



# Best Practices for Deploying a Virtual Call Center

## Tips, Techniques and Best Practices

### EXECUTIVE SUMMARY: WHY COMPANIES ARE TURNING TO VIRTUAL CONTACT CENTERS

Contact centers play an increasingly important role in business operations and in driving financial outcomes. Today's customers are increasingly fickle; they demand fast, responsive customer service, and when they don't receive it, they will readily defect to competitors. And as companies increasingly turn to services as a new revenue stream or source of differentiation, they need more sophisticated customer support organizations to support these business-critical operations.

To meet their customer interaction needs, businesses have traditionally established brick-and-mortar contact centers that can take as long as 14-16 months to complete and cost as much as \$15 million. The problem is that no matter how a traditional contact center is structured, they have inherent weaknesses that over time lead to high costs and poor service quality. Consider the following:

- **Traditional contact centers have difficulty finding the best people.**

Forced to recruit within a 25-mile

driving distance, they typically can't find enough of the right talent within this limited geography - especially if they need contact center agents with specialized skill sets or extensive experience. Because they tend to exhaust the local talent pool within a few years due to high turnover, the number and quality of candidates declines over time, often forcing companies to relocate contact centers.

- **Traditional contact centers are costly to set up and run.**

To set up the average 250- to

500-person brick-and-mortar contact center, companies usually spend more than \$10 million in initial capital costs alone. Sourcing agents can quickly double costs, as businesses must constantly source, screen, on-board, and train or certify new agents due to high attrition rates.

- **Traditional contact centers can't accommodate unpredictable demand.**

Contact center demand can be very unpredictable. Yet managers or others overseeing contact center operations typically have to plan schedules two -



Why Companies are Turning to Virtual Contact Centers	1
The Lifecycle of a Virtual Contact Center	3
Best Practices for Operating a Virtual Contact Center	5
Selection and On-Boarding	5
Education and Certification	5
Scheduling Agents	6
Supervising Agents	7
Incenting Performance	8
Auditing Calls to Ensure Quality	9
Building Community	10
The Key to Success: Start with an Integrated, On-Demand Platform	10
Stringcan: Agent Flexibility and Reliability	11



four weeks in advance so that agents can plan their personal lives around their work schedule - for example, by arranging for child care well in advance. This means that companies are forced to pay all agents to come in - even when demand is low - as well as run the risk that they may not have enough agents to cover unpredictable spikes in demand.

• **Traditional contact centers have difficulty keeping the best people.**

Providing services at a traditional contact center is not a popular vocation due to quality of life and other issues. Because day shifts tend to go to people with the most seniority, new agents are relegated to nights and weekends - the least popular time slots - which increases attrition rates over time. As a result, companies face exceptionally high turnover, which hurts morale, drives up costs, and ultimately reduces the quality of service delivered because they have a very limited group of experienced, proven agents.

These are just some of the challenges associated with traditional contact centers. That's why many companies today are considering investment in virtual contact centers, which are set up with remote, home-based agents or a combination of remote-based and

traditional contact center agents. This innovative approach to setting up a contact center means that companies are free to source the best talent from anywhere in the country. Because their sourcing pool is so much larger, they can find higher-quality agents who can provide higher-quality service. Recruiting costs are lower because agents are happier and turnover rates can be as low as 9% per year. Physical buildings with seats are not required, so capital costs are nearly eliminated. There are no cultural issues that can impact customer satisfaction, as is the case with off-shoring. And businesses have the flexibility to bring agents online and offline in response to changing demand, giving them greater business agility while minimizing their overall costs.

This paper overviews essential best practices for deploying a virtual contact center. Each best practice is discussed in relation to how it supports the complete lifecycle of the contact center and explores key technologies needed to enable it across businesses.

### **The Lifecycle of a Virtual Contact center**

Fed up with managing their own brick-and-mortar contact centers - and dissatisfied with off-shoring options -

many businesses are exploring a relatively new option to handle their call loads: establishing a virtual contact center that leverages remote or home-based agents. Research shows that unlike traditional contact centers where turnover can be as high as 100% per year, home-based agents providing services are happier in their position and with their quality of life - and as a result, turnover can be as low as 9% per year. But setting up and managing a virtual contact center is quite different from a traditional contact center. For example, because agents are no longer working on-site, businesses need a way to source, onboard, and train or certify new agents using remote technologies. Once remote agents are a part of the workforce, managers or facilitators need new ways to oversee, monitor, and motivate their contact center agents remotely; they can no longer walk through the floor to listen in on calls, answer questions, and encourage agents face to face. And in order to improve customer service levels, home-based agents need different types of measurements and incentives to perform at their best.



The core activities involved in managing a virtual contact center are summarized in Figure 1. They include the following:

• **Selection and on-boarding**

Companies need a way to find the right talent from a national pool, efficiently filter large numbers of candidates, and on-board them – without ever meeting them face to face.

• **Education and certification.**

Once agents are on board, they need remote access to e-learning and testing materials, since they no longer participate in traditional, on-site sessions. Companies also need ways to test agent comprehension to ensure that agents have not only read the material, but they also fully understand, recall, and can apply it.

• **Scheduling and supervising**

Companies need more flexible ways to schedule agents, tools to oversee them, and multiple channels of virtual communication so agents can ask questions and get fast, accurate answers whenever they need them.

• **Routing calls to the best resource**

In a virtual contact center, systems must be in place to monitor performance in real time and route calls to agents certified to answer calls coming in for a particular program. Ideally,

**Figure 1: The Full Lifecycle of a Virtual Contact Center**



the software should also use individual performance data to route calls to the best performers, as this increases service quality for customers and incents agents to adopt desired behaviors.

• **Measuring, reporting, and quality management**

Managers and facilitators need ways to access up-to-date data on agent performance, effectiveness, and outcomes, as well as generate necessary reports quickly and efficiently to make informed business decisions. Additionally, businesses need to equip home-based auditors to listen to calls, answer performance-based questions specific to each program, provide

agents with constructive feedback, and use rewards to drive desired behaviors.

• **Building a community**

Because agents provide services remotely, companies need to invest in technologies that help agents feel connected to the company and their peers and allow them to share knowledge.



## Best Practices for Operating a Virtual Call Center.

Most of the steps in the virtual contact center lifecycle (shown in Figure 1) are familiar to businesses running traditional contact centers; but the resources required to execute, track, and monitor down to the individual agent level in a virtual environment are quite different. Essentially, organizations need the following:

- **Best practices geared specifically for building and managing a virtual workforce.**
- **A super-set of the supporting tools required to manage a traditional, brick-and-mortar facility - delivered in an on demand, real-time manner.**

### Selection and On-boarding

Finding agents is one of the biggest challenges for traditional contact centers - especially those with cyclical or seasonal operations. When companies need to meet peak demand, they will often accept anyone who comes through the door. And because they only have a limited selection of candidates within a 25-mile radius, even those companies with top-notch screening tools can't be picky. Moreover, processes tend to be paper-based and costly. For example, a large contact center may require anywhere from six to ten full-time people and 8-10% of real estate space just to

source agents, hire or contract with them, and on-board them.

### Best Practice: Finding and on-Boarding the Right Talent - Regardless of Geography.

With a virtual contact center, companies can use powerful, online sourcing tools to find talent nationally - regardless of where they are located - and have a diversified community to match different callers' interests and needs. The pool of potential candidates is much larger, which changes the whole sourcing equation from "How do I find people?" to "How do I select the best from so many people?" And by deploying online, real-time processes that allow candidates to apply online, companies can have unlimited, concurrent nationwide sourcing.

Ideally, the software deployed should support a web-based agent screening process that automates, monitors, and tracks all phases of the sourcing, screening, and on-boarding process, including background and reference checks; phone manner, personality, behavioral, and reading comprehension tests; voice tests; and even screenings to allow agents to choose those programs that best match their strengths.

Automation of these and other back-office activities allows companies to source a large number of high-quality agents quickly - and do so with only a small set of resources managing the process.

### Education and Certification.

Ramping up agents on new programs is essential to providing consistent, quality service. But in traditional contact centers, even the simplest training can take a week to complete because of the logistics involved in getting people to correct locations, having them fill out paperwork, teaching them basic job skills, and taking breaks and lunches. After these activities are accounted for, businesses may only have 20-25 hours of actual training left in a 40-hour work week. Quality of instruction is also at risk, especially for businesses that rely on seasonal workers, as hiring top-notch, seasonal instructors for short training programs can be difficult. And finally, traditional training settings provide instructors with very little opportunity to measure what attendees actually understand and recall - a major determinate of



future quality and performance. Traditional classroom instruction is also problematic because it is completely linear. This limits business agility because managers can't recruit and quickly train large numbers of new agents to meet seasonal demands. For example, if they only have space to educate 50 people a week - and they need to have 500 new agents up and working in six weeks, they may have to start training and scheduling people weeks or even months more before they technically need them to start. Finally, traditional classroom instruction does not take into account varying abilities of people to assimilate new material. In every class, a large group of students will be bored with material presented too slowly, while others will struggle with the pace of learning.

### **Best Practice: Make Learning and Certification Resources Available online for Anytime, Anywhere Access**

In contrast, with a virtual contact center, businesses can take advantage of e-learning solutions that enable hundreds of agents to ramp up simultaneously on new programs - right from home or a remote location, and at times that are convenient for them. There are no physical and people logistics to manage, so companies can focus on developing the highest

quality content possible. For example, they can hire real experts to create materials so that every agent has the opportunity to "learn from the best instructors." Businesses can also develop materials that take into account different learning styles - for example, by presenting the same information in documents, videos, and lists of frequently asked questions (FAQs) and answers. Learning is also self paced, which enables agents who don't understand something to go back and review before moving on. And finally, personnel can build in certification tests that accurately assess comprehension (as compared to "training" where agents sit through instruction but are not required to demonstrate that they understand and can apply what they learned).

Remote, online e-learning environments also give companies the flexibility to roll out new marketing programs quickly and cost effectively. Because they support non-linear learning processes, companies simply develop the online content and certification tests for new programs and make these resources available to agents, complete with deadlines to complete the certification process. If needed, they can have hundreds and even thousands of agents ready to take call by a tar-

get date - without having to stagger training dates or schedule agents to work well in advance to ensure adequate coverage.

### **Scheduling Agents.**

In a traditional contact center, managers are forced to schedule agents in three- to eight-hour blocks so that agents are motivated to come in to work; having agents drive in for anything less than three or four hours isn't an efficient use of resources. This means that when demand suddenly increases, managers can't just call people in for a 1.5 hour emergency shift or let agents go early because demand is unexpectedly low. In addition, managers have to deal with unpredictable variables such as weather, which can jeopardize coverage because people simply can't drive to work.

Scheduling agents to cover nights, holidays, and weekends - which can be the busiest times of the week - can be particularly challenging. Coveted day shifts are usually made available to agents with the most seniority in order to reduce turnover. As a result,



nights, weekends, and holidays are usually staffed by newer, less experienced agents. Given that working these hours significantly impacts family life and quality of life – particularly for single parents who need to schedule childcare – traditional contact centers have much higher turnover among new agents. Turnover drives up recruiting costs and reduces quality because companies have difficulty developing a large team of experienced agents. Finally, the task of balancing all of the individual needs of agents for time off or other scheduling variables is vexing and time consuming.

### **Best Practice: Deploy an online, Pull-based (or opt-in) Scheduling environment.**

With virtual contact centers, companies can set up an online “scheduling marketplace” whereby agents can proactively schedule themselves to work around their availability and take shifts appropriate for their own time zone. Using innovative, pull-based scheduling applications, companies can offer agents the flexibility to schedule themselves in 30-minute blocks or longer. (For example, a working single mother can develop a schedule that allows her to drop her child off at preschool, come back and provide services for three hours,

pick her child up at noon and care for him until bedtime, and then resume services from 8pm until midnight.) This flexibility alone can dramatically decrease turnover because quality of life is so much higher. Most companies also find that this approach makes it easy to ensure coverage of week-ends, evenings, and holidays; because agents can provide services in the comfort of their own home and for short blocks of time, they are happy to pick up blocks of time in off-peak hours. Also, for calls that require a dedicated pool of agents, companies can set rules that require agents to commit to a minimum number of hours in order to be eligible for participation.

And finally, online scheduling environments make it far easier for companies to deal with unexpected spikes in demand, as well as “cancel” scheduled, committed time when call volume drops precipitously. With the right technologies in place, they can send agents alerts via cell phone, text message, email, and voicemail broadcast so agents can volunteer for emergency back-up or sign up instantly when there’s additional work. All of this can be accomplished with a minimum of back-office staff, as the scheduling is accomplished by the agents themselves.

### **Supervising Agents.**

Managers of virtual contact centers need to monitor the performance of their agents – just as those in traditional contact centers need to do. But finding and retaining good supervisory resources within a 25-mile radius of the contact center isn’t easy. And the traditional model – where supervisors can see agents face-to-face and share an encouraging word to keep agents motivated – isn’t necessarily the most cost efficient or effective approach. A single supervisor can only oversee the number of agents that the facility can physically hold. In addition, their “visibility” into agent performance is limited to trolling floors or sitting by the phone or in a command center to answer questions.

### **Best Practice: Equip Home-based Agents to Supervise in Real Time.**

In contrast, companies managing a virtual contact center are free to source managers or other operational personnel nationally, which broadens the talent pool considerably. And because they can offer the best talent the flexibility of working from home in



a part-time or full-time capacity, they can not only recruit the best personnel, but retain them longer.

Innovative technologies are available to enable home-based personnel to monitor the performance of other remote agents in real time. They can also give them constructive, one on one feedback; host development sessions that thousands of agents can participate in simultaneously; and answer agent questions via email, instant messaging, and chat rooms staffed 24 hours a day. When businesses deploy their virtual contact center using an integrated platform with unified data, supervisory personnel can also monitor everything that agents do in real time – from actual conversations with customers to computer keystrokes – and access this information in a secure manner.

### **Incentive Performance.**

In a traditional contact center, companies typically use infrequent, paper-based performance evaluations to provide feedback, determine pay rates, and encourage agents to perform their best. But these touch points are few and far between because they are costly and time consuming for managers to perform. Given the routine nature of contact center work,

even the most senior agents need constant incentives and feedback to perform their best.

### **Best Practice: Manage the Contact Center as a Meritocracy.**

With virtual contact centers, companies may want to create a community based on performance. Companies need to develop automated, data-driven performance systems that enable managers to objectively measure and reward performance in real time – and ultimately create a meritocracy whereby agents are compared to their peers and rewarded based on their relative performance. Top performers can be rewarded in ways that mean the most to them – such as earning the option to schedule time for the most coveted programs and time slots. Companies can also enable performance-based routing so that top performers get a higher volume of calls and earn associated incentives for answering more calls (for example, higher pay when agents are paid per minute of talk time).

Ideally, incentive systems should put agents in the driver's seat by proactively providing them with real-time information about their performance

relative to their peers on recent calls. Metrics tracked can vary from program to program so that, for example, agent performance for a very sales-heavy program may be assessed by tracking agent sales skills and the revenues each agent generates, while performance on customer support calls may be measured based on customer satisfaction or product knowledge. Agents should be able to see their scores on individual metrics so they can see exactly where they have to improve. Systems should also provide links to e-learning materials so that agents can proactively take steps to improve areas of weakness. These scores should be updated frequently so that agents can see how improvements in their performance quickly translate into higher scores and compensation. Agents should also be able to see how their scores compare to other agents' scores – both relative to the best agents and the average agent – as this information has been found to intrinsically motivate agents to change their behavior in beneficial ways.



These types of unified, merit-based incentive systems drive the behavior of agents so that they perform their best, every time they pick up a call. And for new agents, it means that seniority is not a matter of time, but rather quality of work. Anyone can be a top performer – even a hard-working new agent.

### **Auditing Calls To Insure Quality.**

Monitoring and reporting on activities is essential to any contact center – both traditional and virtual. Agent calls must be audited on a regular and frequent basis, and data must be compiled and reported on swiftly so that companies can address performance issues before they negatively impact business outcomes. But in most traditional contact centers, the resources available and methods used to support these activities tend to be costly and inefficient. For example, companies may use call recorders, hire QA teams to perform audits (often using paper-based grading), and track results in spreadsheets. Because of resource constraints, most businesses can only perform random audits, as opposed to targeted audits for potentially problematic or under-performing programs. In addition, because most

have a relatively small group of trained auditors, they can only review a limited number of calls per day.

### **Best Practice: Deploy Technologies that Closely Monitor and Report on Agent Activity.**

With virtual contact centers, companies must be able to monitor and verify what agents are actually doing – since no one can actually see an agent in the act of picking up a telephone. Companies need to deploy technologies that record every call and provide company personnel with instant, real-time insight into agent performance. They also need to build up a large pool of certified auditors (typically trusted, senior agents) who can perform both random auditing (which ensures that all agents know that their calls can be monitored at any time) and exception-based auditing (which enables companies to pay specific attention to sensitive issues or higher-risk programs). Because they can source agents nationally, companies can establish a much larger pool of auditors, giving them the flexibility to scale up resources as business needs change.

Companies also need a way to track and report on hundreds of different metrics – data that helps them identify specific issues that may arise on calls. Ideally, the software that supports reporting should allow businesses to look at performance across all agents, campaigns, and programs. This level of analysis provides organizations with powerful visibility into the performance of their virtual contact center, the programs they are running, and every agent on the program. For instance, if a business is seeing poor performance on the second up-sell in a script, managers should be able to use a real-time reporting tool – combined with the recorded calls – to identify agents who may not be reading the entire script during that portion of the call. This allows the contact center personnel to take immediate and precise corrective action. Ideally, agent performance on audits should also impact call routing and ultimately agent pay.



## Building Community.

Agents working in traditional, brick-and-mortar contact centers have the opportunity to meet their peers face to face, develop friendships, and support one another by answering questions on the fly. When properly encouraged and supported, these human interactions go a long way in building group cohesiveness, improving retention, and increasing job satisfaction.

### **Best Practice: establish Multiple Lines of Virtual Communication to Build a Strong Sense of Community.**

Successful virtual contact centers find ways to recreate – and even improve upon – these types of peer-to-peer interactions to build a strong sense of community. As community-based forums such as Wikipedia have demonstrated, investments in this area can greatly enhance the quality of the products delivered and the speed with which they are delivered – and these same benefits apply to the delivery of contact center services. Companies need to provide agents with multiple ways to ask questions of other agents, stay connected to the company, and build a meaningful social network. For example, businesses can support online chats and establish in-house forums so that agents can talk of-

flin about anything without fear of repercussions (barring obscene language and personal attacks on others). Businesses can also implement a peer-to-peer “coaching” process whereby agents can listen in on calls and provide constructive feedback to other agents – feedback that can help improve the contact center’s customer satisfaction and service level scores.

Establishing multiple, open lines of virtual communication not only increases job satisfaction and retention, but also gives management an inside view into areas of agent frustration. By monitoring these communications, companies can proactively identify and address issues to reduce turnover and foster community loyalty. Responding to agent needs can go a long way toward making home-based agents feel connected to the community and valued for the services they provide.

### **The Key to Success: Start With an Integrated, On-demand Platform.**

To implement these best practices in an optimal way, companies need to carry out every step of these best practices in the virtual contact center life cycle in an integrated manner. In addition, they need to be able to track and measure every action and activity

in real time. This is only possible when companies have centralized data and fully integrated processes. From a technology perspective, businesses interested in transitioning from traditional brick-and-mortar contact centers to virtual contact centers have several options when setting up an integrated virtual contact center:

#### **• Take a build-your-own approach**

In this scenario, businesses have to invest heavily in multiple, fragmented technologies – including custom applications – to piece together a solution to support the lifecycle. But this is costly, can take years to develop, and often lacks scalability. In addition, putting in place technology that makes it easy to manage telephony routing in a virtual environment is extremely difficult to build and would likely require IT to assist whenever changes are made – a time-consuming and costly effort.

#### **• Deploy an integrated, on-demand platform**

Alternatively, they can pay to use a pre built, integrated, on-demand platform that is designed from the ground up to support the entire lifecycle.



Integrated, on-demand platforms offer significant benefits over the “build-your-own” approach. For example, companies can quickly deploy all of the functions needed to support the full life cycle – and do so in a way that is less costly, lower risk, and more scalable while ensuring a faster RoI.

In addition, a fully integrated, on-demand platform provides greater visibility into operations, as data captured in the course of daily business is centralized and readily available for reporting and analysis. This is essential to effectively managing home-based agents.

### **Stringcan: Agent Flexibility**

Stringcan, the leader in on-demand virtual contact center technology and services, provides businesses with cost effective, high-performance contact center solutions that ensure consistent, high-quality customer contact. These solutions provide greater flexibility, quality, scalability, control, and cost savings compared to traditional contact center technology providers.

For companies that want to outsource all or part of their contact center operations, Stringcan offers a complete, on-demand solution that leverages its on-demand workforce of 20,000 experienced, independent agents. Businesses gain an enterprise-scale, virtual

contact center infrastructure and expert resources that can be deployed quickly to represent their organization in an effective, professional manner. For companies interested in building their own virtual contact center, they can deploy the Stringcan on-Demand Contact Center and Application Suite. Because it’s available using a Software-as-a-Service (SaaS) model, the platform eliminates the need for large, up-front technology investments, as well as IT maintenance, integration costs, and headaches associated with setting up and managing a traditional contact center.

The platform supports every step in the virtual contact center life cycle by efficiently integrating the state-of-the-art contact center infrastructure components required to support operations, including:

- **Agent sourcing and certification**

The platform provides online tools for sourcing, contracting with, and onboarding the right talent – regardless of where they are located.

- **Intelligent call routing**

Companies can use performance-based routing techniques to route calls to the agent that will provide the best possible customer experience.

- **Agent management**

The platform provides multiple communication channels for agent/facilitator communication, performance feedback, and online learning.

- **Scheduling**

Businesses can use built-in tools to perform more accurate capacity planning; flexible, pull-based (self-scheduling); or push-based (supervisor scheduling) scheduling, as well as monitor agents and team performance in real time.

- **Call monitoring and reporting**

Companies can track performance or service level metrics in real-time or historically, and do so at the individual agent or aggregate level. They can also audit call recordings at any time.

- **Community tools**

The platform provides sophisticated collaboration tools, including a coaching co-op, chat, email, and community portals that can facilitate development of a virtual community.