



VENTANA RESEARCH



Next-Generation Workforce Optimization

Maximizing the Potential of Agents To Deliver
the Best Possible Customer Experience

White Paper



Sponsors

September 2013



Ventana Research performed this research to determine attitudes toward and utilization of workforce optimization in the contact center and customer service. This document is based on our research and analysis of information provided by organizations that we deemed qualified to participate in this benchmark research.

This research was designed to investigate workforce optimization practices and needs and potential benefits. It is not intended for use outside of this context and does not imply that organizations are guaranteed success by relying on these results to improve the performance of their agents. Moreover, gaining the most benefit from workforce optimization requires an assessment of your organization's unique needs to identify gaps and priorities for improvement.

The full report with detailed analysis is available for purchase. We can provide detailed insights on this benchmark research and advice on its relevance through the Ventana On-Demand research and advisory service. Assessment Services based on this benchmark research also are available.

We certify that Ventana Research wrote and edited this report independently, that the analysis contained herein is a faithful representation of our evaluation based on our experience with and knowledge of contact centers and workforce management, and that the analysis and conclusions are entirely our own.

Ventana Research

2603 Camino Ramon, Suite 200
San Ramon, CA 94583-9137
info@ventanaresearch.com
(925) 242-2579
www.ventanaresearch.com

Ventana Research



Table of Contents

Executive Summary 5

Key Insights 11

Most organizations lack maturity in agent workforce optimization. 11
Relationships with customers are the main reason to optimize agent performance. 12
Organizations still aim to reduce the cost of handling interactions. 13
Organizations do better at efficiency than on outcomes. 13
Organizations invest in applications to monitor and assist agents. 14
Managers have difficulty getting timely information on their agents' performance. 15
Most organizations rely on operational metrics to assess interaction-handling. 15
Analytics is an important tool for workforce optimization. 16
Adoption lags for contact center and agent analytics. 17
Analytics are slow to yield business benefits. 18

10 Recommendations 19

1. Recognize the impact of agent performance on the customer experience. 19
2. Use business-related metrics to assess interaction-handling. 19
3. Don't focus excessively on reducing the cost of handling interactions. 20
4. Help managers get timely information on their agents' performance. 20
5. Invest in applications to monitor and assist agents. 21
6. Understand the role of coaching and training systems for the workforce. 21
7. Consider how analytics can advance workforce optimization. 21
8. Evaluate communication technologies to improve customer service. 22
9. Exploit the full value of call recording. 22
10. Use quality monitoring in a systematic fashion. 23

About Ventana Research 24

Appendix: About This Benchmark Research 25



Methodology	25
Qualification	26
Demographics	26
Company Size by Workforce	27
Company Size by Annual Revenue	27
Geographic Distribution	28
Industry	28
Job Title	29
Role by Functional Area	29



Executive Summary

In today's highly competitive markets the quality of the customer experience is paramount. That experience is largely shaped by how well companies handle customer interactions and how satisfied the customers are with the outcomes of those interactions. Only organizations that handle all these interactions both effectively and consistently are likely to meet customers' expectations and thereby gain customer loyalty and repeat business.

Our research has shown that despite advances in communications technology, more than 90 percent of customer interactions still are conducted on the telephone. Therefore it is vitally important to manage the contact center workforce – the agents – to ensure that it delivers superior customer experiences at reasonable costs. To ensure optimal agent performance, organizations must provide capable tools for them to use in interactions and to enable managers to assess their work. To improve their efforts, agents also need appropriate training and coaching, which should be guided by records of what they have done and best practices derived from the work of the highest performers in the contact center.

To improve their efforts, agents need appropriate training and coaching guided by records of what they have done.

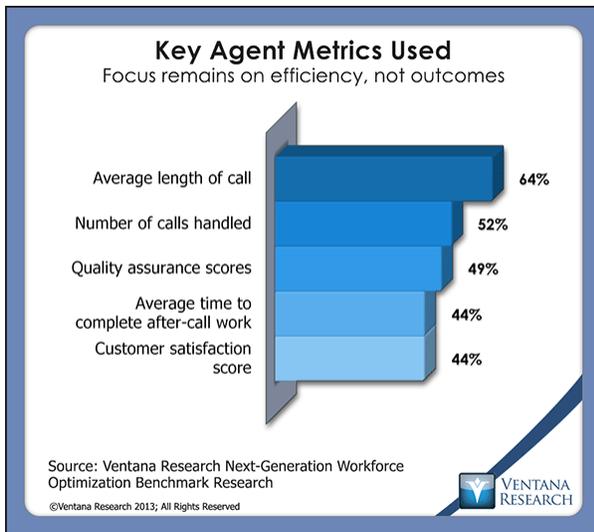
Ventana Research undertook this benchmark research to determine the attitudes, requirements, current practices and future plans of organizations striving to enable their agents to perform optimally. We set out to investigate changes in market trends, business drivers, technical requirements, barriers to adoption and timelines for implementing workforce optimization software in contact centers. We also sought to identify the best practices of organizations that are most mature in its use.

The research confirms that businesses have taken actions to increase customer satisfaction and the overall experience. At least two-thirds of all benchmark research participants said they are focused on



improving the customer experience. Nearly all (86%) said that improving the customer experience is a key driver for improving agent performance in handling interactions, and almost three-fourths (72%) said improving customer satisfaction is a key driver. It is notable that these and other outcome-related drivers outranked efficiency-based ones such as improving first-contact resolutions and interaction-handling processes.

Organizations do still care about operational goals, though. In that category, ranked first in importance most often were to reduce the cost of handling interactions by increasing the use of self-service (by 27%) and to optimize agent utilization (15%). Three in five organizations have implemented Web-based self-service systems, and nearly half use touch-tone interactive voice response (IVR). The results show that the larger the size of companies, the more of them that want calls handled by self-service. We see here a conflict between the strategic goal of satisfying customers and the desire to economize; in practice, cost-cutting typically doesn't lead to agent optimization.



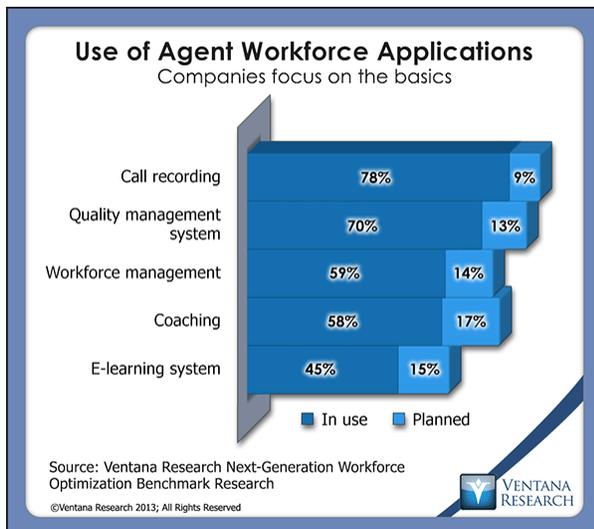
This tension is reflected in the metrics companies use most to assess how well they handle customer interactions. Half to two-thirds use operational metrics reporting on the average length of calls (64%), the number of calls handled (52%) and quality assurance scores (49%). Customer satisfaction is the only customer-related metric used by more than two-fifths of organizations. The research also finds that companies hit their targets for efficiency metrics more often than for customer-related ones.

Furthermore, fewer than half of contact center supervisors and managers have the interaction-handling metrics they need to make real-time decisions, for instance about the number of skilled agents needed to handle interactions or customers who need special



attention. This finding is somewhat ironic because in nearly half of organizations (and two-thirds of midsize ones) contact center supervisors or managers are charged with producing key interaction-handling metrics. People with these titles comprised more than half of the research pool.

We also explored the types of workforce optimization applications that organizations have deployed. Our research finds that at least 70 percent use call recording and quality monitoring tools, more than half use workforce management and agent coaching systems, and more than 40 percent use e-learning and screen capture systems. Larger



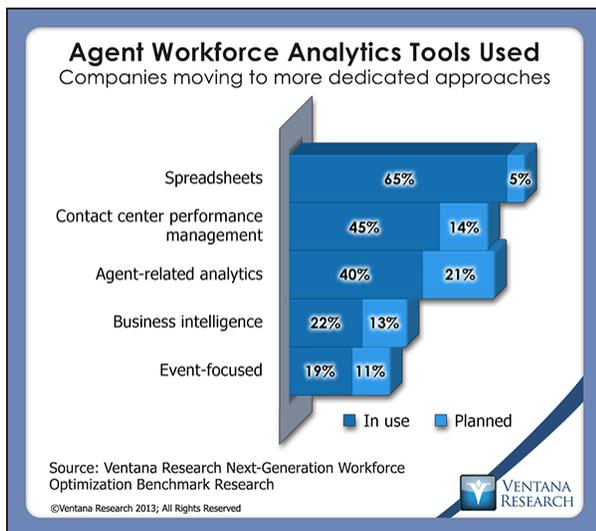
companies have deployed them more often; they have more agents to manage and probably more customers but also more resources to invest in systems. In the short term (within one year), the systems most participants said they will acquire are for agent coaching, internal collaboration and e-learning; all of these can help improve the skills of agents and perhaps enable those who can't resolve an interaction to get help from someone who can.

More than three-fourths of companies use call recording, as do 94 percent of very large companies. Among industry sectors the leaders are Finance, Insurance and Real Estate (FIRE, 89%), which has to comply with many regulations, and Services (82%), which has the largest contact centers. But the research also shows that most companies are not realizing the full potential of these recordings: Nearly two-thirds of users record all calls but review only a randomly selected partial set of them. Moreover, that review likely is a manual process because few organizations use speech analytics (8%) or customer feedback (5%) to decide which calls to evaluate. One-third of companies have difficulty integrating call recording with other systems, and about one-fourth aren't able to access the data in a timely manner. Thus this technology widely used for contact center workforce optimization is itself not often put to optimal use.



A similar situation exists with quality monitoring systems to evaluate agents' handling of customer interactions. This category is the second-most frequently implemented type of application and the one most participants rated highest as having an impact on handling interactions. Most companies monitor quality by listening to a partial set of call recordings. Two in five use manual processing and spreadsheets for analysis; only one-quarter use forms specific to the type of call, which could yield more useful insights than the more common practice of using a single form to monitor all calls. Fewer than one in 10 have automated the process using speech analytics, have a quality monitoring system automatically determine the appropriate evaluation form or use business rules to automatically select calls to

listen to; minority though it may be, this group is likely to get the best results.



When asked about impacts on the handling of interactions, the largest portion (27%) of participants ranked agent-related analytics first or second. Analysis can show, for example, what agents are doing and thus help improve agent utilization, a priority in interaction-handling. However, fewer than half of organizations have adopted specialized analytics designed for workforce optimization; around 40

percent have deployed contact center performance management analytics, agent-focused performance management or agent-focused analytics. About one in five will invest in the last two within 12 months. And we note that nearly two-thirds of organizations use spreadsheets for analysis, an inefficient approach.

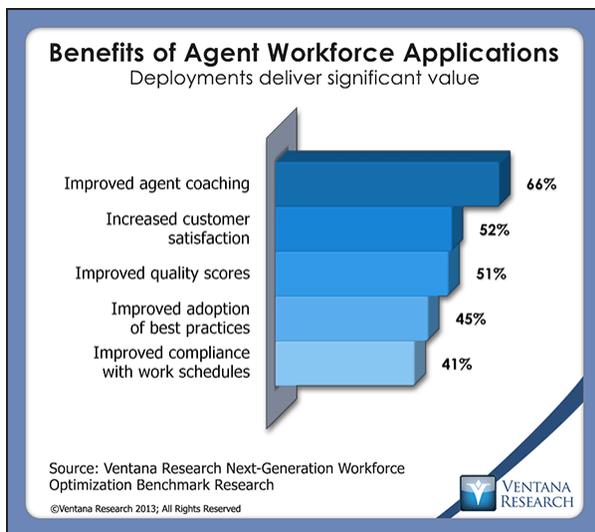
A positive finding in this research is that more than half of all organizations have deployed a system to manage coaching and training. The percentages increase with the size of the company as measured by its number of employees, from 42 percent of small companies to 70 percent of the largest. The capabilities of such a system important to the most organizations are various, among them:



enabling agents to access e-learning sessions, enabling creation of coaching materials and identifying agents' coaching needs.

In general organizations most often chose improved coaching as a benefit of workforce optimization. The second choice was increased customer satisfaction, so we conclude that they realize both operational and business benefits.

Overall we conclude from our analyses that companies with contact centers are aware of the importance of the role agents play in



customer service and attaining business goals related to the customer experience. They also recognize the need to support their agents with training and coaching. But we find them less knowledgeable about the tools that can help agents work more effectively and help managers assess their performance and suggest how to improve it.

Our Maturity Index analysis provides detailed confirmation of these observations. It places only 13 percent of organizations at the

highest Innovative level of the four levels in terms of which we measure maturity, and increasing numbers at each of the next lower levels; almost half (47%) are at the lowest Tactical level. For further depth, we segment our analysis into four dimensions; in line with the comments above, we find participating organizations relatively most mature in People and Process, and least so in Information and Technology, with half or more organizations at the lowest level for each.

In light of these findings we advise all but the most innovative organizations seeking to optimize performance of this workforce to pay more attention to the data they collect and to analyze it more rigorously. We also recommend carefully targeted investments in systems that can automate processes and derive the deepest meaning



from the information at hand, and making sure to use the fullest capabilities of both new and existing systems.



Key Insights

Our benchmark research yielded the following important general findings and key insights regarding organizations' intentions concerning contact center workforce optimization processes and systems, and in particular how they assess and manage the agent performance. (The actual questions asked in our survey are in the Appendix to the research report.)

Most organizations lack maturity in agent workforce optimization.

Optimizing customer service requires a focus on improving management of those members of the workforce who handle

Participating organizations are most mature in People, with 19 percent at the Innovative level, and least so in Information, at only 6 percent.



interactions. More than three in four organizations (78%) participating in this benchmark research acknowledged the importance of improving the performance of customer service agents. However, the research reveals that that far fewer excel at using workforce optimization systems to further this effort. Our Maturity Index analysis places only 13 percent of organizations at the highest Innovative level of the four levels at which we measure maturity and increasing numbers at each of the next lower levels; almost half (47%) are at the lowest Tactical maturity level. In the four dimensions (People, Process, Information and Technology) by which we segment our analysis, participating organizations are most mature in People, with 19 percent at the Innovative level, and least so in Information, at only 6 percent.

The results show that size of organization matters, though on occasion in unexpected ways. Predictably, companies with larger contact centers show more maturity. But in terms of organization size as measured by annual revenue, midsize companies are represented the most (19%) at the Innovative level. Manufacturing has almost twice the percentage (15%) at the Innovative level as any of the other three industry sectors we analyzed. Overall, the research makes clear that



improving the handling of interactions requires a concerted effort across agents, processes, information and the underlying systems used to optimize the agent workforce.

Relationships with customers are the main reason to optimize agent performance.

Over the years, our research has found businesses shifting their customer-facing efforts away from customer acquisition and toward increasing customer satisfaction and the overall customer experience, with the goal of improving retention rates and increasing up-sell potential. We see that again in this research, in which the vast majority (86%) of organizations said that improving the customer experience is a key driver for improving how agents perform in handling interactions. The closely related second-most popular driver (for 72%) is to improve customer satisfaction. The next two drivers are operational but can help achieve these targets: to improve first-contact resolutions (66%) and improve interaction-handling processes (64%). These take precedence over efficiency: only 46 percent want to increase agent utilization and 45 percent to reduce overall operating costs.

86 percent of organizations said that improving the customer experience is a key driver for improving agent performance in handling interactions.



At least two-thirds of participants in all roles said they are focused on improving the customer experience, though executives are equally focused on improving customer satisfaction and improving business processes as well (all cited by 69%). The results confirm the growing importance of first-contact resolution in particular for very large companies by the number of employees, which tend to have large contact centers: 85 percent of them said that is a key driver. Increasing the customer experience and the value of customer relationships clearly matters, the research shows; accomplishing that just requires an efficient workforce able to interact effectively and meet the expectations of customers.



Organizations still aim to reduce the cost of handling interactions.

Although companies insist they are seeking to improve the customer's experience and satisfaction, the research shows that their main process goal still is to reduce the cost of handling interactions. Their preferred means of doing so is to increase the use of self-service (ranked first in importance for the handling of interactions by 27%) so calls aren't handled by live agents. For interactions that are handled by

Although companies insist they are seeking to improve the customer's experience and satisfaction, the research shows that their main process goal is still to reduce the cost of handling interactions.

agents, the highest-ranked goal is to optimize agent utilization; 15 percent ranked it first (making it the second-most frequent choice), and 10 percent ranked it second. More companies appear to recognize the value of more sophisticated call routing, as 17 percent gave the first or second rank to routing interactions to the agent with the best skill profile to handle the interaction.

The results show that the larger the company, the more it wants calls to be handled by self-service systems. This is also a primary goal for companies in the finance, insurance and real estate (FIRE) industry sector. This is a finding that to at least some

extent undercuts the rhetoric about the importance of satisfying customers, since reducing cost impacts agent optimization.

Organizations do better at efficiency than on outcomes.

Companies use a variety of metrics to assess how well they handle customer interactions. These include efficiency metrics related to agents (average interaction-handling times, contact center agent utilization and agent quality scores) and outcome metrics related to customers (scores for customer satisfaction, net promoters and customer effort). This research finds that companies are performing best on efficiency metrics such as average handling times (46% indicated they are on target and 24% above it), quality scores (42% on target and 24% above) and agent utilization (41% on target and 15% above). They are performing less well when it comes to



customer-related metrics, with one-third on target for customer satisfaction (but 21% above), 24 percent for customer effort scores (but merely 6% above) and 23 percent for net promoter scores (and 13% above). We conclude from these findings that currently most organizations do poorly in the areas that most strongly impact business results.

However, the same finding yields a disturbing insight. Customer-related metrics are increasingly critical for companies in competitive markets, but more than half of the research participants said they don't know how well their companies are performing relative to their companies' net promoter (56%) or customer effort (62%) targets. And more than half (57%) of the participants are senior contact center

managers or supervisors. This reconfirms our previous research finding that despite claiming otherwise, contact center managers focus on internal efficiency rather than the customer and business results.

The most-often cited investments to be made in the next 12 months are systems for agent coaching (17%), internal collaboration (16%) and e-learning (15%).

Organizations invest in applications to monitor and assist agents.

The research explored the types of workforce optimization applications that organizations have deployed or plan to deploy. More than half already use call recording (78%), quality monitoring (70%), workforce management (59%) and agent coaching systems (58%). E-learning (45%)

and screen capture (43%) systems also are common. Larger companies with more employees (and usually with the most resources) have invested more in these applications, particularly e-learning applications (64% of the very large and 58% of large ones). Manufacturing has invested least in applications among industries and is especially lagging in call recording, quality monitoring and e-learning; these companies don't have the sort of customer service operations that Services and FIRE have.

The most-often cited short-term investments to be made within the next 12 months are systems for agent coaching (17%), internal



collaboration (16%) and e-learning (15%); all of these can help improve the skills of agents and perhaps enable those who can't resolve an interaction to collaborate with someone who can.

Managers have difficulty getting timely information on their agents' performance.

Optimizing the performance of agents becomes much more challenging without timely access to metrics on the efficiency and quality of interactions with customers.



Contact center operations often involve real-time interactions, but the research shows that fewer than half of contact center supervisors (45%) and managers (43%) have available the interaction-handling metrics they need to make real-time decisions – about the number of skilled agents needed to handle interactions, for example, customers who need special attention, or poorly performing agents. Business managers and executives get this information in timely fashion even less often, with 21 percent and 27 percent, respectively, having to wait a week or longer. In this context it is somewhat ironic that contact center supervisors or managers are the ones most often charged (47%) with producing key interaction-handling metrics. This is especially true in midsize companies, in 68 percent of which managers produce them. As optimizing the performance of agents becomes much more challenging without timely access to metrics on the efficiency and quality of interactions with customers, these findings suggest both a problem and the path to its solution.

Most organizations rely on operational metrics to assess interaction-handling.

The research indicates that the use of agent-related analytics systems would strongly improve the handling of interactions; the largest portion of participants (17%) ranked this type of system first. However, the results also show that most companies (53%) still use spreadsheets at least to some extent to produce their key metrics and analysis of interaction-handling performance. We think it not



coincidental that only 16 percent of organizations said their interaction-handling metrics are fully adequate and that only 18 percent are very satisfied with the length of time it takes to produce those metrics.

The majority of companies still use spreadsheets at least to some extent to produce their key metrics and analysis of interaction-handling performance.

The most common type of data used to produce key metrics is structured data from business applications (58%). The metrics themselves are most often operational, including average length of call (used by 64%), number of calls handled (52%), quality assurance scores (49%) and average time to complete after-call work (44%). Customer- and business-related metrics, which are harder to produce, are used less often. Customer satisfaction is relatively commonly used (44%), but other such metrics are not; net promoter scores, customer effort scores and value of sales made each are used by fewer than 15 percent.

The contrast between the importance assigned at least theoretically to agent performance analytics and its limited use in practice suggests that organizations could benefit from paying more attention to this potentially valuable type of tool.

Analytics is an important tool for workforce optimization.

Workforce optimization applied to the contact center includes technology for quality monitoring, workforce management, training and coaching and agent-related analytics, and the category is sometimes extended to include recording of interactions and agent compensation management. The workforce optimization application that was cited most often as having an impact on the handling of interactions is quality monitoring. However, many participants made it their second or third choice; only 4 percent ranked it first. When first and second choices are considered, the most impactful application is agent-related analytics (27%), which can show what agents are doing and thus help improve agent utilization, a priority for optimizing interaction-handling.



This reinforces the finding of our research on business technology innovation that organizations view analytics as the most important cutting-edge technology trend. Focusing on agent performance, analytics (80%) is viewed as important far more often than collaboration (49%), mobility (25%), social media (22%), big data (19%) and cloud computing (19%). We

agree; in our view, workforce optimization is not possible without the use of analytics to guide improvement in customer interactions and agent performance.

Fewer than half of organizations have deployed contact center analytics, agent-focused performance management or agent-focused analytics.

Adoption lags for contact center and agent analytics.

Organizations in this research said that agent-related analytics is the application most likely to have a strong impact on how interactions are handled, but other findings show that most have not yet adopted specialized analytics for this

purpose. By far the most common analytic tool is spreadsheets, which are used by 65 percent of the organizations participating in this research. Fewer than half have deployed more specialized tools, the most common of which are contact center performance management analytics (45%), agent-focused performance management and agent-focused analytics (each 40%). These results confirm what we have seen in past research: Most contact centers do not invest in sophisticated analytics.

Once more the research finds that larger companies have invested most in analytics, especially in contact center performance management (used by 55% of large companies and 75% of very large ones); however, 81 percent of very large companies use spreadsheets, as do 78 percent of midsize ones. Within the next 12 months the most frequent planned investments also are for agent-focused performance management (21%) and agent-focused analytics (19%), although use of multichannel analytics will double (15% use it now and another 15% intend to).



Analytics are slow to yield business benefits.

The largest percentage (31%) of participating companies that have deployed analytics say they have achieved only one benefit from doing so. Nearly half (49% each) said their reports and analysis now are based on more up-to-date data or are available faster; the reports and analysis also are more widely available (42%) and easier to interpret (40%). We note that none of these benefits improves business outcomes, which indicates that companies don't yet see the business benefits of analytics and of dedicated tools.



10 Recommendations

This benchmark research reveals significant new insights into the evolving nature and use of contact center workforce optimization processes and systems. Overall three-fourths of organizations said that it is important to improve the performance of customer service agents but that most are not using workforce optimization systems successfully to further this effort. For organizations considering how to optimize their agent workforce, we offer the following recommendations.

1. Recognize the impact of agent performance on the customer experience.

■ Acquiring and retaining customers are more critical than ever – and more challenging. Previous Ventana Research benchmark research showed that despite the proliferation of new channels of communication, calls to contact center agents comprise the highest volume of direct interactions. In this research the large majority (78%) of participants said improving agent performance is very important, and in their efforts to do so they are expecting to improve the customer experience and customer satisfaction. To achieve these goals requires an efficient and effective workforce that can meet the expectations of customers. Keep this end in mind as your organization develops and implements strategies aimed at the performance of its agents.

2. Use business-related metrics to assess interaction-handling.

■ To assess how well agents handle customer interactions, companies use both efficiency and business outcome metrics. The metrics used most often, by half to two-thirds of organizations, are operational: the average length of calls, the number of calls handled and quality assurance scores. Customer-related metrics, which are harder to produce, are used less often. Customer satisfaction is relatively common (44%), but net promoter scores, customer effort scores and value of sales made each are used by fewer than 15 percent of participants. The research also finds that companies more



often hit their targets for efficiency metrics than for customer-related ones. We conclude that most don't pay enough attention to the areas that most strongly impact business results. If your goal is to optimize customer relationships, focus on metrics that enable continuous improvement in interactions and outcomes.

3. Don't focus excessively on reducing the cost of handling interactions.

■ Although companies insist they are seeking to improve the customer's experience and satisfaction, the research shows that their main process goal still is to reduce the cost of handling interactions, most often by increasing the use of self-service so live agents don't take calls. For interactions that are handled by agents, the highest-ranked goal is to optimize their utilization. More than half of all participants, a majority of whom are senior contact center managers or supervisors, said they don't know how well their companies are performing relative to their net promoter or customer effort targets. Take steps to help contact center managers as well as others focus more on customer and business results rather than internal efficiency.

4. Help managers get timely information on their agents' performance.

■ Contact center operations often involve real-time interactions, but the research shows that fewer than half of contact center supervisors (45%) and managers (43%) have the interaction-handling metrics they need to make decisions in real time, for instance about the number of skilled agents needed now, customers who need special attention or poorly performing agents. The need is more acute when we realize that contact center supervisors or managers are the people most often charged with producing key interaction-handling metrics. Optimizing the performance of agents requires timely access to insights on the efficiency and quality of their interactions with customers. Give your managers tools that enable them to set the right metrics, get the latest information and make fast decisions.



5. Invest in applications to monitor and assist agents. The research explored the types of workforce optimization applications that organizations have deployed or plan to deploy. At least 70 percent already use call recording and quality monitoring, more than half use workforce management and agent coaching systems, and more than 40 percent use e-learning systems and screen capture. Larger companies with more employees (which typically have the most resources) have invested more in these applications, particularly e-learning. All of these can help improve the skills of agents and help managers identify those who are most valuable. Consider which of them can help your organization most, and deploy those judiciously.

6. Understand the role of coaching and training systems for the workforce. Coaching and training are essential components of improving agent performance, and more than half of all organizations have deployed a system to manage them. The percentages increase with the size of the company, from 42 percent of small companies (those with the fewest employees) to 70 percent for the largest. The top-ranked capabilities of such systems are those that enable agents to access e-learning sessions, help create coaching materials and identify agents' coaching needs. For those that have deployed a system, the most common benefits are increased agent quality scores, more timely coaching or training and agents having completed more training courses. To derive optimal performance from agents requires continuous improvement; this can be augmented by coaching and training. Regardless of your organization's size and resources, you should be able to find a system that meets your needs.

7. Consider how analytics can advance workforce optimization. Workforce optimization includes agent-related analytics. Analysis can show what agents are doing and thus help improve agent utilization, which is a priority when seeking to improve interaction-handling. Among five cutting-edge technology trends relevant to agent performance, more than twice as many (80%) participants said



analytics is important than any of the other four. Yet most organizations in this research have not adopted specialized analytics for this purpose. By far the most common analytic tool (used by 65%) remains spreadsheets. Fewer than half of organizations have deployed contact center or agent-focused performance management and analytics. As analytics can guide workforce optimization efforts to improve customer interactions and agent performance, investing in such a tool can give your organization more insight than most competitors are likely to have.

8 Evaluate communication technologies to improve customer service.

Customer service is about communication in more ways than ever before, and the research reveals that companies have implemented or intend to implement various communication systems to support it. Two-thirds now use skills-based call routing, which can help guide callers to the person most able to achieve first-contact resolution. The two next-most often implemented systems both reflect the desire to cut costs through automation: Web-based self-service (59%) and touch-tone interactive voice response (IVR, 48%). Around half cited these benefits of investments in communication systems: improved customer service, increased customer satisfaction, decreased volume of inbound calls and increased use of self-service by customers. We note that the first two are business-focused and the last two aimed at operational cost-containment. Investigate systems that can help you achieve your primary goals for use of the agent workforce.

9 Exploit the full value of call recording.

Call recording is the most frequently implemented workforce optimization application, used by more than three-fourths of research participants. But most are not realizing the full potential from these recordings: Nearly two-thirds record all calls but review only a random partial set. Moreover, that review likely is a manual process because fewer than one in 10 organizations use speech analytics or customer feedback to decide which calls to evaluate. Call recording can tag calls for later evaluation, and the most participants (55%) said they benefit from being able to identify hot issues and trends in



customer conversations. Call recording literally captures the voice of the customer. To maximize its value, consider using dedicated speech analytics products that can provide insights on agents' performance and the responses of customers, based on the content of all calls.

10. Use quality monitoring in a systematic fashion.

Quality monitoring to evaluate agents' handling of customer interactions is the second-most frequently implemented workforce optimization application, in use by 70 percent of companies. However, most companies monitor quality using the conventional method of listening to a partial set of call recordings. Manual processing prevails: Twice as many monitor performance manually and use spreadsheets for analysis than use a more automated quality monitoring system. In addition only about one-quarter use monitoring forms specific to the type of call, which could yield more useful insights than one form for all. Companies that have deployed a quality monitoring system said they realize important benefits: agent coaching has become more focused; quality scores are more consistent; agent assessment is more timely; or quality scores have improved. Deploying a quality monitoring system can help your organization improve the performance of its agents. Link this with speech analytics to automate the production of quality scores and provide insights on areas that need improvement.



About Ventana Research

Ventana Research is the most authoritative and respected benchmark business technology research and advisory services firm. We provide insight and expert guidance on mainstream and disruptive technologies through a unique set of research-based offerings including benchmark research and technology evaluation assessments, education workshops and our research and advisory services, Ventana On-Demand. Our unparalleled understanding of the role of technology in optimizing business processes and performance and our best practices guidance are rooted in our rigorous research-based benchmarking of people, processes, information and technology across business and IT functions in every industry. This benchmark research plus our market coverage and in-depth knowledge of hundreds of technology providers means we can deliver education and expertise to our clients to increase the value they derive from technology investments while reducing time, cost and risk.

Ventana Research provides the most comprehensive analyst and research coverage in the industry; business and IT professionals worldwide are members of our community and benefit from Ventana Research's insights, as do highly regarded media and association partners around the globe. Our views and analyses are distributed daily through blogs and social media channels including [Twitter](#), [Facebook](#), [LinkedIn](#) and [Google+](#).

To learn how Ventana Research advances the maturity of organizations' use of information and technology through benchmark research, education and advisory services, visit www.ventanaresearch.com.



Appendix: About This Benchmark Research

Methodology

Ventana Research conducted this benchmark research on the Web from December 2012 through March 2013. We solicited survey participation via email, our website and social media invitations. Email invitations were also sent by our media partners and by vendor sponsors.

We presented this explanation of the topic to participants prior to their entry into the survey:

In today's highly competitive markets the quality of the customer experience is paramount. But the customer experience can be a moving target. Despite technological advances and new channels, our research shows that customers still prefer to interact with a person and that more than 90 percent of interactions are still conducted on the telephone. Therefore it is vitally important to manage the workforce that handles these interactions to ensure delivery of the desired customer experience while controlling costs. This benchmark research program is designed to understand how organizations enable agents to perform optimally.

The following promotion incited participants to complete the survey:

What's In It For You? Upon completion of the research, all qualified participants will receive a report on the findings of this benchmark research to support their organization's efforts, along with a \$5 Amazon.com gift certificate. In addition, all qualified participants will be entered into a drawing to win one of 25 benchmark research reports and a 30-minute consultation, a package valued at US\$1,495 or €1,232. Thank you for your participation!



Qualification

We designed the research to assess the use of and plans for spreadsheets across organizations and industries. Qualification to participate was presented to participants as follows:

The survey for this benchmark research is designed for customer-, call center- and contact center-related business and IT managers connected with managing or operating an in-house contact center, offering outsourced contact center services or involved with the purchasing of technology for this area. Solution providers, software vendors, consultants, media and systems integrators may participate in the survey, but they are not eligible for incentives and their input will be used only if they meet the qualifications. Incentives are provided to qualified participants in the research and also are conditional on provision of accurate contact information including company name and company email address that can be used for fulfillment of incentives.

Further qualification evaluation of respondents was conducted as part of the research methodology and quality assurance processes. It entailed screening out responses from companies that are too small, questionnaires that were not materially complete, or those where the submission is from an inappropriate submitter or appears to be spurious.

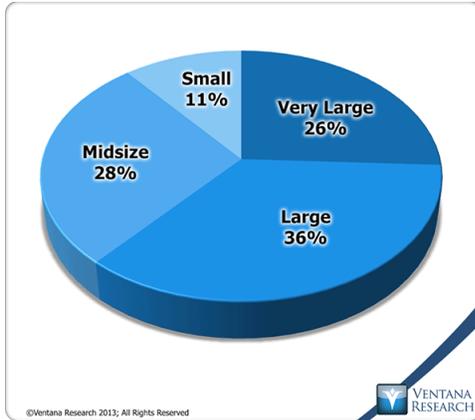
Demographics

We designed the survey used for this research to be answered by executives and managers across a broad range of roles and titles working in organizations. We deemed 253 of those who clicked through to this survey to be qualified to have their answers analyzed in this research. In this report, the term “participants” refers to that group, and the charts in this section characterize various aspects of their demographics and qualifications.



Company Size by Workforce

We require participants to indicate the size of their entire company.

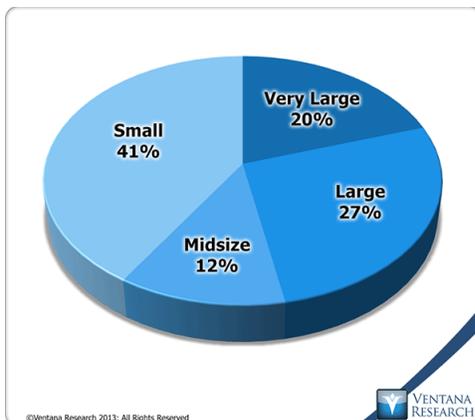


Our research repeatedly shows that size of organization, measured in this instance by employees, is a useful means of segmenting companies because it correlates with the complexity of processes, communications and organizational structure as well as the complexity of the IT infrastructure. In this research, participants represented a range of organization sizes with numbers concentrated in the two middle categories: 26 percent work in very large companies (having 10,000 or more employees), 36 percent work in

large companies (with 1,000 to 9,999 employees), 28 percent work in midsize companies (with 100 to 999 employees), and 11 percent work in small companies (with fewer than 100 employees). This distribution is consistent with prior benchmark research and our research objectives and provides a suitably large sample from each size category.

Company Size by Annual Revenue

When we measured size by annual revenue, the distribution of



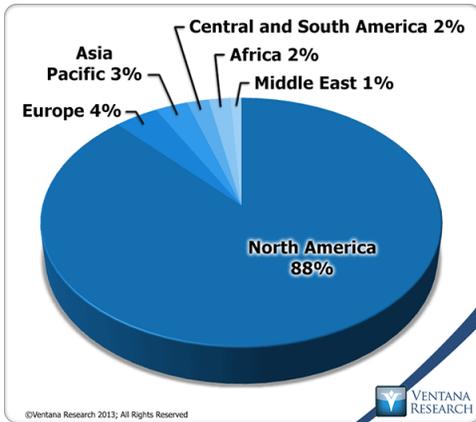
categories shifted downward; fewer companies fell into the three largest categories and more than three times as many are small. By this measure, 6 percent fewer are very large companies (having revenue of more than US\$10 billion), 9 percent fewer are large companies (having revenue from US\$500 million to US\$10 billion), 16 percent fewer are midsize companies (having revenue from US\$100 to US\$500 million), and 30 percent more are small companies (with revenue of less than

US\$100 million). This sort of redistribution is typical, though usually less dramatic, in our research projects when we measure by revenue instead of headcount.



Geographic Distribution

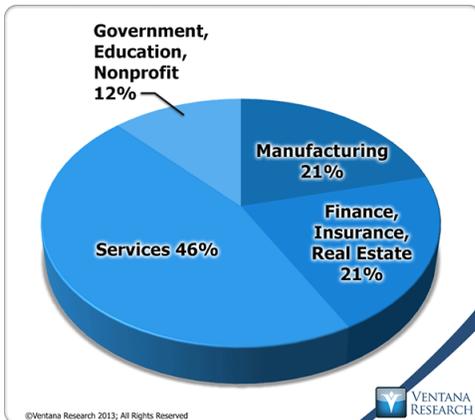
A large majority (88%) of the participants were from companies located or headquartered in North America.



Those based in Europe accounted for 4 percent, in Asia Pacific for 3 percent and in the rest of the world for 5 percent. This result was in keeping with our expectations at the start of this investigation, since organizations participating in our research most often are headquartered in North America. However, many of these are global organizations operating worldwide.

Industry

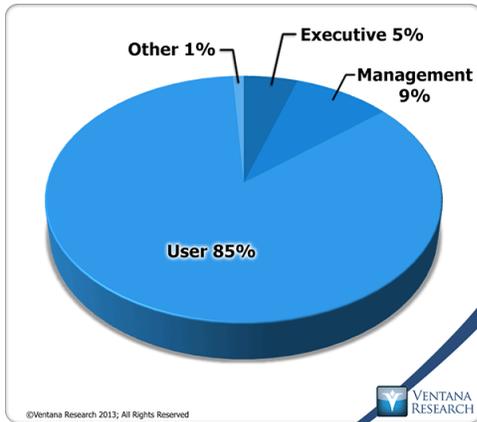
The companies of the participants in this benchmark research represented a broad range of industries, which we have combined into four general categories as shown in the chart. Given the nature of the research, it is not surprising that companies that provide services accounted for nearly half (46%); those in manufacturing and those in finance, insurance and real estate each accounted for 21 percent. Government, education and nonprofits accounted for the balance.





Job Title

We asked participants to choose from among 12 titles the one that best describes theirs.

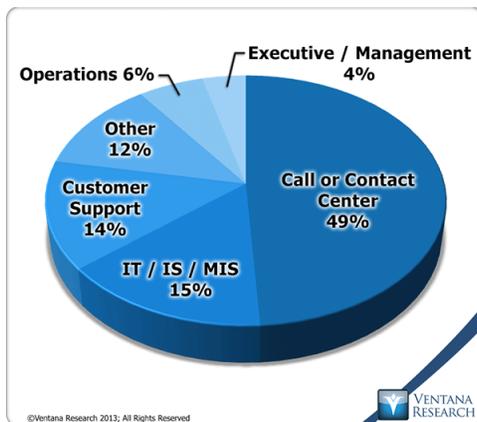


We sorted these responses into four categories: executives, management, users and others. The large majority identified themselves as having titles that we categorize as users, a grouping that includes director (23%), senior manager or manager (46%), analyst (10%) and staff (6%). One in 20 are executives, and one in 11 are management, by which we mean vice presidents. Others accounted for the balance. We concluded after analysis that this response set provided a meaningfully broad

distribution of job titles, though more heavily weighted to users than is typical.

Role by Functional Area

We asked participants to identify their functional area of responsibility as well.



This enabled us to identify differences between participants who have differing roles in the organization. Nearly half of the participants identified themselves as being in the contact center, 15 percent work in IT, and 14 percent are in customer support. A total of 10 percent are in management or operations. Another 11 titles, none with more than 2 percent of the total, comprised the Other category.