



The Value of Home Based Agents

Presented by

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Introduction

There has been a rapidly increasing level of interest in the use of agents working from home as an alternative to the traditional, facilities-based call centre approach. It is particularly interesting to follow how many in the call centre industry have characterized the value proposition underlying this business model.

More often than not, discussions about the use of home-based-agents centre around the cost-savings aspects, with a particular focus on the use of home-based-agents as an alternative to sending calls offshore. Terms such as "home-shoring" are creeping into the call centre vernacular, implying that companies should look at the use of home-based-agents as a way of gaining the benefits of offshore centres (low per-unit cost) without having to deal with the operational and political concerns associated with sending calls out of the country. Although this can be accurate; it can also, be a red herring.

Today I will be discussing the real value proposition of Home based Agents

Agent Quality

The single most significant advantage of using agents who work from their homes is higher-quality agents.

The reason the home-based-agent model delivers on the promise of providing higher-quality agents is rather straightforward.

For a given affordable wage rate, the larger the pool of candidates from which a company hires its agents, the more selective it can be in the quality of those agents. In a traditional, physical call centre, there is a fairly limited radius from which a company can expect to hire agents. That radius probably is on the order of a 30-minute commute.

With a home-based-agent model that provides regional, national or even international access to agents, the candidate pool is essentially unlimited. Instead of desperately trying to keep seats filled, companies employing home based-agents have the luxury of hiring only the very best of those applying for positions.

However such a large reach does not automatically yield a high-quality workforce. It is important that the company has specialist processes, designed to identify those candidate characteristics that will lead to outstanding performance in a home agent environment.

Once on board, those agents expect a professional and efficient operation, with appropriate training, communications and support. Again specialist attention to the needs of home based employees is critical.

The company that can meet all of these expectations will be rewarded with an agent workforce that is extremely difficult to replicate in an affordable manner at scale with a traditional call centre model.

Redundancy

Next on my list of the benefits of a home-based-agent model is the unique opportunity to create a true, fully redundant service offering.

Traditional call centres can implement a wide variety of sophisticated and redundant hardware and software infrastructures, providing for very high systems availability.

But being able to route calls and data to an alternative location in an emergency is not very helpful if the agents trained to answer those calls all live near the primary (now non-operational) facility.

Transporting trained agents to alternative locations may look good in a disaster recovery plan, but the logistics and realities of actually implementing such a plan often undermine the intended redundancy.

Building multilocation redundancy in a home-based-agent model, with agents dispersed over wide geographic areas, provides an excellent redundant infrastructure.

Flexibility

One of the attractive characteristics of the home-based-agent model is that provided you have the appropriate technology and HR in place, it is possible to quickly add or remove staff in the event of unexpected changes in call volume.

By utilising agents who are trained on a given call type but not normally scheduled during that time, it is possible to significantly increase staffing in a matter of minutes. Not only are those agents far less likely to drive to a call centre in such an emergency, but the time required to mobilize and effect any significant increase in staffing would likely be measured in hours rather than minutes.

The home-based-agent model provides an additional flexibility benefit in that it can more easily expand its capacity to handle forecasted surges in call volume.

Examples include these: seasonal increases. Similarly, many call centres find themselves needing to staff for short bursts of activity related to month-end billing cycles or periodic product releases. As well, most call centers experience heavy Monday volumes, the activity then subsiding throughout the week.

The ability to add staff without needing to worry about availability of physical seats with the related infrastructure, such as parking, food services, break rooms, etc. - to accommodate those forecasted surges can be a significant benefit.

With agents working from home, the only fixed infrastructure needed is the technical system capacity to handle peak concurrent agent load. In having more of the part-time workforce deployed during those surges, it is much easier to provide consistently high service levels.

Control

Often the first concern raised about implementing home based agents is the false assumption that there is an inability to control or manage behavior with home-based-agents.

Traditional thinking and business processes call for face-to-face management of large agent populations. Management by way of wandering about is the too-often-employed default in many traditional call centres.

In a distributed-agent model, traditional processes are inadequate, so new processes and systems are needed in order to manage the workforce. Implemented properly, the result is a system-driven control infrastructure that actually provides a much higher degree of "visibility" as to what every agent is doing at every moment.

Good systems provide the support necessary to maintain absolute control; and with thousands of agents working from home, there is either absolute control or total chaos. Because there cannot be any middle, the home-based-agent model is required to operate with a very high level of control. Unity4 designed our RapportCMS technology for this reason.

Security

Building a secure technical infrastructure is fairly similar in both traditional and home-based-agent models.

The people aspect, however, is more advantageous by way of the home-based-agent model.

The first thought that comes to mind for most of us when we consider data security is the external hacker or malicious program that tries to access sensitive information.

In fact, if you were to ask most security experts what they think is the most vulnerable point in a given data network, they probably would tell you it is by fault of the internal people who are authorized to access those data.

Whether through intentionally accessing protected data for improper purposes or through inadvertently making system accessibility available to outsiders, authorized users usually are a company's greatest security risk. The ability to be so much more selective in hiring people to whom system access will be granted allows a company using home-based-agents to significantly reduce the likelihood of a security breach.

Similar to the control factor, the unique business processes needed to support a large, distributed workforce provide the opportunity to implement a much higher level of security than typically is accomplished in a traditional centre.

Every action of every agent at all times must be monitored and recorded by the supporting systems in order to maintain control. So it follows that there is the opportunity to leverage that control to increase security.

In fact, simply making agents aware of the level of activity monitoring that takes place can be a significant deterrent to inappropriate behavior.

Of course, the threat of attacks from outside of the network remains important. Therefore, it is necessary to build an infrastructure that has all of the appropriate technical protections in place. Agents working from home can connect to data systems through secure SSL connections over the Web, or through VPN tunnels, or using a variety of middleware products designed to provide secure, remote access.

Cost

The use of home-based-agents as a viable "alternative" to sending calls offshore - seems to be predicated on an expectation that the cost savings which result from not needing a physical workplace is comparable to the savings that result from the much lower labor rates in offshore markets.

But of course the single largest expense in any call-handling model is agent labor, and that the labor rates in the most common offshore locations are a fraction of those in domestic labor markets.

It is therefore not possible for a home-based-agent model to compete with offshore models if the measurement is simply on the basis of the cost per agent hour (or per minute, or per call).

However, that does not mean the home-based-agent model is without significant cost benefits.

Traditionally, it generally is necessary to schedule agents for a minimum of four hours at a time; that way, it is worthwhile for the agent to take the time to commute to the call centre.

With this scheduling limitation, it can be exceedingly difficult for a traditional call centre to match its workforce with the incoming call volumes in a manner that yields high agent utilization without compromising acceptable service levels. In order to maintain acceptable service levels, it generally is necessary to operate at lower-than-desired agent utilizations during certain periods of the day.

In contrast, a home-based-agent model affords a company the ability to schedule its agents in much smaller time increments; often with multiple schedules in a given day. This ability to more closely match agent labor to forecasted incoming call volume can yield a significant cost savings. Although the unit cost per hour (or per minute) may be comparable to a traditional centre, the number of units required to complete the job can be much lower.

And then we come back to quality, If the call's nature is sales, the benefits are clear: agents who have been selected because they are friendlier, smarter and the best possible representatives for the product or service being sold will produce higher close ratios and higher average-order sizes.

The higher levels of agent satisfaction resulting from the convenience of working from home also result in longer average tenures, which further translate to increased product knowledge and experience levels.

The Future?

Given the compelling value proposition why more companies haven't made the move to home based agents? The first reason is it can be really difficult to do!

The selection of appropriate technology to enable the highest level of control, management and reporting is key. Technology that works in a traditional model may not be appropriate in a home agent model.

Management change is also the key to the greater implementation of home based agents. Management must recognize that traditional face to face methods are not the be all and end all of running a contact centre. Trust, transparent and mature process's are vital.

It cannot be overstated how important specialization is in relation to the recruitment, management of home based agents

Making the assumption that it is possible to extend traditional operational models out to the home is a big mistake.

While it may work for a few agents, the chaos that would result from a more aggressive initiative - without a major shift in operational philosophy - could be disastrous.

On a more practical basis, many companies have been reluctant to move to a home-based-agent model because of the enormous amount of existing investment in traditional call centre infrastructure.

The brick-and-mortar aspects of that investment certainly are completely unusable in a home-based-agent model.

But Companies also find that much of their technology, business process and human resource investment are of little or no value in this model, as well.

But change is happening; many large corporations are realizing the true value proposition of home based agents and setting up specialist teams

Unlocking the human capital available in this vast county by employing people irrespective of physical location or ability to commute, is a key tenant in our development as an industry and a technology focused country



Dan Turner: CEO, The Unity4 Group

Dan is a founding partner of the Unity4 Group and has been very active in the industry for more than 12 years.

Early in his career, Dan managed significant call centre operations in some of the larger, more traditional environments.

This experience, coupled with a deep held belief that there was a better way to deliver call centre services to a demanding customer base with evolving needs led to the founding of the Unity4 Group.

Over the past eight years Dan and Unity4 have successfully undertaken significant engagements for a wide range of customers including:

NRMA, Roche Products, GlaxoSmithKline, Pfizer, Schering Plough, Galderma , CSL, Energy Australia, Westpac / Cap Gemini Ernst Young, ReMark Asia Pacific , NSW Police, DIMA and Sydney Water to name just a few.

More recently, Dan has focused on developing and deploying the RAPPORT^{CMS} platform as a standalone product offering with significant and successful deployments at NEWS Corp, ADMS, Service Stream, FoneZone, NRMA, Club Assist, VodaFone, Flexirent and Country Energy.

The Unity4 Group

The UNITY4 group, a pioneer in distributed contact centre technology and services, has two key areas of expertise:

People: UNITY4 is a leading global outsourcing partner employing contact centre agents who are exclusively home based. We attract and retain one of the most experienced and motivated workforces in the industry.

Technology: RAPPORT^{CMS} Contact Centre Technology is delivered as 'Software as a Service'. This Industry leading platform has been developed from the ground up to enable advanced contact centre capabilities and fully supports contact centre agents whether they be located on site or at home

- a true virtual environment!

We are not afraid to challenge ourselves and our clients

Innovation is not just about answering questions, it is about stopping the questions from ever needing asking

Unity4 Outsource Services

- Unity4 is a full service outsource contact centre provider.
- Utilising voice, SMS, email, fax and mail to communicate with our clients in a seamless, one-to-one basis.
- Established September 2000
- Unity4 is 100% Australian Owned
- Profitable every year of operation
- Annual growth rate of 50-100%
- Our team is 100% home based
- ISO9001:2000 certified

RAPPORT^{CMS} Home Agent Technology

- RAPPORT^{CMS} is a unified contact centre platform, delivered as 'Software as a Service' and is a complete solution for premise or home based agents.
- Functionality includes:
 - Full outbound dialling capability
 - Comprehensive Inbound capabilities
 - Dynamic scripting environment
 - Campaign management support
 - Customer Interaction Rule Engine
 - Instant messaging between team members.
 - Workforce rostering with schedule adherence capability
 - Call disposition and activity tracking
- Screen Pop/Computer Telephony Integration (CTI)