



The technology of stretching the budget

BY ROSA CARTER-HOLT



Improved CSR rostering for Ricoh.

Having no money needn't be an excuse for ignoring new technologies. Here Rosa Carter-Holt discovers that implementing the right products and services can actually make your budget go further.



Giles Potter is convinced he can save you money, and lots of it, too. Unlike his namesake Harry, however, it's not wizardry he's suggesting – the magic word is technology.

"Many contact centres can achieve substantial [financial] gains simply by introducing existing technologies," said the managing director of Great Outcomes, a contact centre strategy and design consultancy.

He quickly conjured up a range of examples including computer telephony integration (CTI) and CRM, or skills-based routing, intelligent call diversion, or quality monitoring and workforce management applications.

"Introducing a framework for call quality monitoring is one of the most productive technologies that a centre can use. It not only uses technology that is more efficient than humans for the monitoring task, but the downstream impact of the call coaching, the reporting, and the standardisation achieve compound benefits."

In December 2003, Potter helped Ricoh to establish a national contact centre that could better manage and measure the quality of service provided to its customers. This was achieved primarily through the implementation of improved CSR rostering processes to meet peak call volumes and call types.

"Even such a simple tool as this has had a major flow-on effect to the quality of the calls," he added. "For example, the average call speed to answer reduced from 58 seconds to 22 seconds with the same number of staff, and has improved further since."

EDS is also a case in point. Within its contact centre, interactive voice response (IVR) technology has been designed to replace a CSR-based environment. The EDS IVR Technology Service is based around IVR and CTI that handle the high volume of what were previously standard telephone calls, with CSRs handling the services that require manual intervention, such as email and faxes.

"Over 90 per cent of contacts for one particular line of business are handled by the automated IVR offering, without any need for human intervention. That equates to approximately 40,000 contacts per month not requiring any FTE component to process them," explained contact centre manager Roland Daymond.

Through the use of technology, EDS has successfully increased productivity without the expense of



Harry Potter



Giles Potter

additional CSRs – and it won't stop there, either. Next in Daymond's sights is speech recognition.

"As these applications mature as a capability, these self-service tools will help to deflect calls from the contact centre, especially for the less complex enquiries, allowing agents to spend more time on the true value-add opportunities with the client," he said.

Managing workflow is often a headache for managers, with peaks and troughs in calls going with the territory. Zeacom's latest offering, Activity Queueing (which is a module that can be bolted on to its CRM software ContactCenter), is designed to maximise productivity by always having work for CSRs to do.

"When there are no additional calls waiting in the queue, the software automatically delivers work to the CSR's desktop within the same application that delivers their phone calls," said marketing director Ken Brickley. "In banking, for example, a loan application would appear for processing.

"The productivity of staff using this product is significantly higher, as they can still work between calls rather than chatting to their neighbour while waiting for the next call.

"One of our customers in the US saw revenues increase around US\$3,000 per month because of the greater productivity."

Contact centres can also gain external efficiencies from their customers. SMS text solutions are proving a popular way to interact with contact centres – and helping to attract new business. Auckland-based company Datasquirt has designed and implemented two such projects with startling results.

"The Electoral Enrolment Centre saw contact volume increase by 72 per cent in the first two weeks of

the 2005 voter registration campaign ... all driven by text," said general manager Julian Smith.

"Pizza Hut launched its PZA HUT TXT ordering system in early 2003 and found that the channel attracted new business, with more than 50 per cent of SMS orders coming from new customers."

For each instance, clearly the relative investment cost was outweighed by the targets it helped achieve, some of which were unforeseen, and both examples generated extra business without the extra headcount.

If convincing contact centres of the benefits of technology is relatively easy – some of the examples above are quite compelling, I think you'll agree – obtaining the budget to implement it is less so.

Conventional wisdom here is to show to management the return on investment (ROI) any new technology will bring – in other words, what they'll get for their money.

"To acquire management approval for investment, a really clear understanding of existing transaction/activity costs must exist with a convincing story around the impact of adding technology in ROI terms.

"Generally, this is not well understood and if the ROI is presented from a vendor there is a level of ROI scepticism," commented Gen-i's Jo Allison, business manager contact centre services.

Potter agrees.

"If you can't find the time to write the business case to prove it, then get someone in to write up the case; but don't just sit on the knowledge that some aspect of your applications could perform better."

Not all technology projects will generate the desired ROI. Allison believes that uptake of some technology in New Zealand is low, as the ROI is not economical.



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“Contact centre operations are very technology literate and this small market is over-served by competing vendors,” she said. “However, in take uptake of speech recognition technologies we are behind. In the US, one in every two IVR ports is sold with speech recognition. The reason for the low penetration is the high cost point and high level of customisation required, providing a questionable ROI.”

If managers can show that there is a decent enough return on their investment but upfront capital cost is an issue, Daymond recommends that you choose to work with vendors that are able to offer you a managed service (classified as an operating expense) rather than large upfront costs (a capital expense).

“This will have an impact on how your company accountant justifies the investment, and is more likely to work in your favour depending on your operational set-up,” he said.

Overall, New Zealand contact centres have started to improve their operational effectiveness through the use of technology, but still have a long way to go, according to Brickley.

“A call centre should be set up to integrate all customer contacts together in a single reporting environment, and report on all these transactions in a real-time environment. Companies that have integrated their applications together in this format have been able to demonstrate a significantly

higher degree of customer loyalty, repeat purchases and cross-selling opportunities,” he added.

Budget – or a lack of – is always going to be a gripe for contact centre managers. But technology enhancements needn’t be confined to a ‘wish-list’. Rather than being the problem, they can be part of the solution. In part, this will be a matter of maximising what you already have; predictably, though, you will probably have to spend some to save some.

For Potter, it’s no chamber of secrets or a magic potion; rather a good dose of common sense.

“I have very simple advice for contact centre managers keen to achieve operational gains: proactively start projects to improve your centre because if you think an initiative would have benefits for your organisation, then it probably has.” ■



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