

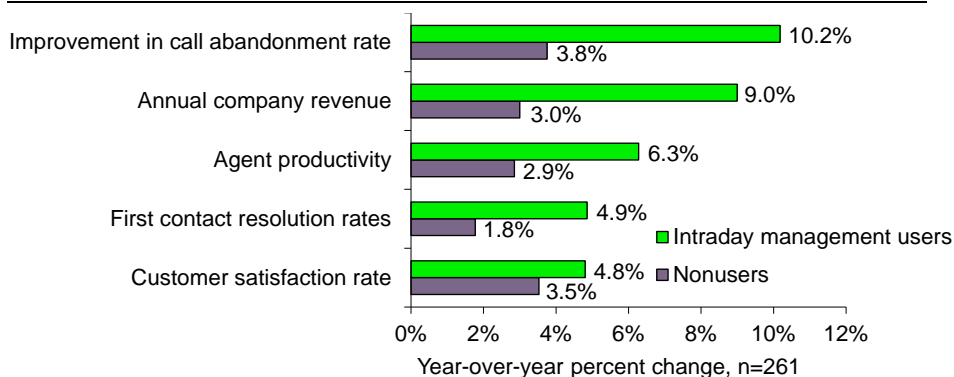
The Strategic Value of Intraday Management in the Contact Center

Contact centers are in the midst of a drastic change regarding their role within the business. They are no longer viewed as a necessary cost of doing business that is operated in a siloed fashion with the sole purpose of reacting to customer problems. Rather, they are a mission-critical part of the business, taking charge of managing the customer experience and preserving the financial health of the organization. As the impact of empowered customers changes business dynamics, companies can no longer hide from a bad customer interaction. On the other hand, they can now benefit more from the word-of-mouth activity associated with positive customer feedback as this information becomes available to wider audiences through tools like social media. These changes signal that optimizing contact center efforts is more important than ever as it has a substantial impact on the financial results of the business as well as its brand image. This report will observe how intraday management programs (see sidebar for definition) help companies weather these changes in order to continuously improve agent productivity and performance, which ultimately lends itself to superior customer experience results.

Intraday Management Delivers Quantifiable Benefits

Findings from Aberdeen's June 2013 *Workforce Optimization in the Contact Center: Secrets to Improve Agent Performance* study shows that the top challenge impacting the deployment of staff in contact centers is customer demand for better service. Figure 1 below shows that intraday management users are well-positioned to overcome this challenge as evidenced by their strong year-over-year performance gains compared to their peers.

Figure 1: Intraday Management Users Enjoy Superior Year-over-Year Performance Gains



Source: Aberdeen Group, June 2013

Analyst Insight

Aberdeen's Insights provide the analyst's perspective on the research as drawn from an aggregated view of research surveys, interviews, and data analysis.

Definition: Intraday Management

For the purposes of this research, Aberdeen defines intraday management as an automated and systematic approach that involves using various business processes and technologies to proactively manage the contact center agent workforce for optimal productivity and performance throughout each day.

These initiatives involve sub-categories such as changing agent schedules to address customer traffic changes throughout the day, providing alerts to address sudden needs for agent supervision and quality assurance, as well as assigning additional tasks during agent idle time.

It's important to note that for the purposes of this research, intraday management doesn't include manual processes but rather activities automated through technology use.

As depicted above, managing the day-to-day fluctuations within the contact center through an intraday management program helps companies differentiate themselves from other contact centers. They reduce the amount of customer contact (e.g., calls) that are unaddressed / abandoned by 10.2% year-over-year and boost agent productivity (see sidebar for details) by 6.3% annually. By trimming unnecessary costs and investing those back into the business, intraday management users are able to support projects to deliver a better customer experience and outpace their peers by triple annual revenue growth (9.0% vs. 3.0%).

In addition to the findings reflected above, the data indicates that companies with intraday management programs achieve a 55% greater (65% vs. 42%) agent utilization rate compared to their peers. This validates that they are better able to utilize agent time to work on productive tasks such as serving customers, receiving training, or supporting back-office work. Given these agent utilization rates, data shows that intraday management users incur 40% (see sidebar for calculation) less in unnecessary costs associated with unutilized agent time, compared to non-users. Again, investing these cost savings back into the business in the form of innovative projects ultimately helps these companies further improve their top-line revenue results.

Research shows that the financial benefits of intraday management are not solely related to agent productivity gains, but also include customer experience improvements. As illustrated in Figure 1, intraday management users enjoy a 37% greater (4.8% vs. 3.5%) year-over-year increase in customer satisfaction scores, compared to their peers. This means that clients of these businesses are more satisfied in addressing their needs, which improves the likelihood of them staying as repeat customers with the business, reducing the erosion of top-line revenue results associated with customer churn.

The operational and financial benefits outlined above don't go unrecognized by businesses. While 46% of businesses within Aberdeen's June 2013 [Workforce Optimization in the Contact Center: Secrets to Improve Agent Performance](#) research indicated currently using an intraday management initiative, the data shows that an additional 24% of companies plan to incorporate intraday management as part of their contact center efforts over the next 12 months. This means that seven out of 10 (70%) businesses are expected to have an intraday management program in place by mid-2014.

Now that we've observed the business value of intraday management, let's drill-down on several activities that form the building blocks of intraday management users' success.

Building Blocks of Intraday Management Programs

Our findings reveal that intraday management users rely on a wide variety of business processes in order to optimize their day-to-day activity results. Figure 2 below illustrates the business processes these companies incorporate within their efforts. A high-level analysis of these capabilities

How to Measure Agent Productivity

Agent productivity is measured as the year-over-year change in the percentage of agent time spent on productive tasks that add value to the business (e.g., helping customers, receiving training, and supporting back-office tasks).

The Cost Impact of Intraday Management

Combining the agent utilization rates for intraday management users (65%) and non-users (42%) with an assumed average annual salary of \$35,000 per agent (average contact center agent salary as indicated by respondents within Aberdeen's June 2013 [Workforce Optimization in the Contact Center: Secrets to Improve Agent Performance](#) study), the impact of unnecessary costs associated with unutilized agent time in a contact center with 300 agents is calculated as follows;

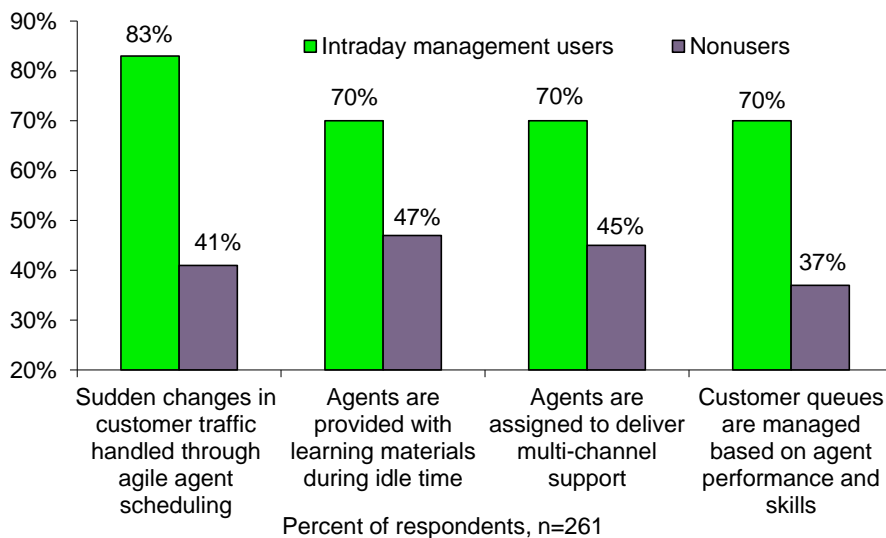
- √ Intraday management users:
 $300 \text{ agents} \times \$35,000 \times 35\% = \$3.63 \text{ million}$
- √ Nonusers: $300 \text{ agents} \times \$35,000 \times 58\% = \$6.05 \text{ million}$

The net difference is in favor of intraday management users where they achieve \$2.42 million (40%) less in unnecessary cost related to unutilized agent time.

Note: Agent utilization is defined as the percentage of agents who are actively serving customers or conducting other productive work such as training or back-office support activities during their salaried / paid time.

reveals the core competency: connecting the right customer with the right agent through the right channel without substantial wait times. On a more granular level, intraday management users are able to build and execute on this core competency by adjusting agent schedules to address over- or under-staffing that might happen throughout the day based on changing customer traffic levels. This is accomplished through numerous ways such as offering voluntary time-off for a certain number of agents in case of over-staffing or providing additional incentives (e.g., overtime) in case of under-staffing — an activity also referred as agile agent scheduling. While 83% of intraday management users have this capability, only 41% of non-users currently use it.

Figure 2: Process Capabilities for Intraday Management Programs



Source: Aberdeen Group, June 2013

Matching the right agent with the right customer and ensuring agent availability requires more than being able to address over- and under-staffing. It requires companies to build a smart / adaptive queue management system that enables using customer contact data captured through numerous enterprise systems, such as automated call distribution (ACD) and interactive voice response (IVR), to direct each customer request to the most relevant agents with the right skills. It's important to note that as agent performance might vary from day-to-day, building flexibility into this system where customer requests would be routed not only based on agent skills but also on recent agent performance results would help businesses maximize the likelihood of delivering a better customer experience. Intraday management users are 89% more likely (70% vs. 37%) to have this capability, compared to their peers.

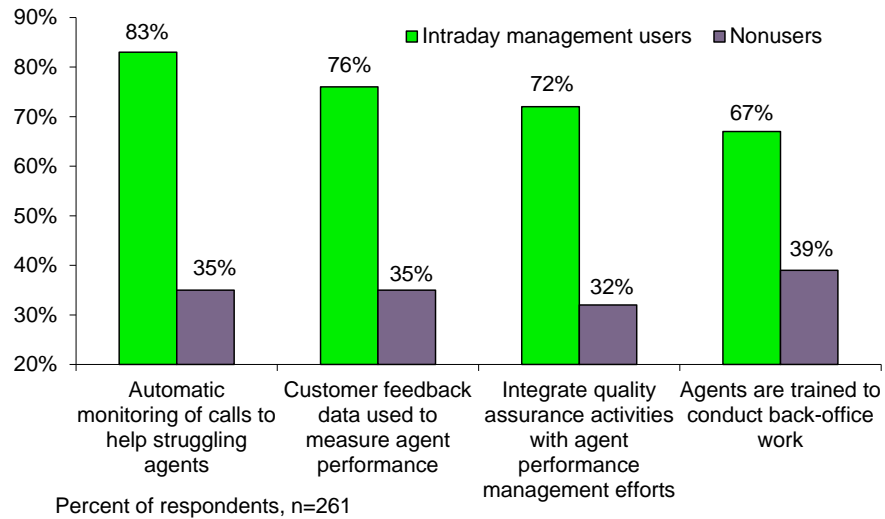
Data also indicates that while 70% of these businesses are able to route customer traffic coming through multiple channels to each agent, 45% of other businesses (non-users) rely on channel-specific agents which might

lengthen handle times in case of a sudden increase in traffic through a particular channel — a risk factor for the business. Intraday management plays a crucial role in this process as it helps companies more accurately determine their staffing needs by incorporating customer traffic across multiple channels.

Intraday management users go beyond matching the right agents with the right customers. They also focus on ensuring that their agents continuously improve their competency skills and knowledge. To this point, 70% of these companies monitor agent availability and provide idle agents with relevant learning materials or personalized training designed to address their knowledge gaps. Aberdeen's July 2012 [Automated Intraday Contact Center Workforce Management: Bridging the Disconnect Between Downtime and Effective Time](#) study shows that companies with this capability achieve a 4.6% year-over-year improvement (decrease) in time spent by supervisors assisting contact center agents, compared to those that lack this capability — a direct validation of the value of continuous training. Companies can use numerous tools such as e-learning to allow agents access to an online portal for such training.

Figure 3 below illustrates a set of additional activities intraday management users leverage to manage agent performance. Eighty-three percent (83%) of these companies have the ability to automatically monitor customer / agent conversations where a supervisor can respond appropriately to help struggling agents with guidance to deliver superior customer care and provide real-time coaching. Such automatic analysis is accomplished by utilizing speech analytics tools to monitor voice conversations (phone and IVR) and text analytics tools to monitor conversations that might take place through other channels (e.g., social media and live chat). These analyses can be customized based on particular business rules (e.g., verbiage) in order to allow companies to filter the relevant interactions among the wealth of customer conversations that take place on a daily basis. Another way to perform this activity is by monitoring call durations where if a particular call has exceeded the average expected time of completion, a supervisor would be automatically prompted to take action (e.g., intervene or start a chat session with the agent).

Figure 3: Performance Management Capabilities for Intraday Management Users



Source: Aberdeen Group, June 2013

One of the key ingredients of managing agent performance is measuring the performance of each agent in addressing client needs. While 76% of intraday management users combine customer feedback data captured through numerous sources (e.g., IVR surveys and online surveys) to determine how agents perform during each interaction, only 35% of their peers do so. Lack of this activity creates a disconnect between agent goals and the ability to deliver on customer expectations — a key goal for contact centers.

In addition to incorporating customer satisfaction as part of agent performance management efforts, intraday management users also integrate their quality assurance (QA) programs with the activities used to measure agent productivity and performance. This is accomplished by tracking how each agent is able to fulfill the service-level agreements put in place by the business as part of their client interactions as well as comply with other internal or external regulations (e.g., [PCI-DSS](#)). Data indicates that intraday management users are far more likely (72% vs. 32%) to have such focused integration between their QA and workforce management activities, compared to non-users.

As noted earlier in this document, companies with intraday management programs boost agent productivity by 6.3% year-over-year, in comparison to a mere 2.9% by their peers. One of the ways they accomplish this result is by maximizing their use of agent time through training each agent on how to conduct back-office work (e.g., insurance claims processing) and assigning them to help back-office personnel during their idle time. In addition to maximizing agent productivity, this also provides agents with the opportunity to widen their skill set and experiences. Providing agents with such continuous learning opportunity and variety of tasks can enrich their job satisfaction, which ultimately increases the ability to retain agents and

reduce hiring and training costs for new staff. Indeed, data shows that companies training agents on back-office activities enjoy 10.8% year-over-year improvement in agent retention rates, compared to 4.1% worsening (decrease) by their peers. It's important to note that some back-office activities may require special skills, training, or even certification. As such, businesses using this activity should carefully determine the most relevant back-office activities that agents can support during their idle time.

Key Takeaways

Contact centers are rapidly transforming. As reflected by Aberdeen's June 2013 [*Workforce Optimization in the Contact Center*](#) study, they are the leading organizational stakeholder responsible for driving (and coordinating) customer interactions across multiple touch-points. However, along with the growth in their role they need to overcome an increasing number of challenges that impact their ability to accomplish their goals.

Findings noted throughout this document validate that intraday management provides businesses with substantial strength in overcoming numerous hurdles and help enjoy drastic performance gains in key measures such as agent productivity, first contact resolution, handle times, and growth in annual company revenue. These benefits build a strong case for businesses to incorporate intraday management as part of their contact center activities. Indeed, 24% of companies have indicated that they plan to establish an intraday management initiative by mid-2014. Aberdeen recommends businesses deploy the following activities as they consider implementing these programs or nurture existing ones:

- Use historical customer traffic data in conjunction with recent multi-channel traffic data to better predict agent demand and build contingency plans that will allow your business to handle over- and under-staffing effectively without compromising the ability to address customer needs in a timely manner.
- Establish insights on the competency skills and recent performance of your agents to identify the specific customer needs they are best equipped to address. Then leverage customer contact data available across numerous technology systems to determine the specific needs and profile of each customer, and use the resulting insights to connect them with the most relevant agents.
- Don't treat agent training and coaching as a one-time or irregular exercise. Deploy processes that will help you monitor agent performance on a regular basis and use agent idle time to provide them with the key learning materials and coaching needed for continuous development.
- Build checks and balances into your contact center activities that will allow your supervisors to proactively monitor struggling agents and help them with real-time coaching activities.

For more information on this or other research topics, please visit www.aberdeen.com

Related Research	
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<i>Workforce Optimization in the Contact Center: Secrets to Improve Agent Performance</i> ; June 2013	<i>Speech Analytics: Listen to your Customers</i> ; September 2012
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