

# NACC

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CALL CENTER  
RESEARCH LABORATORY

# In Queue

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

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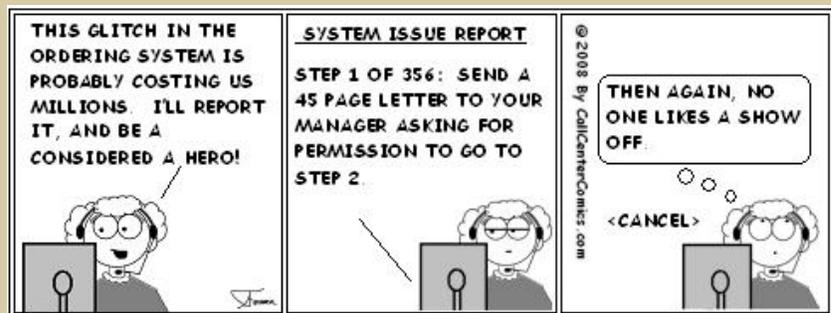
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## NACC Investment Portfolio

## NEW Call Center Comics!

This is a new comic being debuted here in "In Queue" no other people have seen this comic until now. Ozzie has created a number of new comics for the National Association of Call Centers to share with you, the "In Queue" readers. Keep an eye out for the new comics in the next few issues of this newsletter.



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.

## News and Views

Paul Stockford, Research Director, National Association of Call Centers and Chief Analyst, SaddleTree Research,  
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### NEWS

On January 14, 2008, Nortel filed for bankruptcy protection in both the U.S. and Canada. The company's affiliates in Asia, Latin America as well as the Nortel Government Solutions business are not included in the filing and are expected to continue to operate as normal.

Nortel filed for protection the day before the company was due to make a debt payment of \$107 million. This action will allow Nortel time to explore restructuring options as well as seek additional funding. As of its last quarterly filing Nortel had \$4.5 billion in debt and \$2.4 billion in

Stock	Price	Value	Change
NT	0.11	0.06	-9.94
NICE	20.12	5.01	-4.99
VRNT	6.30	2.57	-7.43
SYKE	16.83	8.86	-1.14
WIT	6.91	4.61	-5.39
CVG	7.10	4.02	-5.98
TTEC	7.83	3.40	-6.60
ICTG	5.02	4.82	-5.18
APAC	1.18	5.34	-4.66
<b>TOTAL</b>		<b>38.69</b>	<b>-51.31</b>

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

Total Portfolio Value Now= \$38.69 which is down this week from the past two weeks. The big news since last issue is Nortel's bankruptcy. Because of this, Nortel stock stopped trading on January 20, 2009, at .11 cents. This means that I will need to adjust the portfolio to reflect one fewer stock. If someone has a recommendation for a good technology company to replace Nortel in the NACC Investment Portfolio please let me know at [David.Butler@nationalcallcenters.org](mailto:David.Butler@nationalcallcenters.org).

### NACC Composite Index

Date	Value	Change	Percent
11/6/07	100.00		na
12/5/07	94.38	-0.56	-0.60
1/15/08	80.89	-17.02	-21.04
2/13/08	75.56	-1.98	-2.63
3/12/08	65.47	-11.25	-17.18
4/9/08	68.98	1.06	1.54
5/7/08	77.31	3.14	4.07
6/4/08	81.51	2.93	3.60
7/2/08	70.28	-10.20	-14.52
8/13/08	65.57	-0.97	-1.48
9/10/08	66.55	-1.69	-2.54
10/8/08	43.24	-13.67	-31.62
11/5/08	43.26	1.43	3.31
12/3/08	36.19	3.30	9.13
1/7/09	42.75	2.10	4.92
1/23/09	36.23	-6.52	-18.00

cash.

### VIEWS

Although not an entirely unexpected event, Nortel's bankruptcy filing was a shock to the contact center industry nonetheless. Nortel has been a highly respected name in the industry for decades, and at one time represented the most stable and reliable of companies serving the telecommunications market. In the late 1990s Nortel had a market capitalization of nearly \$300 billion and had 95,000 employees. When it filed for bankruptcy last week the company had a market capitalization of \$155 million and had 26,000 employees.

Although company officials blamed the current economic climate for the bankruptcy action, the fact is Nortel began its fall from grace with the recession of 2001. Nortel had made some investments and acquisitions during the 1990s in areas that didn't mesh well with their core business. When the economy slowed down following the bursting of the dotcom bubble, Nortel began to divest some of their acquisitions at a significant loss. At the same time the company began slashing costs across the board in an effort to maintain its balance sheet while the economy slowed. Nortel, in essence, turned over management of the company to the accountants.

While many other companies in the contact center industry focused on maintaining or building business momentum and facing the recession with positive action, Nortel retreated into an indefensible cost-cutting position and was essentially overrun by the recession. When the recession ended, as they always do, Nortel was unable to recover its business impetus. Nortel's effort to shrink itself to success failed.

Nortel's user group, the International Nortel Networks Users Association (INNUA) has pledged its support for Nortel through this restructuring, stating that they support Nortel's decision and trust that the outcome will be an even stronger set of Nortel solutions. This is a strong endorsement and should bring a measure of relief to Nortel customers fearful of losing support for their contact center technology investment.

It is unlikely that Nortel will emerge from this bankruptcy in the same form that it entered. The company still has a strong presence in the contact center industry that may prove to be attractive to potential buyers. It is possible that Nortel will be sold off in pieces, which could be one of the best possible outcomes for Nortel's contact center customers. This would not only relieve concerns about the long-term support of currently installed equipment, it could also lead to investments and product improvements that will benefit Nortel customers for years to come.

Nortel customers must now wait and see what will happen to their supplier, but chances are good that their Nortel products will continue to be supported by Nortel's distribution channels for many years to come. In the meantime, look for a new generation of contact center technology leaders to bring to market the type of innovative solutions that Nortel was so famous for a decade ago.

### Wading into the Waters of Web 2.0

Lori Bocklund, President, Strategic Contact, [Lori@strategiccontact.com](mailto:Lori@strategiccontact.com)

When I was a child, my dad often took us swimming in his beloved Lake Superior. While the natural reaction was to run screaming towards the

The *NACC Composite Index* was down this week 18%. This was a large drop which reflected the market generally which was down the past week. The index with the past two week drop erased the past three reports' (6 weeks) gains.

Dow Composite	-6.18%
S&P 500 Composite	-7.90%
NASDAQ Composite	-6.10%
NACC Composite	-18.00%

The *NACC Composite Index* underperformed all other indices for the two week period. All the indices were down, but the NACC Composite Index was down more than double any of the other leading indices.

### Quotes

"Oh, that lovely title, ex-president."  
- Dwight D. Eisenhower

### Picture of the Week



This is a picture of a monument from the Soviet Union (USSR) at Mauthausen, a concentration camp in Austria. Outside the concentration camp walls and the associated horrific images and gas chambers, were monuments that led to the quarry where concentration camp victims were worked to death. This is one such monument from the former Soviet Union. It is interesting in that it is typical of Soviet monuments generally have much large stone and steel to represent the ideal Soviet society. Additionally, the USSR lost a huge number of troops in World War II fighting the Nazis so they were quick to put up monuments in formerly occupied Nazi territory to indicate their victory over the fascists.

warmth and safety of the beach as soon as we put our skinny little legs into that chilly water, he would encourage us by saying: "Just stay in long enough to get used to it, then we'll have fun!" And so we did.

As I've waded into the waters of Web 2.0, I've more than once had the urge to run screaming back to a comfortable place. I've triggered RSS feeds and wondered how on earth I can keep up with yet another stream of information. I've poked around blogs and wondered who reads all this drivel. I've put "gadgets" in my iGoogle and "widgets" on my web pages and tried not to be distracted by the continuous updates. I've read wikis and reviewed their edit history and wondered: Who has time to write all this stuff? And who is using this sometimes unsupported information in what ways? I've been burned by someone abusing access to my LinkedIn connections to make introductions without my knowledge or approval. (I've since disabled this capability even though most folks in my network would use it appropriately.) I've been uncomfortable with my personal and professional worlds colliding on my Facebook account. (Should my goofy communications with my 20-something nieces and nephew be in the same place as interactions with my more middle aged friends and colleagues?!) I was creeped out by a stranger who "followed me" on Twitter. (I learned how to block him, but wondered why they make automatic approval the default.) I've yet to create an avatar, but I'll do it if they'll let me be tall in my virtual world!

I don't know how far you've waded into these waters, but if you're reading this article, you're curious about it. Well, I think it's important to turn that curiosity into action and begin your own experimentation. You have to go in far enough and stay in long enough to get used to it. Then we'll have fun. Let me paint two scenarios to make my point.

Company BB is too busy to worry about Web 2.0, a seemingly overhyped trend that feels distant and irrelevant - something only the millennials are doing. Unbeknownst to Company BB's management, thousands of their customers are asking questions on "GetSatisfaction" and seven of their CSRs have signed up to provide answers. CSRs log into Facebook while on calls, offering a non-stop distraction. Competitors are starting to use Twitter to notify customers in real-time of exciting product news or sales or follow "tweets" - and its triggering action. The CSRs built a "how to" wiki on a public website and are using it to help each other find workarounds to meet their key performance metrics. Disgruntled employees have taken their dissatisfaction with Company BB and vented it on a social networking site that can be found easily by prospective employees and customers.

Company Y is addressing the Web 2.0 phenomena proactively. They tap their reps' insights to support knowledge building through less structured wikis or more structured knowledge management. They recognize that their millennial employees want to be "connected" with each other and the outside world. Management works with them to define the operating principles and identify tools that promote effective teamwork. They even let CSRs post "how to" content in text and videos on the web to augment existing self-service options and reduce call volumes.

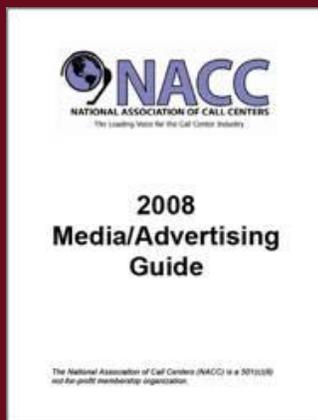
Company Y also looks at ways to engage their customers through social media. They tap their customers' experiences to rate and comment on products and encourage them to ask questions. They offer answers to questions posed by one or hundreds of customers, preempting calls to the center. They use these interactions to learn about customer needs and improve their ability to satisfy them. And they let customers sign up for notification to provide information and updates to orders or issues.

While these are fictitious companies, the descriptions are what is

Note that I chose not to show the horrific images from inside the concentration camp because I think they are very disturbing. While walking from the center gates down and into the camp with dorms on either side, I felt a huge and overwhelming sense of dread and that something horrible happened on this ground. I am not a guy who is moved to emotion very much, but walking down into the camp I fought back tears and eventually broke down in the middle of the camp, it was that powerfully awful. Not everyone I was with felt the same thing, but no place has ever had such an effect on me.

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possible - and what is going on - with Web 2.0. If you're willing to wade into the waters with me, watch for additional articles down the road. I'll share what I think Web 2.0 means to our industry, how you brace yourself for the plunge, and how we'll make it an experience we'll ultimately enjoy, despite the initial chill.

### 60 Ideas in 60 Minutes-Round VI

David L. Butler, Executive Director, National Association of Call Centers, [David.Butler@nationalcallcenters.org](mailto:David.Butler@nationalcallcenters.org)

Paul Stockford, the Director of Research for the NACC, asked me to serve on a panel at the ICCM Toronto call center conference in October this year after serving last year as well. Each panelist was given 1 minute to share their idea for improving call centers before the next panelist's turn. Stockford moderated and kept time for 60 minutes. We have recorded and transcribed the session. To view past rounds, visit our "In Queue" archive at the following link <http://www.nationalcallcenters.org/newsletter.php>.

David Butler: Let's cut to the chase here, everyone's talking about service level objectives, and quality and process. In the end I don't care if your score is 99, 79 or 9, the reality is the only thing that matters is if your customers have repeat business with you. If they score a 97, your agents do a great job and your customer walks away from your business, it doesn't matter what they score, that's revenue lost and that is your budget disappearing. If they score a 38 and your customers keep buying your product or service, that's all that matters. So in the end make sure whatever you do, tie it to repeat business, that's really the only metric that matters. If they don't keep buying your product and there's a substitute product out there, your revenues will disappear, your agents will leave, and your contact center is eliminated in the end.

Samantha Kane - Customer satisfaction surveys have become a big proponent of the activity in call centers, but there's a new second generation of complaint management, and it is called enterprise feedback management. It's quite interesting software because what it does for you is it helps capture complaints. Recent studies show that if somebody is smart enough to phone in and complain, and the call center can turn that customer around, you typically see positive results of 87% and have that customer loyalty for life. Whereas, if the customer doesn't bother phoning and they go away as David has indicated, you'll never know that you lost that customer. So please have a look at enterprise feedback management and how it starts fitting in at the desktop, and the layers, and the pillar of your application because it ties a lot of information and business intelligence together that brings some new realities together.

Barb Bleiler - How many in here depend on their HR departments to do the exit interviews when they have an employee leave? Let me see a show of hands. I would challenge you that if you have an employee leaving, don't depend on HR to give you the information. Conduct an exit interview yourself with your employee. Remember your HR area will focus on why they are leaving the company. They're not going to focus and answer questions specifically about what could have been done better in your area, what would have made things easier, why are they leaving. One little pertinent question isn't necessarily going to be asked by your HR area. So take that chance and go and ask that person individually exactly what's going on. In some cases you get a really enlightened insight into what's going on with your call center that you may not be aware. It is just the fact of the beast, but you've got a lot

going on, your supervisors have a lot they're trying to manage and maintain, and there are undercurrents that you may miss, so it gives you an opportunity to maybe get back into that flow of information.

Beel Yaqub - Initiative intake planning is a critical component of running a call centre. To remain competitive, organizations have to speed up the process of providing new products and services to clients. In many cases this involves marketing initiatives and communication to advise clients of the new offers. Implementing a governance model which allows your business to view contact centers as a strategic asset becomes vital when it comes to the upstream planning stage which can significantly improve your ability to execute your initiatives and deliver a great service to your clients. Planning initiatives in advance allows you to scope each proposed change and determine the workload associated with call volume increase or a lift in handle time which may require additional resources in order to maintain optimum levels of service. It also allows you to stay ahead of the hiring curve which in many contact centers requires a two to three month period for hiring and training new to role employees. Governance is necessary to drive consistency and clear accountability. Investing time in the early planning of your process allows your contact centre to become more nimble and improves your chance of successful execution.

Vicki Herrell - SWPP - [vicki.herrell@swpp.org](mailto:vicki.herrell@swpp.org) - One of our SWPP members was hiring a new person in their workforce management department, and they told me about an interesting way that they tried to make sure that they had the right person for the job. They had their candidates do a presentation called "What agents need to know about workforce management." They hoped to find out how much the candidates knew about workforce management, how much they educated themselves on work force management before they did the presentation, what their presentation skills were like, their attention to detail, and their overall interest in workforce management. Some of the presentations did reveal that some candidates did do their homework. Some of the candidates came and asked what they could do to get ready, and the workforce management team directed them to the SWPP website to do some research. Some asked to shadow the workforce management team to see what they were doing. And the result of all this was that one person actually removed themselves from the process because they said they were not ready to do that type of work. So the best candidates rose to the top. I thought that this was a really interesting way to find out who was going to be a good fit for the workforce management department.

William (Bill) Durr - Everyone knows that the purpose of the workforce management . . . Let's see. Why do people not do what we ask them to do? Do they wake up in the morning and come into work just to ruin our day? I know it may seem that way at times but. . . seems rational to them. They are being reinforced by the behaviors that are driving you crazy. The only way to overcome this is with feedback. Monthly feedback is pretty well worthless. Weekly feedback is better than none, but the feedback that works the best is daily feedback. Consistent feedback everyday about how they're doing against expectations. You can't ignore daily feedback, and if we can begin to change behaviors and couple them with recognition and reward - respect them.

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