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# Getting Workforce Optimization Right

How to align agent training and management with customer needs

An Ovum White Paper

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## INTRODUCTION

Although the economy is seemingly improving, pressure on contact centers to improve customer satisfaction while reducing internal costs remains. Managers face challenges in ensuring that they have employed the right number and best-skilled staff, delivering relevant training and preparing agents to handle customer queries efficiently. All too often, agents do not have the right information at their fingertips and customers must wait while representatives search different applications and input data. Managers do not know the individual strengths of each agent and have difficulties balancing the number and type of customer enquiries with the right numbers of agents. Some of the top pain points for contact centers in creating an efficient customer service environment include:

- siloed customer information that does not connect to agent performance and training;
- limited data on agent skillsets, resulting in calls not being routed to the most knowledgeable agent;
- agent training courses are generic and need to be personalized to agents' individual skill gaps;
- over- or under-staffing because of fluctuating call volumes.

Contact centers are beginning to look at ways to connect data from different processes in order to better meet customer needs and deliver effective customer service. Many of the above issues can be resolved by unified workforce optimization. Integrated workforce optimization systems link scheduling with incoming call volumes and deliver personalized, targeted training based on performance measures and skill gaps, prioritized by ranking of business objectives. When working together, these tools help managers to schedule and train agents more effectively, improving agent morale and customer satisfaction.

## AGENTS NEED THE RIGHT SKILLS TO MEET CUSTOMER DEMANDS

Contact centers typically focus on efficiency, call handle times, hold time, and the number of calls answered, rather than looking at customer satisfaction and first call resolution. Ovum believes that enterprises need to connect traditionally siloed customer satisfaction metrics with agent performance and tailor training accordingly. Agents are often not equipped to handle customer queries, lacking updated information and knowledge about a customer's previous transactions. Unifying disparate workforce optimization tools allows managers to tailor agent training to specific skill sets. In a large contact center, managers may find it difficult to know the strengths and weaknesses of each individual agent and agents often receive generic training courses alongside their peers, rather than personalized instruction. This leads to both low customer and agent morale; agents feel frustrated because they are not treated as an individual and may not be able to handle particular queries. At the same time, customers are frustrated by long call wait times, transfers or even the need to call again if the agent isn't able to resolve their issue immediately.

In addition, while millions of customer service cases continue to be resolved via phone calls, many consumers have readily taken to web self-service, and a growing number are using social networks to gain peer-to-peer support. As these new channels become increasingly important to consumers, enterprises need a way to monitor and analyze information from each channel to understand their effectiveness. In order to manage multichannel communications and train agents to effectively answer customer queries, contact centers can deploy WOTs, such as analytics, performance management and scheduling. These tools help managers to understand agent skills, deliver tailored training and ensure that agents have the most relevant up to date information to answer customer questions.

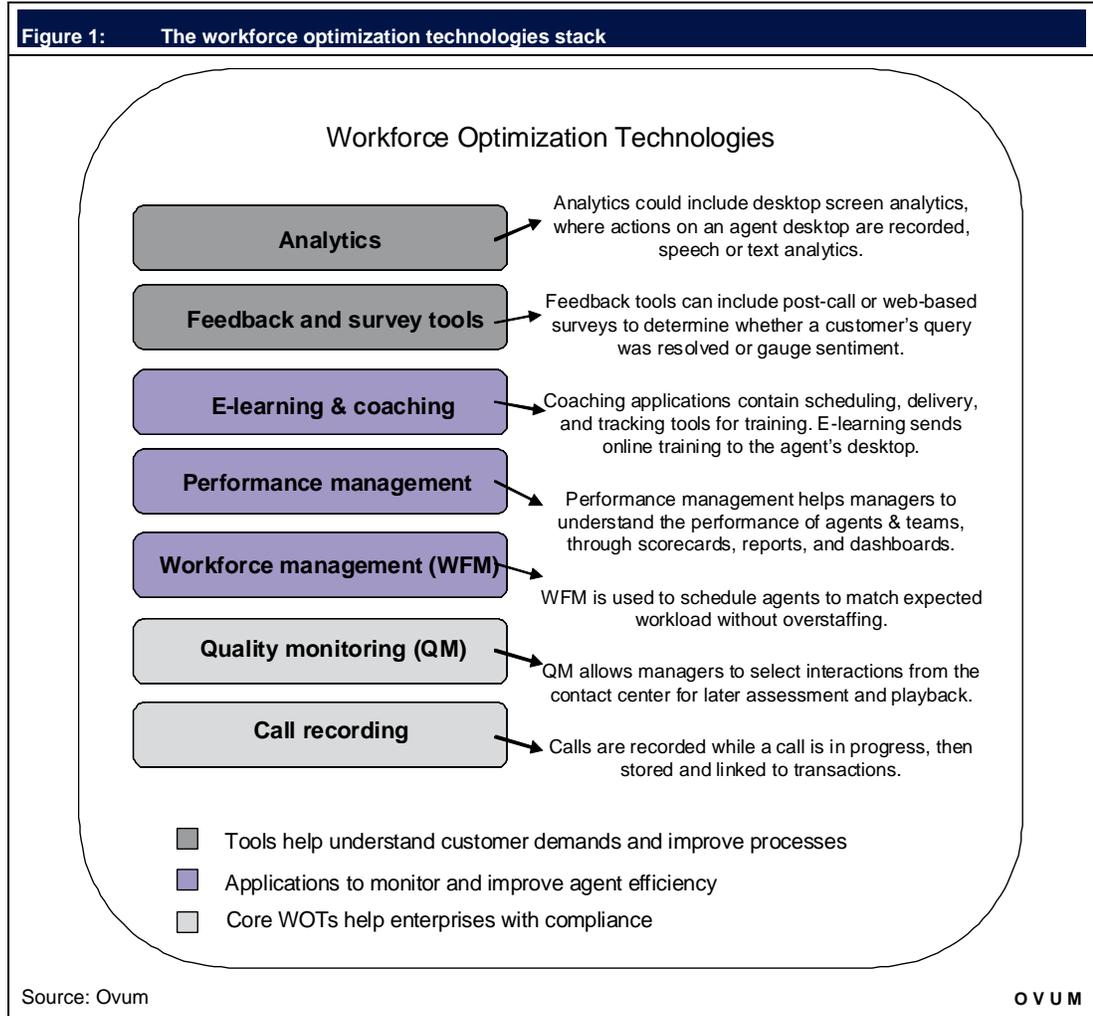
## WORKFORCE OPTIMIZATION TOOLS HELP IMPROVE AGENT SCHEDULING AND TRAINING

### *Workforce optimization tools are becoming more customer and process centric*

Workforce optimization technologies (WOTs) are a group of tools that help contact centers create a more efficient and effective workforce. The various technologies included under the WOTs umbrella are shown in Figure 1. They include call recording, quality monitoring or QM, workforce management (WFM), performance management, e-learning and coaching, customer feedback tools and analytics. Traditional WOTs, such as call recording, QM, and WFM are very focused on agent efficiency, while the latest-generation of WOTs are process improvement and customer satisfaction-oriented. They encompass much more than agent compliance with internal standards and policies, providing in depth analysis of customer needs and agent behavior. The following are examples of some of the new features of WOTs:

- **Process improvement** – Desktop analytics allow organizations to monitor actions taken by agents during calls via capture of business data displayed on the agent desktop, such as customer ID number, case ID number, account ID, sales order value and collections metrics, even without back-end integrations to source applications. This level of information can be used to discover how agents perform and which applications they use so that workflow can be improved and agent behavior can be modified to boost productivity. Managers can link events and data accessed or entered by agents to recorded calls. This allows interactions to be classified by type and value, reported on and analyzed very effectively, even before being played back.

**Figure 1: The workforce optimization technologies stack**



- Customizable user interface** - The influence of Web 2.0 architecture can also be seen in modern integrated WOTs suites. Solutions are now highly customizable including such productivity enhancements as personalized portals, to-do lists, actionable alerts and reports with color-coded performance metrics, user-defined shortcuts to actions, and a variety of other elements that provide for personalized experience for each user. Figure 2 provides an example of a real-time desktop ticker that can be customized. It can be set up to display a variety of important real time and historical performance metrics for agents, supervisors and executives, with minimal impact on desktop real estate. This technology is now available to both managers and agents. These tools also support automated, personalized delivery of coaching content and messages to agents and supervisors based on quality scores, skills, or evaluation question level.



- Integrated customer metrics** – Text, desktop and speech analytics tools enable managers to better understand why customers call into the contact center. Vendors are beginning to offer multi-channel analytics in order for enterprises to compare the performance of different channels from within the same interface and provide more insight into why customers are calling. Multi-channel call recording and analytics address the need to understand how effective each channel is in answering customer queries. Additionally, intelligent quality monitoring solutions have built in analytics that allow managers to assess recordings and interactions based on their content and relevance to specific business goals.

### ***WOTs simplify contact center management, but also improve customer satisfaction***

WOTs are vital in today's evolving customer service world and sluggish economy, as their objective is to balance contact center costs and internal compliance with customer satisfaction, customer loyalty and other line of business goals.

#### **Improving efficiency**

Organizations are heavily focused on cutting costs and improving efficiency. In order to understand behaviors in the contact center and improve agent performance, contact centers need to monitor information flow and ensure agents have the right tools at their fingertips. Whether this is using performance management tools to understand agent strengths and weaknesses and deliver relevant training or using quality monitoring systems to ensure agents are compliant and focused on activities that generate business value, WOTs play a key role in a well-run contact center.

#### **Simplify management of agents**

Supervisors and managers are now involved in much more complex decisions than ever before; they must manage consistent service delivery across a growing variety of customer contact channels, including customer feedback across social media. Managers need new approaches to manage the latest generation of contact center agents that do not respond to "proven" methods of motivation. These challenges are difficult to surmount without intelligent workforce optimization technologies that automate many management tasks and provide timely, quantified insights into those areas that require personal involvement and judgment. Figure 3 shows an example of web-based agent scorecards displaying real-time status of individual and group performance versus target metrics. That data can be presented in a daily, weekly or monthly view.

**Figure 3: Web-based scorecards displaying real-time performance metrics**

	daily	weekly	monthly
Key Performance Indicator	Target	Agent Result	Group Result
Availability	10.0%	9.7%	10.6%
Average Idle Time	1:14		1:22
Avg Outbound Talk Time	2:10	1:59	2:10
Collections Roll Rate	30.00%	35.00%	45.00%
Dollars Collected	\$30,000	\$35,235	\$256,493
Number of Promises To Pay	48	47	40
Promises Kept Percentage	72.0%	75.0%	70.0%
Recent QA Evals	80%	87%	83%
Schedule Adherence	85.0%	91.0%	89.0%
Total Dollar Value of PTPs	\$9,500	\$10,253	\$9,586

Source: VPI

OVUM

### Meeting customer expectations

Customers are now much more comfortable with the idea of using self-service channels including the Web and IVRs for basic inquiries or tasks, such as checking an account balance or merchandise shipping status. When they actually take the time to call into the contact center, customers expect fast and competent answers to more complex inquiries. Additionally, with the rapid adoption of Social Media, ensuring an excellent experience when customers reach out to your contact center has become critical. Enterprises know that it takes just seconds for a customer to complain about a poor experience and quickly damage a brand's reputation.

## DEMAND FOR EFFICIENT AND EFFECTIVE CUSTOMER SERVICE IS DRIVING A NEED FOR INTEGRATED WORKFORCE OPTIMIZATION

Although workforce optimization applications are often sold as standalone tools—or as add on modules to the essential call recording and quality monitoring systems—they provide far more value when integrated and implemented as a group of tools. Integrated workforce optimization solutions consolidate data from all applications and managers gain a unified reporting system that provides superior insights and guidance in business decisions. When WOTs applications work together in concert, organizations gain a powerful toolset for periodic inspection and improvement of business processes that span multiple business functions, communication channels and geographic areas. Managers save time by interacting with a centralized database that draws from data from all integrated applications and quickly exposes problems and opportunities.

An integrated approach to workforce optimization also allows contact centers to incorporate the voice of a customer in multiple processes. Managers can link decision making about agent training and performance issues with customer evaluation forms and questions from quality assessments. By having a more complete picture of customer needs and agent skillsets, managers can make strategic decisions about the type of communication channels they include or which products are offered to different customers. Following are some examples of WOTs tools working together:

- E-learning and coaching + quality monitoring and/or performance management** – By combining training solutions with agent skills information, enterprises can deliver tailored training courses and coaching tips for agents based on performance scores and skills assessments. Agent learning curves improve when enterprises tailor training directly to their needs and deliver it just in time (as soon as a knowledge or a skill gap is identified).

Integration of e-learning with reporting also makes it easy to measure the impact of training; test results can be tracked and automatically linked to trends in performance metrics such as average handle time (AHT) or hold time. Managers are able to spend more time on one-to-one agent coaching interactions rather than updating and checking progress of training through traditional laborious methods. Additionally, agent responsibility and job satisfaction increases because agents are able to monitor and self manage, where appropriate, their own training schedules, gaining more visibility into their progress. This helps to drive peer-to-peer competition and reduces pressure on managers to monitor and motivate agents individually.

- **WFM + e-learning and coaching** – Managers are able to schedule training sessions during times of low call volumes by combining historical and real-time call information with agent schedules and training. Enterprises can improve agent utilization and have a more efficient program of training and scheduling when on-line training events are matched to business and customer needs. For example, when training schedules are dynamically adapted to actual call volumes agents get the help they need without interrupting the flow of customer service.
- **Quality monitoring + analytics** – Desktop or speech analytics can be integrated with quality monitoring to automatically select important calls or call from a particular category to be monitored. This saves managers' time as they can focus on reviewing high-value calls, whether positive or negative, as well as getting a balanced perspective of operations. This brings valuable business perspective into quality monitoring as it helps managers uncover problems and opportunities that are unlikely to emerge from basic random call selection for review. Managers can also assess calls based on the perspective of customers, looking at issues that lead to repeat calls, or are prevalent across multiple channels.
- **Performance management + WFM** – Managers can consolidate WFM metrics, such as adherence and conformance with telephony metrics, QM scores, other key performance indicators (KPIs) so that agents have access to real-time information in the form desktop tickers, scorecards and reports. Providing more visibility to agents helps them understand their role better and improves morale.
- **Quality monitoring + performance management** – This enables managers to combine quantitative and qualitative information for a complete assessment of contact center productivity and its contribution to the bottom line. Performance metrics enhance insights from quality evaluations by supplying status and trending data from all of an agent's interactions. Managers may wish to evaluate a subset of calls from a particular category, for example interactions about new orders over \$100 or order cancellations by VIP customers. Conversely, QM enhances insights from performance management by providing answers regarding reasons and root causes of trends and status of various metrics.

### ***Case study: 1-800-Flowers.com reduced costs and improved efficiency with unified WOTs***

1-800-Flowers.com provides a broad range of products, including flowers, plants, gourmet foods, candies, gift baskets and other unique gifts. The company has been in business for more than 30 years and, in 2010 the company's annual sales are greater than \$650 million. The business has more than 900 full-time equivalent agents throughout North America, and has transitioned the majority of its agents to a successful work-at-home model.

#### **Drivers for implementing unified WOTs**

During peak holidays, such as Valentine's day and Mother's day, 1-800-Flowers.com has to rapidly hire agents to ramp up to effectively handle increased call volume. They needed a more effective and simplified way to train new and existing agents and get information to them quickly. Information flow was also poor and the organization found it difficult to get the

right information to every agent, especially during the holidays when certain products were out of stock. The organization was also challenged with a very manual process of monitoring, incentivizing and rewarding employee performance; reporting was typically done at the end of the day, too late to impact productivity in a proactive manner. Since reporting was very manual and siloed, managers and executives did not easily have access to the information they needed. 1-800-Flowers.com wanted to deploy a centralized reporting system that would allow them to create views into data drawn from different applications without burdening internal IT resources.

The organization wanted to deploy a unified WOTs solution in order to consolidate information from multiple databases and systems, including telephony, IVR, CRM, knowledge management, email management, HR and several other business databases and mainframe systems. It needed an open architecture that would allow for flexibility in integrating existing system with any future technology additions. Managers also wanted to provide better views into performance data for agents to support self-motivation, with automated, dynamic rotation of displayed statistics according to the product line handled, 1-800-Flowers.com also intended to deliver a more efficient training for its agents, by implementing a better learning management and messaging system and providing agent accountability. It needed to support multiple sites and hundreds of at-home agents.

**Benefits and Results:**

1-800-Flowers.com implemented VPI EMPOWER real-time performance management and integrated e-learning solution and realized a number of benefits. Figure 4 details the benefits realized by the organization.

Figure 4: Business benefits realized by 1-800-Flowers.com	
Benefit	Customer results
Agent efficiency	1-800-Flowers.com was able to improve agent utilization of work time. The organization saw an improvement in the number of sales with five additional sales per agent per day and a 3% increase in sales conversions.
Cost reduction	The organization was able to decrease the number of full time employees and reduce costs, as well as make savings on printing and paper because of better reporting systems.
Consolidated reporting	Streamlined, consolidated reporting across all sites and at-home agent teams ensures that information is easily accessible to executives and management via dashboards. The availability of real-time and historical performance information, ensures that managers can easily identify top and poor performers and correct issues.
Targeted training	An automated, rules based e-learning tool allows better communication with agents and more relevant messaging and training. 1-800-flowers.com was also able to measure the impact of training more effectively.
Process improvements	Having access to real-time information ensured that the organization was able to evaluate and adjust marketing campaigns quickly. Better reporting also allowed 1-800-Flowers.com to make more cohesive decisions.
Customer satisfaction	Happier, more motivated agents were able to deliver better information and improve the customer experience.

Source: Ovum OVUM

## **STRATEGIC RECOMMENDATIONS FOR ENTERPRISES**

When considering deploying any new WOTs solution, Ovum recommends integrating applications in order to improve customer satisfaction, employee productivity, and to plan for future changes.

### ***Select packaged applications that match business goals***

Enterprises should set clear business objectives and look at ways in which different WOTs will work together to assist with specific goals, such as customer retention, process improvements, or script adherence. Having a goal and numeric targets before deploying the solution will assist enterprises in implementing the right choice of analytics. Enterprises can then use these targets to monitor progress and ensure the tools provide clear value. For example to ensure training is more effective, organizations might want to combine quality monitoring with performance management and e-learning, allowing automatic training suggestions for agents based on performance and quality metrics.

### ***Prioritize customers' needs***

In order to be successful, enterprises need to understand customers' needs and work to meet demands. Enterprises should use customer feedback to align internal processes. It's important to educate employees and agents about the importance of customer service and provide relevant training so that agents can effectively respond to customer queries. Integration of survey responses, and customer reasons for calling should be used to drive training for agents. Enterprises should also bridge silos between departments, integrating information from web tools and social media, to gain a greater insight into customers and the challenges they are facing.

### ***Use analytics to understand customer behavior and satisfaction***

Before investing in new tools, enterprises need to monitor and analyze how customers interact with various channels and determine why they are calling. Results from analytics then need to be tied back into processes and other workforce optimization tools. Ovum believes that enterprises need a combination of multichannel analytics and performance management tools to compare agent efficiency with customer behavior and satisfaction. In addition, contact center managers should integrate historical data with real-time analytics tools to assist agents by delivering the right information at the right time. Once enterprises understand the demands and challenges for customers, they can train agents effectively and improve internal agent resources and guidance.

### ***Plan for a multichannel contact center future***

Customers have made it clear that they want flexible ways to communicate with companies. Contact centers, therefore, need to evolve to provide multichannel customer service. Rather than considering the voice as an independent channel, contact centers should look for ways to incorporate additional text-based channels to better understand customer demands. Enterprises should work with vendors to determine how they address multi-channel analytics and what tools they plan to provide in the future. Enterprises should also look at the different types of available analytics, including desktop screen analytics, business intelligence packages, and customer experience analytics, to determine the best mix of technology. As with the other examples, this feedback should also tie back into agent performance and training solutions. Agents need to be equipped to handle enquiries from numerous channels and enterprises should assess performance across channels and train agents accordingly.

## APPENDIX

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### *VPI Solution Overview*

VPI offers a wide range of integrated WOTs technologies, covering all major bases except WFM, for which it partners with Pipkins. The vendor is particularly strong in providing analytics-enhanced call recording, QM and performance management. It offers real-time desktop analytics capabilities, reporting and scorecards, E-learning and a business rules engine. The VPI EMPOWER solution is an integrated, modular suite of applications accessible through a user-customizable Web portal. The solution incorporates components for call, screen and data recording, quality evaluation and eLearning, as well as real-time PM. VPI's unique capabilities include real-time desktop tickers that deliver personalized Key Performance Indicators (KPIs) and notifications to agents, managers and executives, and interactive heat maps that allow users to quickly visualize quality and performance data and drill-through them to determine the root-cause of important trends and issues.

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