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THE NATIONAL ASSOCIATION OF CALL CENTERS
The Leading Voice for the Call Center Industry

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THE UNIVERSITY OF SOUTHERN MISSISSIPPI
CALL CENTER
RESEARCH LABORATORY

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

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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.

Beautiful and Nice Free Gifts from the NACC

David L. Butler, Executive Director, National Association of Call Centers, David.Butler@nationalcallcenters.org

The National Association of Call Centers is giving away 30 gifts from October through December 2008. These very nice gifts include hand woven scarves made from a variety of fibers each one a unique product. We also have a number of books, each signed by the author. There are picture books, comic books, and even my book as well. You can see and read about all of these wonderful items at the following [link](#).

We think these nice and personal gifts reflect our organizational philosophy better than giving away a gift card. A hand-woven scarf to keep you warm and make you look great or a nice book to read that is autographed by the author, each of these reflects a level of quality and professionalism that we respect here at the NACC.

These gifts are part of our 2009 membership drive. Each person who signs up for membership between now and 31 December 2008 will have their name put into a hat for the drawing to win one of these very nice gifts. You can keep the gift for yourself or give it to someone you love or cherish. Hand made unique gifts are wonderful to own, and books signed by the authors are a prize on anyone's bookshelf. Details about the drawing are listed on the [gift page](#). The sooner you sign up for membership the more likely your chances are to win one of these specialty items.

Once your name is drawn and you have selected your gift, we will send it to you in the mail. It is that easy. No gimmicks, hidden costs, nothing like that. This is our way to thank call center professionals like you who sign up for a 2009 membership through the National Association of Call Centers.

Want a Recession-Proof Job? You™ve Come to the Right Place

Paul Stockford, Research Director, National Association of Call Centers, Chief Analyst, SaddleTree Research,
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I was watching the local Phoenix news on TV last week and one of the lead stories on this particular day, when Wall Street once again took financial markets on a roller coaster ride, was recession-proof jobs.

See the [2008 Media/Advertising Guide](#) link below for more information.

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NACC Investment Portfolio

Stock	Price	Value	Change
NT	1.52	0.84	-9.16
NICE	20.05	4.99	-5.01
VRNT	11.20	4.57	-5.43
SYKE	14.84	7.81	-2.19
WIT	7.50	5.01	-4.99
CVG	11.27	6.38	-3.62
TTEC	8.48	3.69	-6.31
ICTG	3.99	3.83	-6.17
APAC	1.25	5.66	-4.34
TOTAL		42.77	-47.23

Original Value start 11/6/2007
=US\$90.00 or US\$10.00 per stock.

Total Portfolio Value Now= \$42.77

It is official. The NACC Investment Portfolio has lost over 50% of its value. Starting value at \$10 per stock was \$90, now it closed at \$42.77, down over 50%, and this was from last November, less than 12 months! Crazy!

NACC Composite Index

The story came on the heels of a related story about thousands of applicants turning up for 400 available jobs at a grocery store that was soon to open. Several people were interviewed for the story and all were recently laid off from jobs that could not stand up to the recessionary employment conditions being experienced in many industries.

That led to the story on recession-proof jobs. The number one recession-proof job in the Phoenix metropolitan area was nursing. The number two recession-proof job? Call center customer service. Of course, Phoenix is a contact center Mecca with over 330 customer service centers in Maricopa County so there are lots of jobs here to begin with. The news story pointed out however, that customer service continues to be in demand regardless of economic conditions.

Jobfox (www.jobfox.com) is a company that actively tracks jobs that need to be fulfilled by employers and jobs that are considered desirable by job seekers. Jobfox recently completed a study that tracked these jobs from November of 2007 through July of this year. Their study found call center customer support jobs to be number 15 on the list of top 20 "recession busting jobs." Other than Administrative Assistant, which ranked number 7 on the list, it was the only job that did not require a college degree or higher in order to qualify for employment.

On the list of jobs considered to be desirable by job seekers during a recession, call center customer service ranked fifth on the list of the top 25. The survey found call center customer service jobs to be in the same salary category as jobs in fields such as nursing (the number one ranked desirable job), social work, administrative assistant and retail banking. The survey did not attempt to uncover the reasons behind each job's ranking but I suspect call center customer service finished where it did due to favorable working conditions and the potential for upward mobility.

For business in general it goes without saying that customers are any business's most valuable asset and the value of these existing customers can increase exponentially when recessionary conditions threaten to sever the business's relationship with existing customers. For all but a few industries, such as utilities, the customer service function becomes profoundly important during an economic recession. The old adage about it costing seven times more to bring in a new customer as it does to keep an existing customer becomes the battle cry for companies in survival mode. Exemplary customer service becomes the lifeblood of a vital business in a recessionary economy and the contact center is the heartbeat of that business.

If you're thinking about a job that will likely ride out the recession we appear to be facing, you're probably in a pretty good place already. The contact center customer service industry is in a fortunate position as economic uncertainty threatens so many other industries. Customer service will always be highly valued regardless of how well or poorly the economy performs.

Will a Toyota Emerge from the Pack of Me-Too BPOs?

Dennis Adsit, Vice President, Business Development, KomBea Corporation, dennis.adsit@kombea.com

Here's a challenge: try to be unimpressed about what Toyota has accomplished.

Date	Value	Change	Percent
11/6/07	100.00		na
12/5/07	94.38	-0.56	-0.60
1/15/08	80.89	-17.02	-21.04
2/13/08	75.56	-1.98	-2.63
3/12/08	65.47	-11.25	-17.18
4/9/08	68.98	1.06	1.54
5/7/08	77.31	3.14	4.07
6/4/08	81.51	2.93	3.60
7/2/08	70.28	-10.20	-14.52
8/13/08	65.57	-0.97	-1.48
8/27/08	68.24	2.66	3.91
9/10/08	66.55	-1.69	-2.54
9/24/08	56.91	-9.64	-16.94
10/8/08	43.24	-13.67	-31.62
10/22/08	41.83	-1.41	-3.37

The *NACC Composite Index* was down 3.37% the past two weeks. The drop was strong this week, but the drop was slower than it was the last reporting period. This suggests that there is a bottom out there and we are probably closer to it than we were just a few weeks ago.

Dow Composite	-7.98%
S&P 500 Composite	-9.83%
NASDAQ Composite	-7.71%
NACC Composite	-3.37%

The *NACC Composite Index* outperformed all other indices the past two weeks, not that it ended in the positive territory, it did not, but the index was down only 3.37% where the other indices were down 7% or more.

Quotes

No man who ever held the office of president would congratulate a friend on obtaining it.
John Adams (1735 - 1826)

Picture of the Week

From one small California dealership in the late 1950s, they just passed General Motors (GM) as the #1 car manufacturer globally. Not only is this a stunning progress in gaining market share, but also Toyota's operating margins are 3 times the industry average. Until the recent market carnage, Toyota's stock was up over 200% since the early 1990s, while Ford and GM's stocks were down 50% and 75% respectively. GM's stock is now trading at the level it was in the 1950s.

The dissimilar results between the companies are even more stupefying when you realize that every car company in the world has had Toyota's playbook for two decades. The Toyota Production System is known in every detail. Toyota even runs joint ventures with GM, showing them exactly what they do and how they do it. Despite this, no car company in the world can keep up with them.

What's the secret? I can tell you that the secret is not the plays they run or the players who run them. Think about it, if an opponent hands you their playbook and they run you over anyway, can the secret be in the plays? If their coaches worked shoulder-to-shoulder with your coaches and players showing you exactly what they do and still, they crush you year after year with different players, can their secret be the players?

Yes, Toyota makes good cars. But anyone who has worked in other manufacturing environments and then worked at Toyota quickly realizes that Toyota is doing something way beyond making good cars. They have developed an organizational capability that is continuously learning how to make cars better and continuously teaching every employee how to make cars better.

Cut to the global BPO/Call Center services world. There are dozens of global BPOs providing call center services. They are all global. They all have the latest call center technology stacks. They all have hiring processes designed by industrial psychologists. And they are all one-trick performance improvement ponies: they monitor and coach agents. In other words, they are all the same.

A friend of mine, Alan Madison, who runs H&R Block's Customer Service Operations is unequivocal, "I can safely say it's a level playing field out there amongst the top 10 BPO companies. Most are executing the same basic blocking and tackling game plan---some better than others---but there isn't anyone bringing a new game to the field. The objective is to pick a BPO who has a solid blocking and tackling game because you are definitely not picking a BPO due to their unique capability."

This isn't really an essay about Toyota. This essay is intended to highlight how a company can separate from the pack and totally dominate. So the real question here is if a BPO wanted to emerge from the me-too pack, how would they do it? In my view, the success at Toyota suggests an answer.

If a BPO wants to pull away and dominate, the answer is not in adding more geographical locations, fine tuning their technology stacks, adding a hiring screen or scheduling more coaching. Instead, they have to build a unique organizational capability to not only handle calls better, but to also learn how to continuously improve call handling and teach everyone who walks through their doors how to continuously improve call handling.

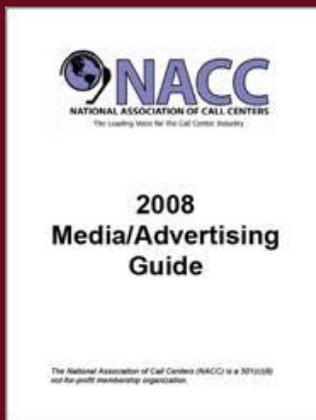
There are technologies available to support this effort. You can now clearly define a call handling process and get the agents to follow it



Chateau Chillon is in the image above located in Switzerland on Lake Geneva and surrounded by the Alps. Positioned on the water, this castle was able to collect tolls from people using the lake, making the families who controlled this chateau very wealthy. Chillon has been written about by many literary figures making it more popular than it would be otherwise. Interestingly, this Chateau is in Switzerland. A few minutes boat ride takes you to the other side of the lake where you can get off and step into France.

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using pre-programmed system actions and pre-recorded audio files. Once you have a single process that all the agents are using, the focus is on continuously improving the process, not trying to improve each agent, one at a time.

That step is sine qua non, but a technology solution alone is never enough. To do what Toyota has done, a BPO will have to teach the leadership in all their centers how to continuously improve call handling across every call type on every account. This, in part, means restructuring to create a process engineering function that 1) studies phone calls, 2) continuously develops and tests hypotheses for improving those calls and 3) rapidly cascades their knowledge across the entire organization.

Whatâ€™s to win if a BPO developed an organizational capability like this? To the victor go the spoils. Just compare the portfolio of Toyota's shareholders to GM and Fordâ€™s shareholders.

Call Center Comics



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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Your company logo here. To find out more, contact David Butler at david.butler@nationalcallcenters.org.

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