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Ten dumb things smart Contact Center Executives Do

There are a lot of smart, very smart individuals managing and directing call and contact centers today. Yet, these bright, bright people still manage from time to time to do things that defy understanding. This is my top ten list of really dumb things that smart call and contact center executives do. If you have any dumb things to add to the list let me know by email at ctaylor@thetaylorreachgroup.com.

1- Don't invest in training or professional development.

We spent enough money to train them when they were hired, why would we want to keep them current on changes in the company our processes our customers or technology. They'll figure it out. Besides we can always use the dollars allocated to training for other areas like executive retreats.

2- Don't stay current on new technologies impacting on the call and contact center operations.

After all why would we want home agents, speech recognition, higher quality or better staff morale and management?

3-Don't read trade press, blogs and newsletters.

We already know everything, and besides who has time to read when I am constantly in meetings.

4-Don't include remote staff in your operational budget.

There aren't very many of them out there...is there?

5-Don't share new technologies and their capabilities with senior management.

They will just say no, so what is the point.

6-Don't share ideas concepts and results with Marketing.

After all they never share with you.

7-Don't consider the agents point of view when you examine new technologies.

Its just one extra open window on their desktop...they have done fine with the current 14 so what's one more window?

8- Don't give agents authority to make any decisions.

It is important that managers make all decisions...I know it is only a \$.49 credit, but it's the principal of the thing.

9- Don't take a long term view of your incentive program.

Incentive programs are designed to generate short term results. I just don't understand that while our incentive to reduce average handle time was so successful our call volume increased substantially.

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10- Don't share with HR the staff and skills/competencies that work best in the center. Turnover is a part of life in a contact center so we shouldn't try to address it.

Each one of the above list reflects comments (or a paraphrased version) that I have heard from contact center executives. Each of the above points reflects a narrow and/or short term view of the center. Now as I said above these are clever people. So how can such 'tunnel vision' exist within a group of specialists? There can be many causes that create situations of 'tunnel vision'. These can include:

Lack of time:

The old saw that "meetings are a nice alternative to work" rings true in many organizations and contact centers are not exempt. Days filled with meetings limits interaction with direct reports, free time to review news stories, white papers, technology and other articles etc. It also reduces time to speak with industry peers, to attend conferences or seminars. All of this leads the manager to having little option but to continue to rely on the status quo in operations as this is the only environment the manager is comfortable and knowledgeable about.

Conflicting objectives:

Often contact centers are asked to deliver multiple objectives simultaneously: improve customer satisfaction and reduce costs, or increase first call resolution. But don't spend anything on additional training. These examples of conflicted objectives are frequent occurrences in contact centers today. Mission Statements focus on "providing world class customer service", but the contact center receives no budget to deliver this.

Unclear objectives:

Centers are often charged with broad mandates to "deliver excellent customer care" but benchmarks and standards are not defined to allow the contact center to know how success will be measured.

Each of the above three examples leads the contact center management to revert to what they are most comfortable with and those things that they can quantify without ambiguity. Further they tend to focus on the short term as there is no clear long term vision or plan. In short this is what they have done before and what they are doing now. This approach is not conducive to looking forward or acting proactively. To the contrary this approach ensures that the management focuses on the past. The end result is that bright contact center executives then make dumb decisions.

Let us know what you think of this article send us an email at feedback@thetaylorreachgroup.com

Site Selection for your Contact Center

The boss has just asked you to head up the search for a new location for your contact center. You are flattered by the confidence that the boss has in you. You are confident that you can accomplish this task; just as soon as you figure out what to do. The business of site selection has changed considerably in the past decade.

Ten or fifteen years ago we worried about moving our call center off the subway line. Today we worry about relocating the center internationally. In both scenarios the key to finding the best or ideal location is tied to finding or keeping staff. In an intra-city move you are concerned with where you can locate and retain most of your staff. In a search to find a location outside of the current urban location the focus becomes where can we locate a center and have access to potential staff.

Of course the connection between labor and location is not and cannot be the only consideration, or if salary cost was king we all would have off-shored our call centers long ago. No, labor, labor availability are critical factors but not the only ones. Other factors require attention. At Watts we developed a center location matrix that considered 134 factors on a weighted score basis. This created a range of more than 500 basis points from the worst possible to the best possible scores. It is important that you develop your own matrix for evaluating and assessing potential locations. Some of the factors to consider would include staff or workforce issues, what is the population, what is the employment/unemployment levels, workforce participation, college, university or military base presence all speak to potentially available labor which could be potential recruiting targets for the call center.

Assessing the number, type, function and staffing levels of existing call and contact centers locally can provide guidance related to the level of saturation that call/contact center represents in the local workforce. It is important to locate in a market where we can identify potential sources of employees and identify that there are enough potential workers to support the center. But also look at how many of



them are presently employed in call or contact centers. In my opinion the lower the saturation level the better. This even though it is difficult to find locations without contact centers you can find locations that have low saturation levels. We recommend to our clients that markets with more than 6% of their workforce presently supporting call/contact centers will represent an on-going recruiting and retention issue. While under 3% tends to be stable and much easier to operate within.

Given that labor is the single greatest expenses in a call center and the cost to recruit a single agent exceeds \$3,000 finding a stable and easily maintained environment is highly desirable. Other factors for general site consideration include:

Population local	Total Call Center Seats	Public Transit
Population 45 minute draw area	Call Center Saturation	Infrastructure- Public
Workforce Local	Call Center Saturation	Infrastructure- Electricity
Workforce 45 minute draw area	Proximity to airport	Infrastructure- Telecom
Unemployment %	Available Real Estate	Severe Weather Occurrences
Unemployed	Estimated Operating Rent	Available Incentives
Under-Employment %	Estimated Leasehold Improvements	Incentives
Under-Employed	Build to Suit' Options	Right to Work State
Participation Level	Population Growth %	History of Union activity
College/University	Average Income	Starting Call Center Wage
Military Base	Average house price	Median Wage Customer Service
Other Call Centers	Level of Education (% of Pop)	
# Type of Centers	Quality of Life	

Some of these suggested criteria are straight forward and others require some explanation. Infrastructure is critical to call center operations. We expect the call center to operate regardless of external factors. Of course we can provision for business continuity through back up power, redundant telephony connectivity etc.

But the single largest factor influencing operational survivability will be the location and its pre-disposition to: floods, power outages, hurricanes, snow etc. Of course we must remember that some locations such as the Canadian Atlantic region may get a great deal of snow each season. They are used to this. They have built buildings and infrastructure in expectation of these conditions. Businesses in the State of Virginia lose more work-days to snow than does Prince Edward Island.

Real estate in any considered location is also critical. If you have found a great market with no available real estate that is suitable; then your options become delaying the project in hopes that something suitable becomes available. Unlikely in a small market. Or delay the project and build to suit. This is often a longer and more capital intense option. Even though that approach can proven to be have the lowest total cost of ownership/operation over a 5-10 year operating window.

The prevalent wages in the target market, associated level of education at that wage level, prevalence of union activity are all valid considerations. Ones you must assess and incorporate in building a budget.

If you are considering a US location you will find some additional considerations: Right to work states, which ironically really reflects that the opposite of the right to strike. Right to work states tend to be significantly more favourable to business than non-right to work states. The second key factor can be one party versus two party states. This refers to the number of parties that need to be informed that a call is being monitored or recorded. Of course a two party consent state will require that the customers consent be secured whereas in a one party state this is not required.

Incentives opposite job creation still exist though the salad days of governments handing out millions without any real basis for accountability or reconciliation. Today the available incentives are closely tied (where present) to long term employment and are generally available as tax credits in the US and training grants within Canada. In both countries this is positioned as 'recoverable' meaning that the government can recover these dollars should the company fail to deliver the agreed employment levels.

Finding a new call or contact center or any back office function can be very challenging. That is why a number of firms and organizations have come into existence to serve this market. They generally fall into two camps: real estate driven companies, often spun off from commercial real estate firms that see call and contact centers as desirable tenants, and who seek new tenants for suitable vacant space. The second type is consulting firms who approach this from a form and function perspective. There are a number of excellent firms within each of these groups. The determination of which is better for you often comes down to the level of specialization and uniqueness your



center possesses. The more specialized in terms of staff, space requirements and the smaller the size the less interesting it will be to a real estate based firm.

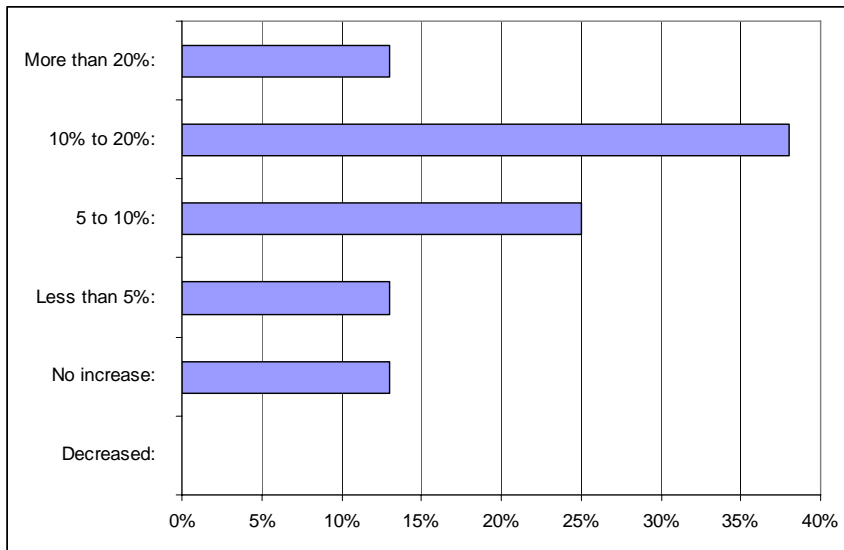
Before you do anything to find a new location, assess what has worked well and what has work less well in your current location. Start to compile a wish list for your new location. Either start to contact potential jurisdictions you feel align well with your goals and objects; or begin interviewing external firms that has the experience and capabilities to assist you in this endeavour.

In my experience building, operating our own centers and assisting clients to source more than 40 center locations I have employed all of the above approaches and no one is the best. Your choices will be based upon the specific goals, objectives, timelines and budgets of the project. So long as you do your homework you can succeed in creating a productive, efficient and cost-effective location for your new call center that will remain so for many years.

Let us know what you think of this article or if you need any assistance with developing a strategy to diversify your contact center by contacting us feedback@thetaylorreachgroup.com

Survey of the Month

In this months survey we asked “How much has the percentage of emails and web (text) chats has has increased in the past year?”



The results illustrate that non voice calls are continuing to increase as a percentage of overall contacts within a contact center. While approximately 13% of respondents saw no increase, there were not any respondents who were experiencing a decrease. This results in 87% of participating centers reporting an increase in these forms of electronic traffic. Based on the limited data gathered the majority of the growth is identified at 5% to 20% reflecting 51% of total responses. Our own anecdotal research indicates that while email growth has slowed more and more centers are now dealing with SMS and IM traffic and we suspect these are reflected in these results.

Let us know what topics you would like us to feature in future surveys by emailing us at feedback@thetaylorreachgroup.com



Newsworthy

In this regular column we review the latest news, predictions and trends impacting on the Call Center / Customer Interaction Industry.

Service-to-Sales Transformation at Contact Centers Hinges on Soft Skills

Contact centers have been transformed into sales centers as part of the Service-to-Sales movement that has reps selling while conducting ongoing customer service. Across industries, companies are in agreement that soft skills are critical for converting service reps to sales producers, according to a study by benchmarking leader Best Practices, LLC.

Ninety-eight percent of the 57 companies in the study reported that the two categories most frequently taught to service-sales reps are fact-finding/probing skills and soft skills (relationship building, stress tolerance and assertiveness), according to the research. Ninety-four percent of participating companies also rated the soft skill of active listening as the most important success factor for service-sales reps, according to the research.

The study, "Transforming Contact Centers into High-Performing Sales Channels: Building Service that Sustains Sales," showcases key learnings from a detailed benchmark survey of 57 companies and in-depth interviews with contact center executives. A complimentary summary of the research is available online at <http://www3.best-in-class.com/rr856.htm>.

Contact center executives and managers across multiple industries can use this research to compare their center's services and sales readiness, training programs and staff management approaches. The study probes four broad areas: Staff Selection Practices, Training and Development Practices, Process Management Insights and Process and Performance Management Factors.

The report delivers almost 100 innovative and effective practices and 341 metrics. Some of the findings to emerge from the study include:
-- Interviewed executives identified clear benefits to staffing with incumbent employees. For example, a senior vice president in operations at a financial service company noted that staffing with incumbents allows the firm to cut initial agent training by more than half.
-- Benchmark partners said agents who sell and cross-sell successfully experience significant salary increases.

In some contact centers, high performers have the potential to double their base salaries from a typical salary of around \$20,000 to around \$40,000 through cross sales. -- A partner in the banking industry follows a 6-week service training class with a 2 to 4-week integration period where new hires take live calls with "walkers" close by to help out and provide coaching.

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American Title, Inc - Big Brothers, Big Sisters - McKenzie Sports - PremierWest Bank

Mobile Calls to Account for 70 per cent of Contact Centre Telephony Costs by mid-2008

19/09/2007 Almost 70 per cent of contact centres' outbound calling costs will be the result of calls to mobiles by mid-2008, according to research announced today by communications integrator, Affiniti. The research, conducted by Contact Babel and Affiniti, investigated the current state of play for outbound customer contact, with a particular focus on the increasing significance of mobile voice and SMS communication.

The results show a sharp increase in mobile call volumes – which can cost eight times that of landline calls – leading to a predicted climb in outbound telephony costs of over one-fifth year-on-year. In response to these predicted increases, forward-looking organizations should be assessing alternative channels which add value and loyalty for customers. SMS is one such route. It reduces many of the costs associated with mobile communication including agent time and transmission fees.



Currently only 30 per cent of SMS contact focuses on proactive customer service – the majority of messages are promotional or sales-related. However, many contact centres are now recognizing SMS as a valuable tool, not only to sell but also to help create and maintain customer loyalty.

One of the 16 leading UK companies with contact centres surveyed was AXA Insurance. Gary Jackson, Customer Service Director, Personal Lines at AXA Insurance commented: “The proportion of calls being made to mobile phones has increased rapidly, and we expect this trend to continue. We believe that SMS messages will encourage more proactive customer service which will boost loyalty as well as reducing levels of incoming calls for agents.”

The results found that support for mobile communication amongst customers is strong; almost one in five now require it as the sole point of contact. Half the contact centres questioned which had started using SMS services as a sales tool felt that it had so far proved successful. In addition, feedback from customers has been overwhelmingly positive.

Traditionally, SMS has been associated with the ‘digital native’ youth audience but, over recent years it has become increasingly age-independent. 63 per cent of respondents stated that business SMS is an effective means of communication completely irrelevant of age. It will be employed to best effect in situations where customers need regular reminders or notifications; for instance, a text reminder of a doctor’s appointment or the balance of a utility or phone bill.

There are, of course, limitations to the scope of SMS. Inevitably, complex problems or queries will require personal contact between a customer and an agent. SMS should not be used in isolation but as an effective addition to a proactive, wider communications strategy.

“One of the most interesting opportunities for SMS is the ability to allow contact centres to proactively reach out to customers and add value. This will help reduce unnecessary calls into the contact centres to make sure agent time is used as effectively as possible. Our study shows that SMS currently accounts for only three per cent of all outbound contact and it is not being exploited enough,” commented Suzette Bouzane Meadows, Head of Contact Centres for Affiniti.

Comms.business

AT&T brings outsourced jobs back to U.S. to Ark. call center

San Antonio-based AT&T Inc. announced plans Wednesday to bring 175 call center jobs once outsourced overseas back to the United States, part of a group of 5,000 outsourced jobs company officials plan to fold back into its operations.

The new call center, to be located at AT&T Arkansas' headquarters in Little Rock, will help callers who have AT&T Yahoo! High Speed Internet services. The new union-represented jobs will bring AT&T Arkansas up to 2,800 employees with a \$135 million payroll, said president Ed Drilling.

"These jobs are currently outsourced to other companies and a lot of the work is actually done overseas," Drilling told a news conference at the Little Rock Regional Chamber of Commerce. "We're bringing these jobs as part of an ongoing commitment back into the country." Drilling said he did not know what countries currently fielded the calls.

Gov. Mike Beebe attended the announcement, saying he had been "strictly warned" not to mention the other states that vied for the call center jobs. However, Beebe said that "two of them were real big states" and that competition had been tough.

"Apparently, there was dissatisfaction by the customers with the services that were being rendered because of the outsourcing overseas," Beebe later told reporters.

Ted Wagon, an AT&T Arkansas spokesman, disagreed, saying the "other companies gave very good customer service." Late Wednesday, Beebe spokesman Matt DeCamp said the governor misspoke and meant to say that union workers were dissatisfied with the outsourcing.

Walt Sharp, an AT&T spokesman based out of the company's San Antonio headquarters, said the return of the Little Rock jobs from contractors was part of a push to bring 5,000 contracted jobs back into the company under union representation. He said the vast majority of those jobs covered technical support from the company's DSL services.

"We prefer to do our jobs in-house," Sharp said. "These jobs have been done as outsourced since the inception of the product they serviced" in the 1990s.



Houston Chronicle

Gartner Forecasts Worldwide Communications-as-a-Service Revenue to Total \$252 Million in 2007

Multinational Organizations Expected to Adopt CaaS on a Global Basis Between 2010 and 2011

The market for communications as a service (CaaS) has started relatively slowly as providers determine how to define, package and market service as a value-added Internet protocol (IP) telephony offering, according to Gartner, Inc. Worldwide CaaS is projected to total \$251.9 million in 2007, a 37.6% increase from last year. The market is expected to total \$2.3 billion in 2011 representing a compound annual growth rate at more than 105% for the period.

Gartner defines CaaS as IP telephony that is located within a third-party data center and managed and owned by a third party. The assets are not carrier-grade, the service is not "in the network" and the assets are multi-tenant in terms of usage.

Gartner, Inc.

Air NZ contact centre savings recognized

Air New Zealand has reportedly achieved 30% cost savings when it moved from 108 contact centre agents around the world to 64 onshore representatives in New Zealand.

According to New Zealand's National Business Review (NBR), the savings were made possible through a "less expensive, efficient, high-tech telecommunications infrastructure in New Zealand, allowing for continued efficiency within local markets".

Air Zealand's achievements were highlighted as part of the NBR's regular Bayer Innovation Awards. The NBR added that innovators in the ICT sector are essential in taking New Zealand businesses into the future, "particular given the reliance on the sector in workplaces of today and the future".

Callcentres.net



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Inside TRG

In this regular column we discuss what is happening with The Taylor Reach Group, Inc. and with our related companies (Telepoll, Teleffective and Scheduling Staff).

Teleffective Growth

Nancy Philippou is keeping busy managing an ever increasing number of projects. In the past month we have secured two project extensions and a new lead generation project for another waste management company. Our tagline is “The Sell, Phone Company”, and we selected this because it accurately reflects what we do. To see what Teleffective can do to help you improve your sales pipeline and sales performance contact Nancy at nphilippou@teleffectiveinc.com or John Cockerill at jcockerill@teleffectivinc.com or visit the Teleffective website at www.teleffectiveinc.com

New Clients, New Projects

Across the TRG group of companies we had a very busy summer and welcomed a number of new clients and projects. These clients include: American Express, Callaway Golf, Elsevier, Hanley Wood, Premcom, National Waste Systems and the VIP Group to name a few. For more information about TRG and the services of our related companies, please email John Cockerill at jcockerill@thetaylorreachgroup.com.

ICCM Show

TRG will be attending the ICCM show in Toronto Oct 23-24th. If you are attending drop us a line, we would love to try and meet up at the show.

Compendium of Contact Center Knowledge Volume 4- Early Bird Discount

We will be publishing our fourth annual compendium including each issue of Customer Reach© published in the past twelve month this fall. We have keep the price the same as last year \$69.95 (US or Canadian funds). But if you order yours before November 15th you can save almost 50%, advance copies cost just \$35.00 and you can pay by check, invoice, money order or paypal (just email us you request and we will send you the payment link.

Invite your Friends

This issue of Customer Reach® is being read by more than 5,000 senior call and contact center executives worldwide. We are always looking for new points of view and new subscribers, so please feel free to pass along you issue to you co-workers or anyone else who you think may appreciate it. You can also suggest they subscribe to receive their own copy they can do so at the following link subscribe-taylorreach@v2.listbox.com.



Case Study

In this regular column we review the successes that TRG has been part of.

TRG help Not-for-Profit catalogue Knowledge

TRG helped an established not-for-profit organization identify and catalogue knowledge within the organization.

The Challenge:

This large international not-for-profit organization had a problem; in an effort to manage and disseminate knowledge and information across its global infrastructure it had deployed an intranet solution and encouraged stakeholders to post and identify best practices, processes and documents on the site. All stakeholders could post and share, but there was no version control nor centralized management or vetting and approval structure in place. As a result a few years and a few reorganizations later the intranet was no longer serving its designed purpose. There was a large volume of very good, helpful and accurate information, but there were also older version of documents, and multiple answers to the same questions. In fact the system was in such bad shape that it was seldom employed by its intended population and actually created more problems and questions for the contact center than it answered. The contact center often simply passed the question on to someone else in the organization as they had no confidence in the quality of information on the intranet. Addressing this challenge and constructing a knowledgebase was one of the central recommendations included in the TRG Strategic Assessment of the organizations contact center infrastructure.


The Process:

TRG and the client identified key knowledge sources within the organization and identified more than 100 Knowledge Managers. These were the people who created; vetted and maintained specific areas of knowledge. In addition we identified Knowledge Owners, the people within the organization who commissioned the creation or documentation of new knowledge and who signed off on all knowledge created within their areas of management and control. Hundreds of stakeholder interviews were conducted and existing knowledge was checked for currency and accuracy.

The Solution:

TRG worked with all departments within the organization to document and catalogue all points of known knowledge documented today. Vetted each point of knowledge through the Knowledge Manager and the Knowledge Owner and developed work flows to ensure the ongoing management of current and future knowledge. FAQ's were developed for all stakeholders to use, but with specific focus and benefit to the contact center. TRG supported the organization in its design and ultimately deployment of SharePoint 2007 to manage the knowledgebase moving forward.

The Result:

The FAQ's allowed the contact center to answer questions accurately and with confidence. This process significantly improved the operational effectiveness of the center. The knowledgebase created by this process was designed to be self managed through work flow processes which will ensure the ongoing accuracy and currency of information. 



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Customer Reach
31 Barr Rd,
Suite 2,
Ajax ON
L1S 3Y1
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The Taylor Reach Group, Inc. provides Strategic and Operational customer interaction consulting services that deliver Operational Innovation breakthroughs in Contact Center operations.

The Taylor Reach Group, Inc. includes the call and contact center consulting company (The Taylor Reach Group Inc) as well as:

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Offices in Toronto, Atlanta and Sydney Australia

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The Taylor Reach Group, Inc.

Phone: 905-426-5055

Fax: 905-426-6793

E-mail: info@thetaylorreachgroup.com www.thetaylorreachgroup.com