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# *Call Centers*

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**by Réal Bergevin, Afshan Kinder,  
Winston Siegel, and Bruce Simpson**

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# *Dedication*

This book is dedicated to the unsung heroes inside every call center. From front-line agents to team leaders and managers, you inspire us — and you inspired this book.

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# Introduction

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**W**elcome to *Call Centers For Dummies*, 2nd Edition. If the topic of call centers has piqued your interest, and you're looking for a road map that can help you lead and manage a call center, you've come to the right place. The purpose of this book is to demystify call centers, explaining clearly what they do and how they do it, all in a simple, straightforward manner. We hope that you'll have a little fun along the way, too!

In the first edition, Réal Bergevin clearly laid out his approach to call center management and did an excellent job of covering a wide range of related topics. So why did we write a second edition? Well, call centers have changed significantly because of the advancements in technology and the growing influence of the Internet. A new challenge now exists because customers have many ways to communicate with the call center. In addition to the good ol' phone, customers can use e-mail, online chat, or text messaging to express their feelings or ask questions about products or services.

In addition, many agents can work from home now, so you need to be able to communicate with those home agents effectively. You also have to find innovative ways to lead, motivate, and coach people remotely.

With change coming at a fast and furious pace, how are you going to provide consistently exceptional service to your customers? You can conquer this seemingly difficult task by sticking to the fundamentals, which we cover in this book. This book draws on the experience and insight of four people (us!), but we all lead our businesses by using the same people-first philosophy.

We can't think of a better vehicle for sharing our knowledge, vision, and philosophy for leading and managing call centers than this book. We hope that you enjoy reading it as much as we enjoyed writing it.

## *About This Book*

Many people have developed some pretty strong opinions about call centers. Executives and analysts alike realize more than ever that call centers can have a tremendous impact on a company's revenue, costs, market intelligence, and customer loyalty. Call centers have become a significant part of local and world economies.

A well-run call center doesn't happen by accident or chance. It happens only if the leader of the center has a clear vision of what can be achieved and creates an environment where high-performing teams can flourish. This book can help because it's full of best practices for leading people and managing process and technology.

Because of the complexity of operating a business in today's world, many call center professionals have come to us to deepen their understanding of how changes in business affect call center operations. We hope that you benefit not only from this book's collection of best practices, but also from the depth of knowledge that we've gathered through our combined half century of experience. The difference between this book and the variety of call center publications, seminars, and Web sites out there is that this book doesn't offer a call center "theory of everything." We share with you concepts and practices that have worked for us in our operations. We know that managers benefit from their mistakes as much as they do from their successes, and through these pages, you get the advantage of seeing what to do as well as what not to do.

## *Foolish Assumptions*

If you work in the call center industry, this book gives you an easy-to-use and (we hope) easy-to-read reference guide to the effective operation of a call center. We make some assumptions about who you are and what you may be looking for in this book:

- ✔ You're a hotshot MBA tracking through your career, and you find yourself running a call center.
- ✔ You're an experienced call center manager, and you're looking for some new ideas and perspectives.
- ✔ You supply the call center industry and want to better understand your clients' management perspective.
- ✔ You work in marketing, finance, or human resources, so you have some contact with a call center and wonder what goes on in it.
- ✔ You're considering a career in call centers.
- ✔ You're working in a call center and want to advance your career by unlocking the mysterious, ancient call center secrets.
- ✔ You're looking for new material with which you can dazzle members of the opposite sex. (Okay, we don't make any promises about this one.)

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## *How This Book Is Organized*

*Call Centers For Dummies*, 2nd Edition is organized in six parts (plus two appendixes), each covering a different aspect of the call center. Chapters within each part cover specific topics in detail. Each part contains concepts and definitions, interesting facts and anecdotes, and (in most cases) practical how-to suggestions pertaining to the topic. You can take any approach to tackling this book. Unless you're a seasoned call center pro, however, you'll probably get the most out of this book by starting with Part I.

### *Part I: From the Ground Up: An Overview of the Call Center*

This part provides a good overview of many of the topics covered in more detail in later parts. Consider it to be a call center primer, with a little bit extra. If you're just getting started or want a brief indoctrination in all things call center, you may find this part to be especially useful.

In this part, we also discuss planning a new call center and considering outsourcing, and we introduce a business model for building a call center and relate that model to the larger corporate mission and goals.

### *Part II: The Master Plan: Finance, Analysis, and Resource Management*

This part looks at call center analysis, financial planning, and staffing. We provide a simple overview of how (and what) measures come together to drive a call center's operational and financial performance.

Also in this part, we uncover some of the mysteries of how and why call centers perform the way they do, and we explore everything from forecasting to schedule creation and workforce management automation.

### *Part III: Making Life Better with Technology*

Part III reviews call center technologies, including basic requirements, valuable enhancements, and home agent programs. We also cover a simple

approach to recommending and justifying new technology, and we show you what this technology can do for your customers, your agents, and your call center.

## ***Part IV: Creating High-Performance Teams***

In this part, we cover recruiting; establishing job expectations; offering training, feedback, and support; and creating employee engagement. We also show you how to implement a simple five-step process that can guide the way you manage agents' performance.

## ***Part V: Ensuring Continuous Improvement***

In Part V, we explore the call center process and how to manage and improve it. In addition, we examine policies, procedures, and the effects of legislation and employment law on call centers. We also give you the scoop on mastering change, as well as details on various quality programs and certifications for call centers.

## ***Part VI: The Part of Tens***

In this part (a *For Dummies* classic), we offer tips and techniques that we've collected from the call center industry. These quick hits can give a boost to your company's revenue and efficiency, employee morale, and customer satisfaction. Even if you don't read the rest of this book, check out this part!

## ***Appendixes***

Many industries use a language all their own, and the call center industry is no exception, so Appendix A provides a glossary of key call center concepts. Appendix B gives you access to support services such as call center associations, technology suppliers, and consultants.

## ***Icons Used in This Book***

We've placed several icons throughout this book to point out certain information, and these icons have the following meanings.





Material marked with the Tip icon provides a general recommendation about how you can improve your call center or run it more easily.



This icon flags any potential pitfalls that you may want to be careful to avoid.



This content is — you guessed it — the stuff we don't want you to forget.



This icon designates information that you probably don't need to know but may find interesting.



This icon points out real-world stories that we've experienced or that someone told us.

## *Where to Go from Here*

We certainly invite you to curl up on a Saturday night with a nice cup of tea, hot chocolate, or whatever and read this book from cover to cover. We're sure that you hard-core call center types will find it quite gripping — a real page-turner.

We suspect, however, that some of you may not have the desire or need to read this entire book straight through. We encourage you to find the part that interests you most and start there.

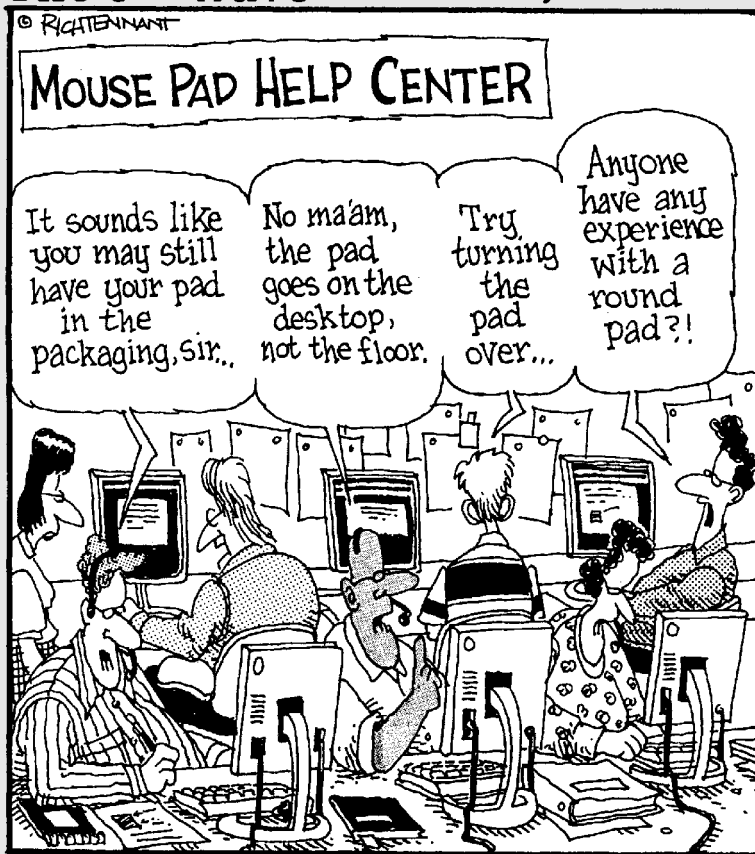


# Part I

## From the Ground Up: An Overview of the Call Center

The 5<sup>th</sup> Wave

By Rich Tennant



## ***W*** *In this part . . .*

*W*e answer the question “What is a call center?” and explore what makes a good (or bad) call center. If you just want to know how call centers work, are thinking about working in one, or have ever had any aspirations to start a call center of your own, this is the part for you.

In this part, we introduce a business model for building a call center and relate that model to the larger corporate mission and goals. We examine the organizational structure, exploring the roles you need to fill to ensure that the center performs according to its business model and goals. We also discuss the logistics of building a call center and some key factors to consider if you’re thinking about outsourcing your call center.

# Chapter 1

## A First Look at Call Centers

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### *In This Chapter*

- ▶ Understanding what call centers are
  - ▶ Following the evolution of call centers
  - ▶ Knowing how call centers operate
  - ▶ Differentiating the good and bad aspects of the industry
- 

**F**or years, Réal's mom has been asking him, "What is it you do, again?" Well, here it is, Mom: He works in a call center. In fact, he works in a lot of call centers. Okay, okay — you don't know what a call center is. Well, this chapter explains it all.

### *Defining Call Centers*

Here's a basic definition of a call center: When you call, say, an airline, cable-television company, or bank, the person you deal with at the other end of the phone is a call center *agent* (or perhaps *representative*, *consultant*, or *associate*), and the office or department that this person works in is a *call center*. Sometimes, a call center consists of just one or two people sitting beside a phone, answering customer calls. Often, it's a very large room that has a lot of people neatly organized in rows, sitting beside their phones, answering customer calls. To the customer, the call center is the voice of the company. If you're angry, you often get mad at the person at the other end of the phone. After all, you're talking to the company, right?

To the company, the call center is many things: cost center, profit center, key source of revenue, key source of frustration, strategic weapon, strategic disadvantage, source of marketing research, and source of marketing paralysis. The role of the call center varies from company to company, depending on how closely the call center works with the parent or client organization to support the company's goals and the ability of the call center itself.

## *Inbound, outbound, or blended*

Call centers communicate with their customers in several ways, depending on the type of call center. Call centers fall into three main categories:

- ✔ **Inbound:** In an *inbound* call center, customers initiate the calls. Customers may make these calls to buy airline tickets, to get technical assistance with their personal computers, to get answers to questions about their utility bills, to get emergency assistance when their cars won't start, to get advice from a nurse about minor medical issues, to buy insurance for their cars, or to talk to a company representative about any number of other situations.
- ✔ **Outbound:** In an *outbound* call center, agents of the company initiate calls to customers. Your first reaction might be "Telemarketing, right?" Well, yes, a company may call customers in its telemarketing campaign, but companies have a lot of other good reasons to call their customers. Companies may call because the customer hasn't paid a bill or because a product that the customer wanted has become available; they may call to follow up on a problem that the customer was having or to find out what product or service enhancements the customer wants to see.
- ✔ **Blended:** Some call centers are *blended* operations, in which agents handle both inbound and outbound calls.



As we outline in Chapter 8, blending, done well, can make call center operations very cost efficient and can improve customer service as well.

## *Contact or call center: What's in a name?*

The explosion in popularity of the Internet and wireless technologies has changed the way people communicate. People still use the phone (although it's frequently a cellphone these days), but they also communicate with friends, Romans, and Walmart by using e-mail, online chats, Web forums, and instant messaging. Call centers have responded to this change. In fact, they're increasingly being called *contact centers* to reflect the fact that they handle more than just phone calls. These facilities are centers for customer contacts in whatever ways customers want to communicate: letters, faxes, Web chats, e-mails, and so on.

Another term that you may have heard is *virtual call center*, in which a group of agents work from their homes instead of being situated at workstations in a building operated by the organization. Some centers are a blend of at-home agents and on-site agents. Working from home is a fantastic arrangement for many employees: The hours are often flexible, and the job has no dress code