

PERILS OF THE ACCIDENTAL  
CALL CENTER

About NICE

With NICE (Nasdaq: NICE), it's never been easier for organizations of all sizes around the globe to create extraordinary customer experiences while meeting key business metrics. Featuring the world's #1 cloud native customer experience platform, CXone, NICE is a worldwide leader in AI-powered self-service and agent-assisted CX software for the contact center—and beyond. Over 25,000 organizations in more than 150 countries, including over 85 of the Fortune 100 companies, partner with NICE to transform—and elevate—every customer interaction.





# TABLE OF CONTENTS

Introduction .....	6
Rise of the Accidental Call Center .....	7
Building the Business Case for a Modernized Call Center .....	9
What Does a Modern Contact Center Look Like? .....	11
Conclusion .....	13



## Introduction

Have you ever encountered something that seemed so unnecessarily complex that you found yourself wondering how it came to be? Consider downtown Boston.

Boston's crooked, aimlessly scattered streets create traffic nightmares, befuddle urban planners, and leave many people scratching their heads. It just doesn't seem possible that someone would have intentionally designed such a city. Well, according to local lore, it all comes down to cows.

In the early years of colonial settlement, the Boston landscape was littered with cow pastures amongst the farms and homesteads. The cows, left to roam at will, wore distinct paths along their most commonly preferred routes. As the city grew, and the demands for infrastructure increased, those developing the city chose to simply pave the cow paths, rather than think through an appropriate street plan.

Clearly, this is colorful lore. But it illustrates a valuable point: when we neglect to change what needs changing, we risk "paving cow paths" in our organization.

In this paper, we'll help you to recognize the attributes of an accidental call center and provide recommendations to help move your organization forward.

# Rise of the Accidental Call Center

Consider, for a moment, the experience of one Pacific Northwest retailer. From the time that they launched, this retailer never anticipated the need for a contact center. They had a highly personalized sales approach and were proud of how they served their customers with “simplicity”. But all of that changed. One of their products suddenly gained widespread media exposure and their business exploded.

They worked hard to keep up with the inbound orders but soon realized that they couldn’t continue with their “simplistic” service approach. One can almost imagine them confiscating a few cubicles and setting up a small makeshift customer service team using available resources on-hand. But they soon realized there was no system in place for call forecasting and ensuring proper agent staffing, efficient self-service and call routing, or even call quality management. As a result, hold times became excruciatingly long, employees sacrificed quality for quantity and soon the allure of their product was lost. Fortunately, they recognized the peril of their situation and were able to correct it before it was too late.

Their story is not an uncommon one. Many organizations may find themselves caught in this trap because perhaps growth has come suddenly, or the organization has become distracted with other priorities or has not adequately integrated customer experience into their long-range planning. As a result, we frequently hear many contact center leader’s express frustrations with insufficient or outdated systems and tools they must use. Interestingly they also lament how this has caused them to construct inefficient workflows and processes to compensate. Over time, these get “baked” into operating procedures. But why such frustration? Because limitations and workarounds handicap agents and prevent them from delivering a great customer service experience. And, when the call center underperforms, it begins to be viewed primarily as a line-item expense—making it even more difficult to secure more funding. Thus, the peril of the accidental call center.

Here are three indicators that can help you determine whether your contact center may require modernizing.

## 1. Agent retention problems

Working in a contact center is stressful. The work is highly repetitive, yet each interaction is different and offers the possibility of being thrown into a situation for which agents are ill prepared. Work conditions make it difficult for agents to meet performance targets. Many positions are entry-level. Yet often your call center is the front-line between you and your customers. Your agents become the personification of your company. When agent morale is low, and attrition is high, it’s difficult to offer that first best impression to your customers. But agents aren’t the only ones who pose risk due to attrition.

## 2. Customer retention problems

It is estimated that the cost to acquire a new customer ranges from a few hundred dollars to a few thousand dollars. As a result, most business models necessitate capturing ongoing revenue from customers. Hence the need to maintain a positive customer relationship. Furthermore, satisfied customers can help lower new customer acquisition costs. Your ability to provide a great customer service experience is one determining factor in how well you can maintain profitable customer relationships. It’s clear to see the connection between the level of customer satisfaction and long wait times, frequent call backs and the overall effort needed to resolve issues; and, by extension, the link between customer satisfaction and customer retention. When the call center fails to deliver on your brand promise, then growth and profitability become more difficult.

## 3. Rising contact center costs

Higher cost is one result of lower efficiency. Your contact center has fixed capacity. This capacity may be fixed due to its ability to scale or in its ability to provide needed functionality. When this capacity is exceeded then the efficiency of your call center will decrease.

For example, if your contact center is using a basic phone system, then there may be an inherent limit to the type, number and quality of interactions your agents can support. This is because an office phone system often lacks integration with other systems, like a CRM. It may not offer self-service IVR or the ability to quickly route calls to the right agent. It probably only supports voice and does not provide concurrent interaction support for email, chat or social. Reporting is often limited.

Perhaps the system was adequate when it was installed. But the demands of the call center are changing significantly, as interaction volumes increase, as greater agent skill is required, as managers need more robust operational insights, as customers demand more ways to obtain service, and place new requirements that exceed what a basic or outdated phone system was designed to provide. As a result, wait times and call-backs increase and call handling takes longer. This brings us to the efficiency trap. Any attempt to compensate for limitations by devising workarounds and/or adding more labor will only help in the near-term with diminishing returns over the long term.

These attributes are all indications of being an accidental call center and they won’t improve until there is a strategy in place for moving to a modernized environment.

# Building the Business Case for a Modernized Call Center

The ideal, modernized call center can take many forms but, at its core, will be built around these beliefs:

- Change is inevitable and it's imperative to leverage systems, tools, and processes that are nimble to adapt and scale.
- Employee engagement and customer satisfaction are deeply interrelated and negatively affected in significant ways when technology fails to deliver the functionality required to meet their needs and expectations.
- The call center's role isn't limited to improving efficiency or costs. The real value is in how it can be leveraged as a competitive differentiator and strategic business asset.

## What can you expect from a new contact center?

### Consider this story:

A brick and mortar clothing retailer with an internet store offered a factory discount page where new arrivals are sold in very limited amounts. During a sale, a customer used a "one-time" coupon during checkout, but he accidentally canceled the order after placing it.

With the coupon now wasted, the customer decided to email support. The retailer told this customer that they would gladly hold the order with the coupon applied; the customer would just have to call to confirm the order. However, the customer couldn't call until the next day, and by that time, the original items ordered were sold out. But to his surprise, the customer was contacted by a support rep who stayed on the line with him so he could select similar merchandise from regular "off sale" inventory where, upon checkout, the support rep applied a similar discount. The customer was ecstatic and wrote:

"I am blown away by the lengths they made to make me happy when I wasn't upset in the first place, and even considered the mistake was on my end. I highly recommend [retailer] now just because of their customer service. They could not have been more kind and accommodating."

From this example it's easy to see how the right contact center tools worked seamlessly to play a role in this story.

# What Does a Modern Contact Center Look Like?

Contact center leaders who recently evaluated or purchased a new contact center say that these capabilities were of most interest to them:

## Reliability and Scalability

After using aging systems with higher failure rates, system reliability is a “must have”. Also, after going through a contact center upgrade, and as the organizations continues to grow and evolve, nobody wants to repeat the process in a couple of years.

## Smart Omnichannel ACD and IVR

Since you are replacing the ACD, it makes sense to replace it with something that can seamlessly handle multiple interactions channels including email, SMS texting, and more. The best solutions will integrate these omnichannel interactions and seamlessly present them to your agents. In addition, consider a “smart” ACD. This will give you the ability to intelligently route an incoming interaction to the right agent based on a variety of factors including AI, and agent skills and availability.

## Single Platform

Experienced managers know the extra effort needed to administer different tools and the extra work required to train agents on how to use everything. So, look for a solution that delivers all the functionality you need as one unified platform and with one user experience. The best solutions will also provide out-of-the-box integrations with CRM applications even open programming interfaces (API's) so you can customize or integrate your contact center with other business applications.

## Great Reporting

You can't manage what you can't measure. So be sure to look for a solution that provides lots of KPI metrics, ready-to-use reports and the ability to create your own custom reports. The best solutions will also provide deep analytics and dashboards to help understand more of how your call center operates.

## Quality and Workforce Management

Call center managers must have the ability to monitor interactions between agents and customers to provide meaningful coaching. Look for quality management solutions that allow you to determine the sampling and retention of recordings and that provide ways to fairly evaluate each interaction. For contact centers that have fluctuating call volumes, look for a workforce management solution that can accurately forecast staffing needs and then automatically build work schedules. The best solutions will also give agents more control over their schedules by letting them indicate preferred work times, and self-managing shift change requests or even working additional hours.

## Other Considerations

The question is often asked, “do I purchase another phone system which also includes contact center functionality or purchase purpose-built contact center software”? Obviously, there are advantages to both approaches. Some organizations need new office communications and buying a solution with integrated contact center software may be the right move. However, if you only need to upgrade the contact center, there is no requirement to also purchase a new phone system. The best contact center solutions are designed to integrate with your existing phone system. By focusing on a contact center only solution you can reduce cost, complexity and disruption.

The other questions that should be considered is whether to buy a solution that is installed at your office location or something that is delivered through the cloud. Again, for your organization there may be advantages to both options. Buyers of cloud-based contact center solutions frequently cite the following as benefits and reasons for their decision:

- Cloud delivered solutions reduce the amount of on-site IT support. It also eliminates the need for servers and other dedicated hardware. All maintenance and compliance work is provided by your cloud provider. If you have a limited IT staff, this provides a big savings.
- With cloud, new features are automatically delivered. You never pay for an upgrade or new version.
- Cloud delivered software lets you dynamically adjust your contact center capacity and costs to match business demand.
- Cloud delivered software eliminates the need for budgeting large up-front purchases. Usage is billed much like a utility bill.

# Conclusion

No matter how your “cow paths” may have been paved, there’s an immediate opportunity to change your contact center for the better. You can disrupt the pattern of complacency and finally get a handle on your declining productivity, slumping customer satisfaction and employee engagement, or sluggish growth. You can finally evolve your accidental call center, but it’s not going to happen if you do nothing.

Now is your time to modernize the contact center and move toward ensuring your long-term success.

If you would like more help building your business case for contact center modernization, consider these two papers:

- [Building a Business Case for Cloud-based Contact Center Solutions](#), DMG Consulting.
- [Top KPIs for Managing Customer Service, Sales and Collections Contact Centers](#), DMG Consulting.

# Transforming One-on-One Experiences in the Contact Center

NICE CXone is a worldwide leader in AI-powered self-service and agent-assisted CX software for the contact center – and beyond. Imagine the possibilities when your customers are effortlessly guided to quickly resolve their needs directly on your digital properties or matched with a well-prepared agent – every time and on every channel. Plus, with predictive analytics and embedded artificial intelligence (AI), your team can resolve issues faster, personalize each experience – and forge deeper loyalty with each customer.



one experience | one journey | one cloud | one step ahead