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Operations Leader's Guide to Contact Center Solutions

A decision framework to help simplify your solution search

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Introduction

Operations leaders have oversight for many important business activities. These may include staffing, supply chain, manufacturing, distribution, and in many cases, customer service. While operations leaders may not be experts in every discipline, they are trained to analyze problems and use facts to support recommendations. However, when it comes to making technology investments, many operations leaders may feel less confident. Since many small and medium-sized organizations often lack IT resources, let alone specialized IT resources, they are forced to rely heavily on outside integrators and consultants who may have competing interests or who do not fully understand the business and its requirements.

Therefore, for the operations leader who may not be an expert in call center operations or technology, but who is faced with searching for a new contact center solution, this paper will offer a simple guide and valuable resource links to help them confidently identify their project requirements, quickly eliminate non-conforming alternatives, and efficiently evaluate and select the best candidate solution.

The Problem

It all starts with the numbers. Perhaps it's a number that stands out from a contact center, budget or P&L report that catches your eye. Perhaps the numbers suggest that contact center efficiency is trending low, or that costs are rising too quickly. Either way, the number isn't good and its impacting the business. You start to investigate, and you hear things like:

> "…We don't really know what's going on in the contact center. Our reporting doesn't give us the data we need to know how many calls we are taking; how many customers are being placed on hold -- or even how long they are waiting. We don't really know how long each agent is spending on a call, or how many times a customer has to call back …"

> "…With the volume of calls and the complexity of issues, it's become nearly impossible to connect a customer with the right agent."

> "…Our customers are frustrated when they need to contact us for help. Their wait times are too long and there is no way for them to reach us other than by phone…"

> "… Our agent turnover is too high. We don't know how effective our agents are. Our staffing requirements change so much it's hard to know if we have the right number of available agents. Our agents spend too much time interacting with too many systems to find the answers customers need."

These are all symptoms of contact center problems. You are likely to experience these problems if:

- Your call center technology is aging
- Your contact center lacks purpose-built functionality
- Your business needs have changed

If this describes your organization, then perhaps it's time to modernize your contact center.

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The Decision Framework

How do you efficiently modernize your contact center when there are so many alternatives to choose from? Google the term "contact center software" and you'll see over 200 results. The obvious question is who to evaluate and where to start. Given that time is scarce, what is needed is a way to create a short-list.

Fortunately, industry analysts have constructed a variety of classification schemes which force-rank vendors according to technology, experience, stability, market share and more. The good news is there are 26 vendors who regularly appear in analyst's rankings. While these rankings are helpful, they still do not provide the ideal starting point. What is still needed is a way to narrow the field down to the most promising 2-4 vendors. This is where this decision framework can help.

Here are the key questions to consider:

1. Will upgrading the complete phone system fix my contact center problems?
2. Is managing technology the best use of our resources?
3. Do I know what success looks like and do I know how to quantify it?

Let's take a closer look at each question.

Will upgrading the phone system fix my contact center problems?

Why this Question Matters

This question will help you establish clear solution requirements. Contact Centers have specialized requirements. These requirements often exceed the capabilities of most office phone systems. This means that gaps in contact center functionality are not necessarily resolved by replacing your phone system.

Considerations

For many growing companies, the call center began as a few open cubicles and a dedicated phone number. Agents used standard telephone handsets and basic PBX calling features to handle customer calls. But chances are as the call center grew, so did the frustrations of both agents and customers. Common complaints include limited self-service options, call queuing, advanced routing, reporting and analytics, call quality management, omnichannel support and more. These problems are unique to a contact center; however, it is often assumed that the solution requires a new phone system. Therefore, the first question to ask is whether a purpose-built contact center solution can be independently acquired and integrated with your existing phone system.

The answer to this question is very important because it's much easier and less costly to add contact center functionality to an existing phone system than it is to replace the entire phone system. Furthermore, you could even go so far as to replace your phone system and still not solve your contact center problems.

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How do you know if you need a new contact center? Use this matrix for a quick reference:

Call Center Problem	Desired Contact Center Capability
Provide more convenient, lower cost options for customers to contact us	Omnichannel support, advanced session routing, improved self-help
Simplify agent work	Unified agent desktop with CRM and back office app integration
Improve quality	Call recording, automated call analysis, agent coaching and mentoring
Improve performance and efficiency	Contact center metrics, reports and analytics
Optimize staffing	Workforce forecasting and management, remote agent support

Newer contact center solutions are now designed to work alongside existing phone systems. So, if you don't need a new phone system, then focus your search only on a contact center solution. This will make your search, purchase, and implementation much simpler.

Finally, as you look to narrow your search, you'll discover that newer unified communications (UC) platforms offer a combination of telephone features, team collaboration and even some functionality which can be adapted to a contact center use. A general-purpose UC solution may be the right solution for smaller organizations. *However, keep in mind that your contact center needs will change much faster than your general telephone needs*. This means you may be facing the same contact center problems again in a couple of years. Therefore, seek to adopt a solution now that will grow with the demands of your contact center.

Is managing technology the best use of our resources?

Why this Question Matters

This question is about cost of ownership and looks at the initial acquisition cost as well as the ongoing operational costs. Many important projects fail because they fall outside of budget cycles or because the organization is unprepared to absorb potentially disruptive changes. Therefore, the objective is to identify a solution which is both affordable and low impact.

General Considerations

Arguably this question has two equal parts: technology and business. We will examine both perspectives, but first, a little context. Because fast and reliable networks can now connect virtually everyone to virtually anything, technology can be physically located almost anywhere – from a company's own facility to an IT service provider's data center. When technology is located at a company facility, it is commonly referred to as being "on premises". Furthermore, technology deployed on premises is typically purchased and privately owned. However, when technology is delivered via an IT service provider it's hosted at a remote data center and the functionality is delivered via the Internet or "cloud". IT functionality delivered as a service is not privately owned but is consumed and paid for like a metered service. For example, think of your utility company. You don't own the generating turbines, but you receive electricity and pay for what you use.

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Business Considerations

When you receive your contact center services from a cloud provider, you are eliminating the upfront purchase and replacing it with metered invoicing. This has three major advantages.

First, you don't need to budget for large upfront expenditures (or commit to credit terms). Furthermore, invoicing is metered – meaning you pay only for what you use. Contrast this with a purchase where you must find the right balance between forecasted growth while at the same time avoiding the waste associated with unused capacity. This is never an issue with metered, or subscription, invoicing. Whether your contact center expands because of growth or contracts due to fluctuations, subscription invoicing always aligns cost against activity and provides an effective way to manage cash flow.

The second consideration deals with obsolescence. When new technology is purchased it may be considered cutting edge, but over time it becomes increasingly obsolete. This means that after 18-36 months you could be working with an outdated and underperforming solution. And because onsite technology refreshes are expensive, companies may go years improvising workarounds before updating the technology. However, with cloud contact center services, the provider keeps the technology fresh. Therefore, obsolescence is rarely a concern.

The final consideration is something called "time-to-value" – how long following the initial investment before you receive the expected benefits. When a contact center is built on premises, all the hardware and software must be installed, configured and then maintained. When these components come from different vendors then compatibility problems may arise. All of this adds to the complexity and time required to build a contact center and to keep it operational. However, this is seldom an issue with a cloud contact center. Your cloud contact center provider uses components that are all designed to work together so everything works as a single, unified solution.

Cloud contact centers are rapidly becoming an industry norm and implicitly validated by the increasing number of companies adopting this kind of solution. But, the benefits of moving to a cloud contact center have also been thoroughly studied and documented by leading research firms. A 2017 Aberdeen Group report "[Cloud Contact Center: What's the Right Model for You?](#)" claims that 49% of contact centers are now being deployed in the cloud and that cloud-based contact centers deliver better efficiency and performance across a wide range of KPI's as compared with on-premises contact centers. And in their report "[Cloud Contact Centers Improve Operations and the Bottom Line](#)", the research firm of Frost and Sullivan concludes by stating, "*For many organizations, a cloud-native contact center offers an easy, cost-effective way to deploy advanced, omnichannel functionality while also reaping the benefits of simple maintenance, round-the-clock support, reliable up-time and security, disaster recovery and business continuity, scalability, and flexibility.*"

IT Considerations

When Contact Center hardware and software are purchased and deployed on premises, IT is expected to manage everything. However, supporting a variety of IT technologies requires specialized technical skills. Unfortunately, skilled IT labor is expensive and in short supply. Because of this, many firms are forced to prioritize IT support to those systems which are considered most critical. For these reasons, IT support can be difficult to obtain for new departmental projects.

However, when you work with a cloud contact center provider, all these tasks are handled for you and represents a less disruptive change for your organization.

If your IT is under-resourced, you may consider whether partnering with a cloud contact center provider can help. The most successful partnerships occur when the following conditions exist:

- The project is limited in scope. It may be considered business critical to a department, but not something used company wide
- The technology has a few, well defined integration points with your IT infrastructure.
- The partnership with a provider has the potential to create synergy for internal IT because it allows them to work on new, higher-value projects.

How do you know whether obtaining a new contact center provider is best purchased and maintained with internal IT or whether it makes sense to partner with a pay-as-you-go provider? Use this matrix for a quick reference:

Consideration	Purchase/On premises	Subscription/Cloud
Acquisition	Upfront payment	Monthly usage fee
Implementation	Hardware, Software and Configuration, Training	Configuration, Training
Upgrades and maintenance	Recurring annual expense	Included in usage fee
Financial flexibility	Fixed cost	Variable cost
Obsolescence	5 – 7 years	Indefinite
Required internal IT specialization	High	Low
Service Level Guarantees	Internal IT	Contact Center Provider
Compliance Certification	Internal IT	Contact Center Provider
Change Management	Internal IT	Contact Center Provider
Business Integration	Low to Medium	Medium to High
Business Agility	Low to Medium	High

Do I know what success looks like and do I know how to quantify it?

Why this Question Matters

At the end of the day, it is the results that matter. If you can't quantify the benefits, then the proposal will face resistance.

Considerations

To be effective, your recommendation will need to include an analysis of the following:

1. State the business objective(s)
2. Link objectives to applicable KPI's
3. Explain why KPI's are currently not being met
4. Explain how a contact center upgrade will improve KPI's
5. Illustrate the financial impact of improved KPI's
6. Show the net value of improved business objectives

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> **Example**
>
> **Current Metrics:** Forecast call volume: 66,400; 25% sales conversion rate; Average sales transaction $55.00; Call abandon rate 15%
>
> **Business Objective:** Improve sales revenue by improving sales call conversions
>
> **Issue:** Call abandon rate is too high at 15%
>
> **KPI:** Call abandon rate
>
> **Reasons:** First, Inability to forecast agent demand means times when agents are unavailable, and calls take too long to answer; second, calls get routed to the wrong agents and must be rerouted; and third, wait times too long at peak times.
>
> **Goal:** Decrease call abandon rate 10% by first, utilizing ACD skills-based routing; second, a call back feature; and third, improved workforce forecasting, and scheduling.
>
> **Incremental Impact:** 66,400 calls ∗ 10% call abandon improvement = 6,400 fewer abandoned calls ∗ 25% conversion = incremental 1,660 sales ∗ $55 average sales transaction = $91,300 annually in incremental sales revenue. LESS $39,600 annual contact center subscription fee = $51,700K annual net benefit.

Keep in mind that when you do this analysis for multiple KPI's, the net value of your proposal increases and becomes even more compelling. For example, you could also do an analysis on improving sales call conversion (improve from 25%) using a unified agent desktop and agent coaching. Or another involving reducing per-call costs by improving agent efficiency and effectively handling greater volumes with fewer agents.

This is a good time to say more about the value of KPI metrics and the critical role they play in your evaluation and justification. Make sure your contact center solution can deliver a rich collection of KPI's. (For a list of typical contact center metrics and their impact on business objectives, see *Top KPI's for Managing Customer Service, Sales and Collections Contact Centers*, DMG Consulting.) But perhaps even more important, take the time to identify and link your contact center objectives to KPIs and then to solution capabilities which drive KPI performance. When you do this, your solution proposal becomes not only more focused but your ability to create a compelling payback analysis also becomes much easier. (For more information and examples see *Building a Business Case for Cloud-based Contact Center Solutions*, DMG Consulting and this *Total Economic Impact* study by Forrester.)

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Conclusion

Upgrading contact center performance need not be an arduous process when you consider three important questions. First, will your contact center problems be solved by buying a new phone system? In most cases you will want to simply purchase a purpose-built contact center solution that will work with your existing phone system. This will speed the process by reducing the investment in time, effort, and cost.

Second, determine whether you want to purchase, integrate, and maintain your contact center solution or whether a cloud contact center solution is right for you. A cloud contact center not only works with any existing phone system, but it also eliminates the need to budget for a large purchase. In addition, it will also eliminate work for your internal IT team because all the maintenance, upgrades, uptime, and compliance tasks are done by your cloud contact center provider. Finally, a cloud contact center also eliminates obsolescence and gives your contact center a single, unified platform and the ability to grow and evolve.

And lastly, when you identify a plan for showing financial value, you will not only show how a monthly subscription cost can be offset with real financial improvements, but it will also help you focus your evaluation on those features which impact KPI's and business outcomes.

By considering these questions you can easily narrow your solution search from 20 or more vendors to a more manageable two or three. And by keeping your search focused on improving contact center performance, you will be able to conduct your search and make your purchase decision faster with the ultimate payoff for your organization being accelerated contact center improvements and the associated financial benefits.

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Appendix A

Comparing distinctions between contact center solutions to unified communications solutions

Feature	Capability	Contact Center	Unified Communications
Omnichannel Access		Yes	Yes
	Telephony		
	Instant Messaging		
	Video		
	Email		
Automatic Contact Distributor		Yes	No
	Omnichannel integration		
	Advanced queue management		
	Self-help routing		
	Skill and analytics-based routing		
Outbound Call Management		Yes	No
	Automated		
	Intelligent connect		
	Advanced DNC, TCPA Compliance		
Contact Center Analytics		Yes	No
	Omnichannel aware		
	Rich contact center KPI's		
	Library of pre-built reports		
	Custom reporting and dashboards		
	Data integration		
	Role-based access		
Work Force Management		Yes	No
	Forecasting and Scheduling		
	Session capture		
	Evaluation and coaching		
	Feedback and accountability		
	Training		
	Automated performance monitoring and alerting		
Integration		Yes	Yes
	Salesforce or another CRM		
	Web		
	API		
Voice Mail		No	Yes
Team Conferencing		No	Yes
Team Collaboration		No	Yes
Team Calendar		No	Yes
Team Email		No	Yes

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Transforming One-on-One Experiences in the Contact Center

NICE inContact CXone, the world's #1 cloud customer experience platform, helps organizations be first in their industry by powering exceptional experiences for customers and employees. CXone is the first and only platform unifying best-in-class Omnichannel Routing, Analytics, Workforce Optimization, Automation and Artificial Intelligence –all built on an Open Cloud Foundation. CXone helps organizations of all sizes be first and stay first, empowering your teams to move faster and work smarter. Be the first choice of customers, first to innovate, first choice employer. Only CXone delivers one unified experience, on one cloud native platform, along one proven path, from one leader.
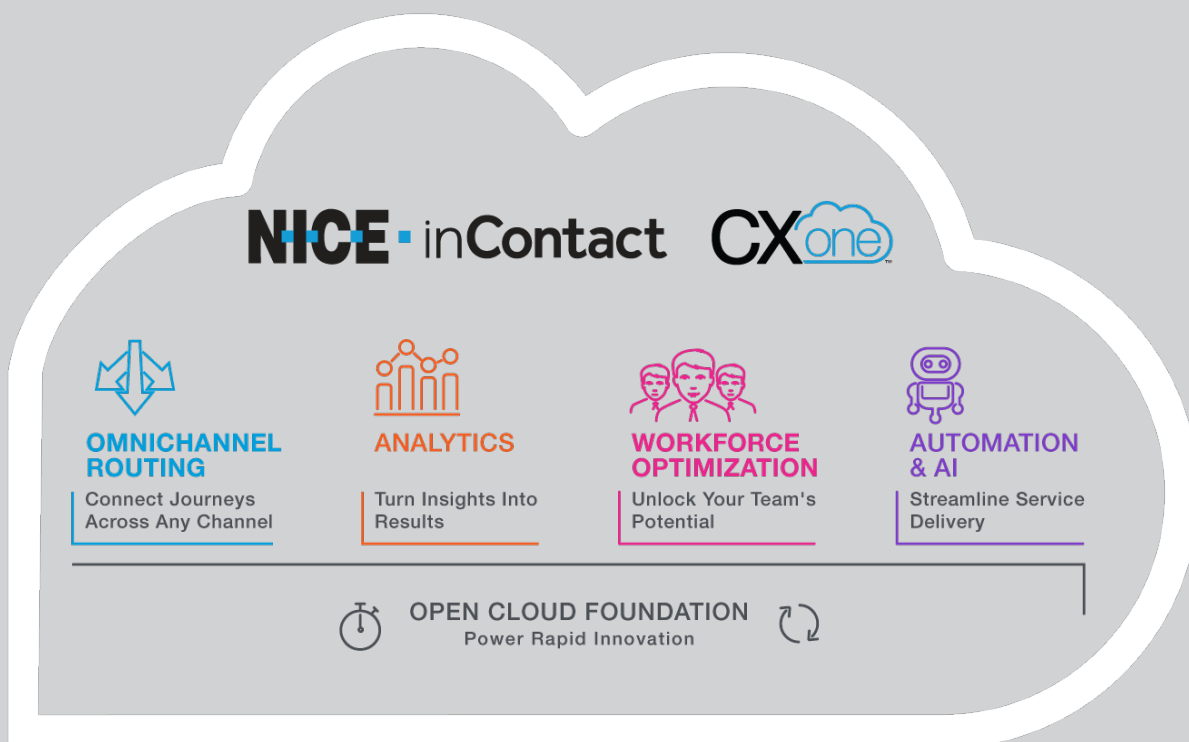
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