



## *In Queue*

The fun, informative and interesting newsletter for  
the call center industry.

Volume 2, Number 24 - December 28, 2007

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### Scoreboard

*In Queue* circulation 34,476  
Calendar of Events Listings 32  
Job Board Listings 43  
Real Estate Listings 4

### Underwriters

All leading call center companies and suppliers should examine the new *NACC Underwriting* opportunity in 2008 as evidence of their dedication to the growth of call center industry. See the [New 2008 Media/Advertising Guide](#) link below for more information.

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### Share the Knowledge

### Do Call Centers Need to Carry Malpractice Insurance?

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At a recent conference, an industry consultant offered a suggestion for improving call centers: get rid of all the scripts and let the agents follow the customers hither and yon and then ask them if they were satisfied with the result and if they needed anything else. This is questionable advice on a number of levels and it made me wonder if the industry needed malpractice insurance.

I will answer the malpractice insurance question, but let's start with why I think the advice and practice of ditching scripts are both questionable. First, consider the typical demographics on agents. Many are entry-level, low-paid, not college-educated and highly inexperienced (because the turnover is so high). How can this group be expected to have internalized everything they are supposed to know and do on every call, including calls that are infrequent, without a script?

Second, on the cost front, who pays for this willy-nilly process? Is handle-time free? What is the effect is of increased variability in handle time in the form of excess agents the center has to carry to meet service levels? Who pays for that?

Finally, there is the compliance issue. Aren't there some things (best practices) we want to get right on every call and in some industries, aren't there things agents have to get right? Of course there are, but even when legally required, call center leaders struggle to get their agents even close to 99%. A leading financial services company just paid a fine in excess of \$5M because of irregularities in their call center. It seems that this firm (and many others who were also fined) failed to consistently give customers critical pieces of information during the conversation. At centers where compliance is important or even essential, what do you think the impact would be of throwing out the scripts?

While we are throwing out the scripts, should we throw out the pre-flight checklists for airline pilots too? Since they have done it many times before, why not let them go from memory. That this example gives pause brings us to the answer to the malpractice

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### NACC Investment Portfolio

Data close of market 12/26/2007

Stock	Price	Value	Change
NT	15.97	8.68	-1.32%
NICE	34.15	8.50	-1.50%
<a href="#">VRNT.PK</a>	18.84	7.69	-2.31%
SYKE	19.37	10.19	0.19%
WIT	15.54	10.37	0.37%
CVG	16.89	9.56	-0.44%
TTEC	22.00	9.57	-0.43%
ICTG	12.08	11.59	1.59%
APAC	1.31	5.93	-4.07%
TOTAL		\$82.08	-7.92%

Original Value start 11/6/2007  
=US\$90.00 or US\$10.00 per stock

Total Portfolio Value Now= \$82.08

The past few weeks has seen a rally in several of the stocks in our *NACC Investment Portfolio*. Sykes Incorporated, Wipro and the ICT Group all ended in positive territory from time of stock purchase. Some stocks are not fairing well. APAC Customer Service is down 4.07% from early November. The portfolio is still down 7.92% since inception. I suspect with the late rally in stocks this year that there will be a deviation between the stocks in the *NACC Investment Portfolio* with some taking off in 2008 and others falling behind.

### NACC Composite Index

Date	Value	Change	%
11/6/2007	100.00	na	na
11/8/2007	94.62	-5.38	-5.69%
11/16/2007	94.94	0.32	0.34%
12/05/2007	94.38	-0.56	-0.60%
12/26/2007	97.90	3.53	3.60%

Other Composites Same Period

Dow Composite 0.79%

insurance question.

Despite large swaths of the industry being out of compliance, wildly variable and glaringly inefficient, we don't need malpractice insurance because, for the most part, there are no dire consequences for mistakes we make. No one dies when we are out of compliance. Things don't blow up like Ford's Pinto when we design a bad process. There are no class action law suits when we waste people's time on the phone.

Markets and capitalism are far from perfect, but one nice thing about them is that overtime they become efficient and opportunities get exploited. To this end, people are becoming more aware of the low quality (lack of compliance), inefficiency, and variability in the global call center industry and they are starting to go after it. For example, now that every center has either implemented or has plans to implement VoIP, the third word out of every call center leader's mouth is consolidation, as in desktop consolidation. Jacada and OpenSpan are two of the leading providers here. Desktop consolidation is none other than studying what the agents do and finding ways to make what they have to do on the phone more accurate and efficient. Rather than cutting and pasting and opening fifteen different systems to handle a request, one click causes all the work to be executed behind the scenes. This is a powerful idea.

Other vanguard leaders are multiplying the productivity gains from desktop consolidation efforts by also analyzing what the agents actually say during the call. They are using voice applications to achieve 30-40% reductions in talk time and deliver 99% compliance, not only without needing an army of monitors listening to every call but also without needing any monitors listening to calls.

Both of these approaches are Process Improvement 101 for live-agent call handling, and they are long overdue. Leaders are beginning to see the flat-out futility of trying to improve their centers through one-agent-at-a-time monitoring and coaching and beginning to focus on improving the process the agents are using. This is the polar opposite of throwing out the scripts and letting the agents do whatever they want. This is engineering the call.

Though we don't need malpractice insurance, it really is time we started to face the fact that many aspects of our operations are riddled with errors and inefficiencies. This may be tough for some to face, but the flip side of acknowledging the low quality and productivity of live agent call handling is the realization that we are sitting on a goldmine of improvement opportunities. Big productivity gains, a better work environment for agents and a better experience for customers are all there for the taking.

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### The Changing Role of Contact Center Agents

S&P 500 Composite 0.76%  
NASDAQ Composite 2.13%

The *NACC Composite Index* was up strongly from the previous few weeks with all of the major indices trading up during the same period. However, the NACC Composite Index was up 3.60% while the others were up less than 1.00% with the exception of the NASDAQ which was up 2.13%. This suggests that during the past few weeks the *NACC Composite Index* was trending closer to that of the NASDAQ than the Dow or S&P 500.

### Real Estate

If you are looking for a new call center location you should check out the [NACC Real Estate](#) page by clicking on this link to see some of the available existing sites.

### Quotes

*"An optimist stays up to see the New Year in. A pessimist waits to make sure the old one leaves."*  
-Bill Vaughan

### Picture of the Week



This is an image of one of the doors leading to St. Mary of the Angels and the Martyrs basilica church in Rome. The church is dedicated to Christian martyrs, both known and unknown, thus the illusion of the cross through the body in the sculpture on the door. An

Richard Snow, NACC Advisory Board Member and VP and Research Director for Contact Centers Ventana Research  
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The role of the contact center agent has never been an easy one. Ever since the creation of call centers, agents have borne the brunt of an increasing percent of an increasing volume of calls from customers. Although typically not very well rewarded they nonetheless are expected to deal with customers that range anywhere from damn right rude and abusive to a some which are quite nice to deal with, and to deal with calls that range from quite trivial to others that can be very complex. If that is not enough, many are now expected to handle other forms of communication such as emails, faxes, letters, "to fill in spare time between calls" and keep their overall utilizations up. And therein lies another bone of contention where, despite several years of progress, Ventana Research benchmark results shows agents are still under pressure to do all of this while spending the absolute minimum amount of time on each call – average handling time (AHT) still being the number one performance measure.

But times are changing, and agents are coming under new pressures from several different dimensions. Technology continues to change, as does customers' preferred channels of communication. So agents must continually get to grips with new technologies and learn how to communicate through channels such as instant messaging and mobile short message services.

In parallel, in a search to reduce costs, many companies have introduced self-service channels such as voice response and the internet. But these haven't always been implemented very well, so agents have to deal with even more upset customers that have had a bad experience with these channels and have called the contact center in not very positive frames of mind. This is also having a dramatic impact on the type of calls agents have to deal with. Generally speaking companies begin by transitioning their simpler transactions to self-service e.g. balance inquiries. If, as seems likely, this trend continues then gradually agents will be left to handle the more complex interactions. To compound the situation, our research results also show companies have bought into the concept of "virtualization" and are delivering more and more interactions to employees not permanently assigned to the contact center. The rationale is that agents cannot be skilled up to the same level as knowledge workers so more complex interactions need to be handled by employees with more specific and in-depth skills – the very opposite effect to self-service.

So does this all add up to the demise of the contact center? Ventana Research doesn't believe so. We believe companies have to get smarter in the way they handle customer interactions, especially if they want to improve the customer experience. Customer interaction handling has to become part and parcel of the total customer management processes that run across all business units. Companies will need to get smarter in how they

interesting item is that this church is built on part of the older and more historic Diocletian Baths. It is this layered history with buildings upon other buildings upon even more buildings that makes Rome so interesting. If you were to dig in your backyard in Rome, no doubt you would run into ancient buildings and dwellings going back thousands of years.

### What I am Reading

Based on a recommendation from a friend, I picked up and read Kim Stanley Robinson's *Red Mars* in November. The book was interesting enough that I purchased the two other books in the trilogy, *Green Mars* and *Blue Mars*, before I finished the first book. To fully understand the totality of the story I read all the books back-to-back.

First, this book is about the first 100 colonist that go to Mars. The colonists are selected based on their nationality, gender, and scientific skills. Likewise they were housed in an isolated area in Antarctica for months to determine if their personalities could withstand both the long journey to Mars and the building of a permanent settlement. The book does not examine all 100 colonist but instead focuses on key figures who will eventually become the focal points of various factions over time.

Like most trilogies the second book, *Green Mars*, is the best of the three. The first book set up the characters and the characters seemed a bit too stereotypical. The Russians were too Russian. The arrogant American hero was too American and too heroic. The scientist nerd was too nerdy. In book two, *Green Mars*, the characters grow out of their introductions and face life challenges, including the death of a number of their comrades in the first

route calls, taking into account not just agent profiles but other knowledge workers and also the customer profile so each customer is handled by the most appropriate employee regardless of where they are located. Companies will have to get smarter at how they create and maintain schedules for everyone handling interactions, taking into account new technologies such as "presence" whereby they can see who is actually available and what skills they have. Companies will have to deploy smarter desktops that actually assist everyone as they handle a customer interaction, ensuring the process is consistent and delivers the best possible experience and business outcomes. And last it is time to change the key performance measures used to determine whether interaction handling is both efficient and effective. It is time to add more measures focused on outcomes rather than today's practise of focusing on inputs—for example improvements in customer satisfaction scores, increases in wallet share, and improved net promoter scores.

The last 10 plus years has under-valued the agent's role, with many companies treating the contact center as a factory to handle as many calls as possible at the lowest cost. Increased competition, less loyal customers, more regulations and advances in preferred channels of communication means this situation has to change. Companies will need to re-evaluate their entire customer interaction handling processes so they become an integral part of customer-facing operations. As they do that, we suspect the role of the agents will continue to change, hopefully for better.

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### 60 Ideas in 60 Minutes-Round III

Reader response to "60 Ideas in 60 Minutes II" essay in the last issue of *In Queue* ([Vol 2, Number 23](#)).

*Clearly, Mssrs. Durr & Schultz just don't get it. Products are ALL commodities these days. Consumers no longer differentiate when making purchases based on products. They do differentiate based on service. Consumers do not need or want to purchase a "product" or a "service", they demand a solution which is the in toto combination of all the offered facets of the supply side of the equation and, ultimately, those who do purchase express that they are willing to endure the disincentive of financial expenditure in order to realize it.*

*While I clearly comprehend the need for call center operations to team with the rest of the enterprise in order that it may result in a profit, what Mssrs. Durr & Schultz fail to realize is the rest of their customers are watching, too. Rather than be grateful that the 1-800 call center they dial can handle their call with less wait time (customers want zero wait time, in fact they wish they didn't need to call at all) and contribute to the bottom-line of the supplier's enterprise more efficiently and handsomely, customers worry when*

100, as tensions between Mars and Earth grow strained. In book three, *Blue Mars*, you grow old with the first 100 that are left, and see life, and death, through their eyes. Though the final book is not as good as the second, by the final book the characters are known to you, are friends, and so the revelations the author introduces are sometimes a shock, but upon reflection, are true to the character's personality.

Some of the reasons I enjoyed this series is the discussion between the idea of "pure" nature which is untouched by human hands versus the idea of technology as a solution to all future problems of humanity. This debate is embodied by two of the characters and each side of the debate is well thought out and articulated by the characters. In the end, they are both right, which is uncomfortably nice. The second reason I enjoyed the books was the focus on geopolitics. The movement from national entities to transnational or global entities, companies and countries, vying for power and then introducing the idea of a world against another world, Earth versus Mars. Most visions of colonization of other worlds portray an idealized utopia with trade and tourism. This trilogy dares to ask, what if people born on Mars, Martians, don't give a flip about Earth? Then what?

What I disliked most about the books was the detailed focus on geology and geological processes. It is clear that the author spent vast amounts of time examining Mars, photos, geological studies, etc. on the planet. However, after 10 pages of plate tectonics, glacial cuts, and mass wasting, I was exhausted. I felt like I just came out of a graduate level seminar on geology. After pages about rocks I was happy to get back to the human interest part of the story.

*they too will be next to be "offed" by their supplier, and when that one additional phone call because clearly the supplier short-cutted and short-changed the consumer once again in the "solution" or pretended/false/dishonest solution the supplier offered, will result in their dismissal as a customer? Is there a full refund, as well? Shall we place the purchase price in escrow until we are all sure this marriage will work?*

*What Messrs. Durr & Schultz clearly fail to realize is, like many others, never having been a Sprint customer, now I know for certain I never will be.*

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For an introduction to the *60 Ideas in 60 Minutes* essays or to read previously published rounds, please visit our archives and read [Volume 2, Issue 22](#) of *In Queue*.

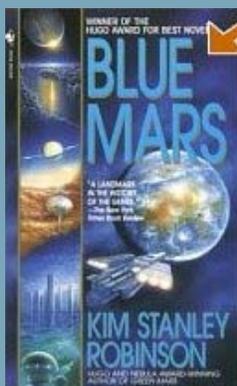
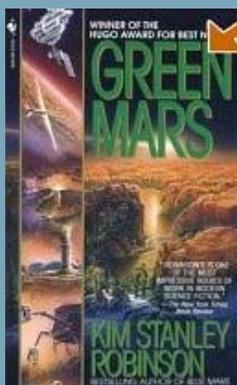
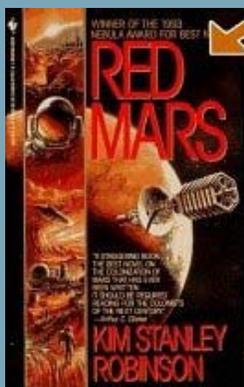
**David L. Butler**-(in response to Garry from last issue of *In Queue Vol. 2, Issue 22*) Don't fire your customers. Chances are one of those pain in the butt customers out there is the daughter of the CEO of a company that has a corporate contract with you that is worth \$10 million dollars and if you fired his daughter who is a pain in the butt to you, you may lose that corporate contract. Not to mention, though it is somewhat compelling to take your bad customers and throw them to your competition, the reality is that if word gets around you create a type of panic in your customers and if your competition picks up on that and then takes advantage of your company and customers. Definitely fire your bad employees just not your customers.

**William (Bill) Durr**-Forget the notion that the contact center is the center of the universe with respect to shaping customer experience. A better perspective acknowledges that every customer touch point is part of the service delivery network in your company. This means the customer experience is impacted by the website, the IVR, the back office, fulfillment, distributors, partners, branch offices and so on. You have to reach out to these other organizations because you have to do this customer experience management holistically otherwise we are just kidding ourselves.

**Penny Reynolds**-I worry sometimes when I hear that a call center has an overall retention strategy in place. You may say "of course we have to have a retention plan in place turnover is a big problem for us." I think there are a couple of factors that you have to cover. One is compensation to be sure that you are paying a fair and equitable wage compared to call centers in your area. The second one is that you must have some sort of screening, testing, in place so that you are getting the right people in the first place. Those two items belong in an overall call center retention strategy. However, the overall strategy stops there. And from there you really need to

This trilogy is considered, and rightly so, the best series on Mars and human colonization of Mars. More importantly, it examines the process of human habitation of Mars over several hundred years and walks the reader through some potential political, economic and cultural significance such a undertaking would mean to the human race.

If you are interested in reading one or all of the *Red, Green and Blue Mars* trilogy, you can click on the images below which will take you to [Amazon.com](http://Amazon.com).



develop an individual retention strategy for each employee (that we want to keep). And that is really down at the supervisor/team leader level. Everybody is different, every employee is different, and what is going to excite and charge up one employee to make them excited about coming to work is very different than the person sitting in the cubicle sitting next to them. Some are motivated by simple name recognition, name on the wall kind of thing, learning new things. Others like the cash bonuses, others like something else. So it is the supervisor's job to find out what motivates each individual employee and develop an individual retention strategy not just saying "we've got a strategy in place overall" it has to be down to the individual level.

**Garry Schultz**-Complaints and firings seem to be a theme here. You don't just arbitrarily fire your customers. You have to do some research. You need to talk to those customers you don't hear from. There are some startling statistics out there from TARP. 96% of customers will not complain. There are a lot of people out there dissatisfied with their services but they don't do anything about it. You know about the other 4%, they are out there complaining all over the place. What you need to do is get out there, "follow the customer home" we call it, and talk to the people who are not complaining. Pull it out from them. Figure out how your services can be increased, made better, made easier, that sort of thing. Opportunities to find these customers are easy. You can go to sales records, you can do spot checks. There are a lot of ways to find those customers who don't take the time to complain but you should be talking to them regardless.

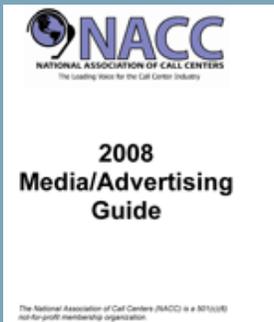
**Chris Crosby**-Multigenerational workforces and dialing into your agent's individual needs. The same applies to your customers. I think when you step back and ask the question "how can I move our contact center out of the box" stop looking at stuff like call types and start looking at caller types. There are seven up here on this stage. We may all call a toll free number because our widget broke or we have a billing question. In today's world we would all be routed to the exact same skill group most likely. But the way you would interact with each one of us is different. We have different personality types and have different needs in how we need to be interacted with. So start to profile your customers and align those with your agents. There is a lot of data in your contact center where you can learn about your callers. Profile those and when they hit the edge of your network route those accordingly.

**Kevin Hegebarth**-Something that Garry said reminded me of a quote that was attributed to Jeff Bezos when he started [Amazon.com](http://Amazon.com). I might get the exact quote wrong but to paraphrase it was something along the lines of in the old business if a customer had an unsatisfactory experience they would go and tell their neighbors--the five or ten people who live in close physical proximity to them. But in the age of the internet somebody has an unsatisfactory customer experience they can literally tell thousands, hundreds of thousands, millions within seconds. So the

Kim Stanley Robinson's *Red Mars*, *Green Mars* and *Blue Mars* trilogy.

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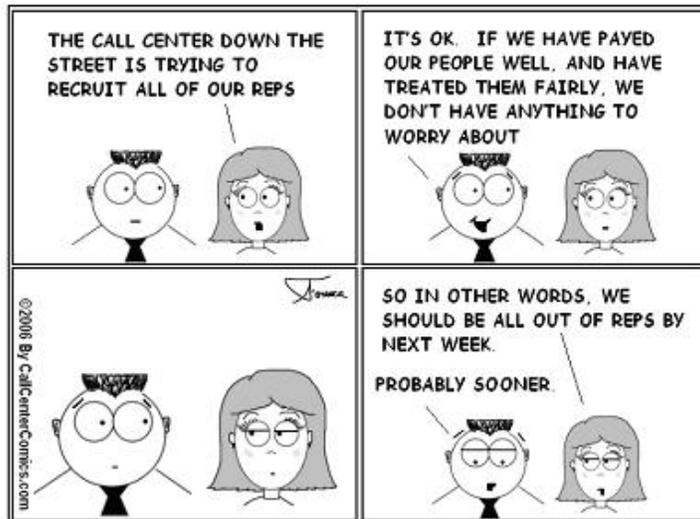


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take-away here is not what Bezos said, the take-away here is look at your business through the eyes of your customer. Play mystery shopper once in a while. Call into your own call center and find out how your agents are handling customer interactions. If you as a customer, not as an employee, are dissatisfied with that interaction chances are your real honest to goodness customers are as well. And they are not going to go and tell their five or ten neighbors who live in close proximity to them they are going to tell anyone who will listen what crappy service you have.

## Call Center Comics

CONTEST UNDER WAY! Ozzie, the artist behind call center comics, and me, want to hear your original ideas for call center comics (no drawing required, just creative ideas). The best entrees will be selected, drawn, and will appear in this newsletter. Forward this to your call center coaches and supervisors and tell them to form teams to come up with the best idea for a comic. It will be a great release and motivation builder for the end of 2007 and beginning to 2008. Winning entries will be not only be recognized in this newsletter but I will also send that person (or team) a bag of goodies. Just submit your entries to [David.Butler@nationalcallcenters.org](mailto:David.Butler@nationalcallcenters.org).



If you like this comic and would like to see more write Ozzie at [callcentercomics@yahoo.com](mailto:callcentercomics@yahoo.com) and visit his website at [http://callcentercomics.com/cartoon\\_categories.htm](http://callcentercomics.com/cartoon_categories.htm) or just click on the comic to take you to his page. The NACC appreciates Ozzie letting us use some of his comics in our newsletter.

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