



In Queue

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

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Scoreboard

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Share the Knowledge

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Quotes

"At this point one may note that men must be either pampered or annihilated. They avenge light offenses; they cannot avenge severe ones; hence, the harm one does to a man must be such as to obviate any fear of revenge."

-Niccolo Machiavelli, *The Prince*,
page 20.

Talking Out of Both Sides

Forbes and many other publications reported the first week of March 2007, that Lloyds TSB, a British bank, would close its Mumbai, India based call center. Reasons for the close have been reported as

- Automated answering service reducing call volume by 26%
- 400,000 customers signing a petition against financial services being handled abroad
- Higher operating costs in India
- Union pressure
- Indian desire for higher value work than call centers
- Saturation of the Indian call center labor market and associated high turnover.

Which one of these was the primary trigger mechanism for Lloyds TSB pulling out of India? We will probably never know. Lloyds is under no pressure to disclose its true reason because the volume of speculation around the decision allows everyone to choose their own favorite reason, letting the company off the hook in telling us the truth.

Analyst's Perspective

CRM-Dream or Reality?

By Richard Snow - Richard.Snow@ventanaresearch.com

As well as being credited for the now rather hackneyed phrase "a 360° of the customer" Tom Siebel can also be credited for a creating the whole concept of Customer Relationship Management. In fact on the back of his vision, a multi-billion dollar business has grown up. But the dream has turned rather sour. Report after report, research after research, and media article after media article shows that for many companies CRM have essentially failed. Many projects were abandoned before they finished, many more ran over budget and schedule,



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Fun Facts

Within the first 8 days of landfall of Hurricane Katrina in August 2005, the Federal Emergency Management Agency's contact centers went from receiving several hundred calls per day to over 2 million calls in the first 8 days. That is like moving from zero to a thousand miles per hour just a few seconds!

Picture of the Week



The image above takes you to a hilarious movie called "The Call Center" movie. This parody was sent to me several months ago by Paul Stockford of Saddletree Research, Inc. It is one of the funniest takes on stereotypes of call centers from multiple perspectives I have seen. Let me know if you find it equally side-splitting.

most didn't deliver the expected business benefits, and worst of all nearly all of them didn't deliver happier customers that stayed more loyal and bought more products or services. But along the way many product vendors and consultancies made huge amounts of money. Although they still prosper today, there are growing signs that license sales are falling. Why this imbalance?

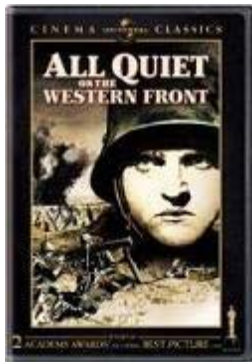
As usual it begins because the expectations of CRM were too high. Most companies thought that buying one of the "CRM" products would solve all their problems. Companies such as Oracle and SAP continue to expand their footprint and functionality but the bottom line is they manage customer-related transactions and not relationships. And they don't even manage all customer transactions. Many of these are managed in business specific applications or in other types of applications such as ERP. Companies like salesforce.com and RightNow might make it less expensive with their on-demand services but they still only manage transactions within the scope of their application.

Before they were taken over, Onyx identified the gap and started down a path that was more process centric. They purchased a company with a process management product and were busily integrating this with their traditional CRM functionality. This afforded users the opportunity to begin by defining customer-centric processes and then having these executed by selected parts of the CRM functionality. Portrait software in the UK takes a similar route whereby their software supports the development of customer interaction handling processes that span all channels of communication. This then produces a 360 degree view of the all the customer's interactions, from which companies can decide how to handle interactions going forward.

This trend recognises that customer relationship management is not just about managing customer-related transactions and producing pretty reports but it is a series of PROCESSES. It is understanding all the interactions a customer has had with the company, in all business units – including the contact center - and through all communication channels, and making sure the next interaction, be it a marketing campaign, a call to a call center agent or a self-service transaction, is done within the context of what happened in the past and the outcomes the company wants in the future. Some vendors, for example Jacada, take a radically different approach. On the surface they provide a nice piece of technology to manage an agent desktop. A closer look shows they



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All Quiet on the Western Front Lewis Milestone-Director

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allow companies to identify their customer interaction handling processes, build a process driven desktop and mask all the multiple pieces of complex technology needed to manage the transactional data. That way, interactions become simpler to handle and the technology can be made to fit the process as it really happens.

So the reality is that customer relationships aren't being, and probably can't be, managed. However, interactions with a customer can be managed, and if managed in a proper way, they will result in better customer relationships. The dream of CRM might be dead but the reality of managing the customer experience by managing the way their interactions are handled is alive and well. Companies need to think out-of-the-box, think process and look at the products that can now support a process driven approach and stop trying to get agents to overcome the deficiencies of their existing technology.

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What I am Watching

My wife and I have decided to watch all of the Academy Award (Oscar) winning movies in chronological order. We joined Netflix and added each one to our queue. The movies started to arrive several weeks ago and we are attempting to watch one per week. We have made it through 5 movies to date. As a welcome distraction from book reviews, I will offer up a movie review periodically as well. The first movie to be reviewed is *All Quiet on the Western Front* (1930).

All Quiet on the Western Front is a film adaptation from a novel chronicling World War I from a German soldier's perspective. The movie begins with students in either a senior-high or early college classroom. The students are all fresh faced, nicely dressed and day dreaming while the instructor rambles. Behind the instruction out two open windows on each side, you see mobilization for war. Eventually the instructor's voice becomes louder and more virtuous proclaiming the honorable role of defending the Fatherland (Germany) and each young man's duty. The instructor eventually whips all the students into a frenzy where they go off and enlist in the army.

The rest of the movie chronicles this classroom of boys from boot camp to the front lines. I will not give away the whole movie or ending, but one of the most

poignant scenes is when one of the former students now soldier comes back after months (or is it years?) from the front lines. He drops by the same classroom with the same instructor giving the same patriotic speech to a new group of young faces.

The cinematography is superb with each scene shot for maximum impact on the viewer. The acting is perfect, you feel sympathetic for the soldiers and what they are experiencing both physically and psychologically. During one scene, the French forces charge into and over the German trenches. These soldiers shoot and fight hand-to-hand against these foes. One has to step back and remember that these "enemies" are actually the "good guy" the Allies in World War I. The movie is that compelling.

For 1930 the sets are huge and expansive, especially the trench warfare pieces and associated explosions.

I strongly recommend this movie to anyone. It is not simply a war movie, but instead is a fundamental insight into how warfare transforms a person in a short time.

If this were a book review I would place a image and link to Amazon.com to the left. Since I think Netflix is such a neat idea, I have added the image of the DVD on the left side connected to the Netflix site.

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