across the channels. This means that if a customer is having problems or needs help, they can ultimately talk to an agent who has all the information

already provided by the caller, as well as any details retrieved by the system before transferring the customer.”

Well planned and positioned speech recognition solutions have shown good user support and incredible returns on investment. By making sure their automated service is highly usable, companies can ensure their customers can use it effectively, want to use it, enjoy using it and can see the benefits to themselves.

One such benefit is in the realm of security. Speech technology can offer distinct advantages over other channels through voice biometrics. What was once thought unlikely is now a reality. By using their voice as their password, customers will no longer have to remember yet another PIN. Dimension Data is working on such a system – Self-Service Identity Management System (SIMS) – which is an

Do you use, plan to use or plan to upgrade the following applications in your contact centre? n=159



GRAPH – extract from Dimension Data Contact Centre Benchmark Report 2008.

internal application that allows staff to reset their passwords through voice biometrics. From a business perspective, voice biometrics will offer more intelligent routing by using the customer's voice to determine both who they are and why they're calling.

Self-service is steaming ahead at a rate of knots. Speech recognition is taking centre stage as companies across the world ask how they can add more value to the customer experience and to their bottom line. By getting the most out of your self-service channels and looking for ways to improve your service, you can make sure your service stands out from the crowd.

About the author:

Isabella Villani is a Consultant at Dimension Data. She has 10 years experience in the field of Speech Recognition and graduated from La Trobe University with a Bachelors degree in Speech Pathology. Isabella consults within a range of industries including IT, utilities, banking,

telecommunications, government, infrastructure and resources. Her specialist skills include consulting on Voice User Interface Design and self-service best practice, Contact Centre Strategy, Voice Strategy, IT Development and Project / Change management.

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