



In Queue

The fun, informative and interesting newsletter for
the call center industry.

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More Survey Results-Who's Using What?

by Paul Stockford, NACC Advisory Board Member

In February we asked the readers of this newsletter to participate in a short survey that would give us a broad idea of current attitudes toward the economy, hiring, evaluating and acquiring technology and what contact center solutions were currently in use. Previous issues of this newsletter have provided an overview of the demographics of the 125 survey respondents. In this issue, we look at who is using what applications and solutions so those of you who are interested can compare your operation to those of your peers.

One of the most startling results of this survey was the number of respondents who are currently using Voice over Internet Protocol (VoIP) infrastructure. We were surprised to learn that 40.5% of respondents have VoIP technology in their contact center. If the number in our survey is fairly representative of the population as a whole, the number of VoIP users in the contact center is much higher than I had thought.

Of the remaining survey respondents; i.e., those not currently using VoIP, 22.4 percent planned to evaluate VoIP for purchase in 2008 while the remainder simply had no interest in VoIP at present.

The survey results indicate that VoIP has become a mainstream contact center technology. No longer restricted to the largest contact centers with the correspondingly large budgets, VoIP has become an affordable and practical solution for the mass market. This belief was further validated by our survey results in that the market segment with the greatest interest in evaluating and acquiring VoIP this year is the small contact center. Of all respondents who indicated an interest in acquiring VoIP technology, 46 percent were in contact centers with 75 or fewer seats.

On the other end of the scale, larger contact centers with more than 400 seats represented only ten percent of those indicating an interest in acquiring VoIP. This is probably not a result of a low level of interest in VoIP but rather an indicator that VoIP is already prevalent in this market segment.

All leading call center companies and suppliers should examine the new *NACC Underwriting* opportunity in 2008 as evidence of their dedication to the growth of call center industry. See the [2008 Media/Advertising Guide](#) link below for more information.

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Business, Research and Advisory
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NACC Investment Portfolio and NACC Composite Index

Since I am out of the country, I cannot record and share what the financial markets are doing. Let's hope they are up and the portfolio and index is as well continuing the two month positive trend we had going. Never fear, we will have updates in the June 20th *In Queue* issue. So stay with us and stay tuned.

Real Estate

If you are looking for a new call

Speech analytics is one of the new contact center technologies that has received heaps of hype over the past couple of years. I thought this would be a technology solution that would be of high interest to the survey respondents, but just the opposite was true. More than 70 percent of respondents reported no interest in looking at speech analytics for their contact center. Of the 22 percent of respondents who did indicate an interest in speech analytics, 58 percent are in contact centers with 75 or more agent seats.

One of the most surprising survey results, at least to me, was the poor showing of e-learning in the hearts and minds of the respondents. I consider e-learning to be a highly useful, almost necessary, contact center tool. Our survey respondents, however, seem to take a slightly different point of view. Only about a quarter of all survey respondents are currently using e-learning in their contact center with another quarter of respondents showing interest in evaluating e-learning in 2008. Half of the respondents indicated no interest in e-learning at all.

I wonder if the lack of interest in e-learning, which turned in the highest incident of disinterest in our survey results, is somehow linked to the high turnover rates experienced by so many contact centers. Without training to improve performance, compensation and promotion potential, I can see how some agents may see a bleak future and seek employment elsewhere. My NACC blog posting of May 5th, found at http://nationalcallcenters.typepad.com/nacc_blog/, addresses the human resources conundrum in the contact center, and your comments are always welcome.

More of who's using what in my next essay. We will also begin discussing some of the factors that are influencing the acquisition of new contact center technologies in 2008.

Recruiting and Remunerating Spanish-Speakers

by Astrid Rial, President & Founder
Arial International, astrid@arialinternational.com

Call Centers who recruit bilingual talent to service Spanish-speaking customers seek associates who can effectively communicate in both English and Spanish. In the last two years we have observed that many more companies are providing additional compensation in the form of a bilingual premium or differential to bilingual call center associates. The Stanton Group 2008 Customer Service and Call Center Survey results showed that 38.5% of organizations pay a premium (other than overtime) for multilingual skills. Of those organizations 60.0% reported to pay an hourly premium for Spanish-language skills with an average hourly premium of

center location you should check out the [NACC Real Estate](#) page by clicking on this link to see some of the available existing sites.

Quotes

"That seems to point up a significant difference between Europeans and Americans. A European says: 'I can't understand this, what's wrong with me?' An American says: 'I can't understand this, what's wrong with him?'"

-Terry Pratchett

Picture of the Week



This is the Schönbrunn Palace near Vienna, Austria, where I am presently or may just be departing back to the United States. This was the summer palace of the Hapsburgs, the ruling family not only of Austria, but of the Austro-Hungarian Empire which was around from 1867 to 1918 dissolved only at the end of World War I.

Since the last In Queue newsletter when I was in Baden-Baden, Germany, I have travelled to Murren, Switzerland, then back into Germany to visit Munich for a few days. Then onto Salzburg, Austria (hello Mozart), to Hallstatt, Austria, and finally ending in Vienna, Austria.

I am looking forward to showing you select images from my trip in future issues of the newsletter.

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\$0.83 per hour (Increase of 10% from 2007).

Many Spanish speakers in the US speak colloquial or familiar Spanish, so the challenge for recruiters is objectively verifying that bilingual job candidates are able to competently communicate in professional and appropriate Spanish for business situations. Unless an interviewer is fully fluent in both languages, it is difficult, if not impossible, to distinguish between casual and business Spanish.

Let's evaluate the following requirements commonly used in bilingual (Spanish/English) recruitment ads:

1. Bilingual abilities are a plus;
2. Bilingual preferred;
3. Bilingual preferred; at a minimum, the ability to understand and to make one's self understood to all Spanish speaking individuals;
4. Excellent verbal and written communications skills required in both English and Spanish ;
5. Bilingual and able to read, write and speak Spanish proficiently;
6. Must speak and write Spanish fluently.

In this sample, there are six different descriptions of sought-after job applicant skill sets, but each one requires a different level of Spanish communication expertise. In the first two examples where bilingual skills are "a plus" or "preferred", a recruiter may decide to "take the candidate's word" that he can speak Spanish. However in the last four examples, the company is seeking specific bilingual abilities. In these situations, an objective language proficiency assessment is highly recommended as in-house appraisals tend to be subjective.

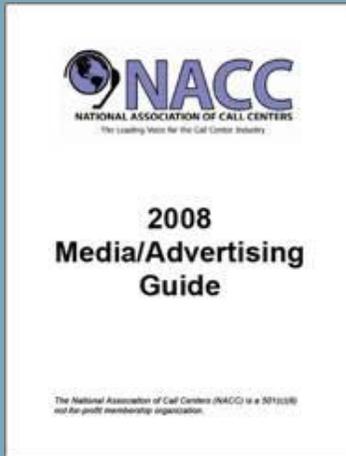
Best Practice "Tips"

How do recruiters assess a candidate's communication and comprehension skills? Many companies require candidates to complete verbal and/or written language proficiency assessments: objective, scientifically designed evaluations of the candidate's communication skills. Effective assessments are fact-based, consistent and unbiased, simulate the skill sets required of the associates and use a proven testing and scoring methodology.

Assessment services that require no advance appointment are the most flexible for recruiters since no planning is required and an eligible candidate may be assessed at the time of the interview. Some companies prefer to assess candidates for bilingual positions at the first stage in the interview process so that they only spend their internal resources on qualified candidates while other companies assess Spanish proficiency in the final steps of the process, after the candidate has fulfilled other hiring requirements.

Call Centers are able to recruit the most qualified candidates when the job description specifies the language requirements. Advising potential candidates in advance that their language

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skills will be tested can help weed out unqualified candidates from applying. This is a time-saver for recruiters as only those candidates who are confident in their bilingual communication skills will apply for a position if they know in advance they will be tested.

Benefits and Cost-Savings

Once assessed, call centers can assign associates to the business process they are most qualified to fill, thereby improving employee retention, reducing turnover and, ultimately, delivering the highest level of customer service. Other benefits and cost-savings companies experience by conducting language proficiency assessments include:

- increase the probability of hiring the right candidate;
- reduce training time for new recruits;
- provide objective data to justify paying a bilingual differential;
- reduce costs of discharging an employee due to inadequate skills; and
- deliver consistent, excellent, high quality service to your customers.

Many companies conduct personality tests, clerical and computation skills assessments and drug and alcohol checks to screen job applicants. These employers know the benefits of pre-employment testing. Now companies who serve multi-lingual customers have an additional resource available: language proficiency assessments to objectively test communication and comprehension skills of bilingual job candidates.

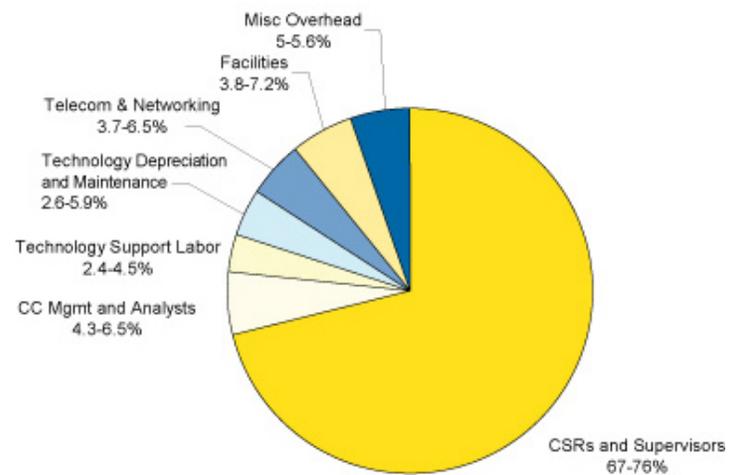
A New Approach to Cost Structures for Today's Contact Centers (Part 3 of 3)

Lori Bocklund, President and Brian Hinton, Sr. Consultant - Strategic Contact, Inc., lori@strategiccontact.com and brian@strategiccontact.com

This essay is the last in a series of three that discusses a new approach to modeling cost structures and distribution in the contact center. The first in the series focused on the modeling approach we used to show how costs are distributed in today's contact center. The second focused on the results of this approach. This, our final essay, addresses how to apply the results to your environment.

Figure 1 shows the cost distribution results of our analysis. While we hope it's valuable for people to understand the raw results of this analysis, we also want to take a step back and ask, "What do these results tell centers about where to invest, the changes they are considering, and ways to improve their operations?"

Detailed Contact Center Cost Distribution



Combining the analysis results with what we see companies struggle with routinely, we have found:

- Focusing on front-line labor productivity is in fact the right thing to do; it is 90% of the contact center labor budget, and two-thirds to three-fourths of the overall operating budget. Finding ways to get more bang for your labor buck just makes sense.
- Technology costs, while they may seem large when faced with a vendor quote, are a relatively small slice of the pie (2.6-5.9%). Investing in technology to make the workforce more efficient can have a profound and lasting impact. As a relatively small part of the overall operating budget, technology can have a big impact on the expensive labor part.
- Consider a long-term view, not just the short-term, tactical view. Too often, we see centers making short-term decisions to meet a budget goal that compromise the desired long-term benefit.
- Centers considering virtualization have a compelling cost opportunity if it takes them from several small or medium centers to one larger virtual center – a 20-50% reduction in cost per contact in our analysis.
- The range of the labor cost is not as varied as perhaps we previously thought, but regardless, it is a big percent. As you make changes, keep in mind this is a big ship that will take time to turn. Strategic decisions, changes, and investments have to be given time to make their impact.
- It is important to recognize the difference between total cost and limited costs such as non-loaded labor and other corporate costs (technology, facilities, etc.) not being allocated to the center. While the call center may focus on its budget (generally labor), considering overall costs can lead to the best decisions for the corporation.
- When analyzing alternatives such as outsourcing or hosted solutions, companies should consider the total costs, as this analysis does. While a labor cost reduction can have an impact, you must consider the impact on other areas such as fixed labor, telecommunications, technology, and training when considering alternative sourcing options.

Armed with more knowledge about the distribution of these costs and what contributes to overall cost per contact, we hope that centers can make the best decisions to optimize their operations.

To download the full report highlighted in the past three essays, click on the link below.

http://www.strategiccontact.com/pdf/CC_Cost_WP.pdf

Call Center Comics

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**THE CALL CENTER IS CURRENTLY CLOSED....
PLEASE CALL BACK DURING OUR REGULAR WORK
HOURS, WHICH ARE EVERY OTHER MONDAY....
BETWEEN 5:30 AM AND 6:00 AM...EASTERN
TIME.**

If you like this comic and would like to see more write Ozzie at callcentercomics@yahoo.com and visit his website at http://callcentercomics.com/cartoon_categories.htm or just click on the comic to take you to his page. The NACC appreciates Ozzie letting us use some of his comics in our newsletter.

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