

The State of Workforce Optimization

Optimizing Agents and Interactions for the Best Customer Experience

WHITE PAPER



VENTANA RESEARCH



A Note About This Research

April 2017

Ventana Research performed this research to determine attitudes toward and utilization of workforce optimization. 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 systems, practices, 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 workforce performance. Moreover, gaining the most benefit from a workforce optimization system 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 workforce performance and optimization, and that the analysis and conclusions are entirely our own.

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Executive Summary

The ways organizations engage with customers have changed dramatically in recent years, but the need to meet customers' expectations is more urgent than ever. Customers are using many channels of engagement, some self-service and some involving direct contact with employees from almost any business group within the company – marketing, sales, finance and human resources as well as the contact center and agents based at home. Whatever the nature of the interaction, customers expect seamless navigation between channels and employees handling interactions. To meet these expectations, companies must have the right number of skilled employees available to handle all types of encounters.



Organizations need effective workforce optimization systems with which to assess employees' performance.

From a management perspective, organizations need effective workforce optimization systems with which to schedule and assess the management of employees' performance and identify those who are most successful and those who need additional training and coaching. Those systems also must be able to analyze data and present relevant information to help decision-makers evaluate performance, take actions and determine future steps. Additionally, customer agents must have easy access to all needed information and applications and, if they are not equipped to resolve an issue right away, be able

easily to collaborate with a colleague or manager who can help.

We define workforce optimization as a collection of systems that enable interaction capture (voice and nonvoice), agent scheduling, quality management, workforce management, coaching and e-learning, supported by collaboration and analytics. These technologies are essential to address the numerous challenges that customer service-based companies are facing, but without proper implementation of new tools, organizations stand to miss out on many of the benefits of these advances.

Ventana Research undertook this benchmark research to determine the attitudes, requirements and plans of those who use workforce optimization systems in customer service environments and to identify the best practices of organizations that are most mature in it. We set out to examine both the commonalities and the qualities specific to major industry sectors and across sizes of organizations. We considered how organizations manage their customer service workforces, issues they encounter in the process and how their use of workforce optimization and related technology is evolving. We also compared the new research findings to those of research on the same topic we conducted in 2013 to discern changes and trends in workforce optimization since then.



In this new benchmark research more than three-quarters (77%) of organizations said it is very important to improve the way they handle interactions. In addition, improving the customer experience is by far the most important driver for improving interaction handling, selected by 85 percent of organizations.



Also among the top six drivers are increasing customer satisfaction (ranked fourth) and customer retention (tied for sixth). However, all the other drivers cited refer to internal operations – for example, those ranked second and third, improving business processes and increasing first-contact resolution rates.

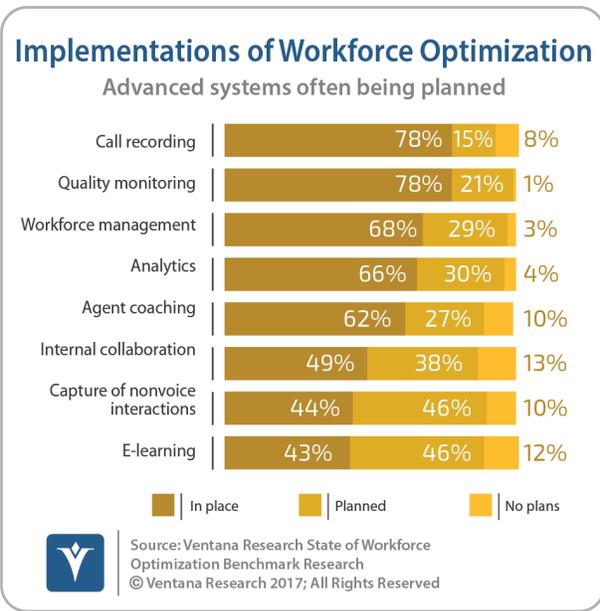
Likewise, the plans for actions to improve the handling of interactions cited most often by research participants are operational in nature: to deploy more digital self-service channels of engage-

ment to reduce the number of calls to the contact center; to accommodate more of agents’ personal requirements; and to optimize agent utilization. These are reasonable goals, but they don’t contribute directly to satisfying customers better.

The research also finds an emphasis on operational metrics to assess agents’ performance, much the same as was the case in our 2013 research. The most commonly used measures are the average length of a call, the average time to complete after-call work and the number of calls handled. More customer-centric metrics – customer satisfaction levels and net promoter scores – rank fourth and fifth, used by only about two-fifths of organizations.

Investigating workforce optimization systems, we find that half or more of participating organizations have deployed tools to handle core tasks such as call recording (78%), quality management (78%), workforce management (68%) and coaching (62%). The benefits organizations said they have realized most often from using workforce optimization tally with the types of systems in use: improvements in coaching, compliance with work schedules and quality scores and increased agent utilization; improving customer satisfaction tied for fifth.

We believe that while many organizations said customer experience is important, a tendency persists to keep focusing on familiar processes and systems rather than take more innovative steps. However, there is evidence that organizations are looking toward more advanced systems that can impact the customer experience. In line with the fact that organizations are implementing more digital channels of engagement, the technology with the highest expected adoption rate (46%) in the next two years is the capture of nonvoice interactions. This is followed by collaboration (38% plan to implement) and e-learning (46% plan to)



so that employees can collaborate on the resolution of customer issues and more training can be done online during agent quiet times.

Analytics is another essential tool for assessing workforce performance, and by far the largest percentage (70%) of research participants said it is a critical technology for improving interaction handling. However, the same percentage consider spreadsheets an analysis tool; we believe that spreadsheets are too limited in analytic capabilities and too prone to introducing errors and inconsistencies to handle the complex challenges that customer

service workforces and management face today.

Nevertheless it is encouraging that in their plans to implement analytics tools to improve the handling of customer interactions, the smallest percentage of organizations plan to introduce more spreadsheets; larger percentages have adopted or plan to adopt within a year more targeted types of analytics, such as agent-focused performance management analytics (which 60% now use and 18% more intend to soon) and contact center performance management analytics (57% now, 24% more will use). Additionally, cross-channel customer analytics will be deployed within two years by more participants (42%) than any other type. Such advanced analytics can help organizations learn which channels customer use for specific activities, which employees do the best jobs in handling interactions, and which interactions deliver the best business outcomes.

This research also finds progress in the way organizations produce work schedules, which are essential to ensure that the right number of agents are on the job at any time. Improving customer retention is now the most-often cited driver (for 47%) in creating schedules; it ranked 12th (21%) in the 2013 research. Improving customer satisfaction (46%) is now a close second. More than 10 percent fewer organizations use manual processes or spreadsheets to create schedules, and more than half (52%) use a specialized workforce management system to do it. The capabilities of a workforce management system that most often rank first – forecasting agent numbers and providing a dashboard for agent self-monitoring – are the same, but offering a digital portal so employees can manage their own schedules has risen to third on the list.

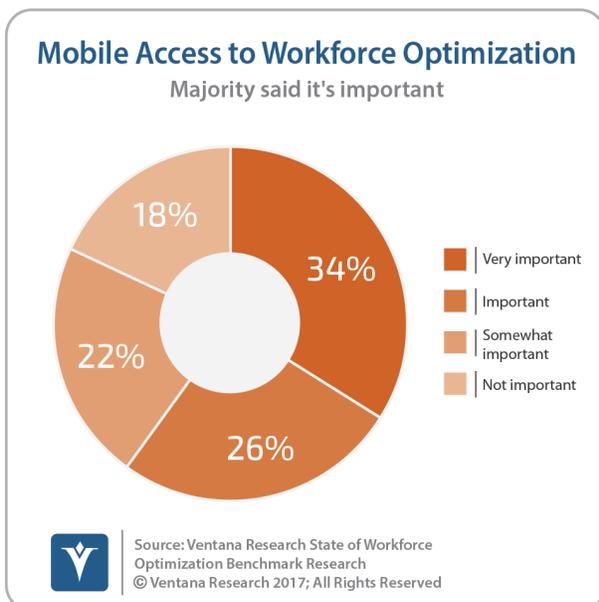
In another critical area of workforce optimization, agent coaching and training, the use of a portal (45%) ranks first among useful capabilities of those systems; in the previous research, this ranked ninth. Another digital capability, access to e-learning (42%) now ranks third.



Call recording remains at the core of contact center management functions; 76 percent of organizations in this research have it. Yet we find some notable adaptations since the previous research. In particular, 20 percent now record all calls and evaluate a partial set identified through speech analytics; this is likely to yield more certain results than evaluating a random-selected partial set of all calls, which 40 percent do. There has been little change in the benefits organizations reap from using call recording; the top two remain the ability to identify hot issues and trends in customer conversations (for 58%) and improved compliance with regulations (45%). The biggest change is that many more companies see the benefit of being able to automate evaluation of customer sentiment – 41 percent compared with 15 percent previously; this of course bears directly on issues of customer experience and satisfaction.

Organizations still face challenges in using call recording. The most common remains integration with other systems, but now 48 percent cited it, up from 33 percent in 2013. This likely reflects the proliferation of channels through which customers communicate with companies; there are simply more systems to

integrate, and customers expect the same experience across all of them. Along these lines, more companies (57%, up from 46%) said it is very important to have workforce optimization systems in which the components are fully integrated so data flows seamlessly between them; this includes mobile access to systems, which 34 percent now view as very important, compared to 12 percent previously. Integration also is the top challenge of using a quality management system to assess the effectiveness of agents, as it was before.



This research in general finds organizations incrementally adapting their workforce optimization processes and systems to better meet the demands of today's customers. They must equip themselves to respond to the increasing popularity of digital channels and devices for communicating while still trying to maximize the productivity and performance of contact center agents and others who now handle interactions. Advanced workforce optimization systems can help them address both necessities and streamline their customer service processes.



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, in particular how they assess and manage agent performance. We also compared these research results with those from similar research we conducted in 2013. (The actual questions asked in our survey are in the Appendix to the research report.)

Organizations have matured slightly in their application of workforce optimization.

We define workforce optimization as a collection of systems that includes interaction capture (voice and nonvoice), quality management, workforce management, coaching and e-learning, supported by collaboration and analytics. This has become more important because despite the fact that the telephone is still the primary communication channel for customer engagement, contact center agents and other employees increasingly are handling other channels as well. It is therefore vital that organizations manage all employees who handle customer interactions to ensure they meet customer expectations and remain engaged.



In this research more than three-quarters (77%) of organizations said it is very important to improve the way they handle interactions.

In this benchmark research more than three-quarters (77%) of organizations said it is very important to improve the way they handle interactions. However, our Performance Index analysis shows that this intent is not reflected in practice, with only 13 percent of participating organizations reaching the highest Innovative level of performance, a slight decrease of 3 percent from our previous research into this topic. More broadly, though, our analysis shows that slow improvements are under way, with 6 percent more organizations (23%) reaching the next-to-highest Strategic level and 4 percent more (27%) reaching the second Advanced level than in our previous research.

Drilling down in our analysis into the four dimensions of our Performance Index – People, Process, Information and Technology – we find organizations focusing heavily on systems. Here we rate 14 percent Innovative for the use of Technology, a higher percentage at this level than in People (10%), Process (9%) or Information (5%). Correspondingly, 24 percent are Strategic in Technology, 30 percent in Process, 17 percent in People and 16 percent in Information. We conclude that while organizations have been adopting advanced technology, they have not been reaping all the potential benefits because they have been slow in



changing interaction-handling processes, training and motivating agents, and adopting customer-focused metrics.

Customer experience is the main driver for improving interaction handling.

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Improving the customer experience is by far the most important driver pushing improved interaction handling.

Our contact center benchmark research projects in recent years have found companies' primary goal gradually shifting from operational efficiency to customer satisfaction. This research shows that improving the customer experience is by far the most important driver pushing improved interaction handling, selected by 85 percent of organizations, almost the same (86%) as in our previous research. The next three key drivers are similar to those found in our previous findings, with slight changes in the order of importance. Improving business processes moved to second for 64 percent of organizations (compared to fourth previously); increasing first contact

resolution remains third at 57 percent and improving customer satisfaction drops to fourth from second with 55 percent. The average number of issues organizations identified as driving improvement in interaction handling remains static at six; half (49%) of organizations have six or more drivers.

However, plans for action to improve the handling of interactions don't reflect an intent to focus more on the customer. The three actions most often deemed important are that organizations intend to deploy more digital self-service channels of engagement to reduce the number of calls to the contact center (ranked first by 22%), accommodate more of agents' personal requirements (13%) and optimize agent utilization (also 13%). As we have found in the past, intended actions don't necessarily align with what organizations say are their primary drivers, and although going digital can help meet customer expectations, organizations have to do it effectively or deal with many who revert to calling the contact center.

Organizations still focus most on operational metrics.

Our 2013 benchmark research indicates that companies used operational metrics primarily when measuring contact center success and, despite the stated aim to improve the customer experience, this research shows little has changed. The most common metric organizations use to measure the performance of agents handling interactions remains average length of a call (for 53%). The number of calls handled (45%) now drops to third from second previously, with the new second choice being average time to complete after-call work (48%, previously fourth). The overall mix of metrics being used shows a small shift of priorities in



that two of the top six are customer-related (customer satisfaction and net promoter scores) as opposed to only customer satisfaction previously. The findings reveal no change in who produces key interaction-handling metrics, with responsibility split evenly between contact center managers or supervisors (48%) and a dedicated contact center analyst team (47%). These findings bolster the argument that, despite a stated focus on the customer experience, organizations still focus primarily on operational efficiency.

Regarding performance relative to targets, the research once more shows results similar to our previous research. The metric for which research participants reported the best performance was average agent quality score, with 11 percent reporting performance more than 5 percent above the target (down slightly from 12% previously) and 33 percent reporting performance between 0.1 and 4.9 percent above target. Another metric for which participants reported above-target performance was average handling time (6%, down from 10%). The biggest change in performance from the earlier research is that customer effort scores jumped from sixth place to a tie for second; 6 percent of participants reported performance of more than 5 percent above target. This improvement reflects the trend to support digital channels, which have become the preferred channels of engagement for many consumers. The results show the majority of organizations (between half and 60%) on target for the majority of their metrics, which indicates that organizations are likely to be matching customers' expectations but not exceeding them.

New technologies can improve interaction handling.



Organizations have recognized the complexity of ensuring that they have the right number of skilled employees available.

This research reveals some change in organizations' views on which systems are likely to have the most impact on interaction handling. The four systems research participants said had or likely will have the biggest impact are workforce management (ranked first by 17%), capturing nonvoice interactions (16%), call recording (14%) and agent-related analytics (13%). This compares to our earlier research in which participants ranked agent-related analytics (17%) the most likely to impact interaction handling, followed by call recording (14%), coaching (12%) and workforce management (13%). We believe this shift has occurred because organizations have recognized the

complexity of ensuring that they have the right number of skilled employees available to handle more channels of engagement and more complex types of interactions as well as the need to involve more employees from more business groups. Also organizations need to record nonvoice (digital) interactions to



understand customer preferences and determine which systems deliver the best outcomes.

Organizations that have adopted advanced systems to improve interaction handling have realized on average four to five benefits, with nearly one-third (32%) realizing more than six. The top three benefits are improved customer service (for 59%), improved adoption of best practices (44%) and increased customer satisfaction (44%), all of which can help organizations meet expectations of both customers and employees.

Analytics remains the innovative technology most organizations (70%) said is critical to improve handling of interactions. It is followed by big data (43%), mobile technology (37%) and collaboration (34%). The least-often selected are social media (29%), the Internet of Things (26%) and wearable devices (5%), suggesting that organizations have yet to be convinced that these three technologies will be significant for interacting with customers.

Among technology considerations in selecting software, usability is very important to the most (68%) organizations. The desire for usability is a trend we see across our research projects. It has replaced functionality as the most often very important since our previous research; perhaps surprisingly, functionality has dropped to fifth in the list, with second being manageability (60%) and third reliability (56%). These findings indicate the importance of making customer interactions easier to conduct.

Adoption of workforce optimization systems has increased.



Implementation of core workforce optimization systems is widespread, led by call recording and quality management (both 78%).

The research shows that implementation of core workforce optimization systems is widespread, led by call recording (78%), quality management (78%), workforce management (68%) and coaching (62%). Collaboration (49%), e-learning (43%) and capturing nonvoice interactions (44%) lag somewhat, but this seems likely to change as participants most often identified these as types of systems organizations they plan to implement in the next 24 months (38%, 46% and 46%, respectively).

Analysis shows that large companies as measured by number of employees invest in workforce optimization systems 15 percent more often than small and midsize companies. The current findings also confirm two insights identified in our previous research. An increased percentage of companies said it is very important to have workforce optimization systems in which the components are fully integrated so data flows seamlessly between them (57%, up



from 46%); and organizations now view mobile access to such systems as very important (34% compared to 12%). These findings indicate the importance of easy user access to systems and information, and of supporting the increasing number of employees who work away from their desks.

The main benefits organizations have realized by adopting workforce optimization systems relate, as might be expected, to agents and their performance: improvements in coaching (48%), compliance with work schedules (46%) and quality scores (41%) and increased agent utilization (41%). Improving customer satisfaction tied for fifth (39%), which shows organizations have yet to relate improved agent performance to improvement in customer experiences and satisfaction.

Workforce management priorities focus on the customer.



In scheduling agents, improving customer retention is now the most-often cited driver; it ranked 12th in 2013.

This research shows that two-thirds (68%) of participating organizations have implemented a workforce management system. However, the drivers for adopting such a system have shifted from improving operational performance to customer-related issues. In scheduling agents, improving customer retention is now the most-often cited driver (for 47%); it ranked 12th (for 21%) in 2013. The next three drivers remain the same but in a slightly different order – improving customer satisfaction moved to second from third; matching agent numbers and skills with inbound call patterns moved to third from fourth; reducing queue lengths dropped to fourth from second. These changes indicate stronger focus

on the customer.

There has also been a significant change in the way organizations produce work schedules, with fewer doing it manually or using spreadsheets (7%, down from 13%). Slightly more organizations are using a stand-alone product or one that is part of an integrated set of workforce optimization (52%, up from 47%), the difference consisting of more organizations using an in-house-developed system (19% compared to 10%). Recognizing that interactions are now organization-wide, 61 percent of responding organizations said they use the same system to create work schedule for employees in both the front and back offices.

The key capabilities of a workforce management system have not changed; the top two capabilities remain forecasting required agent numbers (47% compared to 55% previously) and providing dashboards and analysis so agents can monitor their own performance (unchanged at 18%). However, we see some signs of a shift; providing a portal so agents can partially manage their own schedules has



emerged as the third-most important capability. Although the top benefit of deploying advanced workforce optimization remains improved agent utilization (58%, down from 59%), improved customer experience enters the list as second (55%). The issues organizations have in using a formal workforce management system remain largely the same, except that lack of functionality is the top issue (for 41% of companies, which previously was third), and difficulty of integration has dropped from first to second.

Analytics is a key technology to support workforce optimization.



The results show higher deployment rates for systems that can process structured data than those that process unstructured forms.

Our previous research showed that analytics has become a key technology for enabling workforce optimization. Overall, analytics shows a penetration rate of 66 percent, but we are somewhat troubled that a large percentage (75%) of organizations consider spreadsheets a form of analytics. In general, the results show rather high deployment rates for systems that can process structured forms of data, but these high rates are not yet matched by systems that process unstructured forms such as desktop (48%), text (41%), speech (36%) and cross-channel (27%) data. However, likely driven by an ever-increasing interest in customer journey maps – analyses that show what channels customers use, what they do on what channels

and the business outcomes – cross-channel customer analytics records the highest likely adoption (by 49%) over the next two years.

The main benefits organizations report from using analytics relate mostly to operational issues such as making reports and analysis available to more employees (57%), making them available faster (56%) and making them more accurate (44%). Receiving reports that include business outcome metrics ranks last, with only 15 percent of organizations identifying it a benefit. Used correctly, advanced analytics can help organizations learn which channels customer use for specific activities, which employees do the best jobs in handling interactions and which deliver the best business outcomes; in this way it is a vital tool in improving customer and employee experiences.

Call recording is most commonly used.

Overall deployment of call recording remains relatively static since our previous research, dropping 1 percent to 78 percent. Large and very large companies by both number of employees and annual revenue most often deploy this technology. More organizations today (20%) record all calls and use speech analytics to gain insights from their recordings, up from 8 percent in 2013. Similarly, there has



been a shift in what organizations see as key capabilities of call recording, with the ability to encrypt calls rising from 11 percent to 28 percent and the ability to tag calls rising from 14 percent to 22 percent.

However, there has been little change in the benefits these organizations reap from using call recording; the top two benefits remain the ability to identify hot issues and trends in customer conversations (for 58%) and improved compliance with regulations (45%). The biggest change is that many more companies see the benefit of being able to automate evaluation of customer sentiment – 41 percent compared with 15 percent previously. Organizations still face several challenges in using call recording, and the most common remains integration with other systems, cited by 48 percent, up from 33 percent. Used to monitor and improve interactions, call recording is a fundamental tool for supporting quality management.

Most quality management is not rigorously structured.



Using a quality monitoring application as part of an integrated set of workforce optimization systems ranks only sixth.

This research shows that 73 percent of companies have implemented a quality management system, but further analysis shows that organizations monitor agent performance in a variety of ways. The top three methods have not changed since our previous research: listening to a selected set of call recordings (59%), manually using spreadsheets (34%) and using outbound customer surveys (33%). Using a quality monitoring application as part of an integrated set of workforce optimization systems ranks only sixth; using a stand-alone quality management product ranks eighth out of nine choices.

However, we see significant change in the capabilities organizations value in a quality management product. Previously the top capability was linking quality forms to customer feedback, with automating the creation of agent quality scores and being able to create multiple evaluation forms tied for second. Of these, only automating quality scores retained a top-three rating now (third at 12%); linking quality scores to a call recording rates second with 16 percent, and, at 48 percent, first is supporting an agent portal so agents can respond to their assessments. We added gamification to the list this time, but the results show that few companies yet appreciate the value this can bring: No participants selected it as their first choice.

There have also been changes in the benefits organizations have gained from implementing a dedicated quality management system. The most often realized in this research are more rigorous quality management and more focused agent coaching (each at 50%), followed by more timely agent assessment and improved



quality scores (each 46%). In our previous research agent coaching ranked first (for 64%), followed by more consistent quality scores (54%) and more timely agent assessment and improved quality scores (each 51%). The top challenge of using a quality management system – integration with other systems – remains unchanged. Utilizing call recording and analytics as input for quality management processes can improve agent effectiveness.

Coaching and training are essential for multichannel customer engagement.

Our benchmark research into next-generation customer engagement and contact centers in the cloud find that organizations must support multiple channels of customer engagement. This demand requires agents to have an array of skills so they can handle various forms of interaction. This research shows that 53 percent of organizations have deployed a formal coaching and training management system to support this objective. Similarly to the findings on quality management and workforce management systems, 45 percent of organizations said the most important capability is support for an agent portal so agents can self-manage their own coaching and training. This is a significant change, as in our previous research this capability ranked only ninth among priorities. The two next-most important capabilities are being able to create coaching materials (39%) and allow agents to access e-learning (34%). The benefits organizations are realizing from deploying such systems have changed, with more timely coaching emerging as the top benefit (for 61%). The next two most often cited benefits follow the theme of fitting coaching into agents' busy schedules: agents complete more training courses and coaching is more rigorous.



10 Best Practice Recommendations

This benchmark research reveals significant new insights into the evolving nature and use of workforce optimization processes and systems. For organizations considering how to optimize their business information, we offer the following recommendations.

1. Determine how to improve interaction handling.

Three out of four (77%) organizations participating in the research said they need to improve the way they handle interactions. The most common reasons for doing that are to improve the customer experience (cited by 85%) and improve business processes. Assess how improving employee performance can impact both of these factors, and look for systems that can support process change and improve employee performance through scheduling, training, coaching, employee preferences and others.

2. Consider how to integrate systems involved in workforce optimization.

More than half (57%) of organizations said it is very important to have fully integrated workforce optimization systems among which data flows seamlessly. Such an approach can make it easier to connect processes that involve more than one application, reduce data entry tasks and make process management easier. Assess how such integrated packages can help streamline your processes, improve the user experience and boost employee productivity.

3. Provide access to workforce optimization through mobile devices.

More than half (60%) of participants said it is important or very important to have workforce optimization systems accessible through mobile devices. Already 11 percent use mobile workers to handle customer interactions. Determine which employees and managers could be more productive by being able to carry out key tasks while away from their desks and being able to receive information and alerts while on the move. Look for vendors that provide access to such capabilities in ways that your users prefer, whether through a Web browser or a native app.

4. Insist on usability in workforce optimization systems.

Among criteria for evaluating new software, the research finds usability to be the top consideration, one that's very important for 68 percent of organizations. Many employees, especially younger ones, expect a modern user experience such as they find outside of work. Usability can improve operational efficiency and increase adoption of systems. Look also for products that have a high degree of manageability (very important for 68% of organizations) for



administration and security and support access to processes and information for users in different roles. Take into account that people may need to carry out tasks on multiple devices.

5. Investigate systems to improve interaction handling.

The five top-ranked systems for this purpose are workforce management, capturing nonvoice interactions, call recording, agent-related analytics and CRM. Establish your organization's priorities for improvement; for example, meeting regulatory requirements, improving operational efficiency, improving employee engagement and focusing more on customers may require different types of systems. Choose new ones that complement those already have in place. Also look farther ahead to anticipate new technologies that may provide an advantage in the future.

6. Consider supplementing core workforce optimization with advanced systems.

Most organizations have call recording and quality management (78% each) systems, as well as workforce management (68%) and analytics (66%). Newer applications are less widely adopted at present but are planned for deployment by many, such as collaboration (49% in place, 38% planned), e-learning (43% in place, 46% planned) and capturing nonvoice interactions (44% in place, 46% planned). As your organization has to support more channels of engagement and interactions handled by a broader variety of employees, look into such advanced systems, keeping in mind the need for integration among them.

7. Decide where analytics can best support workforce optimization.

Among new technologies analytics (70%) is most often cited as critical to improving interaction handling. However, further analysis shows that many companies use spreadsheets and business intelligence systems for analytics, and adoption rates of targeted systems such as speech, text, desktop and multichannel analytics remain low. If your organization has to support multiple channels of engagement and analyze vast volumes of customer-related data, assess how specialized analytics systems can improve analysis and reporting of interaction handling and provide visualizations of customer and employee performance.

8. Adopt or enhance customer-focused key performance metrics.

Contact centers long have focused on operational metrics, and most still do. If your organization is serious about improving the customer experience, review the metrics used to monitor and assess interaction handling, and adopt a more balanced set that includes efficiency and effectiveness measures. The two most widely used of the latter are customer satisfaction (by



40%) and net promoter scores (35%), but also consider customer effort scores, the number of customer “saves” and other innovative metrics.

9. Build a business case for workforce optimization.

■ Our previous research showed that contact centers typically have small budgets to spend on new systems. If this is the case for yours, produce a business case that relates to overall business objectives and demonstrates both efficiency and effectiveness benefits. Consider a mix of these widely used four: improving first-contact resolution rates (to reduce customer churn), reducing agent numbers (to improve agent utilization), improving customer satisfaction and experiences (to increase customer retention) and improving agent skills (to reduce call-backs and so reduce operational costs).

10. Evaluate ways of deploying new workforce optimization systems.

■ The acceptance of cloud computing often leads organizations purchasing new systems to wonder whether to remain on premises, move to the cloud or do some of both. According to this research, about one-third (35%) choose to stay on-premises, but slightly more (37%) prefer at least some cloud-based systems; 15 percent prefer a hybrid model. Look for vendors that support multiple models and base judgments on factors such as cost, location, scalability, accessibility, resource requirements and functionality.



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.

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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 in 2016. 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 intensely competitive markets, companies must strive to meet customer expectations during every interaction. To do so, companies must have the right number of skilled employees available to handle all types of interactions, and those employees must have access to all the information and systems they may require to resolve issues at the first attempt. This benchmark research program will examine existing and planned approaches and related technologies, best practices for implementing them and ensuring optimal agent performance and emerging market trends in workforce optimization.

The following promotion incented 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 \$25 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 and those involved in 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.

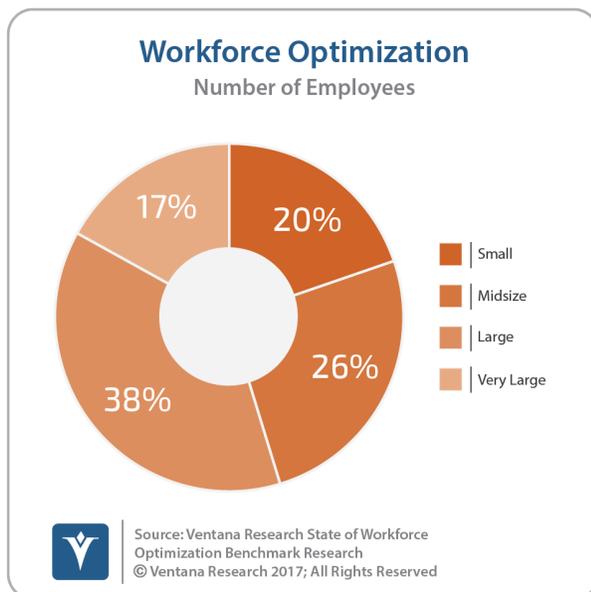


Further qualification evaluation of respondents was conducted as part of the research methodology and quality assurance processes. It entailed screening out responses from companies that are too small, questionnaires that were not materially complete, or those where the submission is from an inappropriate 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 96 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

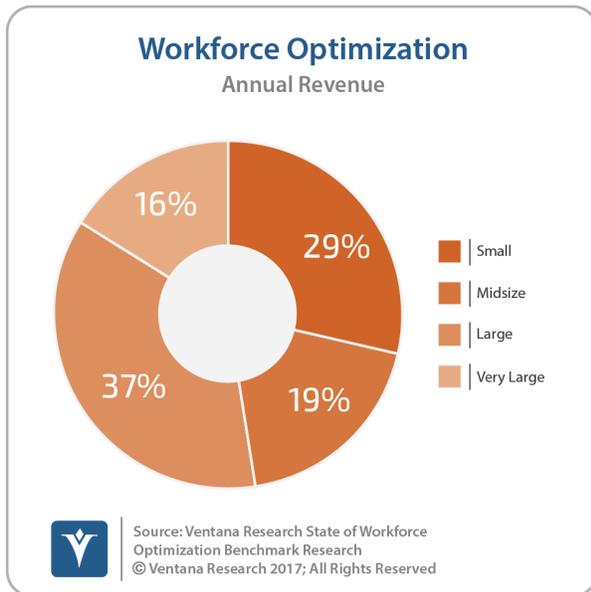


We require participants to indicate the size of their entire company. Our research repeatedly shows that size of organization, measured in this instance by employees, is a useful means of segmenting companies because it correlates with the complexity of processes, communications and organizational structure as well as the complexity of the IT infrastructure. In this research, participants represented a broad range of organization sizes in fairly equal numbers: 17 percent work in very large companies (having 10,000 or more employees), 38 percent work in large companies (with 1,000 to 9,999 employees), 26 percent work in midsize companies (with 100 to 999 employees), and 20

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.

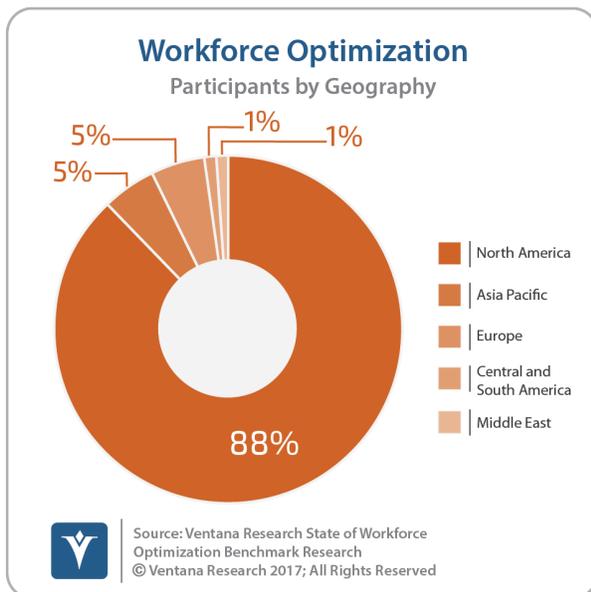


Company Size by Annual Revenue



When we measured size by annual revenue, the distribution of categories remained relatively the same. By this measure, 1 percent fewer are very large companies (having revenue of more than US\$10 billion), 1 percent fewer are large companies (having revenue from US\$500 million to US\$10 billion), 7 percent fewer are midsize companies (having revenue from US\$100 to US\$500 million), and 9 percent more are small companies (with revenue of less than US\$100 million). This sort of redistribution is typical in our research projects when we measure by revenue instead of head count.

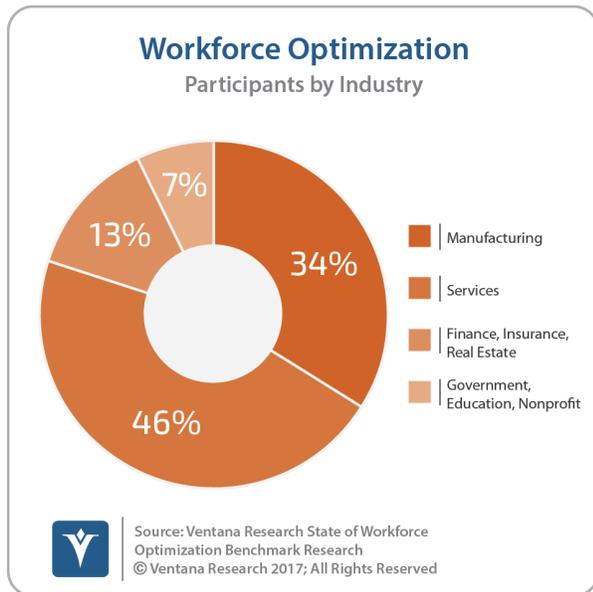
Geographic Distribution



A large majority (88%) of the participants were from companies located or headquartered in North America. Those based in Europe and in Asia Pacific accounted for 5 percent each. Those based in Central and South America and in the Middle East accounted for the remaining 2 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.

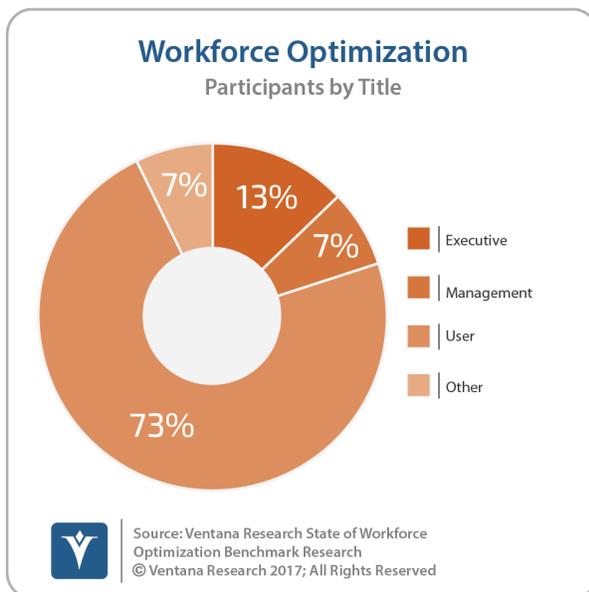


Industry



The companies of the participants in this benchmark research represented a broad range of industries, which we have categorized into four general categories as shown to the left. Companies that provide services accounted for nearly half (46%), and those in manufacturing accounted for one-third (34%). Those in finance, insurance and real estate accounted for 13 percent. Government, education and nonprofits accounted for the remaining 7 percent.

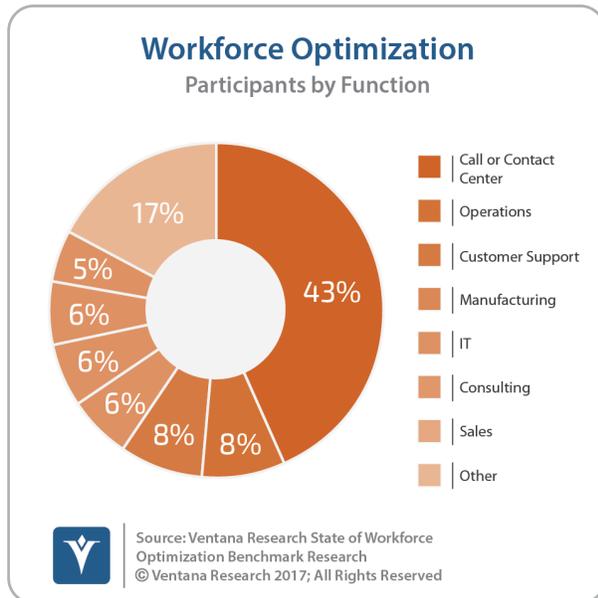
Job Title



We asked participants to choose from 13 titles the one that best describes theirs. We sorted these responses into four categories: executives, management, users and others. Nearly three-fourths identified themselves as having titles that we categorize as users, a grouping that includes director (7%), senior manager or manager (44%), analyst (17%) and staff (5%). One in eight are executives, and another 7 percent are management, by which we mean vice presidents. Others, in this case consultants and students, accounted for the remaining 7 percent. We concluded after analysis that this response set provided a meaningfully broad distribution of job titles.



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. Two-fifths of the participants identified themselves as working in the call or contact center. Another 8 percent each work in operations and in customer support, and 6 percent each work in manufacturing and IT. Also 6 percent are consultants, and 5 percent are in sales. Another seven titles, none with more than 4 percent of the total, comprised the Other category.