FROST & SULLIVAN

Market Insight

Enhancing Omnichannel Agent Productivity

Guided assistance, desktop automation, displays, robotic process automation (RPA), excellent supervision, and workforce optimization (WFO) maximize value from customer contact agents

9857-76

November 2016

FROST & SULLIVAN

Contents

Introduction

There is no substitute for the human touch provided by omnichannel contact center agents when connecting virtually with customers for complex service and sales support issues. Agents are the linchpin to successful and profitable Customer Experiences (CXs). But it's costly to hire, train, manage, accommodate, and equip agents to perform these essential tasks. Wages and benefits comprise the lion's share of centers' operating expenses (i.e., 65%-70%). Moreover, having contact center agents work on-premise incurs significant real estate, facilities, and equipment outlays.

In today's competitive environment, organizations (businesses, non-profits, and government agencies), must delight customers *and* control costs in order to exceed their goals and spur growth. Ensuring that contact center agents are productive is essential.
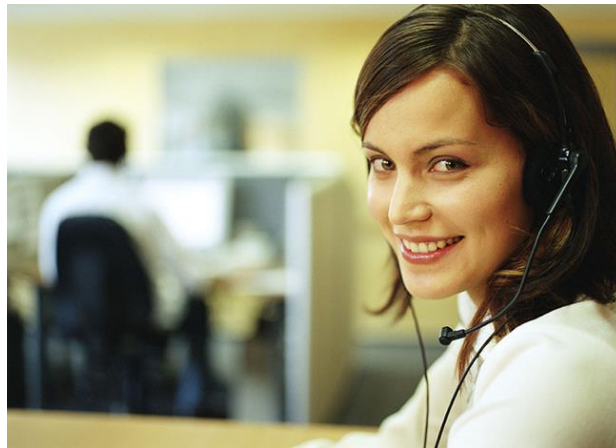
Agent Productivity Trends

What follows are several developments that are driving agent productivity and the market for solutions that are aimed at meeting this need:

- **Optimizing agents' customer-facing time.** Organizations are looking at how agents carry out their tasks in order to shrink average handle time (AHT) while improving the CX. They also want to limit agent errors to avoid contacts from annoyed customers. They also seek to provide consistent service. As a result, organizations are examining and investing in desktop automation (including logins and call dispositions), guided assistance, knowledge management, and robotic process automation (RPA) solutions. These applications limit agents' data entry, keystrokes, toggling between applications, information searches, and customer conversation "dead air". They also improve service delivery by providing agents with next best actions. Voice biometrics elevates security, the CX, and agent productivity. These applications give customers the impression they are being looked after by responsive agents.

- **Automating and "socializing" customer interactions**. Organizations are using interactive SMS/text, proactive multichannel customer contact, mobile-first and personalized self-service sites, and virtual assistants to engage with customers.

Customers are turning to other customers through social media, including inside formal and informal communities, to obtain answers and solve problems. Customers' desires for swift, rich, and immediate engagements, increasing comfort with technology, and organizations' efforts at cost containment, are driving deployment and use. These applications automate rote tasks and frees up agents to handle involved inquiries and sales. But they also limit the need for contact center personnel.

- **Expanding productivity from costs to performance-driven outcomes**. Organizations are realizing that basing productivity primarily on cost metrics (e.g., cost per contact), or the "cost center" approach, is counterproductive. Hurrying customers off calls can lead to repeat costs and understandable dissatisfaction. Consequently, companies are focusing more on ensuring positive, successful, and profitable business-oriented outcomes (i.e., "profit center"). They seek to have agents achieve higher first contact resolution (FCR), close rates, sales, customer loyalty, CSAT, Net Promoter Scores (NPS), and lowered customer churn. Agent performance against these and similar business metrics now drive agent productivity. Their use pays the dividend of increasing the likelihood of contact centers obtaining budget, including investment approvals.

- **Greater agent specialization**. Stratifying agents by products, customer needs and levels, and channels (e.g., social and video), may improve both productivity and performance. Expert specialist agents provide a more efficient, higher quality, and more personalized CX than generalist agents. Contact centers also may assign agents back office tasks. These responsibility sets make agents' work more varied. Agents may become more motivated to perform well, and may churn less as a result.

- **Rise of "People-Based Analytics" (PBA).** Advanced desktop analytics, blended with insights gained from speech and text analytics, gives managers in-depth knowledge of agent performance. They can then make informed productivity and process improvements. If an agent has very high FCR by using a particular resource, then managers can replicate the process. PBA also give insight into how effectively managers train new agents, thereby enabling adjustments to training methods and management skills.

- **Innovative screen, image, and video content sharing.** Organizations' agents are using co-browsing and screen-sharing applications. They are creatively using customers' wireless device cameras by having them stream problem areas. The screens, applications, images, and video permit agents to more successfully handle issues, while reducing AHT compared with plain voice or text conversations.

- **Sophisticated remote support applications.** Remote diagnosis and repair enables agents to more productively identify and resolve technical problems. Remote support will grow as more connected devices (known as the Internet of Things, or IoT) – appliances, buildings, machinery, medical equipment, toys, and vehicles, enter the market and become widely used.

- **Connecting with subject matter experts (SMEs).** Customers may have issues or sales opportunities that are beyond the abilities of agents to handle. In these instances, agents (or in some cases the customers directly) can reach out to SMEs. They answer questions posed to them by agents while customers are on the line. Or they can

converse directly with customers there and then, or in future contacts. Formal SME use improves agent productivity and the CX by having highly qualified individuals interact with customers. They avoid agents' conducting time-consuming knowledge base research and escalating customer contacts. Agents can turn to unified communications (UC) applications to connect with SMEs.

Agent Productivity Challenges

Here are several key agent productivity issues faced by organizations:

- **Customers' greater CX expectations.** Customers are using their CXs to decide on future purchases. They may also post them online that may impact others' buying behaviors. Customers now expect more value and service from brands. High on their list is short or ideally no-queue excellent quality customer service from skilled and channel-agnostic agents. In a majority of instances, customers will have used self-service before reaching out to agents. Customers also will assume that agents will instantly have the details of their previous steps (i.e., customer journeys), about past engagements and outstanding issues, and their prior remarks. As a result, agents have to be aware of these customers' journey steps and factors in order to productively engage with them.

- **Growing agent costs, churn, and declining quality risks.** The strengthening economy is generating competition from other employers who offer higher compensation, career advancement, and, or sociable hours. According to Frost & Sullivan research, more American workers will have left or will be leaving the workforce than entering it between 2015 and 2025[1]. To compensate, contact centers may have to raise wages and benefits that increase staffing costs. Otherwise, they face lowering applicant quality standards in order to meet service levels. They also may endure productivity and performance losses until new agents come up to speed. But demands for highly skilled agents who can relate to customers, security concerns, negative brand

---

[1] Frost & Sullivan "Maximizing the Human Resource", June 2016

impacts, potential political opposition, and shrinking labor cost advantages risk limiting the option of offshoring.

- **Accommodating the new agent workforce.** The new generation of agents brings new channel use and technology service and support skills, desire to provide excellent CXs, and relatability to customer peers. They also are team players. But the new generation expects continuous feedback. Further, they seek social recognition and rewards for strong performances. Finally, these agents want more control over their schedules, along with a greater work-life balance. Organizations may find, as a result, that the younger agents are less willing to work overtime than older agents.

- **Workforce optimization (WFO) hurdles.** Added agent skills and specializations, new channels, and heightened customer service and agent demands, have made contact center scheduling and forecasting more complex. Longer conversations to provide excellent CXs may require scheduling additional agents to meet service levels. But customers' desires for short conversations may offset this. Agent productivity diminishes when they use multiple channels to communicate with customers. Organizations have to tightly integrate contact center front offices with their back offices when sharing these tasks. The CX focus requires excellent quality management (QM), coaching, and analytics to uncover issues for immediate action.

- **Poor internal and external communications.** When contact center-obtained insights are not analyzed and shared with the rest of the organization it diminishes their ability to change products, service, and marketing campaigns based on customer data. This lack of sharing can result in high call volumes (often for repeat issues) and lowered agent productivity. Inadequately communicated product changes and demand spikes, service issues (e.g. flight and shipping delays), data breaches, and recalls have the same negative consequences. Customers may flood the contact centers with calls, emails, and social posts that could have been avoided.

- **SME issues**. SMEs who are not dedicated to customer assistance may not be readily available to help customers. Long and involved customer inquiries may take away SMEs from their prime tasks. Some SMEs may see handling customers as distractions from their core duties. These factors make providing and scheduling SMEs difficult, though not impossible to overcome.

- **Managing WAHAs.** Work at home agents (WAHAs) are, on the whole, more productive than on-premise agents. Organizations can recruit the best staff regardless of location (provided they have broadband access). WAHAs tend to be more mature, require less supervision, can work shifts on shorter notice, and they are less likely to churn. Dedicated SMEs, such as accounting and medical professionals, often work at home. Utilizing WAHAs minimizes facilities costs and provides business continuity. But some organizations remain concerned about WAHA performance and productivity without the presence of in-person supervision and team communication. They also want to avoid background noise, and interruptions e.g., from family members and pets. Organizations that use on-demand WAHA contractors face tax laws that restrict their management.

- **Inadequate, disconnected, inflexible, aging solutions.** Agent productivity is being hampered by difficult to use tools and by multiple applications that require frequent

switching between them. Many contact centers have systems that not well integrated. Customer data may be housed in thick silo'ed databases, requiring agents to access several screens and systems. Organizations may still run legacy solutions that are take longer for agents to use, and which risk breakdowns and resulting downtime. Older WFO and QM and quality monitoring applications may be inadequate to handle today's complex, performance-and outcome oriented, and multifaceted customer contact environments.

Summary and Recommendations

Achieving optimal contact center agent productivity has become a tight balancing act between meeting rising customer expectations and controlling costs. But in today's highly competitive environment for customers and resources the stakes have rarely been higher. Fortunately there are methods and tools available to help organizations achieve positive outcomes.

Exhibit 1 illustrates the key agent productivity trends in North America from 2016 to 2022.

Exhibit 1: Agent Productivity: Key Trends, North America, 2016–2022

Agent Productivity Key Trends

Agent Productivity Trends, North America, 2016 - 2021

Drivers	1–2 Years	3–4 Years	5-6 Years
Automating and "socializing" customer interactions which free agents to handle complex issues and sales, but which reduce the need for contact centers and staff	H	H	H
Optimizing agents' customer-facing time through deploying tools such as desktop automation, RPA, guided assistance, and knowledge management	M	H	M
Expanding productivity from costs to performance-driven outcomes, moving from the "cost center" to the CX-focused "profit center" model and metrics	M	M	H
Greater agent specialization, with expert agents serving customers based on levels, needs, and on high-touch channels more productively	M	M	H
People-Based Analytics (PBA), using desktop, speech and text analytics to provide insights into agent performance to improve productivity and to enable process improvements	M	M	H
Connecting with subject matter experts (SMEs), which avoid agents conducting time-consuming knowledge searches while improving the CX	M	M	M

Impact ratings: H = High, M = Medium, L = Low

Source: Frost & Sullivan

0000-00   F R O S T *&* S U L L I V A N   1

Exhibit 2 illustrates the key challenges to agent productivity in North America, from 2016 to 2022.

Exhibit 2: Agent Productivity: Challenges, North America, 2016–2022

Agent Productivity Key Challenges

Agent Productivity Challenges, North America, 2016 - 2021

Drivers	1–2 Years	3–4 Years	5-6 Years
Customers' greater CX expectations, including swifter service and agent knowledge of them, their value, and current and prior transactions for productive interactions	H	H	H
WFO hurdles among them, heightened customer service quality and agent scheduling demands, performance and quality focus, and added skillsets	H	H	M
Inadequate, disconnected, inflexible, aging solutions, with poor functionality, usability, and difficult integration, including across data silos	H	M	M
Growing agent costs, and declining quality risks, driven by a stronger economy, worker competition, and tighter labor markets	M	H	M
Accommodating the new agent generation who bring new technology skills, who want to productively help customers, but who also want schedule control and work-life balance	M	L	L
Managing WAHAs, with lingering performance, teamwork, noise, and family interference concerns, while tax laws impact contractor agent use	M	L	L

Impact ratings: H = High, M = Medium, L = Low

Source: Frost & Sullivan

0000-00   FROST & SULLIVAN   1

Here are several recommendations on how to optimize agent productivity:

- **Ensure the contact centers (and agents) support successful outcomes.** Organizations must decide which ones they want agents to achieve, and set targets. They should then build agent profiles with the skills and traits to meet those objectives. Organizations would orient their recruiting, screening, training, coaching, and management around them.

- **Avoid preventable customer contacts.** Organizations should strive for excellent product and service creation, design, and delivery. That also includes addressing the mounting issue of security for connected (IoT) devices and customer databases. Organizations should ensure their self-service is personalized, rich, intuitive, and mobile-friendly. They should listen closer to social media comments and determine which ones require paying attention to and following up. They should build bidirectional "information arterials" to swiftly communicate contact center information to other departments, and vice versa. Finally, organizations must be proactive in communicating with customers across all channels.

- **Enable information sharing and collaboration.** Organizations should distribute best practices and updated knowledge to agents to help them to quickly and successfully assist customers. They also should enable agents to collaboratively resolve problems, such as with UC and enterprise social networking solutions.

- **Increase agent engagement.** Organizations should give agents more control over customer service decision making, such as allowing them to offer refunds and other "make goods". They should give customers the option of reaching, holding for, or scheduling to connect with agents they had engaged with previously. This method builds customer relationships, while avoiding repeating questions and information.

Organizations also should incentivize agents for continually improving their skills. Finally they should give them freedom to select their schedules, within the need to maintain service levels, but base this privilege and shift choices on agent performance.

- **Provide effective supervision.** Contact center organizations should carefully recruit supervisors and managers. They should look for applicants with proven leadership, coaching, mentoring, training, motivation, and goals meeting skills. There are many individuals who have them, notably honorably discharged military personnel and first responders. Their training may also be called on for contact center emergencies. But supervisors must also know how to manage WAHAs. Organizations also should equip supervisors with specific information on where agents are falling short. Supervisors should leverage data and analytics to pinpoint improvement opportunities.

- **Understand agents' technology use.** Organizations should collect and analyze data about how agents use their tools and processes. They should look at how many times customers had to interact with agents, channels used, and at workflows, e.g., the number of steps agents took to conduct interactions. These insights will help identify improvement opportunities. Managers should share this information with the agents and obtain their thoughts, suggestions, and buy-in for solutions.

- **Consider gamification.** Gamification (also known as digital motivation), rewards agents for meeting and exceeding goals, scores, and targets, and for achievements, compliance, and training. Games' challenges should correlate to specific agent tasks. Gamification helps build morale in the stressful contact center environment. It fosters teamwork between WAHAs and with on-premise agents through shared experiences. But gamification may not directly connect to specific agent skillsets. Older agents may not use it, though this is changing as more of them play digital games, such as with their children or grandchildren.

- **Address WAHA issues.** The benefits of WAHAs are powerful enough to drive most or all of its customer contacts to them. Collaboration and enterprise social networking, desktop information displays, gamification, noise cancelling headsets, WFO (including eLearning) and formal at-home agent policies make WAHAs more practical.

- **Complete the loop with EFM/VoC and VoE applications**. Enterprise feedback management (EFM) and voice of customer (VoC) solutions foster agent productivity by providing data-driven customers' views of their engagements with organizations. Managers can pinpoint issues and suggestions from surveys and other feedback channels. There also are voice of the employee (VoE) solutions that survey agents, including gathering their feedback on their experiences with customers.

Agent Productivity Use Cases

Microsoft

Microsoft is a leading global technology platform and productivity company headquartered in Redmond, Washington. The company's B2C customers are served by Microsoft's Consumer Support Services. Microsoft has a network of multiple global support centers located in regions

and countries, including North America, Latin America, India, and The Philippines. These centers employ thousands of agents, providing assistance in many languages.

The Situation

According to GamEffective, Microsoft had multiple methods in how it communicated with its agents on emerging issues, updates, and news across its many teams. But there were no centralized communications, or methods for measuring compliance with the company's metrics and policies.

Microsoft staff discussed new ways to recognize and reward agents while increasing their productivity. The focus was to change behaviors, develop skills, encourage sales, and to drive outcomes and innovation in a fun and interactive manner.

The Response

Microsoft identified gamification as a solution to these needs. The company believed that it could be more successful at encouraging and recognizing agents for positive outcomes than monthly scorecards. Gamification also would allow the firm to provide consistent messaging across teams, along with the ability to track compliance and, if need be, have agent training to ensure it.

Microsoft began gamification planning in 2015. The company defined the features, business requirements, and operational metrics. These include leveling (level advancement based on earned award), badges, and point systems, which would vary by agent team and region.

Microsoft also set out clear goals. The company wanted a gamification solution to enable and improve agent engagement, satisfaction, and retention. The product also had to increase speed to proficiency, heighten agent knowledge and skills, and sustain excellence. Microsoft also set additional overall goals of sales, customer satisfaction, and loyalty, and greater operational efficiency and cost savings. Finally gamification would have to bolster real-time internal communication.

Microsoft met with six gamification vendors, winnowed its list to three finalists, and then selected GamEffective. The company cited it for having the best out of the box solution that was tailored to driving the right behaviors. The firm said GamEffective also had an enjoyable interface that allowed agents to grow, try, and learn, without feeling they were being overtly measured for performance.

The Results

The GamEffective installation was straightforward, with simple setup and no agent training. Agents would log in, watch the introduction videos, and begin using the platform. The badges and points rewards system was tied to desired outcomes.

Microsoft encountered initial data issues when loading data into the GamEffective system, such as user name typos. But they were resolved by performing account and data scrubs.

With these lessons learned, Microsoft smoothly launched GamEffective in April, 2016, with the platform running as a SaaS with no local installation. Initial results are proving promising. There have been sustained improvements with specific issue types and processes. Microsoft placed eligible performance measures into the game for reward opportunities.

Any activity Microsoft put within the game for sales campaigns, or for issue resolution for top or difficult call drivers, for showed immediate returns. Some gamification activities (i.e. simulations) emulate customer interactions. Agents could complete the tasks at their desks and then take the next calls, with the relevant micro-learning at the top of their minds. This feature eliminated traditional off-desk training that resulted time lapses between learning and executing that lower the effectiveness of lessons. It also diminished agent availability and output.

The rewards from the GamEffective platform drove agents to improve their performances, which, together with the other results, boosted the performance of Microsoft's Consumer Support Services. As a result, Microsoft plans to expand the solution across more agent teams and languages.

Upclick

Upclick is a leading provider of e-commerce services and premium technical support (PTS). The company, based in Montreal, Quebec, Canada, has expertise in sales funnel optimization and monetization for digital goods and software merchants. The firm's mission is to deliver payment processing effortlessly while increasing conversion rates and overall e-commerce cart value.

The Situation

Upclick's opened its principal technical support center in Montreal in 2012. The reps also perform sales. There are now 79 agents in the center.

The agents support an increasing variety of customers' computers. But they often had to manually select, download, and run many utilities for each customer interaction. They engaged in lengthy conversations with customers in order to decipher their unique needs prior to beginning the repair work. These practices lowered agent productivity and detracted from a positive CX.

Upclick also sought to increase sales of its PTS offerings and to efficiently demonstrate the full value of its services to customers. Moreover, the company required a toolset that enabled a consistent CX that provided a full contextual view of interactions.

The Response

Upclick chose and implemented Support.com Cloud Agent Support in early 2016. The company tasked the solution with reducing time to resolution, performing remote diagnostics, and maximizing sales conversions.

The Support.com solution would enable the agents to automate routine tasks and download the required support tools. In turn, customers would gain more visibility into the support process. These expected outcomes would help Upclick to maximize productivity and provide an excellent CX.

The Results

Support.com Cloud has made a significant impact on sales and customer satisfaction. The solution increased the effectiveness of Upclick's agents. It helped improve the company's NPS by 50%. There is constant monitoring of support interactions and device states.

"We've seen a 17% increase in sales conversions when sales reps use Support.com Cloud to close sales," said Daniel Kapur, Vice President of Operations at Upclick.

Virteva

Virteva is a Minneapolis, Minnesota-based IT consulting and managed services firm that provides contact center and help desk services to a global customer base. The company differentiates itself through superior service. Virteva runs a 24/7 contact center where its analysts field approximately 70 incoming calls per day via multiple queues. Each call has differing needs and priority levels.

The Situation

According to Calabrio, Virteva has been experiencing rapid growth, and it hired many new agents and launched 24/7 support as a result. But contact center managers have historically used spreadsheets to manually organize agent schedules. But they had no way of knowing whether the contact center was staffed properly. The spreadsheets lacked insight into agent activity, call volumes and spikes, and quality assurance metrics.

The Response

To improve staffing management, and to elevate its customer service, Virteva realized it needed the tools to gather and analyze the data arising out of customer interactions. The company also needed a vendor that could support it and ramp up the solution quickly.

After much research, Virteva selected the Calabrio ONE suite in summer, 2014 to serve as the link between its ACD (a Cisco UCCE 10.5), and support ticketing system. The company said Calabrio offered an integrated solution with intuitive analytics that would allow it to gain visibility and insights into agent and customer conversations. Calabrio ONE also had the WFM capabilities that would meet its complex scheduling needs. These included schedule automation, making live adjustments to the schedules, entering exceptions, and monitoring call adherence.

Virteva established an aggressive 90-day implementation timeline to roll out the entire Calabrio ONE suite. The solution went live beginning with Calabrio Quality Management and Calabrio Workforce Management, and followed by Calabrio Analytics. Calabrio provided hands-on in-person training for managers and agents. It ensured that Virteva supervisors had full knowledge of WFM concepts once the suite was deployed.

The Results

Virteva immediately saw the benefits of the Calabrio ONE solution. The company suddenly had visibility into the effectiveness and productivity of every agent. It could identify overarching trends and challenges from the Calabrio dashboard. Managers now had insights into daily activities, how to best staff the contact center, and how to ensure the quality of agents' work. Virteva could also see when call volumes increased and managers could adjust schedules on the fly in order to staff appropriately.

Virteva also benefitted immensely from the analytics insights. By identifying trends it was able to address issues upfront, before they became full-fledged problems, and saw a decrease in call volume as a result.

Virteva has since expanded its use of the Calabrio suite. The company implemented Calabrio's newer advanced analytics, including predictive call scoring, agent smart benchmarking, and its Predictive Net Promoter Score. These additions, it said, is driving even further insights from its support center into the company.

"As our business continues to evolve and grow we are always looking for ways to increase efficiency. This includes making our people more productive and effective. We are a 24/7 business constantly adding new customers and agents, and ensuring we have appropriate staffing and skills levels when we need them is critical," said Virteva CEO Tom Kieffer. "Calabrio ONE allows us to monitor and measure our [contact] center to have the right people focused on the right activities that meet our customers' needs. Calabrio provides us the eyes on the business that lets us see through any assumptions that are being made about what's important or an issue for our customers."

The Last Word

Contact centers have long been one of the most expensive facets of organizations' operations,. But the concept and application of agent productivity has evolved from cost containment to goal and profit achievement by organizations' focus on ensuring excellent CXs. There are continually developing applications, methods, and practices to help them reach those goals.

Legal Disclaimer

Quantitative market information is based primarily on interviews and therefore is subject to fluctuation. Frost & Sullivan is not responsible for incorrect information supplied to us by manufacturers or users.

Our research services are limited publications containing valuable market information provided to a select group of customers. Our customers acknowledge, when ordering, subscribing or downloading, that Frost & Sullivan research services are for customers' internal use and not for general publication or disclosure to third parties.

No part of this research service may be given, lent, resold, or disclosed to noncustomers without written permission. Furthermore, no part may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the permission of the publisher.

For information regarding permission, write to:

Frost & Sullivan

331 E. Evelyn Ave., Suite 100

Mountain View, CA 94041

The Frost & Sullivan Story

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best-in-class positions in growth, innovation, and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best-practice models to drive the generation, evaluation, and implementation of powerful growth strategies.

FROST *&* SULLIVAN

Frost & Sullivan leverages over 50 years of experience in partnering with Global 1,000 companies, emerging businesses and the investment community from more than 40 offices on six continents.

Frost & Sullivan helps our clients "Accelerate Growth" by:

Delivering the broadest industry and market coverage of any research and consulting firm globally, 10 industries, 35 sectors and 300 markets – ensuring our clients not only understand their industry challenges and opportunity but growth opportunities in aligned industries and an understanding of competitive pressures from previously unknown sources,

Providing a 360 degree perspective – integrating 7 critical research perspectives to significantly enhance the accuracy of our clients decision-making and lowering the risk of implementing growth strategies with poor return,

Leveraging our extensive contacts within chemicals and materials value chain, including manufacturers, distributors, end-users and other industry experts,

Ensuring our clients maintain a perspective of opportunities and threats globally through our 1,800 analysts in our 40 offices – making sure our clients receive global coverage and perspective based on regional expertise,

Researching and documenting best practices globally – ensuring our clients leverage proven best practice answers to tough business challenges for successful growth, and

Partnering with our clients team, in addition to delivering our best practices research and experience, to ensure success.