NACC
THE NATIONAL ASSOCIATION OF CALL CENTERS
The Leading Voice for the Call Center Industry

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THE UNIVERSITY OF SOUTHERN MISSISSIPPI
CALL CENTER RESEARCH LABORATORY

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

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Underwriters

All leading call center companies and suppliers should examine the *NACC Underwriting* opportunity in 2010 as evidence of their dedication to the growth of call center industry. See the NACC Advertising Page for more information.

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NACC Investment Portfolio

Stock	Price	Value	Change
NICE	30.48	7.59	-2.41
VRNT	18.90	7.71	-2.29
SYKE	26.62	14.01	4.01
WIT	21.47	14.33	4.33
CVG	10.60	6.00	-4.00
TTEC	19.20	8.35	-1.65
ICTG	16.61	15.94	5.94
APAC	5.46	24.71	14.71
TOTAL		98.64	18.64

A Good 2009 to a Great 2010

David Butler, Executive Director, National Association of Call Centers, David.Butler@nationalcallcenters.org

We have had a banner year here at the National Association of Call Centers thanks to you, our members, readers, advertisers and other supporters. As an organization we continue to grow, year-over-year, as we have since our inception in late 2004. Though 2009 was a difficult year for many companies associated with the call center industry, we believe our unique value, insights, data, reports and strategic partners have allowed us to weather this downturn quite well. We appreciate your support throughout 2009 and look forward to providing you with great data, information, and strategic vision for the contact center industry in 2010.

If you are interested in giving yourself a last minute holiday gift, you can join the NACC for the low rate of $500 by clicking here. This gift will put you in a good position to have the latest data at your fingertips to make the best decisions for your organization in 2010. Likewise, if you have a product or service and market-share growth is in your plans for 2010, check out our advertising guide for some of the best deals in the industry for reaching decision-makers in the contact center industry by clicking here.

Have a great holiday break and I look forward to seeing and chatting with you in 2010. Best wishes from all of us here at the NACC.

CRM and WFO: Disparate Solutions with a Common Objective

Paul Stockford, Research Director, National Association of Call Centers and Chief Analyst, Saddletree Research, Paul.Stockford@nationalcallcenters.org

I've been intrigued lately by news of the joining together of customer relationship management (CRM) and workforce optimization (WFO). In my mind these two solutions suites have always been separate but equal service and productivity entities that made sense as standalones, but I didn't see a connection between the two.

To be honest, I've never been much of a CRM guy. When I started Saddletree Research in 1999 I quickly discovered that every analyst firm in the industry was chasing the CRM dollar with abandon, and why not? CRM was a hot, trendy product. Trade shows were fighting to get Tom Siebel for their keynote speaker and every exhibitor at these trade shows proudly displayed signs proclaiming "We Have CRM!" Analyst firms were assigning literally dozens of analysts to cover every aspect of CRM in their research, and companies like Nortel were spending billions of dollars to acquire CRM companies worth a fraction of the asking price.

Being a small, independent entity I decided to leave the fighting over CRM to the big boys and concentrate my research efforts on market segments that were not catching the attention of the big-name analyst firms in 1999. I focused my attention on workforce management, quality monitoring, e-learning and other agent productivity tools that ultimately morphed into WFO in 2003.

Eventually the market furor over CRM died down and the big analyst firms laid off most of their CRM analysts. CRM purchase patterns went back to normal and companies like

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
3/12/08	65.47	-11.25	-17.18
6/4/08	81.51	2.93	3.60
9/10/08	66.55	-1.69	-2.54
12/3/08	36.19	3.30	9.13
1/7/09	42.75	2.10	4.92
2/4/09	35.68	-0.55	-1.54
3/4/09	30.94	-2.42	-7.82
4/15/09	43.13	5.25	12.18
5/13/09	50.72	2.19	4.31
6/10/09	61.67	6.00	9.74
7/8/09	54.48	-0.59	-1.08
8/5/09	73.97	7.50	10.13
8/19/09	72.54	-1.43	-1.98
9/2/09	74.97	2.44	3.25
9/16/09	81.26	6.29	7.74
9/30/09	85.36	4.10	4.80
10/14/09	90.05	4.69	5.20
10/28/09	86.95	-3.09	-3.55
11/11/09	92.62	5.66	6.11
12/2/09	96.56	3.95	4.09
12/16/09	100.81	4.24	4.21

The *NACC Composite Index* was up 4.21% this past two weeks. This puts the index over 100 points for the first time since its inception in November 2007 (see related essay to the right). In March 2009 the index hit bottom having lost over two-thirds of its value, down to 30 points. In the past nine months, the index has recovered all of the value it had lost.

Dow Composite	-0.11%
S&P 500 Composite	-0.01%
NASDAQ Composite	0.99%
NACC Composite	4.21%

The *NACC Composite Index* was up 4.21% this past few weeks while the other indices were basically flat. This means that once again, the contact center industry is out performing that of the broader sectors.

Quote

Nortel jettisoned their CRM acquisitions for pennies on the dollar. In the meantime, WFO continued to grow in popularity due to its solid return on investment (ROI) and demonstrable productivity gains.

Today the CRM industry is stable and dominated by a couple of very big companies, one of which is SAP. SAP is not a company I typically come across in my daily work at Saddletree Research so I was surprised when I was sent a press release a few weeks ago announcing that SAP had taken on a WFO partner. These types of announcements are usually not that big a deal but in the case of SAP, it was a big deal. SAP is a company that does not take partnerships lightly. In fact, on the CRM side they had only one such partnership Â– the WFO partnership with Verint that was announced in the press release.

To get a better handle on why SAP would want to partner with a WFO company I called my friend Bill Durr at Verint. As Bill explained it to me, the marriage of CRM and WFO makes perfect sense if you come at it from the right perspective. Not only do the two solutions have a lot in common, what is not in common is complementary. Now I'm wondering why this union did not happen sooner.

At the heart of both CRM and WFO is the common objective of enhancing the customer experience. The difference is that CRM looks externally at those who are experiencing customer service and WFO looks internally at those who are providing customer service. As Bill suggested to me, providing state-of-the-art customer service tools like CRM to agents that may not possess the right mix of skills and knowledge to handle the customer transaction has a slim chance of providing optimal results. The agents must be sharp in order to make the most of the capabilities that a sophisticated solution like CRM provides.

SAP's own customers were also telling SAP that more was needed in order to get the most out of their CRM investment. They recognized the potential gap between customer service tools and customer service skills and asked SAP for resolution. The solution was to bring agent skills tools such as quality monitoring, scorecards and e-learning to the party.

CRM users should also be aware of the customer intelligence that WFO tools such as speech analytics can bring to a CRM strategy. For example, data mining through recorded interactions can help CRM users gain greater perspective into such activities as marketing campaigns as well as help in cross-sell and up-sell opportunities.

The longer I look at it, the more sense the integration of CRM and WFO makes. If you use either or both CRM and/or WFO, it might be worth your while to take a look at how much more productive your investment can be by bringing these two solutions suites together.

From the Trenches

Becoming the Best: Assessing your Technology

Lori Bocklund, President — Strategic Contact, lori@strategiccontact.com

Many centers have a love/hate relationship with their technology — always hoping for the next great thing that will transform their center, yet struggling with existing tools and each new project. An assessment can take a hard look at technology and find ways to get more out of what you have and pursue the right technologies, in the right ways, to ensure high value results.

Defining the Scope of the Assessment
Here is a starter list for consideration in your technology assessment, looking at both what you have and what might fill gaps to meet business goals and requirements:
-Voice switching - PBX/ACD, including VoIP strategy
-Routing — Multisite and multimedia, including tying in home agents and outsourcers
-Computer Telephony Integration (CTI), which may include applications beyond "screen pops" such as desktop softphone, outbound dialing, and multimedia routing and reporting for a variety of media such as Email, text chat, and web collaboration
-IVR and the use of speech recognition for both prompting for authentication and call routing and Self Service
-Web self service and its integration to the center
-Customer Relationship Management, including contact management, scripting, workflows and potentially Knowledge Management
-The desktop configuration and usability, including access to all relevant applications
-Performance tools including: WFM, QM/call recording, reporting, analytics (data and

Picture of the Week

Snow in the South…Again

I know its near winter. I also know that many of you live with the white stuff for months on end. What makes snow in the South, like we had last week, so odd is the juxtaposition of the snow to the rest of the landscape. For example, see my flowering potted plants above along side my basil plant. Additionally, look at the bottom image. This is my lime tree, green as can be, except for the snow covering its leaves. It is odd examples like these that make snow in the South such an odd sight to behold.

Reports from the NACC

The NACC has been burning the midnight oil and typing until our fingers are sore to bring out reports to our members. Each is listed below. If you are interested to see what we are writing about, click on the images below and download the executive summary of each. If you like what you see, join the NACC so that we can send you these reports and others that will be coming out soon to ensure you know the latest trends in the industry.

speech), performance optimization tools such as scorecards or dashboards, eLearning and customer satisfaction surveys/Voice of the Customer
-Web 2.0/social media applications and integration

In addition to specific technologies, you will need to assess architecture, applications, integration, sourcing, business continuity/resiliency and disaster recovery, support structures and processes, and more.

Technology Issues and Opportunities
It is easy to find issues and opportunities when looking at the use of or need for technology. Many centers lack the right technology because they have never defined a coherent strategy and built the business case for what they really need. Others have the technology but deployed it for the wrong reasons. Too often the "justification" for a new system was really just that someone thought it was the next great thing or got enamored with a product or vendor, IT or another department unilaterally declared "this is what we are going to get," or relationships at high levels led to big purchases. Inevitably, these scenarios lead to poorly deployed or little used solutions, or situations in which the contact center has to make do with messy desktops and workarounds that impact performance and the customer experience.

Since it is not likely that you'll be able to re-write history, you might kick-start a better future by rectifying or avoiding these common pitfalls:
-Implementations where the "new" stuff gets put in to look just like the "old" stuff with the promise of taking advantage of all those new fangled capabilities later. Alas, later never seems to come and technology cynicism builds. There is no time like the present!
-Standalone applications where staff act as manual integration interfaces, performing time-consuming, unscalable, and error-prone tasks daily. Keep your eyes peeled for instances in which data gets hauled into Excel for snazzy reports that no one else can replicate and few trust.
-User interfaces that were not really designed with users in mind Â– CSRs and customers. Hint: Get feedback on your desktop applications and IVR.

When it comes to the "who" of technology deployment, it's time to review and rethink sourcing. There are an abundance of options available — hosted, software as a service, managed services, on-demand, and even good old-fashioned premise-based — from an ever-increasing slew of vendors. Every center could benefit from understanding ITs strategic sourcing positions and coordinating with IT for a careful review with each technology decision. Every product and vendor choice leads to a relationship — for planning, deployment, use, and support — that can last many years and impact many facets of technology optimization.

Apply Best Practices to your Technology
Technology best practices make a strong stand for strategic alignment: the goal is simply to put technology tools in place to enable the operation to serve its mission. Mature organizations derive maximum technology value by applying these best practices:
-The company is not over-invested or under-invested for the role of the center in achieving its goals, and the resources (human and financial) available
-Technology is properly applied to business needs, considering the user experience (internal and external)
-Business and IT work together to optimize technology — from planning through implementation and ongoing support
-Solutions are sought and implemented in line with enterprise architecture, standards, integration, and sourcing strategies, while addressing the unique needs of the center
-All users have a clear understanding of the appropriate use of the tools through training and reinforcement.

Rebounded!

David Butler, Executive Director, National Association of Call Centers, David.Butler@nationalcallcenters.org

In late 2007 we launched the NACC Investment Portfolio and the NACC Composite Index as tools to show the readers what was happening financially within the contact center industry. The Investment Portfolio was $10 worth of value in 9 publically traded companies that had a large presence in the contact center industry. As the value of these companies grew, so would our portfolio, so we could see how well the industry was doing through these companies as a group. At the same time, we created the Composite Index, similar to the Dow, S&P 500, and NASDAQ in that it is based on a point system, not a dollar figure, so we could see how well the industry was doing during each
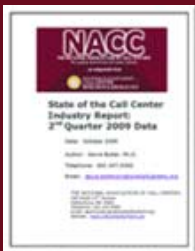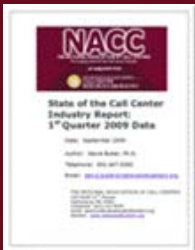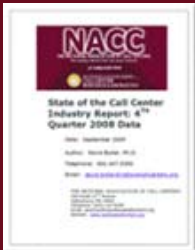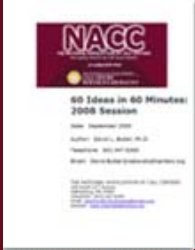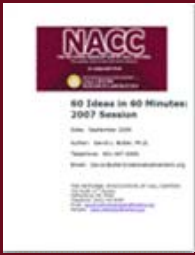
newsletter. From inception in late 2007, both the investment portfolio and the composite index began a long and uncomfortable decline until about March 2009 when both bottomed out. Since March 2009, each has started to climb back up with the investment portfolio reaching profitability in October 2009 and this week, the composite index closed above 100 for the first time since November 6, 2007, the day the index started. The graphics below show the chart for both of these measures of the industry. They sort of look like a smiley face, which I hope represents a positive outlook for 2010. We are entering 2010 with both of the measures back in the black, almost as if we are rebooting back to November 2007, but with a fresh start and a fresh look at the opportunities that lie ahead for the contact center industry.
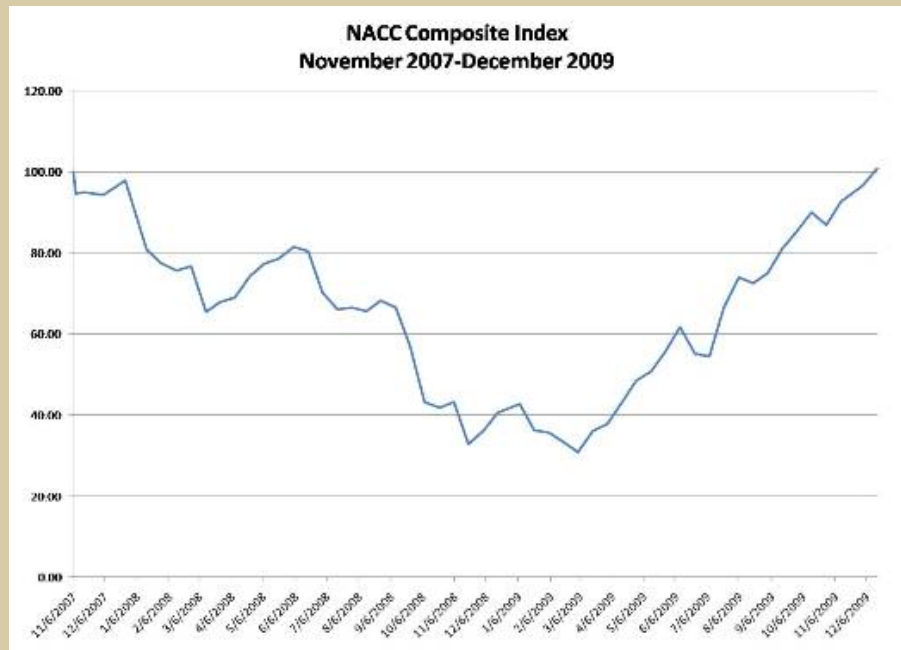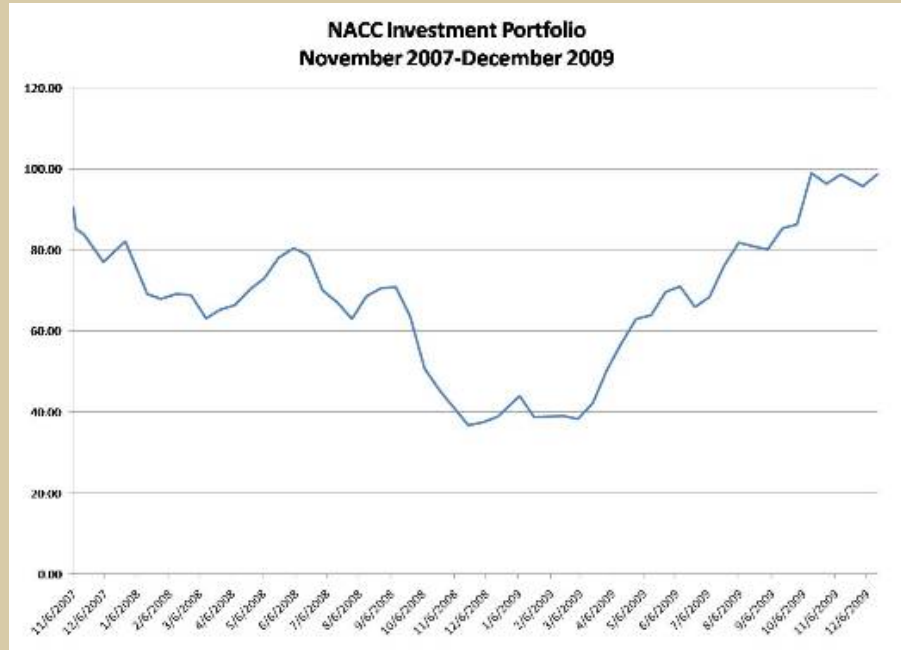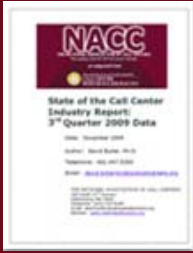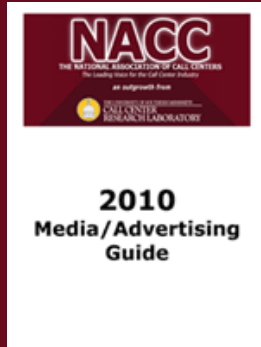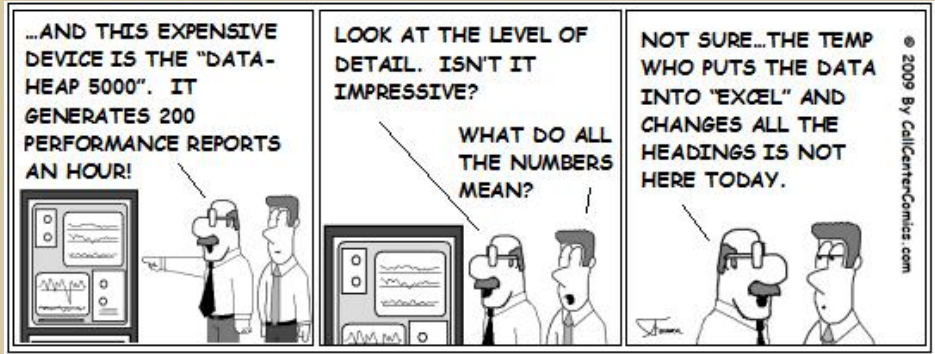

Call Center Comics!

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