

# Call Center Times

Reaching over 5,700 Call Center Professionals Monthly! November 2002

## Call centers adjust approaches to finding, keeping, and paying workers

### New survey reflects growth and critical challenges of call center operations

With call centers becoming a more established part of the US business scene, call center operators are fine-tuning their approaches to finding, keeping, and rewarding their employees, a new survey finds.

The *2002 Call Center Compensation Survey*, conducted by Mercer Human Resource Consulting, reflects the growing interest in call centers as a way to handle a range of business functions, including sales, customer service, technical support, and credit/collections. This year, 329 organizations — representing 327,050 employees in 1,541 call centers nationwide — provided data on 86 different call center jobs. In addition, about 40 of the survey participants attended a Mercer-sponsored conference in Denver recently to discuss in more detail their concerns and challenges around people programs and policies. According to Dana Kraml, a Mercer reward consultant with extensive experience in call center issues, call center operators today are facing a number of critical challenges, including:

**Turnover.** Due to perennially high turnover at call centers, employee attraction and retention are critical issues requiring continual attention. According to Mercer's survey, call center operators say their biggest recruiting barrier is a lack of qualified candidates. The recruitment techniques they find most effective

are employee referrals, local newspaper ads, and job/career fairs. The retention techniques judged most effective are recognition programs, a favorable work environment, and high-quality supervision and leadership.

According to Ms. Kraml, employers at Mercer's recent conference discussed new and creative ways to reduce turnover. Their ideas ranged from adding employee-friendly benefits, such as concierge services to assist employees who often work nontraditional hours, to providing job previews to give potential employees a realistic view of a "day in the life" of a call center employee.

**Base/variable pay mix.** As front-line call center jobs become more focused on sales, employers are struggling to find the optimum balance between base and variable pay. "Increasingly, call center employees are asked to 'sell up' and turn a basic inquiry into a bigger opportunity," says Ms. Kraml. "Employers must determine how to motivate employees to pursue these additional selling opportunities, as well as how to track results. This is leading to increasingly sophisticated incentive pay programs and tracking systems."

According to Mercer's survey, variable pay — which can include bonuses, commissions, and/or other

incentives — is most often based on achievement of individual objectives, followed by level of service provided and achievement of department and team objectives.

**Base pay increases.** Mercer's survey indicates that call center operators are budgeting for base pay increases of 3.5%–3.7% in 2003, compared to 3.5%–3.6% in 2002. Attendees at Mercer's call center conference indicated that they try to grant pay increases in a way that motivates and retains employees, Ms. Kraml says. For example, a call center employee may receive a smaller pay increase two times a year (e.g., at the completion of an initial training or probationary period, then again as part of the normal, annual review cycle), instead of one larger pay increase once a year.

**Paying for 24/7 work.** Call center reward programs must reflect the fact that most centers now are open seven days a week and, in many cases, 24 hours a day. Mercer's survey indicates that call centers are open a median 364 days a year. Seventy percent of the survey respondents address this need through the use of shift differentials. Shift differentials are offered for weekday second shift (differential of \$0.87 per hour) and weekday third shift (\$1.28 per hour), but are highest for weekend second shift (\$1.68 per hour) and weekend third shift (\$1.94



per hour). In addition, 78% of call centers pay a premium — typically 1.5 times hourly base pay — for employees who work on a scheduled holiday.

The challenge for employers, Ms. Kraml notes, is how to define the shifts and how to track pay for employees whose schedules straddle two shifts or who rotate between different shifts.

**Multilingual employees.** According to Mercer's survey, 41% of the responding call centers pay a premium for employees who are multilingual. Such language skills are needed to serve an increasingly diverse customer base. The mean premium is \$1.08 per hour and the language most in demand by employers is Spanish.

According to Ms. Kraml, because call center business today increasingly is conducted via the Internet, in addition to the telephone, call centers typically now look for

proficiency in both speaking and writing before they will classify an employee as bilingual and pay a premium for that language skill.

### Pay levels

Mercer's survey also looks at pay levels and trends for 86 call center jobs. For each job, the survey contains statistical summaries for base salary, short-term incentive, total cash compensation (base salary plus short-term incentive), salary ranges, and short- and long-term (e.g., stock options) incentive eligibility.

The highest-paid jobs in the call center environment include: top corporate call center executive, with median total cash compensation (includes base salary and annual incentive) of \$191,400; group or regional call center executive at \$134,100; and call center executive (responsible for a single call center or business segment) at \$108,600.

The survey reveals differences in pay by call center type or function. For example, pay for intermediate-level representatives tends to be highest in call centers focused on full account management, the Internet, and

credit/collections. Pay is lowest for the categories of inbound with selling, outbound with selling, and inbound order entry. Among team/group managers, however, different patterns emerge. Pay is highest for the outbound with selling category, followed by credit/collections and customer service, and lowest for inbound order entry. (See table on page 5 — Functional Pay Variations.)

Mercer Human Resource Consulting, one of the world's leading consulting organizations, helps organizations create measurable business results through their people. With more than 13,500 employees serving clients from 143 cities in 40 countries worldwide, the company is part of Mercer Inc., a wholly owned subsidiary of Marsh & McLennan Companies, Inc., which lists its stock (ticker symbol: MMC) on the New York, Chicago, Pacific, and London stock exchanges.

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### Functional Pay Variations

<i>Call Center Function</i>	<i>Median Total Cash Compensation* – Intermediate-Level Representative</i>	<i>Median Total Cash Compensation* – Team/Group Manager</i>
Inbound order entry	\$10.90/hr.	\$48,100
Inbound with selling	\$11.09/hr.	\$62,800
Outbound with selling	\$10.55/hr.	\$68,100
Customer service	\$11.97/hr.	\$63,600
Internet	\$13.50/hr.	\$57,900
Credit/collections	\$12.60/hr.	\$64,400
Technical support	\$11.37/hr.	\$61,800
Full account management	\$13.78/hr.	\$57,900

\* Median total cash compensation includes base salary and annual bonus/incentive.

Source: Mercer Human Resource Consulting, 2002 Call Center Compensation Survey



## C&W Barbados Announces Rate Reductions

Call centers operating in Barbados are to benefit from significant reductions in rates for calls made to and from the Canadian, UK and US markets. In addition, the rates to call centers for International Private Leased Circuits on an agreed term of service basis have also been significantly lowered.

The news for both operators and the Government of Barbados was delivered in a release by Donald Austin, the recently appointed president of Cable & Wireless Barbados.

The move will mean significant savings for operators as Austin noted they would save ten cents per minute on thousands of incoming calls from destinations such as the US, UK and Canada.

"Call centers generating up to 200,000 calls to Canada, the UK and the US, for example who were previously charged at 34 cents per minute for an incoming call, will now enjoy a per minute rate of 24 cents under the new rate structure," Austin said.

The telecommunications executive added that the rate reductions were part of a policy by his company to work with Government to reduce unemployment and contribute to growth in the local economy.

"This will be welcome news, not only for the operators of the call centers, but for Government, with whom Cable & Wireless has worked in an effort to stimulate the economy and enhance employment opportunities in Barbados," Austin said.

The C&W president further noted that Cable & Wireless remained committed to ensuring that the rates offered to call center operations here stayed competitive with those offered in other Caribbean and Latin American territories. He said this would assist in ensuring that Barbados is the location of choice for these companies. ♦

# NEWS

## Call Center Certification Accepted for MBA Credits

The Call Center Industry Advisory Council (CIAC) has announced that its industry certification program for contact center executives and managers has been accepted for degree credits for a Master of Business Administration (MBA) and Master of Management (MM) degree. Academic experts extensively reviewed both the CIAC Call Center Management Competencies and CIAC Certification program prior to accepting them for integration into the Masters program.

Lansbridge University and American Graduate School of Management (AGSM), a Vanderbilt University Technology Company, will grant academic exemptions equivalent to two full course credits for completion of the CIAC Certification for students in their dual MBA and MM degree program. Students in the Lansbridge /American Graduate School of Management MM/MBA program may attain their CIAC Certification before or at any time during the program.

CIAC Certification can be achieved in one of four professional designations: CIAC-Certified Strategic Leader, CIAC-Certified Operations Manager, CIAC-Certified Management Consultant, and CIAC-Certified Management Apprentice. All but the CIAC-Certified Management Apprentice qualifies for the academic credit.

CIAC Certification validates that call center executives and managers have attained mastery-level competence in four critical management areas: leadership and business, people, operations, and customer relationships. Mastery is demonstrated through completion of a rigorous certification process consisting of knowledge testing, hands-on application, and behavioral assessment. Re-certification is required every three years.

CIAC does not dictate how competence for CIAC Certification testing is achieved. A variety of training programs of every media type is available from leading providers of call center management training, including Lansbridge University which offers a full compliment of online classes for CIAC Certification.

CIAC-Certified Professionals will receive credit for two courses in the Advanced Business Management segment of the MM/MBA program. The dual degree program consists of twelve courses totaling forty-eight credit hours. In addition to the two exempted courses, the program will feature special orientation, case studies, exercises, projects and web broadcasts focused on call center management activities.

CIAC President Fredia Barry noted that, "Academic recognition of call center industry certification confirms the growing importance of call centers in global commerce. CIAC Certification's eligibility for this graduate degree credit was made possible by its high integrity and comprehensive competence requirement. Call center executives are becoming leaders in managing customer relationships across a broad cross-section of industries around the world. The CIAC Certification MM/MBA program prepares them to readily step up to this role by strengthening their professionalism and allowing them the flexibility to enhance their education while remaining on the job.

The Lansbridge University/American Graduate School of Management MM/MBA program was developed for working professionals who are unable to devote full time to a management degree. Traditional campus-based programs, commonly called Executive MBA or EMBA, often require regular attendance and lack flexibility for travel or work. The dual degree program consists of a full compliment of traditional MBA courses in finance, marketing, operations, organizational development and management information systems.

It is expected that call centers will begin enrolling their executives and managers in the MM/MBA program in January. Professionals admitted to the program work online in small class groups of approximately twenty students and interact daily with faculty and peers.



Additionally, a weekly online synchronous interaction is conducted between faculty and students. Classes begin in August, November, February and May.

Dr. John McLaughlin of Lansbridge said, "This program offers students a superior business school curriculum with talented faculty and responsive graduate assistants available online twenty-four hours a day. The distinguishing characteristics of our program are the quality of instruction and the service orientation toward students. The online format closely parallels the real world environments in which our students work."

Dr. Gene Ziegler, Dean of American Graduate School of Management, added, "Today's call center professional is at the center of global commerce. Our program provides an opportunity to understand this business environment from new perspectives. Students from around the world become teammates in classes that explore today's best management practices. The multi-functional, multi-national teams in our 'real-time' program provide a far superior experience than programs that are less geographically diverse and lack the tempo and dynamics of the online educational experience." ♦

## eOn Communications Provides ParTech with Enhanced Technology

eOn Communications Corporation(tm) (NASDAQ: EONC), a leading provider of unified voice, e-mail and Web-based communications systems and software, will help long-time client ParTech, Inc. accomplish its enhanced customer service goals through a technology upgrade to the newest version of the eQueue® Multi-Media Contact Center Solution. ParTech, a wholly owned business unit of PAR Technology Corporation (NYSE: PTC), is the world's leading provider of point-of-sale systems and service integration solutions for the Quick Service Restaurant (QSR) industry.

ParTech provides technology troubleshooting and repair assistance 24 hours a day, 7 days a week to the company's more than 14,000 restaurant customers. ParTech's Customer Engineers must be knowledgeable of up to a dozen different hardware platforms running diverse software applications, which is a considerable resource investment for the company. Therefore, retaining its Customer Engineers is a key success factor, and using the very latest technology will better enable its Customer Engineers to provide the highest customer service efficiently and effectively.

"Since 1995, eOn's solutions and support have been key in our abilities to leverage technology to benefit ParTech and its customers," said Chuck Byington, ParTech's customer service telecommunications analyst. "Based on a winning relationship over the past seven years, it was only natural for us to again turn to eOn when we were seeking a trusted partner to help us further enhance our contact center technology."

Taking advantage of eOn's customer migration program, which enables eOn's clients to incorporate new system capabilities while preserving contact center investments, ParTech's upgrade to the eQueue will help enhance the company's customer service.

ParTech has successfully leveraged advanced skills-based routing to ensure customer calls are accurately routed to the available Customer Engineer best able to help the caller, based on which system and application the restaurant is using. While continuing to rely on skills-based

routing, ParTech will gain added customer service and efficiency through integration with the company's Customer Relationship Management (CRM) solution. The eQueue will retrieve customer data from ParTech's CRM solution and present the data via an information screen on the Customer Engineer's desktop workstation for both inbound calls and for call-backs.

ParTech will use Wireless Application Protocol (WAP) phones to exchange detailed information in real-time with Field Technicians who are on-site at restaurant locations. Using the WAP phones, Field Technicians can accept or reject cases escalated by Customer Engineers, ensuring that ParTech's customers are visited by the first available Field Technician. Additionally, Field Technicians can send updates regarding case status, as well as order parts and schedule additional service calls, while on-site - with all information visible in real-time to the Customer Engineers in the contact center, which further enhances service.

ParTech will rely on the eQueue to ensure that Field Technicians can communicate information when working in an area where the WAP phones may be out of service. The eQueue's interactive voice response capabilities will enable the technicians to call in to open and close cases, as well as order parts, just as they would through the WAP phones.

ParTech is also using the eQueue's recording capabilities to help enhance customer service, so that contact center supervisors can better monitor the status of all calls, provide real-time assistance when needed, and conduct additional training.

Byington concluded, "The ability to save the company real dollars and the ability to enhance our customer service at the same time is right in line with our company goals. Our customers have come to depend on ParTech's ability to exceed their expectations, and the technology upgrades we are making now will enable us to continue to accomplish this for many more years, and as we expand our capabilities to accept customer e-mail and Web chat requests."



Byington and his team worked with eOn's Professional Services team during October to implement the enhanced eQueue solution.

"ParTech has always been a visionary client, successfully leveraging advanced skills-based routing and CRM capabilities for many years - and ParTech knows how technology can bring a competitive advantage to their business," said Kelly Bevan, eOn's vice president and chief marketing officer. "It is no surprise that ParTech, which has more than once been singled out by the industry for superior customer service, would continue to invest in technology to better serve its customers, and that produces real returns with bottom line benefits."

About eOn eQueue® Multi-Media Contact Center Solution  
The eOn eQueue® is a multi-media contact center offering a comprehensive and unified solution for customer interaction management. The universal or single queue approach enables contact centers to interact more efficiently with their customers regardless of the media. The eQueue applications include multi-media routing of all interaction types with robust ACD functionality, complete telephony capability, email, Web chat and Web collaboration, integrated voice response, voice mail with unified messaging, fax messaging, quality assurance recording and a complete range of desktop devices and applications. The benefits of using an eQueue are improved customer service and loyalty, increased agent productivity and lower cost of ownership.

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## **PERFORMIX TECHNOLOGIES LAUNCHES *EMVOLVE REAL TIME***

Performix Technologies, an industry leader in enterprise performance management software, has announced the launch of Emvolve Real Time - a new solution that delivers critical performance information in real time directly to the desktops of executives.

Emvolve Real Time gives managers real time operational visibility and control of their contact center's performance, across multiple sites and multiple functions. Integrating critical information from existing systems within the contact center, the solution delivers performance results directly to the desktops of contact center executives, using powerful visual graphics and dashboards.

Emvolve Real Time enables executives to get instant access to a cockpit view of their business where, at a glance, they can review key performance metrics. The solution provides instant information that enables real time problem resolution resulting in optimum contact center performance.

Emvolve Real Time automatically alerts executives when performance results drop below pre-defined performance levels, by triggering automatic messages to email or mobile communication devices, enabling executives to keep their finger right on the performance pulse, regardless of their location.

The solution builds on the alert

concept by also enabling bi-directional triggers which can automatically prompt a third party system into action based on real time contact center performance. For example, if the number of calls in queue escalates, Emvolve Real Time can trigger a contact center's automatic call distributor to begin directing calls to contact center supervisors to ensure the demand is met and service levels are maintained.

Emvolve Real Time enhances Performix Technologies core solution, Emvolve Performance Manager, by ensuring that all contact center employees, from agent to executive, have access to the performance information they need to drive business success.

"Emvolve Real Time provides executives with the vital information they need to deliver the real time service and business results that are demanded of them into today's dynamic business world. The solution is focused on performance results for the here and now, enhancing the value our core solution Emvolve Performance Manager brings to the market place," states Cathal McGloin, CEO of Performix Technologies. ◆



## Verint Systems and Concerto Software Fine-Tune Contact Center Performance For India's Icon Data Management Limited

Collaborative Intelligent Recording(tm) / Customer Interaction Management Solution Streamlines Processes, Heightens Customer Service Quality

Verint Systems Inc. (NASDAQ: VRNT), a leading provider of analytic solutions, and Concerto Software, Inc. (NASDAQ: CRTO), a proven provider of customer interaction management (CIM) solutions, has announced that Icon Data Management Limited (IDML) has implemented both companies' solutions in its Noida contact center. IDML is a business process and customer contact outsourcing firm serving companies in India, the United States and the United Kingdom.

IDML marks the completion of the first joint Verint-Concerto implementation in India under the terms of a technology alliance agreement between the two companies. The 225-seat IDML contact center pairs Verint's ULTRA(tm) Intelligent Recording(tm) with Concerto Software's Ensemble® CIM solution to streamline interaction management and improve overall customer service. As a result of the implementation, IDML has reported experiencing marked increases in the quality of its customer service, with productivity gains as high as 15%

"For the first time, we are able to extract actionable intelligence about our customers and business processes from every interaction and enrich each subsequent interaction with the

intelligence we have gained," remarked Devraj Malhotra, IDML Chief Technology Officer. "The Verint-Concerto solution enables IDML to more efficiently manage interactions in a multimedia environment and deliver a superior customer experience."

With a staff of more than 300, IDML offers the back-office infrastructure, technology and professional services that enable companies to focus on their core competencies. IDML relies on the Verint-Concerto solution to speed transaction verification, train and evaluate agents, and collect and disseminate business-critical customer intelligence during multi-channel outbound campaigns.

"Together, Verint and Concerto are helping IDML to realize tangible business benefits," said Pramod Ratwani, Concerto Software's Vice President of Asia Pacific. "By partnering with leading technology providers like Verint, we are able to deliver complete solutions that are designed to meet customers' specific contact center requirements."

Verint's ULTRA Intelligent Recording measures experience, process, and performance across the enterprise for various types of customer interactions and generates actionable intelligence that can be delivered directly to the desktops of key decision makers. Concerto Software's Ensemble solution facilitates proactive customer contact with predictive and preview dialing, campaign and call list management, automated messaging and scheduled

recalls. The tightly integrated ULTRA and Ensemble solutions give IDML a richer set of customer intelligence to generate sales opportunities and quickly and accurately finalize business transactions. The solution also provides IDML with the capability to monitor and coach its contact center representatives in real-time - a significant advantage in meeting and exceeding customer expectations.

"By making actionable intelligence available throughout the enterprise, we believe customer contact outsourcers, such as IDML, can gain a distinct competitive advantage and a value-added service that they can pass on to their own clients," noted Ady Meretz, Vice President of Verint's Asia-Pacific Operations. "The implementation at IDML shows how this approach fuels a consistent, branded customer experience, regardless of where the customer service center resides."



## Thrifty Car Rental Selects Envision Telephony's Click2Coach to Help Provide the Highest Level of Customer Service

Envision Telephony, Inc., a leading developer of contact center solutions, has announced that Thrifty Car Rental, one of the world's largest car rental franchise networks and a subsidiary of Dollar Thrifty Automotive Group, Inc. (NYSE:DTG), has selected Click2Coach(R) for its unique coaching tools. With Click2Coach, a complete agent development solution that includes integrated quality monitoring, training and motivation tools, Thrifty will be able to coach agents to deliver the superior service its customers are accustomed to receiving.

"Because we work with franchise owners, corporate stores and travel agents, as well as airport and local markets, it is very important that our agents be knowledgeable experts and offer recommendations to best serve our diverse customer needs," said Dan Kenney, director of telephone sales at Thrifty. "After evaluating Click2Coach, we recognized that it offered much more than a recording solution — it provided a 'one stop shop' for continually improving agent performance. We selected Click2Coach because it offers the most capabilities and the best return for our investment."

Thrifty continues to make

great progress breaking into new markets both nationally and internationally. Because of this continued growth, the diversity of the markets the company serves and the competitive nature of the travel industry, Thrifty wanted a way to ensure that all customers receive exceptional service. Originally looking for a quality monitoring solution to help them evaluate agent-customer interactions, Thrifty turned to Envision and found that Click2Coach also provided easy-to-use coaching tools for developing effective, well-trained agents.

Bob DuPont, staff vice president of reservations at Thrifty stated, "Envision's Click2Coach enables us to provide the feedback and training that helps focus our entire contact center organization on creating maximum customer value."

"Thrifty is known for having one of the most customer-focused teams in the car rental industry and has distinguished themselves as an industry leader," said Rodney Kuhn, founder and CEO of Envision Telephony. "Envision is proud to partner with Thrifty and provide the solutions that help extend their commitment to providing the highest quality of customer service." ♦

## Lumenvox Announces New Training Service

LumenVox, a provider of speech recognition technologies announced a new training system, that when using their Speech Recognition Engine (SRE), dramatically enhances the accuracy of the application.

LumenVox has developed new acoustic models, based on task-dependant data to improve accuracy. This new training system will accept virtually any speech data with its transcription as input, and produce trained, effective models tailored to a company's requirements. LumenVox's Speech Recognition Engine (SRE) can automatically create the speech data files from live customer calls and includes tools to simplify the transcription process.

This new training system means that LumenVox can now produce acoustic models specifically adapted for each individual client's environment, thus improving recognition accuracy and customer satisfaction. In particular, client data received by the recognition engine is sent to LumenVox, where the data is fed into the system, resulting in sharper, customized acoustic models. As the exchange of data and models continues, the client receives more accurate performance from the SRE. The better matched and more data used, the

better the resulting system. In time, this training system will be available to the developer and be bundled in LumenVox's suite of speech recognition software. The training system will further enhance the already existing and powerful tuning system.

For additional information or to utilize this new training system, simply call a LumenVox representative at: (877) 977-0707. ♦



## Bay Bridge Decision Technologies Introduces CenterBridge™ 2.5

### New Features Improve Financial Planning, Budgeting, Optimization, and Operations Management Capabilities For Inbound Contact Centers

Bay Bridge Decision Technologies has announced the release of Version 2.5 of CenterBridge. CenterBridge is an enterprise-class forecasting, resource planning, budgeting, and analysis system for large or multi-site inbound customer contact organizations.

"We are pleased to announce the newest release of the customer contact center industry's leading forecasting, planning, and analysis tool", says N. Dean Papadopoulos, CEO of Bay Bridge. "The new capabilities in Release 2.5 will enable our customers to increase dramatically the efficiency of their planning and budgeting processes while improving their contact centers' revenue, quality, and cost performance.

CenterBridge 2.5 incorporates many enhancements to CenterBridge 2.0 including:

Expanded shrinkage and agent productivity analysis.  
Increased financial planning

capabilities including Instant Budgeting™, to generate complete contact center budgets in minutes, and expanded cost per contact analysis.

New drill-down financial analysis capabilities to analyze P & L information across multiple centers, contact types, and agent types.

Expanded staff planning features to optimize staff hiring and termination based on profitability.

Expanded non-phone contact and work case planning and analysis capabilities.

Improved ACD data import capabilities, for automated contact distribution and historical performance import, reporting, and analysis.

"CenterBridge 2.5 enables contact center professionals to go from contact volume forecast to complete budget, detailed hiring plan, and multi-measure service quality forecast in less than five minutes," says Ric Kosiba, Ph.D. and Executive Vice President of Engineering at Bay Bridge. "CenterBridge frees our clients to focus on improving their business instead of manually entering data or fighting with complicated spreadsheets." ♦

## A Tale of Three 'Outsourcing' Options (India, Philippines & Barbados)

### How to Cure the Customer Support Blues

*(Take two aspirin and call India in the morning...)*

*The competitive need to increase customer satisfaction while decreasing the cost of customer interaction has many U.S. companies relying on CRM (customer relationship management) applications that will most likely fail to deliver hoped-for results, according to industry statistics. Before companies spend another dollar on CRM software, phone-centric service centers and other 'solutions,' they should consider a customer support strategy that leverages 'offshore' outsourcing, say experts at ICICI OneSource, to start taking advantage of high-level, multi-channel customer support services at significantly lower cost.*

**Art Coombs, EVP,  
Business  
Development/Strategic**

**Initiatives, at ICICI OneSource**, one of India's leading providers of CRM and transaction processing services, can discuss:

*Why the integration of traditional phone-based customer service with the Internet is time-consuming, expensive and complex – and how companies can successfully transition from a phone-based support model to a multimedia support environment*

*How companies with traditional 'onshore' customer support strategies can leverage highly skilled, cost efficient offshore labor – and how much and which of their customer service capabilities they should offshore*

*Why companies with offshore support are able to achieve dramatic reductions in cost per customer interaction (from \$10 per customer interaction down to \$1) – and how customer satisfaction levels are increased even as costs are decreased*

*How enterprise-wide CRM can be achieved through offshore outsourcing – and how offshore technology, processes and people integrate with onshore legacy systems*



## About ICICI OneSource

ICICI OneSource (I-OneSource) ([www.icicionesource.com](http://www.icicionesource.com)), a leading Business Process Outsourcing services provider for the global market, provides transaction processing support and customer contact services to international clients, including FTSE 100 and Fortune 500 companies. The services are executed from offshore facilities located in Bangalore and Mumbai in India, and front-ended by in-market client relationship teams in the U.K. (London) and the U.S. (New York and Denver). I-OneSource recently completed the acquisition of CustomerAsset, a leading contact center company based in India. I-OneSource is a member company of ICICI Group, India's largest private sector bank, with assets of \$20 billion. ♦

## The Philippine Connection

The decision to outsource your customer contact operations these days is a tricky business – rife with endless options and painstaking research. The U.S. contact center industry is currently undergoing significant changes in terms of how companies are choosing to deal with the challenges facing the industry. These days it's becoming increasingly difficult to recruit good representatives (especially ones who want such jobs for any length of time), turnover is high, and there is consistent pressure to deliver high quality at lower and lower rates. The collective weight of these problems can be overwhelming for even the best operations in the industry. Thus, many outsourcers, as well as companies with their own internal contact centers, are expanding their operations overseas.

As a result, the opportunities to be considered in terms of overseas expansion are growing exponentially. There are near-shore options in Canada, the Caribbean and Latin America. There are off-shore options in the U.K., India, South Africa, China and the Philippines. And these are just the most common countries. Other options exist and more will crop up as overseas outsourcing grows and becomes more commonplace for U.S. companies and third-party outsourcers. All of the involved countries have their own unique pros and cons related to the decisions and options that

companies need to consider. These include the level of education, available pool of resources to hire from, dialect, cultural predisposition for handling certain types of calls, ease of traveling to the overseas location, political and/or terrorist issues, and the two most important considerations – quality and cost.

One option that that is getting greater deliberation these days is the Philippines. According to the Philippine Government Department of Trade and Industry, projections over the next three years have the number of call center seats growing from the current level of about 5,000 to 10,000, a doubling of size and a resulting labor force of over 24,000 agents. Behind India and the U.S., the Philippines is the world's third-largest English speaking country. And unlike India, it has an Americanized culture with a service orientation, multilingual workforce, and, best of all, eager college graduates who view the position of customer contact representative as a career opportunity versus a temporary job. The Philippines has more than 4 million college-educated workers between the ages of 20 and 25 who are available for employment. What's more, tens of thousands of graduates become part of the available workforce each year with engineering, computer sciences and other highly desirable degrees. These graduates are seeking career opportunities in customer contact centers, providing centers in the Philippines with an abundance of highly

qualified human resources. With real estate costs 15 to 20% below U.S. rates, and an abundance of space available, there is no limit to the growth potential. And with the reduced labor, facilities and communications costs, outsourcing rates are typically 20 - 40% below those offered for comparable U.S. programs. Furthermore, the quality of a Philippine call center can be better than in those found in the U.S. This cost reduction, combined with the fact that Philippine representatives are highly educated and interested in a contact center long-term career, create high quality, low cost alternatives to U.S. contact centers.

As anyone in the industry knows, these two concepts – higher quality at lower rates – have rarely existed side-by-side and make the Philippines an option worth exploring. In fact, companies are already capitalizing on the advantages of a Philippine-based operation. According to recent news reports, a number of Fortune 500 companies already use contact centers in the Philippines to service customers in the U.S. These include, American Express, America Online, Dell Computers, Sun Microsystems and Bristol-Myers Squibb.

So while a Philippine call center may not be the answer to everyone's problems, it is certainly worth a close look.

By Teresa Hartsaw, president & CEO, ePerformax Centers Corp. ♦



## Barbados As A Call Center ‘Hot Spot’ (Culled from Barbados Advocate)

Barbados is now a call center destination of choice. According to reports, the island has climbed an unofficial list of preferred spots catering to call centers.

As a result, there were predictions that the island, and at least three others in the Caribbean, could look forward to more business from companies in North America and Britain.

A recent examination of call centers found that Barbados and its neighbors St. Lucia, Trinidad and Tobago and Jamaica were now being looked at more favorably by persons and businesses in need of call center services.

So much so that previously popular domiciles, including the Philippines and India, have now fallen behind.

News out of the United States noted that in recent years site selectors, consultants, outsourcers and economic development agencies have been touting India and the Philippines as low-cost and “high-labor-availability” alternatives to the United States (US), United Kingdom (UK) and Canada.

Officials of companies and other entities which utilize the services of call centers reported that American call centers were taking a new look at near-shore locations that promise lower costs than the US, good service, faster and more convenient access and fewer security risks.

These locations included Canada, Barbados, Jamaica, St. Lucia, and Trinidad and Tobago, and many countries in Latin America.

A number of these locations, notably Canada, Mexico and Chile, were also said to have strong domestic economies and provide markets for American goods and services that need call center to support and sell to them.

Site selectors said they were weighing the near-shore locations’ benefits against their higher costs, fewer qualified workers, and poorer education levels compared with offshore locations.

King White, vice-president of Trammell Crow Call Center Services (Dallas, TX), says many outsourcers are still going offshore but noted the leading players and Fortune 500 in-house operations were looking at near-shore as back-ups. ♦

## TRENDS & MILESTONES

### NetLert Communications Releases Compliment to NetLert N-Contact v1.0

NetLert Communications Inc. has announced a new product to compliment the company’s suite of contact center specific real-time communication solutions – NetLert N-Contact v1.0

In 1999, research showed that there were approximately 15 billion customer contacts made in North America. 85% were by telephone, 5% web or email and 10% other means. For 2002, it is estimated that total customer contacts will exceed 30 billion – double the rate just two years ago! However, unlike two years ago, it is estimated that 54% will be making contact via the Internet as emails, web contacts, chat rooms, message boards, e-faxes, etc. Clearly, the trend is for consumers to make contact via the Internet

– and in increasing numbers.

Like it or not, immediate gratification is a human desire that must be factored into your customer service program. This means that direct person-to-person contact will be the most popular and demanded method for sales, general information and in resolving product support issues. It could equally make the difference between winning and losing the customer. Further, to remain competitive in today’s Internet markets, your contact center needs the support of a comprehensive Instant Customer Service offering – “N-Contact”!

Let’s summarize the costs and benefits of self-service customer solution (what we call – ICS) versus other customer contact methodologies. A doculabs study (2001) calculated the average cost of a traditional telephone customer service call at \$32.74. Now when you move to the Internet, that same study showed that the

average cost of an email response is \$9.99. Self-service answers to web site queries average a \$1.17 per response cost – something worth considering! Not only a great way to save money in your contact center, but to improve efficiency as well!

#### Product Description:

N-Contact is a tool that makes it easy for anyone visiting your web site to chat with your support agents, instantly, “live”, with the simple click of a button! With live, text based chat, the ability to push any web based content to customer desktops, and agents/customer collaborative browsing, your Web-enabled contact agents can immediately start a dialogue with any online prospect requesting information or assistance.

#### Features:

Chat Button – Click a button on web site-live, text based chat



Contact Queuing – Like the traditional Call Center ACD switch, routes chats to available agents

Response Libraries – Quick “canned” responses to contact inquiries, as well as pushing URL’s and files

Transferring – Maximize agent efficiency, reduce contact escalation

Reporting – Get real-time and historical reports with N-Contact’s Automated Chat Distribution reporting package

Collaboration – Agent and contact share a browser

E-Mail – When a live agent is not available, it offers alternative via email

Contact: [danny@netlert.com](mailto:danny@netlert.com) or call 828-670-9900 x 309 ◆

*hours now take 30 minutes thanks to this software.”*

“Our goal with Call Center Scheduler is to use the knowledge we have gained as call center managers and consultants to provide a practical, affordable alternative for effective scheduling,” says Call Center Scheduler President Wayne Shaw. “The most recent ROI scenario we developed for a call center with 42 agents yielded an ROI in six weeks.”

## **New Call Center Scheduler™ Yields Rapid ROI For Small to Medium-Sized Call Centers**

***Reap Return Within Months,  
Sometimes Within Weeks***

Call Center Scheduler’s new version 4.0.14 makes scheduling software a no-brainer for companies with small to medium-sized call centers that until now couldn’t justify the investment.

*“We’ve found Call Center Scheduler to be reliable technology built on call center-savvy principles,” said Cheri Corless, Call Center Director of SpeedFC in Dallas, Texas. “Moreover, it’s in a price range that makes it a wise investment for call centers of all sizes. We have achieved a return on the investment within six months although we only have 32 agents. Procedures that formerly took us 8*

Call Center Scheduler™ v. 4.0.14 is generally available to the U.S. marketplace. This latest version includes new features that enable call centers to create priority shifts without sacrificing business goals. With the Call Center Scheduler scheduling wizard, clients can incorporate priority shifts and rules-based shifts to produce the most cost-effective staffing mix and schedules. Other enhancements include improved historical data collection, vacation planning, and forecasting features. A typical system costs \$15,000. ◆



## Profile: eOn Communications

Interaction Management for the Customer Era

***The traditional call center's voice-only capability has now expanded to include alternative, multi-media channels, such as e-mail and real-time Web agents, to meet customers' ever-growing communication needs. According to Gartner Group, by 2003, more than 45 percent of all contact center traffic will be initiated by means other than a telephone. And by 2005, 70 percent of call centers will support integrated live Web contacts and/or e-mail response management systems for their telephone-based agents.***

***While there is an industry consensus of where the future of contact centers is going, there are new challenges as companies integrate media. There are specific steps that companies need to follow to best integrate multi-media channels, and there are also specific issues that companies must consider when working with a multi-media contact center solution vendor.***

***In order to determine how best to integrate multi-media channels in your contact center, you should first determine how your company will manage the three phases of automatic contact distribution. These phases include determining how your company: wants customers to contact them, wants to treat customers, and wants to handle customer data.***

*eOn's eQueue® Multi-Media Contact Center Solution offers a comprehensive and unified solution for customer interaction management.*

*The universal or single queue approach enables contact centers to interact more efficiently with their customers regardless of the media. The eQueue's single queue technology, open architecture and suite of comprehensive applications simplifies the technical, training and supervisory burdens of multi-media contact management, while enabling agents to engage in more sophisticated interactions that enhance customer satisfaction.*

*The benefits of using eQueue's proven and reliable platform are improved customer service and loyalty, increased agent productivity and lowered cost of ownership. The eQueue provides additional benefits that multi-media contact centers can achieve with a unified workspace management approach, including reduced administrative burdens, lowered operating costs and improved contact center performance.*

eOn's Supervisor WorkSpace, the management and reporting tool for the eQueue solution, provides contact center managers with a flexible set of monitoring, reporting and administrative capabilities necessary to ensure all forms of customer contacts are managed efficiently and at the highest service levels. With its package of standard reports, Supervisor WorkSpace allows contact center managers to effectively track agent performance and customer activity. Supervisor WorkSpace also provides real-time management displays and alerts, and can be configured for quick and easy identification of customer contact patterns and trends. Additionally, the eQueue provides all the agent productivity tools needed in a contact center through an intuitive graphical user interface, displaying each customer interaction as an icon on the toolbar, complete with unique identifiers and visual alerts. Agents have easy access to the customer's contact history, and can view the data from all interactions that have occurred

with a particular customer and follow the customer interaction through resolution, whether transferred or put on hold or placed in a follow-up status. Based on routing logic, the agent is also presented with a knowledge base to assist with each interaction.

*The eQueue applications include multi-media routing of all interaction types with robust ACD functionality, complete telephony capability, e-mail, Web chat, integrated voice response, voice mail with unified messaging, fax messaging, quality assurance recording and a complete range of desktop devices and applications. Features include: Comprehensive Applications...Robust functionality Modular Solution...Use what you need when you need it Scalable...From tens to thousands of agents Reliable...Proven in the industry Universal Queue...Single queue to manage all forms of media Open...Standards-based, interoperable with 3rd-party systems Powerful Management...Displays and reports IP-enabled...Including VoIP Future-Proofed...Allows for emerging technologies*

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## **FEATURE:**

### **Leader as Coach...*Stretch* the Possibilities!**

“Outstanding leaders go out of their way to boost the self-esteem of their personnel. If people believe in themselves, it’s amazing what they can accomplish.”

Sam Walton

1918-1992, Founder of Wal-Mart

A successful coach unlocks a person’s potential to *stretch* their personal capabilities, ultimately improving overall organizational results. Most often, leadership coaching takes one of three forms: educating staffers on how to streamline workflows and processes, mentoring them on how to create a team culture, and motivating them to sustain high performance results.

Some situations where coaching can be effective include when there is a need for information or gaining access to the right tools. More in-depth coaching can teach staff members how to turn frustration into positive action, support their self-managed change, show how to transfer accountability for complex tasks, or preparing an organization for change.

Coaching is making a commitment to another’s success. To determine if you have the aptitude and attitude to coach, take the short quiz below.

#### **Am I a Coach?**

1. I’m willing to share what I know.

Yes  No

2. My approach to communication is very open.

Yes  No

3. The way I help others learn is to model positive examples.

Yes  No

4. I’m patient with failure.

Yes  No

5. I am innovative in rewarding success.

Yes  No

6. I can be fair and objective.

Yes  No

You could be a successful coach if you’ve answered yes to each of the above statements.

Once you’ve determined if you have the attitude and aptitude to coach others, explore some of the specific techniques used by professional coaches. The **STRETCH** model, which offers guidelines for a coach to use as they work with different individuals, can be easily adopted to use to help others reach their full potential.

#### ***Set the Climate.***

Creating a mentally, emotionally and physically positive environment will establish credibility between coach and staff members. The focus is on building rapport with an individual, resulting in strong trust. Trust is built by listening to understand different perspectives, sharing responsibility of decisions, holding confidences, and collaborative feedback. Recognizing which setting makes a staff member most comfortable for conversation—whether it is your office, over lunch, or on the floor—is an important consideration.

As a leader, you are responsible for setting the climate for your entire management team. Encourage each member to do the same with their direct reports as well.

#### ***Target Goals.***

There is a saying: If you don’t know where you’re going, you’ll never know

when you arrive. Naming what success looks like, and then creating a specific path of the necessary actions for forward movement is often what a coach helps clarify. The coach accomplishes this by asking very effective questions, and integrates the answers with solutions. Consider these two different questions, and how they will create a different end goal. “What’s the problem on this project?” vs. “What has been accomplished so far on this project that you’re pleased about, and what is your sense of what may cause difficulty?”

As a leader, it is important to keep goals in the forefront of all activities. Since the contact center is constantly adjusting to changes in the business, it is a leader’s job to guide and redirect goals of staff without losing sight of personal development.

#### ***Review Options.***

A coach often helps reframe an issue, or supports an individual or team in taking time to consider other alternatives. This not only encourages innovative solutions to different circumstances, but also identifies any natural resistance to change so the coach can better point out a path where the staff member can thrive.

One example that amplifies how this played out is an experience in a contact center struggling with reducing the number of errors in a particular field on a transaction screen. They began to explore ideas, such as offering refresher training, changing the placement of the field on the screen, highlighting it in color, and creating job aids. Then someone said, “How about putting a shade on the window so we can see the field no matter what time of day it is?” Had that leader not offered the time to ask for options from everyone, they would have invested energy and resources into a solution that may not even have given them the needed results!

One of the best statements a leader



can ask is, “What other options are there?” before a final decision or plan is made. And of course, there is no substitute for building someone’s confidence than when you’re willing to adopt his or her ideas!

#### **Explore Pros and Cons**

As important as reviewing options are, looking at potential impact of solutions before implementing them saves many failed attempts towards success. A coach plays a key role asking pivotal questions to ensure both possible positive and negative consequences have been considered. In the example above, they may still decide to not only put a shade on the window, but also look at the other ideas and decide if they would also lend value as part of the solution.

Leaders encourage everyone to consider what may be possible, as well as share from their own personal experience what may or may not work. Many leaders often play the role of calling “time out” to look at potential effects of decisions before jumping into action.

#### **Talk Often**

There is no substitute for continuous dialogue regarding ideas, concerns, decisions, lessons learned and continued goal setting. Most employees strive to do a good job and do what’s right, however, often get stumped, confused, frustrated, or tired. Staff members often “freeze” when circumstances overwhelm them, or get out of their control. A coach acknowledges the frustration, helps identify components that can be controlled, provides ways to communicate those frustrations, or finds resources that can appropriately solve the issue, or at least move it forward.

Leaders create an atmosphere where dialogue is important and valued as a part of doing business. By

encouraging dialogue, you’re also boosting self-reliance and accountability for results.

#### **Confirm Scope**

As in any goal or project, “scope creep” can take the best intentions and wreak havoc. It often happens along the way when goals are not as clear as they need to be. An example shared by a supervisor was about a leader asking for daily reports on how the contact center was performing. The supervisory staff members spent hours compiling and analyzing data every day, often taking away from reps that needed attention while with a customer. When the results started looking gruesome both in the reports, and morale on the floor began to plummet, it took a brave supervisor to ask the senior leader what they really looked at. It turned out that of the twenty reports they were compiling every day, only five were what was really needed to obtain the pulse for the day. They changed the amount of time spent on this task, and instead had time to focus on building morale and working on the barriers to performance on the floor.

Clarifying expectations, time management, helping break tasks down into doable small steps, and adjusting scope as necessary are all ways a leader helps staff manage scope. While many leaders create business expectations, the leader who coaches their staff to set personal as well as team goals is most often the leader who has an organization that can *stretch* and exceed those expectations

#### **Help Obtain Resources.**

One of the most difficult parts of acclimating to any job or being successful in a project is to understand the critical “unwritten” rules of an organization, especially how to identify and acquire access to needed resources. These resources may be tools, training, other people, or even

information from another department. Coaches play an important role in recognizing when a resource is required, and help get around obstacles to acquire what is needed.

Leaders often have access to information or other members of the organization to complete the pieces of the puzzle often not available to co-workers. By including co-workers in meetings, sharing e-mails, dialoguing about impact of market changes, or describing steps taken which lead to making a decision, leaders share valuable intangible assets that can often be the key to success.

Ultimately, when others “learn to fish” they will continue to mentor and educate others, so the investment in coaching pays off in great dividends. Not only does the individual benefit, but ultimately the entire organization wins. As you think about your own leading and coaching, write down in the margin the three individuals that you either currently mentor, or could focus on coaching in the near future.

Research suggests that employees are more satisfied when they have the opportunity to develop on the job. All leaders can become a coach, and strive to *STRETCH the possibilities* for their staff. One word of caution: when you *STRETCH* the potential of your staff, you might just find yourself more successful, too! ♦

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## This Holiday Season: A Different Type of Consumer

As you gear up for the holiday season, be prepared for a different type of consumer this year: beaten, battered and, according to a just released survey, feeling “disrespected.”

64 percent of American consumers feel companies with which they frequently interact via telephone are not very respectful of their time, found the survey, conducted by RoperASW, a leading market research firm on behalf of Rockwell FirstPoint Contact, a global provider of complete customer contact center solutions. The perception is worse among the all-important 18-34 demographic, with only one in five respondents (20 percent) reporting companies are “very respectful.”

What’s more, with American consumers expected to travel less and shop at home more this year via e-commerce and catalogues, unless retailers are well prepared, the feelings of “disrespect” could turn downright nasty.

We propose a story on the “consumer disrespect” phenomena, and how retailers can be better prepared to address it via enhanced customer service this holiday season. Our source is Roger Sumner, CTO of Rockwell FirstPoint Contact provides contact solutions for many leading retailers on the front lines of the holiday shopping season. Roger’s views include:

While a plunging stock market, evaporating 401ks and corporate misdeeds are likely contributors to “consumer disrespect,” a more critical element may be that today’s pressure on organizations to be more efficient and streamline have taken a toll on

technology initiatives to improve customer service. Unless our consumers encounter exceptional service this holiday season, retailers may pay the price: an estimated 70 percent of customers change suppliers because of poor customer service (Jupiter, 2002).

*Customer Service Doesn’t Begin at the Store:* With e-commerce and catalogue sales expected to increase significantly this year, customer service must extend to “all points of touch.” One critical area: small and large businesses alike must reexamine their contact center solutions. A solution that enables customer service representatives the ability to access and deliver information to customers efficiently, correctly and with a touch of personalization, whether it be handling a purchase, a delivery or a return, will go a long way. To combat “disrespect,” customers must feel that all of their interactions are important to the company.

“Unfortunately, for many companies, negative consumer interactions associated with poorly designed contact centers are taking a toll on their reputations and contributing to feelings of consumer disrespect,” says Roger. He can provide examples of retailers “doing it right,” as well as additional “best practice” contact solution advice to retailers preparing to deal with the holiday shopping onslaught.

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