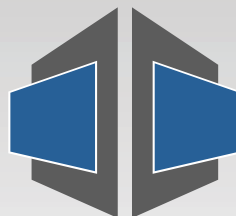


How to Set Up an In-House Contact Center



COMPARE
BUSINESS
PRODUCTS

Having a contact center allows a company to give the sense to its customers that they are dealing with an established business that cares about its customers. Generally there are two different options for organizations to have their own contact center. One is to outsource the company's contact center requirements to an already established specialist contact center business. The other is for organizations to set up their own in-house contact center. The argument is often made for outsourcing based on cost. Supporters of outsourcing say that it is prohibitively expensive to open up a contact center in-house. However, with technology continually evolving this has changed. The cloud offers opportunities for businesses to cut back on many of the previously necessary major hardware expenditures that would have been associated with setting up a contact center in the past. Nowadays businesses can lease space in the cloud rather than purchasing hardware. This makes the option of an in-house contact center more affordable for many businesses. In addition, when outsourcing the contact center function that business is outsourcing direct communication with customers, ceding control of this business-critical function to an external entity. By bringing the contact center in-house, businesses can retain more of a sense of control over customer contact, and that is very appealing to many organizations.

For a business to set up an in-house contact center it needs to consider a number of important questions, relating to strategy, channels, technology, staff, operations, management and measurement, and costs. Strategy must be considered at the outset as it provides a framework for all of the other decisions that must be made in setting up an in-house contact center. Each of the key areas is now considered in turn.

Strategy

In setting up an in-house contact center, the first essential step is understanding the reasons for taking this step, and what it is hoped will be achieved by it. An approach with clear goals has a much greater chance of successful delivery. A strategy for an in-house call center should involve a mission statement and goals and targets. This will help to keep everyone on track as the business moves through the process of developing the in-house contact center. It will also help to develop a road map of the different tasks that need to be achieved. The strategy for the contact center must dovetail into the company's overall goals and strategy so that it does not conflict with these – which would create a barrier to implementation. The overarching goal of in-house contact center should be specific. Vague objectives like “provide good customer service” will be insufficient without further definition. The overall goal of the contact center may be to retain a greater number of customers. It could be to try to lower the overall cost of interaction with customers. Understanding where the in-house contact center is headed in the

future will also be an advantage in investing in a solution that is fit to support the needs of the business in the longer term. The strategy must also include defining the budget, as this will impact what is possible within the available funds.

Channels

Before deciding on the technology or staffing or any of the other decisions that need to go into the setting up of an in-house contact center, one of the most important decisions will be which channels the contact center will use to communicate with customers. Customers will want to reach the organization via the telephone, especially when they are not able to find the answer they need through other means, so having telephone as one channel is probably essential. These days the range of channels aside from the telephone include voice, video, email, social media, text, fax and chat. The contact center will need to be able to provide a consistent service across all of the different channels selected, regardless of what those are. Understanding potential volumes of contacts through each of these means is also necessary to be able to make technology and staffing decisions. In fact, the decisions that are made at this stage will have consequences for all of the rest of the stages of setting up the contact center, so it is important to get it right at this time. It could be considerably more challenging to add a new channel later on.

Technology

Technological decisions must be made in terms of both hardware and software, among other areas. One of the most important decisions that the business needs to make is regarding the technology that will support the contact center and facilitate its effective functioning – the hardware. This decision has major implications for both cost and control. The biggest decision is whether the organization will purchase hardware or whether this will be leased from cloud “hosted” providers. The most expensive decision in terms of upfront costs is to buy the required hardware. Having decided on the channels to be used and the likely volume of contacts the organization will get through each approach will help to select appropriate hardware that will support the requirements. On the plus side, with this option the business has complete control of its contact center. However, the more cost effective solution is to go with a cloud solution. With this option the business shares both bandwidth and technical services with others. This is excellent for the company as it does not have to try to manage areas that are not a core

competency, allowing it to concentrate on what it knows. It is also considerably cheaper upfront and the company can scale up for times of greater need, when more calls are expected, without having to retain that same level of hardware all of the time. However, a compromise with this decision is that a third party has control over the contact center. As a result, the business has a more limited range of control over areas such as voice quality, and levels of service could be degraded if the host has to manage crises for other clients at the same time.

A cloud-based phone solution is cost effective and easily scalable.

Regarding software, it is possible to purchase packages that offer different channels, and that is one of the reasons why the channel decision has to be made before the technology selection begins. Some software packages are very straightforward and simply require the users to have a computer and a telephone, along with Internet access. In these cases a monthly fee is usually paid, and the software is often priced both by contract term and the number of logins that the company has for the system.

At a greater level of granularity, the telephone operation of your in-house contact center will require the business to have Automatic Call Distribution (ACD) and Intelligent Voice Recognition (IVR). These are used for skill based routing and fielding calls. Another technology to consider for phone calls is virtual hold technology, which places customers in line and they effectively “reserve” a call. With this technology sometimes customers can choose to be called back at a time that is more suitable, which can increase customer satisfaction over waiting on hold for a long time.

Generally speaking, when choosing technology it is always worthwhile to research new options that are becoming available. Such options may provide ways to further increase customer satisfaction.

Staff

Some staffing decisions for the in-house contact center have to be made at the same time as the technology decisions because they are closely linked. One of the questions to consider is how many people there will be and where they will be physically be located. Just because the contact center is in-house, does not mean that the CSRs have to also sit under the same roof. In fact, providing them

office space adds costs to the business, so it may be more appropriate to have them at a remote site, or even working from their own homes. Some software packages provide this opportunity. If employees are going to be located in-house, the business needs to determine where they will sit and the costs of facilities to locate them.

Location is not the only factor to review. The actual staff selected is also extremely important. It is necessary for the organization to define in advance the skills that will be needed to work in the contact center. In assessing this many organizations focus solely on cost, going for minimum wage workers, which can be a mistake. Generally, the requirements of contact center staff are higher than they have ever been. That is because by the time a person gets to the point of getting in touch with the contact center they will already have carried out troubleshooting themselves, and answered easy questions through use of the website. When they call the contact center they are looking for answers to more complex questions that require a detailed knowledge. Also, if CSRs are to handle tasks such as cross-selling, this requires a greater level of skill than answering a simple question about account balance, for example. Creating job descriptions to enable hiring of suitable CSRs needs to consider the level of technical ability the individuals have and what languages they speak, as well as how fast they type, their ability to cross-sell, and their telephone manner, among other areas.

Operations

The operation of the in-house contact center requires significant thought and planning during set up phase. There are a range of different questions that should be answered, most of which relate to how knowledge is transferred so that CSRs can answer customer questions, even very complex queries if required. Ability to answer calls effectively will have a direct impact on customer satisfaction with the contact center, and with the organization overall, so it is important to get this right. Knowledge must be available so that CSRs are able to pinpoint exactly what they need and answer questions effectively and efficiently. Process support software can be used effectively in this area to make sure that CSRs are led to the right solution for the customer, based on asking certain questions.

The planning of the contact center operation needs to consider the forecasted number of contacts, how these will be distributed between the different channels and approximately how long it will take a CSR to answer each customer contact. These timings also need to bear in mind other work that CSRs need to do. As an approximate rule it can be assumed that 60 percent of a CSR's time will be taken answering

calls or other forms of contact, and the other 40 percent will be carrying out other activities such as administration relating to the contact after the discussion is over (“call wrap up”). This planning should also review the types of activities that customers can do on their own by using website support and help. This will back up the in-house call center, and if implemented effectively can reduce the number of contacts. Some functionality that can help to cut back on calls are allowing customers to schedule their own appointments using software, or letting them track the status of deliveries or issues online. Forecasting numbers of CSRs needed at different times should take into account seasonal demand as well as other factors that can influence the number of contacts made.

Getting into the nitty-gritty, contact details need to be defined, as well as how each CSR specifically gets contacted. Decisions should be made on whether CSRs read (or write) from pre-prepared scripts, and if so, these need to be prepared.

Management and Measurement

Management of the in-house contact center involves decisions to be made on reporting, levels of supervision and what is measured. All of these factors will have implications for the technology that is selected. In terms of supervision, supervisors may need functionality that allows them to monitor calls, or step into calls as required. An important requirement of the technology may be the tracking of interactions, recording calls or chat sessions for monitoring purposes, or even legal purposes at a later date. It may also be necessary for a supervisor to contact a group of CSRs quickly to get them a message, if a lot of calls are being received – for example, relating to downtime or a promotion.

Measuring success is one of the most important areas of decision making that has to be thought about for management. Call centers have typically measured based on the number of contacts a person can deal with in a day

or hour, but this is perhaps not the best approach since quality of response and customer satisfaction is also required. It is especially useless as a metric if CSRs will also be cross-selling during calls. Other typical measures include cost per contact and calls abandoned. Better measures might be customer

Customer satisfaction and employee engagement can indicate the success of an in-house contact center.

satisfaction and employee engagement, as these will most likely provide a better indication of the success of the in-house contact center.

Costs

Businesses setting up an in-house contact center must create a budget to keep spending in check. Preparing a budget for the in-house contact center needs to consider a variety of different costs. These will include the costs of a hosted call center solution or hardware such as servers and space for servers. Software adds costs to the technology budget and may be charged per CSR. There are also labor costs that should be factored in. Telephone company expenses will comprise a weighty portion of the overall bill, depending on the solution selected. The budget may constrain some of the other choices that are made along the way, but at least understanding the costs allows businesses to make the right compromises for them, based on available funds.

Resources

Baldwin, H. (n.d.) "What technology do you need for your in-house contact center?" AllBusiness, accessed on 12/04/13: <http://www.allbusiness.com/company-activities-management/management-personal/7398433-1.html>

Bright (n.d.) "The Bright Guide to: Achieving Best In Class Contact Centre Performance", Bright.

Dove, L. (2011) "What is Virtual Hold", Voice Vision, accessed on 09/04/13: <http://www.voicevisionivr.com/blog/what-is-virtual-hold/>

e-Gain (n.d.) "Best Practices: 7 Habits of Highly Effective Contact Centers", e-Gain.

Indosoft (n.d.) Setting Up a Contact Center in the Cloud", Indosoft, accessed on 09/04/13: <http://www.indosoft.com/cloud>

Jordan, G. (n.d.) "How to set up a small business customer service call center", CMS Blog, accessed on 10/04/13: <http://www.continentalmessage.com/blog/how-to-set-up-a-small-business-customer-service-call-center>

Mananquil, N. (2007) "Set Up Your Own Call Center", SME Insight, accessed 09/04/13: <http://blogs.inquirer.net/smeinsight/2007/08/09/set-up-your-own-call-center/>

McKeag, L. (2004) "How to set up a call centre", Techworld, accessed on 10/04/13: <http://howto.techworld.com/sme/594/how-to-set-up-a-call-centre/>

Oracle (2007) "Contact Center Anywhere Administration Manager User's Guide", Oracle.

Romano, N. (2011) "Five trends making news and driving change in contact centers", Avaya.

Schweitzer, J. (2012) "Contact Center Agent Efficiency", Voice Vision, accessed on 09/04/13: <http://www.voicevisionivr.com/blog/contact-center-agent-efficiency>

Telus (n.d.) Call Centre Anywhere Questions, Telus, accessed on 10/04/13: http://telus.com/fr_CA/National/help/Small_Business/Help_And_Support/Help_And_User_Guides/details/natSmbCallCentreAnywhereQuestions.html