



## Quality Management

*Value-Added Solution for Emerging Contact Centers*

A dvsAnalytics White Paper

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## Executive Summary

In many enterprises, the contact center is the most customer-facing department and at the heart of the contact center are the agents. Every interaction they have with customers could earn a new customer, retain a current customer or, unfortunately, lose a customer—providing the very reason to employ Quality Management. These tools help to closely monitor the agents' work against a consistent set of Key Performance Indicators (KPIs), offer personalized coaching to help hone agents' skills, and track the effectiveness of on-going coaching.

Some businesses use live monitoring, hand-written forms, and manual reports to evaluate agent performance. Businesses are finding that live monitoring is significantly inefficient compared to today's automated Quality Monitoring solutions:

- Wastes time. If an agent is idle due to low call volume or the agent takes a break, so does the evaluator. Supervisors can take up to five times longer to monitor the same number of calls.
- Incomplete. Most supervisors monitor a minimum of 3-4 calls per session to reduce bias. But, this may lead to inaccurate evaluations. For instance, one agent may be working best in the first hours of the session where another agent is better at the end of the session. If the agent leaves during the session or the supervisor is not able to evaluate 3-4 calls, the entire evaluation session may have to be thrown out, resulting in wasted time for the supervisor.
- Inaccurate. Contact center supervisors are interrupted frequently. If an interruption occurs during a live monitoring session, the supervisor will most likely miss important evaluation information leading to an inaccurate agent performance review.

Automated quality monitoring with near-real time coaching tools is the answer. These solutions offer the ability for contact centers to automate the monitoring function, and provide personalized coaching for agents. Often incorporated into existing contact center software suites, such as call loggers and real-time dashboards, automated Quality Management provides a simple, one-stop management application for the contact center.

If an agent has been having difficulty closing sales, the supervisor might receive a notification that shows the agent's closing score has dropped below a certain level. The supervisor can then listen to the agent's troubled recordings and create a coaching clip with an attached Best Practices example. The coaching clip is sent to the agent via email who opens the clip and learns how to improve the closing of a sale. The agent is now able to practice these new techniques immediately with the next call received.

The top of the line Quality Management applications are built to support a contact center's current CRM strategy and are flexible enough to accommodate and encourage growth in the contact center.

The following pages illustrate the cost savings offered by Quality Management, including five hard cost benefits and five soft cost benefits. If you're looking to increase your customer base, reduce agent turnover, efficiently expand the knowledge base of your agents, and improve the contact center's operations, read on.

### Cost Savings: 5 Hard Benefits

The benefits of quality monitoring are exponential. Cost savings are just around the corner. With a Quality Management application you can:

- Lower average call handle times
- Improve first-call resolution

- Reduce training time
- Increase management productivity
- Boost agent retention

Each of these hard benefits are described more fully in the following sections, including dollar-saving examples based on benchmarking studies.

### Lower Average Call Handle Times

Since the majority of costs in a contact center are with the agents, it makes sense to invest in boosting their efficiency. A Quality Monitoring solution is the answer. There’s no better way to coach your agents to success than to listen to their actual conversations and evaluate their performance using a standardized list of Key Performance Indicators (KPIs) customized for your business.

Audio recordings and screen captures bring to light procedures that may need revision in order to make your agents more productive. And it provides the opportunity to evaluate whether agents are already using proven call handling techniques and established company procedures.

In the *2005 Service and Support Metrics Survey* (conducted by Service XRG), the majority of respondents reported that talk time for phone support issues ranged between 5 and 15 minutes. If a contact center is able to save just 2% off that number, it can result in significant savings.

In the following scenario, the average call handle time is 7 minutes for a 200-agent contact center. We also assume agents are paid \$17.32 per hour.

Call Handle Statistics	Before	After
Total # of contacts handled per day for all agents	10,285 <sup>^</sup>	14,400
Average call handle time	7 minutes	5 minutes
Time saved per transaction		2 minutes
Total cost per minute per agent		\$0.288667
Total savings per day for all agents*		\$5,848*
Potential Annual Savings		<b>\$1,520,480**</b>

<sup>^</sup>Calculated by ((200 agents x 6 hours) x 60 minutes per hour) / 7 minutes [agent handles 8.57 calls per hour]

\*Calculated by [(17 more minutes available per hour per agent x 0.288667 cost per minute per agent) x 6 hours per day] x 200 agents

\*\*Calculated on same agent levels but able to handle more calls daily by reducing overall call times. Considers 260 working days per year

### Improving First Call Resolution

First call resolution is a critical Key Performance Indicator. Agents who can assist customers with just one phone call offer considerable value to the contact center by building confidence with customers and ultimately increasing customer loyalty. The hard cost savings result from reduced expense for handling subsequent contacts the customer would have otherwise had to make to resolve the issue.

In the following scenario, the contact center employs 200 agents and, after implementing Quality Management, has experienced a 2% increase in First Call Resolutions. The *Purdue Contact Center Benchmark Study* states that an average inbound call costs \$6.03.

First Call Resolution Statistics	Before	After
First call resolution rate	78.3%	80.3%
Number of agents	200	200
Cost per contact	\$6.03	\$6.03
Calls per annum	3,744,000 <sup>^</sup>	3,669,120
Potential Annual Savings		<b>\$451,526*</b>

<sup>^</sup>Calculated by 14,400 contacts per day x 260 work days per year

\*Calculated by (3,456,000-3,386,880) x \$6.03

## Reduce Training Time

Unidentified training opportunities can become a hidden risk resulting in a negative impact on the contact center's performance. Training programs developed with inadequate information can miss the mark, resulting in wasted resources.

A Quality Management solution provides contact centers with the opportunity to pinpoint specific training opportunities and build their training programs around them. Agent recordings may also be used as Best Practice standards, offering real-world examples for training and boosting the morale of agents who are performing well.

Additionally, lengthy training classes remove agents from the phones, whereas coaching clips provide quick communication of training opportunities and do not remove the agent from the phones. Coaching clips also offer tracking of training objectives and metrics to determine if the coaching clip has helped the agent modify inefficient behaviors.

Training Statistics	Before QM	After QM
Hours of training per agent per year	120	110
Number of agents	200	200
Training hourly cost	\$14.47	\$14.47
Total training costs	\$347,280	\$318,340
Potential Annual Savings		<b>\$28,940</b>

## Increase Management Productivity

Manual methods for performing quality assurance can be tedious and time consuming. Taping at an agent's desk, performing live monitoring, and completing and scoring paper evaluations takes time and diverts the supervisor's attention from more important tasks, such as performing personalized coaching or handling escalated calls.

Results from our user-base indicate that automated monitoring allows supervisors to review the same number of contacts in two-thirds of the time resulting in significant savings.

Management Productivity Statistics	Before	After
Number of supervisors	20	20
Total hours spent monitoring per month	900	630
Hourly rate	\$28.85	\$28.85
Annual cost to monitor	\$311,580 <sup>^</sup>	\$218,106
Potential Annual Savings		<b>\$93,474</b>

<sup>^</sup>(900 x \$28.85) x 12 months

### Boost Agent Retention

Knowledgeable, responsive agents are crucial to good customer relations and significantly impact the bottom line of the contact center. Training new agents is an expensive and lengthy process. Retaining successful agents is a top priority and Quality Management tools can help.

Quality Management helps the contact center communicate clear goals, evaluate agent performance, and provide prompt feedback. Additionally, consistent feedback and coaching can help to eliminate burnout among contact center agents. All this leads to increased job satisfaction for agents, resulting in a longer tenure and a wealth of experience you can continue to build upon.

In the following scenario, the implementation of a Quality Monitoring system reduced agent turnover by 2%; the cost of training a new agent was calculated to be \$6,572.

Agent Retention Statistics	Before	After
Turnover rate	35%	30%
Total number of agents	200	200
Number of agents replaced	70	60
Annual training costs for new agents	\$460,040	\$394,320
Potential Annual Savings		<b>\$65,720</b>

### Return on Investment

An approximate investment for a Quality Management application with monitoring tools, reporting package, screen recording licenses, installation, and training for a contact center of 200 full-time agents could be \$100,000. If recording is also required, the investment might approach \$200,000. There are variables that would lower the initial costs depending upon schedule of agents and telephony infrastructure. With the noted potential savings approaching over \$1 million, the payback for a Quality Management solution is a short time frame, often a matter of months.

## **Value-Added: 6 Soft Benefits**

The cost savings of a Quality Management application offers compelling insight into its value. Quality Management may offer even more benefits for your business.

### **Reward Top Performers**

If tracking is available in Quality Management, offer rewards to your top performing agents, such as awarding them bonus points that can be redeemed for a variety of items including products, additional days off work, honorary parking spaces, and more.

### **Increase Sales Opportunities**

Reduced agent turnover results in better trained agents who are ready to assess customers' needs and understand how to handle issues. The Best of Breed customer service they offer results in a more loyal customer base who knows it can count on the business to provide excellent products and services. Additional agent training in up-selling or cross-selling with these loyal customers opens untapped sales opportunities.

### **Evaluate Effectiveness of Software and Procedures**

It's not enough to just evaluate the agents. The processes and procedures they use on a daily basis are just as critical to their success. With audio and screen capture recordings, contact centers can evaluate how the software and workflow processes established for agents are working in real-world examples and consider changes to drive greater success.

### **Share the Wealth with Business Intelligence**

Obtain even more customer insight by tapping customers for direct, specific information about your business. Discover how well customers rate the shipping of a product, or how likely they might be to purchase new products. Quality Management can help to gather and share this kind of Business Intelligence throughout the enterprise—helping the contact center reach its potential as the hub of customer contact.

### **Improve Customer Relationships**

Mistakes happen, but when they are addressed immediately, their impact is minimized. Strive for first call resolution and your contact center will experience increases in both customer satisfaction and loyalty.

**dvsAnalytics is dedicated to providing contact centers with reliable, efficient solutions. Our core contact center product line includes:**

- **Encore™** is the most powerful data/call recording, logging, and management system for contact centers. Monitor, log, review, retrieve, evaluate, organize, and catalog voice/data. Achieve real-time verification of voice, chat, email, and fax transactions — flexibility in a reliable, affordable package. Works seamlessly in single server Windows operating systems for efficiency and to simplify system installation, administration, and expansion. VoIP enabled.
- **Encore CenterPlus™** integrates monitoring, evaluation, reporting, and coaching tools. Merges work-force management, training, payroll, ACD, and MIS system data with advanced agent reviews and statistics.
- **Encore Portfolio™** revolutionizes report generation and distribution. Seamlessly integrates with Crystal Reports.
- **Encore Screen Recorder** records the agent desktops while the agent assists clients, or for a set period after the call has ended. Opens valuable agent coaching opportunities and insight regarding software usability and procedural efficiency.
- **Encore Call Recorder** records the audio portion of the agent-customer interaction. Supervisors can listen to every conversation in real-time, providing them with insight into the entire customer interaction and enabling them to provide their agents with timely feedback and coaching suggestions.

### About dvsAnalytics

dvsAnalytics is a leading provider of agent productivity and analytics solutions for enterprises and contact centers. For more than 25 years organizations have relied on dvsAnalytics proven technology, innovative solutions, and quality services to develop their workforce, optimize the customer experience, and improve productivity.

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