



What is the consequence of increasing self-service and voice automation for the role of the agent in terms of experience, responsibility and accountability?

A paper for CCA Industry Council



CCA INDUSTRY COUNCIL

CCA Industry Council drives the industry’s research agenda by interacting to ensure research approach, debate and output provides the pathway for the future in terms of new thinking and strategies from across all sectors.

An initial meeting was held where 30 leading players from industry debated ‘Changing the Rules’. From this debate it is clear a need has been established to create ‘Beyond Operational Efficiency’ – a new vision for how customer contact centres should be repositioned within organisation, placing the customer at the heart of the business.

Industry Council consists of an exclusive group of representatives from leading organisations who are committed to providing this input whilst themselves benefiting from a unique package of leading edge research, networking, government influencing opportunities and profile within industry as ‘Leaders of the Future’.

Expert academic and private sector facilitators will draw on leading edge debate and invite participation from other recognised research houses and agencies to engage with Industry Council to ensure the group deliver leading edge analysis.

As the independent professional body, CCA partner with leading organisations and groups to access relevant research and information for the development of the Industry Council. CCA’s vision is for contact centres to be repositioned within organisations to reflect the increasing complexity and competitor challenges arising from the dominance of this channel.

CCA are indebted to the efforts of the Foundation Partner Group who have formed the backbone of activity in taking forward the development of the CCA Standard[®] and creating the vision for CCA Industry Council. These organisations across all sectors, both public and private, each have a significant impact on the contact centre market-place.

FOUNDATION PARTNERS



Foreword from Rob Pike, Chair of CCA Industry Council



What is the consequence of increasing self-service and voice automation for the role of the agent, in terms of the agent's experience, responsibility and accountability?

In previous papers we have identified an emerging 'channel shift', with a move towards automation in some organisations.

Consequently the traditional role of the agent is changing. A growing proportion of the agent's calls will become more complex and require better technical and emotional intelligence skills. Agents are also beginning to work with more varied communication channels such as IM, e-mail, SMS, web chat and workflow imaging practices.

Recruitment, development and training have always been vital to the industry. So to have system complexities, as contact centres have emerged to handle the majority of many organisations' interactions with customers – be it sales, service or the provision of public services. In meeting the challenges of complexity, what tools and support for agents will be needed?

The fifth in a series of research reports exploring the changing face of customer contact, this paper discusses how the future of the agent will evolve. The ensuing debate at the quarterly Industry Council meeting focused around the demand to improve skills while creating a working environment that is rewarding for the employee. The ultimate goal, of course, is raising customer service standards while managing efficiency and effectiveness.

Once again we are indebted to the work of CCA Foundation Partners who have been the catalyst of CCA's evolution to become the Customer Contact Association. Their dedication has helped create CCA's Industry Council, a unique think-tank which is challenged with finding solutions to ensure that the customer is placed at the heart of an organisation's operations.

We would like to extend our grateful thanks to CCA's Research Council for again providing very insightful findings into this critical issue.

Rob Pike
Chair, CCA Industry Council

Rob is Director of Operations, Ulster Bank Group and European Consumer Finance at the Royal Bank of Scotland

Introduction

If simple and repetitive calls migrate to self service and voice automation, what will happen to the role of the agent over the next five years, in terms of their experience, responsibility and accountability? This was the question explored in this month's quarterly Industry Council report.

We have received excellent papers from Accenture, CM Insight, Gallup, Intersperience and Search Consultancy Ltd which make key points about the future role of the agent in contact centres.

There is mixed feedback as a result the changes in contact centres. The effective use of self service has resulted in some businesses reducing their call volumes by as much as 40%. The reduction in calls means organisations have fewer opportunities to build relationships. For other organisations, emerging channels do not mean much change. Many contact centres are set to continue as before. Still 1/3 of the population does not use the internet and may be uncomfortable with automated services.

However, the effective use of self service has meant some organisations need agents to be better at handling customers than ever before. The industry will have to motivate and inspire a new generation of agents with the ability to handle complex calls, provide consultative advice and manage complex interactions and relationships. The papers provide operational advice on how to recruit better agents, develop their capability and equip them to provide great service. With or without organisations' encouragement, there is the growing trend of confident consumers using IM, Web-chat, E-mail and SMS interactions. These channels require agents with adequate written communication and software application and database skills of which there are shortages in the recruitment market at current remuneration levels.

Agents are needed to be experts in different products, both sales and service, as well as alternative customer segments. Some telephone agents are consultative problem solvers offering options-based advice, making subtle judgements about customer needs and preferences. The ability to manage emotional exchanges sensitively and respond in ways that instil or restore customer confidence is yet another part of the portfolio of prerequisite skills for an agent.

With more engaged and confident end consumers, often with sophisticated knowledge of products and services, the multi-skilled agent needs to be supported by the organisation's systems and applications. This may involve ensuring the marketing, HR, production, IT, legal services are better designed to aid the agent in their quest to satisfy the customer.

Analysis of customers' reactions to organisations are varied and complex. Influencers of their response to organisations may be their immediate context including their personal sense of time pressure, their location, previous experience with the organisation, mood and so on. Measuring agent's success with traditional command and control metrics and CRM analytics, does not always support the agent's emotional connection and engagement with the customer.

There is a major challenge ahead to provide a stimulating work environment for people who have a wider range of employment opportunities. Multi-skilled agents, who may have better educational qualifications, excellent communication skills, requisite languages and software skills may well be de-motivated more easily by traditional call centre operational practices. New incentives to motivate the new style agent are required. Incentives could include increased financial rewards and long term career progression, prestigious training programmes (focusing on strategic and operational business issues), team working opportunities and senior management feedback on their contribution to the overall organisational objectives.

With the increased number of touch points, customers' interactions with an organisation will become increasingly dispersed forcing customer service organisations to get much better at collecting and sharing information across multiple channels. In addition agents will need to become much better at using this information in order to deliver a truly "needs" based service. Every agent is an excellent source of qualitative and quantitative market research. Agents able to apply business relevant insight and judgement to the analysis of their conversations with customers will be seen as key organisational assets. Agents may be rewarded for customer intelligence, from the various communication channels employed, and empowered to disseminating it to other parts of the organisation to drive change in the customers' interest.

The research papers provide many valuable suggestions of how to recruit, train, manage, empower agents as well as build systems and processes to capture customer intelligence. In summary, there are huge implications for the role of the agent when increasing self service and voice automation. At present organisations are experiencing a shortage of agents as the reputation of contact centres is often questioned, both as providers of service and sources of employment. Due to the complexity of the changing communication channels many organisations have successfully segmented their contact centres and in doing so have remodelled, re-launched and updated or lost the name "contact centre". Twenty years on it is the right time to rebrand, restructure and revise the performance metrics of the traditional contact centre in order for organisations to embrace the changes the new communication channels bring and support the talented agents who must rise to meet the effusive customer challenge.

‘Future Agent - Super Agent?’

‘The changing role of the agent in the multi-channel self service contact centre environment’

Prepared by Dr Guy Fielding, CM Insight

To date contact centre operations have largely been predicated on the assumption that their role is to handle high volumes of low value, simple interactions. Consistency, uniformity and first time resolution have been the agents' most ardently targeted objectives. As these interactions migrate to self service applications those objectives - along with dramatic cost reductions - will be achieved in full. Organisations will then have the opportunity to rationalise the management of more complex customer interactions which, though fewer in number, represent greater potential value to the organisation.

If that rationalisation is to occur, says Dr Guy Fielding, Head of Research & Development at CM Insight, the contact centre will be forced to reinvent itself, creating an environment in which a new generation of agents will be happy to work and able to flourish. In this paper Guy looks back at the evolution of the contact centre, tracing the managerial errors that have led to the low status currently accorded to the agent's role. He'll then consider how, if agents are to take their place in a multi-channel world, that status will need to be transformed.

To understand what contact centres are today - and what they might become tomorrow - we must step back to examine how they came into being. In the pre-contact centre days goods and services were largely sold and supported by face-to-face interactions taking place in shops and offices. Telephone communication between organisations and their customers was rare and usually reserved for extenuating circumstances or emergencies.

Seeds of discontent

The technology explosion of the early 80's, which made the telephone ubiquitous, changed all of that. It fired consumers' appetite for convenience, easy access and immediate gratification. Instead of travelling to a shop and waiting in line, consumers turned to the phone. Contact centres were established to assuage this appetite and to provide centralised customer service. Within a short time they became, for most organisations, the preferred (or, at least, most used) customer channel, accounting for around 70% of all interactions.

Since then, using a combination of telecommunications, information technologies and skilled workers, contact centres have achieved previously unthinkable economies of scale, control and standardisation. But they've been a far from unequivocal success. Today, contact centres are largely despised, both as providers of service and sources of employment. The root cause of this discontent is the management model chosen to govern them; the model that must be abandoned now if the agent - and the contact centre - of the future are to arise.

Because at least 80% of calls to contact centres have been simple and repetitive in nature, the contact centre was organised and managed using a mass production model adopted from manufacturing. Its quality was evaluated using Six Sigma - or its variants - also adopted from industry, where uniformity, homogeneity and lack of variation are key to success.

As long as the contact centre continues to deal only with the simple and the repetitive, we may continue to limp along with this model. But the price we pay it is high. In the last UK census a reclassification of employment grades placed today's contact centre agents marginally below refuse collectors, based on the lack of autonomy and responsibility typical within their job role. If simple and repetitive calls migrate to self service channels, as they inexorably will, the industry will need to recruit, motivate and inspire a new generation of agents with the ability to handle complex calls, provide consultative advice and manage complex interactions and relationships.

The rise of complexity

In its 2005 report the Henley Centre stated that, between 1997 and 2003, the proportion of 'complex' calls to contact centres increased from 22% to 27%, while the proportion of 'simple' calls fell from 67% to 61%. With the deployment of self service channels this trend will accelerate. Today's consumers are equipped with a desktop (literal or metaphorical) on which multi-channel options sit side by side; mail, telephone or web self service, webchat, email, SMS - and, of course, the contact centre agent. They are equally conversant with all and make strategic and tactical choices about which they will use based on four factors: the nature of the task, their personal preference, location and circumstances, and the nature of the response they expect or need.

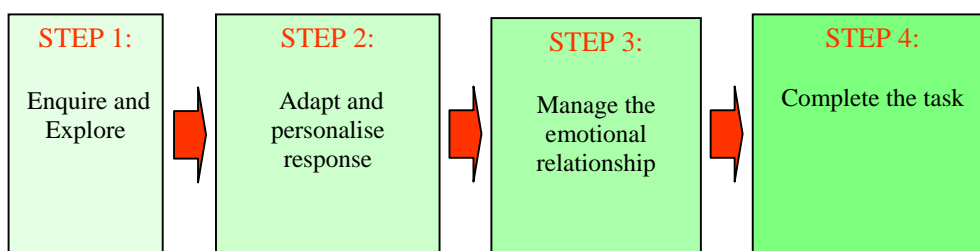
Let's ask ourselves, (as consumers we do it all the time) why we might choose to call a live agent rather than use another channel.

- **Complexity:** If the task we wish to undertake is made up of a number of interdependent actions; or if it is ill-defined - we don't quite know what the problem is or we are uncertain where to locate the resources we need.

- Personal preference: If we prefer people to machines or are uncertain of the efficacy of the channel - either for reasons of security or our own technical competence.
- Location: If we are on the move or away from online resources.
- Response: If we need - or feel we need a fast or highly personalised response delivered with a greater degree of reassurance.

All of this means that the conversations agents have will be concerned with tasks that are not only more complex, but also less algorithmic. Responding to them will involve identifying the problem, solving it - using both structured and collaborative approaches - then identifying and marshalling necessary resources in order to achieve resolution.

In simple terms, agents will become consultative problem solvers. Rather than responding to simple predictable enquiries with prescribed answers and algorithmic, determined processes, they will be called upon to provide options-based advice, making subtle judgements about customer needs and preferences. This will demand a greater emphasis on communication skills in general, but, in particular, on skills of enquiry and understanding. The management of a typical contact centre conversation of the future can be mapped as follows:



Though the objective is, clearly, to reach step four successfully, it will prove counter productive to place all our efforts here. In practice it's clear that achieving step four is intrinsically dependent upon the agent's interpersonal competence, their ability to adapt and, most importantly, to discover and understand the problem.

As calls to contact centres become more complex and less predictable, the relative importance of steps one to three will increase. The focus of the agent will be less upon ‘speaking’ and ‘doing’ and more upon ‘listening’ and ‘thinking’.

Emotional and relationship competence

Alongside the shift to more complex and amorphous problems, there will also be a change in the emotional content of calls. Today’s contact centre interactions (despite prevailing myths) are, for the most part, emotionally neutral. In future it’s more likely that consumers will opt to call a live agent only when the emotional and personal importance of the call is more highly charged. The ability to manage emotional exchanges sensitively and responsively, in ways that instil or restore trust, will be a pre-requisite agent skill.

And there’s another element to this, too. Because callers’ queries or requests will involve several interdependent tasks, or predict several possible courses of action, callers will increasingly need to make multiple contacts with the organisation about a series of long running and interconnected issues. First time resolution will increasingly become an irrelevant or inappropriate measure of success. A key role for the agent, therefore, will be that of relationship and project manager. The success with which those relationships are established and nurtured – and the overall success of the customers ‘project’ will become key measures of success.

The source of customer centricity

In the past ten years there has been a dramatic shift in the location of economic power from producers to retailers and, finally, to consumers. In this environment, where customers demand choice and are determined to exercise it, becoming ‘customer centric’ has become a pre-requisite for organisational success. By simple definition the customer centric organisation is the one that listens to what customers have to say and acts accordingly. The drive towards customer centricity, will further fuel the transformation of the contact centre’s role. Increasingly companies will recognise the conversations that take place between agents and customers as a rich source of customer intelligence which can be actively mined in the interests of the organisation.

In conversation with contact centre agents customers tell organisations what they like and don’t like, what they feel about the organisation, how it compares with its competitors and how they would like to be treated by it. However, because the traditional contact centre conversation has simply been focused on completing a

transaction quickly, it has been virtually impossible for agents to engage in conversation at this level or to collect such information in any meaningful way.

In most cases, sadly, the contact centre has been charged with acting as a buffer rather than a point of insightful contact between the organisation and its customers. In future, organisations that have a true desire to be customer centric, will ask their contact centres to gather customer intelligence and pass it on to other parts of the organisation to drive change in the customer's interests. In due course their responsibility will extend to the analysis and interpretation of this information and the formulation of actual change recommendations. Representing the customer's interests as well as those of the organisation, the agent will become a mediator, negotiator and manager of resources on behalf of the customer. This, without doubt, will enhance their role, but will also make greater demands on their skills and capabilities.

It's interesting to note that many organisations already employ people to act in exactly this way. Typically, however, they don't call them 'contact centre agents' or the environments in which they work 'contact centres'. By not doing so they signal – both to the agent and the customer – that, in their organisation, the individual occupies a different role with more extensive responsibilities. However, these operations are contact centres in all but name and, perhaps, provide a model for the way contact centres of the future will develop.

From monitoring to analytics

A key change will be the use of analytics within the contact centre. It is a truism that the contact centre is among the most closely monitored 21st century working environments. However, in the past, the focus of monitoring activity has been to police or control the behaviour of the agent, usually with the aim of improving productivity. In future the focus will shift to the customer; calls will be monitored and analysed in order to understand what they can tell us about how customers think and feel and what motivates them to behave in ways favourable to the organisation – to spend more, remain loyal and provide advocacy.

As customer centric organisations realise the potential of the contact centre's role, analytics will focus on the customer rather than or as well as the agent and on call content rather than call process. In the long term such analytic processes may be fully automated, using speech recognition technologies to feed automated content-analytics procedures. In the medium term systematic analysis of representative

samples of customer conversations, with skilled analysts using speech and text analytics tools to identify and document key customer trends and issues, will be the most practicable and cost effective route. Most immediately, however, and on a day-to-day basis, agents themselves will be asked to analyse and report on the significant content of the conversations they have with customers. Their skill and value to the organisation will be judged in terms of their ability to interpret, analyse and report on their conversations as much as their ability to converse in the first place. Agents able to apply business-relevant insight and judgement to the analysis of their conversations will be seen as key organisational assets.

This change in the role of the agent will also drive a change in the role of contact centre managers. They will be expected to act as key partners and intelligence providers to other areas of the business - research and development, product design, manufacturing or marketing - with which they have traditionally had little to do. Their ability to deliver valuable customer insight and pragmatic business advice to these business functions will be seen as significantly more important than their ability to shave 3% from average call handling times.

Managing the knowledge worker

As analytics and business intelligence becomes part of the role of the contact centre the definition and acknowledgement of the agent as a knowledge worker will be inescapable. This will demand a radical change in the way contact centres are structured and managed. As we stated earlier in this paper, contact centres have typically been structured on a mass production model adopted from manufacturing. Because, within this model, the agent's role lacks variety, demands few skills and grants little autonomy, the agent lacks status and experiences few opportunities for career development and progression.

If the contact centre of the future is to achieve its customer centric potential, this is the challenge that must be overcome; the adoption of a management model that allows knowledge workers to flourish. In 1969 Peter Drucker identified the problem of 'knowledge worker productivity' as the great management challenge of the 21st century. He noted that we know a great deal about how to manage factories and logistics systems (and we have learned even more since), but that we understand next to nothing about how to get the most from doctors, lawyers, researchers or even managers.

In his influential 2005 publication, 'Thinking for a Living' Tom Davenport noted that, since Drucker's challenge, we have learned little about the effective management

of knowledge workers remains a critical challenge. In most industries managers have tended to adopt what Davenport coined the HSPALTA model – hire smart people and leave them alone. Effective management of the future contact centre agent will need to be based on more effective approaches than either the mass production or HSPALTA extremes.

Emerging research gives some indication of approaches that are likely to be effective. Knowledge workers tend to share certain characteristics that differentiate them from others in terms of their motivation, attitude and need for autonomy. Successful knowledge workers tend to be intelligent, well educated and widely experienced. They dislike being told what to do and how to do it and don't respond well to 'command and control' management styles. They have particular and personal approaches to problem solving and, though they may have good reasons for working the way they do, these reasons will not always be apparent on superficial examination. It is obvious then, that traditional contact centre management practices will alienate rather than motivate the performance of these individuals.

Contact centres must abandon the command and control model in favour of more egalitarian and participative management styles which allow agents to participate in the design and management of the systems and processes they use. Processes themselves will need to be flexible rather than regimented, with considerable amounts of work being self organised and considerable latitude and variation allowed to individual agents.

Because productive knowledge workers are an increasingly rare resource, approaches to reward and motivation, too, must change. For these individuals financial incentives and instant gratification tend to matter less than the promise of esteem, job challenge, team working opportunities, career progression and a belief that the job they do is worthwhile. This doesn't mean that money isn't important, only that it is considered a hygiene factor; necessary but not sufficient.

All of this is achievable if the contact centre – the management style that governs it and the people who work in it – are allowed to evolve. If the rise of self service solutions, with their ability to eradicate the repetitive and mundane is the 'big bang' that kick starts this evolutionary process, all well and good. But the progress of evolution is inevitably characterised by species that fail as well as thrive. Those who make it will be those that recognise the contact centre's future potential as a

customer centric business intelligence unit and take determined action to shape their operations accordingly. There's no question that the role of the agent must and will change, but the onus for generating that change rests squarely on the shoulders of their employers.

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