Chapter 14: Training and Retention

If you've done your staffing correctly, then you should have a fine crop of recruits to be trained on your front lines. They need to be taught the mechanics of the job: how to work the phones and computer, what are the contact-handling procedures and rules, and how performance is measured. You must also teach them about individual products and services, and about their specialties such as help desk, and insurance and securities sales.

You need to find ways to retain agents. And that can be difficult in call centers where the voluntary turnover rate runs from 30 percent per year to as high as 300 percent. To close the loop, effective skills training is one of the techniques recommended by experts to keep employees.

The length of new-hire training typically ranges from 40 hours to 12 weeks. You should also test periodically to ensure that the information is getting through; don't wait until the end. After the agents have been trained, they should be brought up to speed under close supervision. When they meet the same standards as the rest of your call center, then they can be given the same level of attention as the other agents.

✪ KEY SKILLSETS

There are several key call center skillsets most if not all agents must be taught.

Soft Skills

Soft skills are listening, reading, understanding, and responding appropriately to others.

Soft skills enable agents to connect with callers or called parties no matter what the transaction. With these skills, agents get the people on the other hand to buy into what they are saying by demonstrating empathy and interest. Agents can then begin to ascertain needs and limitations, such as when a prospect says, "I don't have the money but I get paid in two weeks".

"Training a new agent in the "art" of customer service should always be part of the new hire training," says Kathryn Jackson, associate at Response Design Corporation (RDC). "Customer service skills should be incorporated throughout the new hire training, regardless of the specialty. An agent who does not possess strong customer service skills is apt to alienate callers, and you face the potential of losing business."

Soft Skills ROI

The return on investment (ROI) exists for product and technology training, says RDC's Jackson, because agents are taught about products and how to sell them. But the ROI for soft skills is more difficult to show. She isn't aware of any studies that demonstrate either a positive or negative correlation between satisfied or angry customers and buying patterns.

"We know from customer satisfaction surveys that customers say if they had a pleasant experience then they will buy again and the opposite, but we don't know if they follow through," says Jackson.

Anne Nickerson of the Call Center Coach says companies can more easily quantify how new technology will reduce head count, or how training on sales skills will lead to increased conversion ratios. But it is more difficult to measure the impact of being empathetic with customers and asking appropriate questions to determine their needs.

Call centers might, for example, measure net changes in quality scores before and after training. Or they can determine cost savings resulting from fewer escalated calls to senior agents or supervisors. Or they might identify "once-and-done" completed calls compared with repeat calls on the same issue.

The long-term impact of soft skills training is on the net value of customer satisfaction and loyalty. To establish ROI, Nickerson asks companies to determine each customer's lifetime value. Let's assume that value is $600 and the cost to adequately train the agent is $200.

"By not providing that training you will lose at least $400 or more, because poor agent training will cost you more customers," Nickerson says.

Companies also find training in soft skills difficult to justify because they fail to adequately monitor and observe agents to learn whether the training is paying off, says Marcia Hicks, senior consultant at Kowal Associates. If you use customer satisfaction as a measure without monitoring and observation, you don't know where the problems are that lead to low customer satisfaction. Sometimes agents can retain customers by letting customers know they're sincerely sorry and are trying their best to ameliorate the situation.

"But you won't know that unless you monitor calls and survey customers," says Hicks.

The soft skills training ROI varies from firm to firm and by application to application, says Elizabeth Ahearn, president of The Radclyffe Group. Her firm has found that when companies boost their soft skills training, their customer satisfaction ratings and sales go up.

"[Because] every company and project has different requirements—some want to increase sales, others their customer satisfaction ratings—the ROI is very much on a case-by-case basis," she says.

Rosanne D'Ausilio's 1996 doctoral thesis, entitled "The Impact of Conflict Management Training on Customer Service Delivery," concluded that a utility whose agents she trained in soft skills saved more than $330,000 annually by slicing talk time by 22.3 seconds. She taught agents handling customer complaints conflict management strategies that enabled them to resolve issues on the first call.

"The company could handle more calls with the same number of employees," she explains. "The 22.3 seconds shaved off each call annually is equivalent to having seven extra full-time agents, according to the utility's calculations."

Cross-selling and Upselling

With the dying away of outbound cold-calling, enterprises are relying more on inbound cross-selling and upselling. If you have screened agents for this aptitude, then you can train them on it.

Sales is part of service; after all, service is about finding out customer needs and meeting them. That can include products or services your organization offers.

There are very successful cross-selling and upselling techniques. But the key to all of them is waiting until the customers are satisfied with what they were contacting the centers about before pitching.

For example, you can train agents on how to initiate and build relationships through engaging customers in a dialogue.

Kathy Dean, partner, Banks and Dean uses the example of a customer calling into a golf gear company to inquire about a brand of club. The agent has been taught or knows enough to ask the customer about his game and what equipment he uses. If the customer responds, the agent continues to build the dialogue. The agent then thinks like the golfer, listens, and identifies needs.

"If a customer reveals a need such as they want an edge in accuracy in their putt, then the agent supplies information like, 'We just got in this new version of putters with tungsten inserts that provides better roll. I could send or email you a fact sheet on them'," says Dean.

'Don't make the mistake of focusing too much on product training at the expense of hard and soft skills training. It is the people who sell the product, not the other way around. You can have that practically impossible acme of an offering: air service that is on time, safe, with direct routes, ample and cushioned seats, and edible food at reasonable fares, or sheer, comfortable and affordable pantyhose that never runs, or software that never crashes and quickly boots up.

But if you don't have agents who can sell and service them and build relationships with your customers, you will get little initial or no repeat business. There are few proprietary products or services. If yours is popular, your competitors will soon mimic it. Those Asian prison factories and copy shacks can turn on a dime.

"The priorities, between product training and soft skills, which I call 'context training,' should be reversed," argues D'Ausilio. Today, the competition is just a click or a call away. The only way your front lines can keep your customers is if they have these skills."

The Radclyffe Group's Ahearn reports that call centers typically spend 80 percent of new hire training time on product training, 10 percent on call center systems training, and the remainder on hard and soft skills.

Instead, they should devote 50 percent to hard and soft skills training (Ahearn calls it "interaction training"), 35 percent to product, and 15 percent on systems. Companies would generate greater customer and employee satisfaction and agent retention if they changed their priorities, she asserts.

Every customer satisfaction survey she's done cites speed of issue resolution at the top of the list. Product knowledge and technology training rank far down the list.

"Customers discount their importance because they expect agents to know the product and how to use their tools," explains Ahearn. "It is the interaction training that

SOFT SKILLS FOR COLLECTIONS

Sounds like a contradiction? Not really. Call centers now seek collections agents with excellent customer service skills and who know how to touch late payers with the velvet glove.

"We're finding that with collections there is a greater importance on soft skills," says Teresa Setting, Kelly Services' vice president of marketing. "The agents must be trained to empathize with customers. But they must also make certain that they get that promise to pay."

matters the most to customers, how agents communicate in delivering world class customer service."

Accent and Dialect Neutralization

If otherwise excellent agents' have problematic accents or dialects, consider neutralization. Long used offshore in countries like India and to an extent in Canada, neutralization takes the broad edge off words, and reduces slang and idioms.

Some employees might object to this on cultural grounds and could make a media-grabbing stink. There's nothing like race and ethnic issues to get out the cameras and the lawyers.

Make sure you have evidence such as customer satisfaction surveys, call monitoring and positive performance scores of employees of the same gender and ethnicity but who have shown that they don't need the training. If all else fails you can remind your audience that the choice is between training people in America, providing jobs, or moving the work offshore. Take your pick.

ePerformax is a unique training firm in that it practices what it preaches; the firm operates a service bureau. ePerformax believes in gradually immersing its trainees. Its training floor is not in some basement or far off room but in a glassed off section of its call center. Agents pass through the firm's exacting standards apprentice with a 3:1 agent/supervisor ratio in its Academy Bay, seen here, on a nonpartitioned section of the call floor. Once passed, agents move to the main section. Credit: Brendan B. Read

✪ NEW HIRE TRAINING TECHNIQUES

Call centers must pay special attention to new-hire training. This process makes or breaks agents. Following are some good methods.

Breaking Up Training

Teach and train agents in one or two skills or call types at a single time, letting them

get comfortable performing one skill before training them on another. You can route calls to an agent based on his or her existing ability to handle a particular call type.

In rare situations, the new agent may simply ask for a senior agent or supervisor to assist with the call. This technique also quickly weeds out uninterested agents as soon as they get a taste of the job.

"With this method, information retention rates are higher, agents feel greater achievement satisfaction, and you get agents on the phone quicker, which is important when turnover is high," says Rebecca Gibson, manager of education services with Incoming Calls Management Institute (ICMI)."Why pay to train agents for the full [training period] if some are going to leave right away?"

Use of Simulations

Gibson sees a place for computer-based simulations in new-hire training. She says it's better for agents to experience a simulation after a classroom lesson rather than the old model of supervisors standing behind them. Information retention is higher as agents learn more.

"A pattern of three classroom days, two simulation days, and three more classroom days enables agents to get the lessons, try out what they've learned and come back with the results of the trial and error, and train again based on what they've done," explains Gibson.

Apprentice-Styled Training

Adults also learn by doing, says Anne Nickerson of The Call Center Coach. Nickerson recommends apprentice-type training where agents get to listen in on calls but only begin taking a few calls, easing into parts of the call alongside the senior agent or coach.

Apprentice-type training is quicker than classroom-only or having agents in training bays with higher supervisor-to-agent ratios. "The apprenticeship reduces the anxiety and stress agents often feel on calls," she says. "That will improve performance and retention."

Integration of Skills and Product Training

Teach agents product and service information concurrently with techniques for handling calls and contacts.

"People don't learn how to apply knowledge just by listening to lectures," says Nickerson. "They learn by being taught what they're going to apply on the job."

✪ CROSS-TRAINING

Train your call center staff in other departments' functions if they interface with yours, recommends Peter Gurney, managing partner with CRM consultancy Kinesis.

If you do have stores near your call center, give your new hires tours and offer gift certificates. The more retail and the call center know each other the better the synergy.

Too many companies do not train agents in other channels, resulting in a disjointed image of the company, missed sales opportunities, and frustrated customers. Sometimes customers call asking about a web offer or a store sale, but the agents have no clue what they are talking about. And that will annoy customers and embarrass agents.

At the same time when customers go to a store, chances are someone there will know

about your company's web site, catalog, and call center. Web sites will have store locations and telephone numbers.

You might be also wise to offer call center customer service training to non-call center staff such as salespeople, engineering folks, and webmasters. Why? Often, customers call your firm through contacts other than your call center number. Also, many people contact webmasters with customer service inquiries.

Some of these inquiries can be serious. On more than one occasion, notes a representative of a medical services company who requested anonymity, ill people emailed the company's Webmaster asking for help. Fortunately, the Webmaster had enough customer service skills to provide assistance.

"Every employee is potentially a customer service person," says Dianne Durkin, president and founder of training firm Loyalty Factor. "When customers contact you, you are representing the company, and it is your responsibility to help them or direct them to the right sources."

⊙ SOFT SKILLS TRAINING FOR TECH SUPPORT

Tech support is almost as different from call center customer service as both are from retail. Customer technical support requires agents to have two seemingly contradictory skills: customer service and technology problem solving.

The first requires people skills, such as listening and empathy; the second entails technical skills like puzzle-solving aptitude. Anyone who has been around engineers and techies long enough know they have the second skill down pat, but that all too many lack the first.

"Unfortunately what you have is a clash," says D'Ausilio. "You have customers who are very stressed out and defensive because they have problems they can't fix. And you have agents who are very knowledgeable and can solve the problems but come across as arrogant and condescending—just what the customers don't need."

While the agents may have the answers, the customers may not listen. The problems are left unfixed. The customers are ticked off, and if they're mad enough, they'll go elsewhere and bad-mouth your firm to others. Even if customers don't leave you, dealing with their issues may entail considerable escalation and productivity costs.

"Customers want to be treated with dignity and respect," says Durkin. "They want to be assured that the person clearly understands their problem and will be able to provide them with a solution. They want to feel understood."

But agents must have the technical skills to do their jobs. The solution lies in training agents and supervisors in customer service skills. Loyalty Factor's program, for example, aims to help companies improve customer satisfaction and service levels and lower turnover rates. In one instance, notes Durkin, Loyalty Factor reduced turnover from 65 percent to 35 percent annually.

The company helps agents learn about themselves and how they relate to others, during four weekly sessions of on-site training. Training introduces agents to four communications styles. Agents are also given profiling tools to understand their style and how to best interact with other styles.

Numerous exercises and role-playing gives agents the opportunity to put themselves in their customers' shoes, and to learn critical skills for managing customer calls.

One exercise demonstrates the need to have a clear, concise questioning strategy. Agents are called to the front of the class and asked to describe an image for classmates to draw. During the first pass, the audience is not allowed to ask any questions. They must rely entirely on the agent's description to complete the drawing. The resulting images are quite different from the original, says Durkin. Only when the audience is allowed to ask questions do their images begin to resemble the initial drawing.

"We teach agents about different ways that people process information and encourage them to listen for clues when the customer speaks," she explains "Then they can respond to the customer in a way that will make them feel comfortable and understood.

"For example, if a customer uses visual words like 'look' or 'clearly,' the agent knows to describe the problem in visual terms. We teach them to stay tuned in for word choices that are auditory or emotional in nature, and then to respond by using similar phrases."

The message that geeks have to be human is getting out. Rick Kilton, RWK Enterprises which provides support-desk training consulting, is seeing more companies look for customer service and people skills, not just product and technical knowledge from their applicants.

"Companies are now figuring out that when their reps deal with customers with polite respect, the customers become cooperative, which helps solve the problems," Kilton says. "Even if reps don't solve that problem, if they are respectful and friendly, customers are more likely to stay loyal than if reps are cold and hostile, even if they fix the customer's problem."

One motivator towards better soft skills training is the move by high-tech companies towards fee-based support, such as by buying service plans or by paying for service calls. Fee-based support allows firms to recoup their support costs. It can cost as much, if not more, to support a product per customer than the profit made on selling each unit.

Because customers are paying for support, they expect better quality support. And that includes well-trained agents.

"Increasingly high-tech products are purchased based on not just the product alone, but particularly the bundle of services and support associated with the product," Mia Melanson, principal at Performance Consulting, points out. "Quality support has become a key differentiator among competitors in the high-tech arena, especially in high-end software.

She says agents must be trained how to make judgment calls based on the value of the customer and the urgency of the request.

"Support reps now need diplomacy and negotiating skills," she says. "They must know the customer service level agreements and what can be done, even if this requires research or a referral to another employee, department, or vendor."

✪ REFRESHER TRAINING

This learning does not end when the agents begin to take live calls and emails. Periodically they need to be refresher-trained on existing skills and taught new ones. The type and frequency of refresher training depends on the company.

"Timing of refresher training should vary from center to center, based on each one's unique need," says Jackson. "What is triggering the need for training? Have the moni-

toring scores gone down across the board? Are we launching a new product? Has there been a process or policy change? Will the system be changing?"

Training Costs

Are you investing enough for training, especially for refresher training? Training consultants such as Elizabeth Ahearn say that training new hires costs $2,000 per agent per year. She pegs refresher training between $800 and $1,000.

Companies have been spending much less than that on refresher training, to their detriment. Ahearn reports that many companies don't want to pay more than $250 to $500 per agent per year. Some companies pay much less—nothing at all.

"If agents do not receive adequate ongoing [refresher] training, they will begin to feel unchallenged intellectually, and their skills will slip," she says. "Without that stimulation they will leave. Costs go up and customer satisfaction suffers."

New Skills Challenges

The toughest training challenges are not with new hires but in teaching existing employees new skills that are diametrically different from the ones they have.

One example is text-based communication. Many agents may not know how to write well, or they say they do but they use slang and symbols. You may then have to send them for remedial training to bring their writing skills up to standard.

Trainers such as Human Technologies now offer grammar and spelling modules. "If your agents don't know how to use words the right way, then they are misrepresenting your company to your customers," says D'Ausilio.

Another more serious instance is cross-selling and upselling. While agents experienced at outbound and inbound sales have little trouble transitioning to or from service—good salespeople know how to ascertain needs—the reverse is not often the case.

You are dealing with not only a skills issue but an attitude one as well. Many inbound call center agents, especially support reps, do not like selling because they see their mission as serving customers and fixing their problems. Selling violates the customer's trust.

Compounding agent resistance is the ham-handed manner in which many call centers script the sales pitch into customer service calls. Typically, the transition from service to sales is unnervingly abrupt. Agents are popped sales scripts even before the customer's original issue is resolved to his or her satisfaction.

There is not an inherent conflict between service and sales. When a customer buys a product or service, it is because the customer has a need that the product or service can fulfill, which is no different from when they call in for service. Therefore, when trained correctly customer service agents can sell or identify sales opportunities that they can pass on to sales agents.

Teresa Hartsaw, president of outsourcer and training firm ePerformax, teachers that all customer service must relate back to sales. Do customers buy or continue to buy as a result of the service they receive? She teaches her agents, and those who subscribe to her firm's training program, that every customer service transaction is a sales transaction, and vice versa.

"Customer service is selling solutions," Hartsaw points out. "Did the agents sell the solution to the customer's satisfaction?"

As noted earlier the key is waiting for the service issue to be resolved, the agents' prime motivation before marketing the other items.

Rosanne D'Ausilio uses the following analogy of a restaurant. "A fair restaurant will instruct the wait staff to say, 'Would you like dessert with that' as soon as the customer is finished eating. However, the wait staff in a top-quality restaurant will ask the customer how the meal was and note any comments, good and bad.

"If it is good, the waiter asks whether the customer has room for dessert. If the comments were bad, the waiter apologizes, speaks with the chef immediately, and offers something to make good, like a complimentary meal or dessert."

Training Tools

There are a variety of training methods and tools. You can train by people, such as your trainers or consultants, and by technology, through a growing array of computer, online, and video tools.

I break these up between instructor-led training (ILT) and technology-based training (TBT) also known as elearning.

ILT is where instructors teach students and obtain feedback by interacting with them live. Instructor-led training is supplied to large or small numbers of students, or one on one.

ILT can be in person, inside formal classrooms on site, offsite in colleges, or rented conference rooms, or conferenced at agents' desks through video or web hookups. Instructors can be supervisors, senior managers, product specialists, or outside training consultants.

TBT is where pupils obtain their lessons via media such as the web, CD, DVD, and video. The interaction, if any, is limited to answering preset questions. Agents typically undertake TBT at their workstations.

Conversations with instructors and colleagues are the key benefit of instructor/facilitator-led training. Photo courtesy Loyalty Factor.
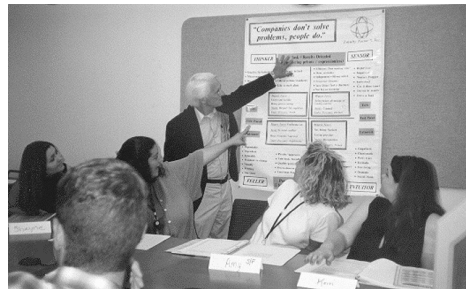
ILT Advantages and Challenges

ILT's benefits are feedback and motivation. There is nothing like communicating directly with another person to learn from them.

Wherever you need immediate feedback for training from agents, use ILT. Your agent and supervisor can ask questions and take part in role-playing exercises and will be told the answers right away. Your employees cannot escape the eye or the ear of a good trainer; you can't switch or click them off. If your agents are not paying attention, the trainer, like a teacher, will notice.

Good live trainers also leave you, like a fine preacher or speaker, with an inspira-

tional buzz to act, to do better. There is an emotional impact from being in the presence of a live person speaking that does not exist in TBT.

The downsides to ILT are cost and time. To minimize the time drain on call centers some trainers offer part-day as opposed to whole-day training. D'Ausilio's training takes 16 hours, but she breaks them in four-hour sets over one month.

It is also easier for someone to retain information if they come back to it two or three times, even if the material is new each time, because attending the sessions and seeing the trainers reinforces the lessons.

Animation is a cool training tool because puts trainees at ease. MaraStar uses animation to show how to defuse an angry customer: a key call center skill. The firm helps you teach this through customized 1-minute cartoons sent to agents.
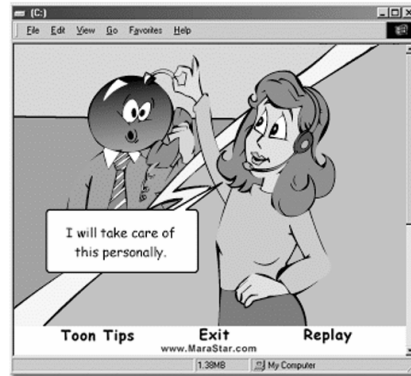
TBT Advantages

The main advantages of TNT are convenience, retention, cost savings, and productivity. Each agent can tap into their sessions at their leisure, when they have a few minutes and, in the case of web-based training, at their desktops. They can easily review them to refresh their memory and go over key points, whereas instructors' words tend to fade with time.

Through simulations, TBT instructs and refines agents' soft skills, such as empathy with callers to build trust and help resolve issues. TBT also can help supervisors assess and improve employee performance.

Another TBT benefit is consistency of training and results. By contrast, the quality of in-classroom training will vary from one instructor to the next and even from one class to the next for the same instructor.

Still another reason to consider TBT is customization. You can pick the training modules that best apply to agents' deficiencies. Or in self-learning tools, agents select modules that will help them improve their skills.

TBT is great for product knowledge. Penny Reynolds, founding partner of The Call Center School, says that the just-in-time feature of TBT appears to be a good fit when your objective is to acquire knowledge or awareness of a topic. Examples include a product update, change in a procedure, or some facts to memorize. TBT also excels at learning new step-by-step processes, like handling credit card authorizations, points out ICMI's Gibson.

TBT saves money. It is approximately 50 percent less expensive to deliver than ILT. TBT is also more productive from a call-handling perspective. According to TBT vendor Knowlagent, in-classroom training engenders on average 30 minutes of downtime: 15 minutes each getting agents to and from the classroom. That one-half hour of downtime could be used for TBT training.

Knowlagent further estimates that call centers must overstaff by 10 percent to 15 percent to allow agents time for classroom training. In a 500-seat call center, that means 50 to 75 more agents who would have to be hired to maintain service levels. Call centers could eliminate most overstaffing by adopting TBT.

Typically 10 percent of all call center space goes for training. By going to TBT you can add more workstations into the same footprint or reduce the amount of space by the same amount.

TBT Limitations

TBT is not as successful when teaching frontline staff communications skills or call-handling techniques. "Technology-based training can easily be used to educate about transferring knowledge or, say, the proper rate of speech," says RDC's Jackson. "But an instructor is needed to help agents resolve anomalies between what is supposed to happen and what is happening during a customer interaction."

Reynolds points to simulations as an example. Most simulations are not truly interactive. It's hard to get a good measure of quality when students are simply picking from a list of multiple-choice options of how they would handle a call.

"Most centers find that communications skills are best taught and practiced the old-fashioned way, in a live classroom or one-on-one coaching environment," she says.

TBT is not good at handling out-of-the-box examples that will stump agents. It does not address all exceptions to company policies and rules.

Kinesis' Gurney sees companies shift back from total TBT to blended training. TBT is great at teaching mechanical skills and product knowledge, but not intangibles like teamwork, complaint resolution, and service skills.

"The great weakness of TBT is that it doesn't give a context to the training," he says. "It doesn't impart the company's or the brand's personality for agents to get interested in or enthused about. You can't do that on a screen, but you can with a facilitator in a room full of other employees."

Elizabeth Ahearn also fears TBT could lead to customer service deterioration. Customers constantly ask agents to make these exceptions. Agents must balance policy against customer needs.

A total TBT approach will tip the scales to policy, forcing agents to respond by the simple rote answers programmed into the TBT systems, or what Ahearn calls "rules-based service." Agents will give literal responses. The consequences are lack of flexibility and poor service.

"You could lose agents and customers with rules-based service by turning up the stress factor," Ahearn says. "Our studies show that agents who do not feel empowered to help customers are less satisfied. And there is a strong correlation between employee dissatisfaction and customer dissatisfaction."

Another TBT limitation is the software author's biases. For example, an author schooled in proper English may instruct an agent to offer help by saying: "May I help you?" The author might not permit the commonly accepted but grammatically incorrect phrase, "Can I help you?"

Also, web-based TBT apps, while offering cost savings compared with classroom training, can be expensive to buy and deploy. Some tools have been priced upwards of

$1,000 per agent though expect this to drop as technology improves. TBT implementations also require time and resources from your IT department.

Call Center Coach's Nickerson says call centers with 50 workstations or fewer may find the products cost-prohibitive, except if offered on a hosted or leased basis by an application service provider.

Even so, Ahearn is also skeptical about large TBT implementations, either on-premises or hosted, because they demand that you get usually overworked IT personnel involved.

"Even web-based TBT requires the IT department's attention, because they must find ways to work the applications through firewalls," she says.

Sourcing TBT

When considering a TBT product, Call Center Coach's Nickerson recommends that call centers ask themselves the following: Does the tool model the desired behaviors? Does the vendor offer implementation and post-implementation services? Are the skills taught behavioral, that is, measurable and observable? Is the product interaction-based or a page turner? Is content available? If so, is the content validated? And can the product support, and easily integrate with, the call center's quality goals?

The Facilitator-Led Compromise

A hybrid of ILT and TBT is facilitator-led training (FLT), where a staff member like a supervisor or team leader works with the DVD or online lesson and initiates discussions and feedback on each part of the lesson. With FLT, agents sit at their desktops or in meeting rooms, or in conferencing, and they can discuss the lessons with the facilitator or with each other.

RDC's Jackson explains how it works. An agent uses a computer and learns a lesson about how to serve an angry customer in 15-minute increments. Then the agent reviews the training content and tests with a coach or supervisor. The coach or supervisor may also role-play with the agent to help the agent hear what the content sounds like.

FLT is less expensive than ILT because you're not paying for trained consultants and experts, but the content is less customizable and fresh to your organization. Also, your workers may have questions that the facilitator can't answer and that only the package's creators can reply to.

The Call Center School's Reynolds says that instructor-led ILT web seminars provide instruction from industry experts without the expense of classroom seminar fees, travel costs, and time away from the office. Another benefit is that one seminar fee can be spread across multiple students, driving the price even lower.

"The organizations that are most successful with distance learning are the ones that implement it along with live classroom interaction with a facilitator," says Reynolds. "We find that test scores and successful application of knowledge on the job are higher when 90-minute web seminars are followed by a 30-minute facilitated discussion."

Kathy Sisk, president of Kathy Sisk Enterprises, urges call centers to track agents' performance after each session and provide hands-on training and coaching with those who are not improving.

"The typical type of instructor-led training on the market takes too much time out of the participant's day, and there is very little to no follow through," says Sisk. "The

training needs to be conducted in a way where the participants are held accountable for implementation and results are measured to determine adherence and effectiveness."

Facilitator-led training, using TBT has its downsides. While it enables the classroom experience and interaction between agents, says D'Ausilio, the presentations are static. Often material is not customized to the call center and it's not often fresh. Some facilitators may not be very good motivational speakers. If a speaker isn't inspirational, students are less likely to pay attention and attend the session.

"With a good speaker in a classroom you will be more likely to get agents' attention and they'll retain the information better, which may not happen with a video and a facilitator," says D'Ausilio.

Conferenced Training

Alternately, ILT and FLT can be offered at call centers and at off-site locations like schools, seminars, and trade shows. Both instructor-led and TBT methods are frequently offered together. For example, the University of Phoenix offers advanced degrees taught through a blend of in-person instruction at satellite locations and online TBT.

Training consultants recommend that employers deploy a mix of ILT, FLT and TBT. ILT, via conferencing, enables interaction with instructors and colleagues, the throwing of curveball questions to see if trainees are on the ball, and provides motivation to trainees. The trends are towards ILT and FLT conferenced training and TBT training. The reasons are costs and productivity. Conferenced ILT and FLT as well as TBT avoids travel costs and minimizes the need for having training rooms that eat up real estate.

Conferenced training is the best and often the only feasible way to teach home agents. Some home-agent-using firms, like Alpine Access, never see their employees at all.

Equally important, conferenced ILT and FLT and at-desk TBT avoid productivity losses caused by having employees leave their work areas or the premises to be trained. Employees can take these lessons at their workstations or at home.

The only downside to ILT and FLT conferenced training is the lack of in-person interaction with peers and with the instructor. But as anyone who has watched and participated in chat and web conference sessions knows, those discussions can get quite lively too, and you can come away learning a lot.

Ensuring Training Value for the Money

No matter what you are training for, you should be prudent with your training resources and make sure you're training your staff correctly to get value from your investment. Training experts like Nancy Friedman of The Telephone Doctor point to a wide array of training tools and services: $10 books, CD-ROMs, videos, TBT, and instructor-led seminars costing up to a few thousand dollars.

"Price is not an excuse not to offer good training," Friedman says. "We ask 'What are your needs and your budget,' and we work with you to find the best mix."

To make the best use of training resources, RDC's Jackson recommends that companies quit "sheep dipping," that is, don't put every employee through every course. Those who listen well, for example, don't need instruction in listening.

Employers should also identify the skills they are going to hire for versus train for. Why train an agent to type 30 words per minute when the job only requires a 20-word-per-

What makes a low-turnover call center? Low stress and burnout, supportive management and strong team performance reveals a study LIMRA International. LIMRA defines low turnover as 5% or less and high turnover as 45% or more.

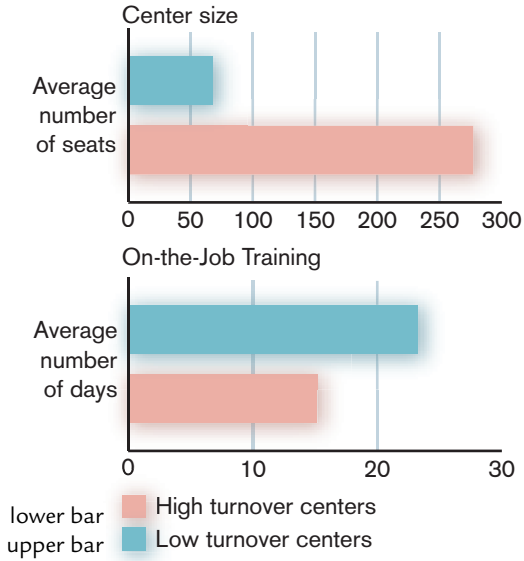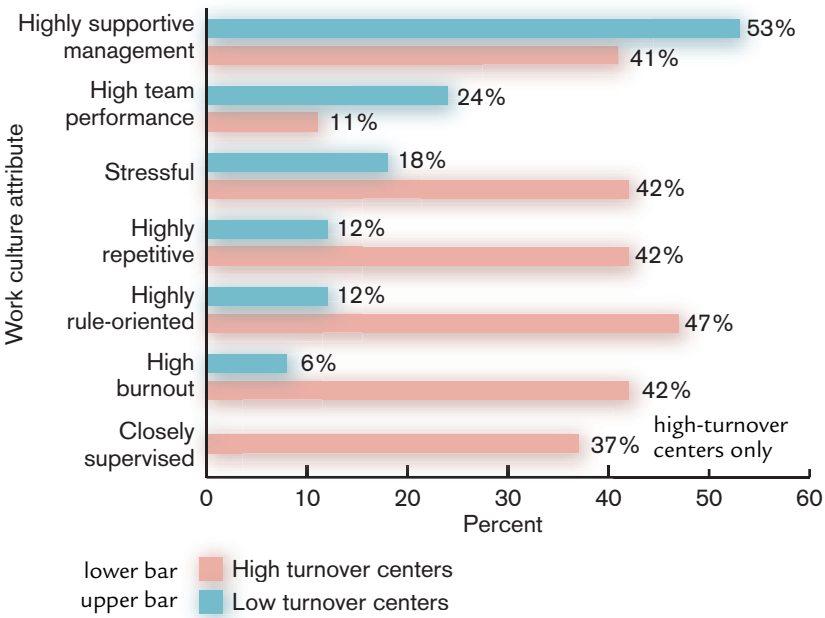Figure 1: Operational factors differentiating high- and low-turnover centers

Center size

Average number of seats	

0   50   100   150   200   250   300

On-the-Job Training

Average number of days	

0   10   20   30

lower bar High turnover centers
upper bar Low turnover centers

Figure 2: Work-culture attributes differentiating high- and low-turnover centers

Work culture attribute

Attribute	Low turnover	High turnover
Highly supportive management	53%	41%
High team performance	24%	11%
Stressful	18%	42%
Highly repetitive	12%	42%
Highly rule-oriented	12%	47%
High burnout	6%	42%
Closely supervised		37% high-turnover centers only

0   10   20   30   40   50   60
Percent

lower bar High turnover centers
upper bar Low turnover centers

minute rate? Also, employers should determine which training methods—TBT, classroom, or both—best cultivate specific skills.

"The management team should be skilled in evaluating which employees need what courses and then deliver the training in the most cost efficient manner," advises Jackson. "For example, if a lot of employees need listening skills, is it more-cost effective to run a class, to coach individually or to deliver it electronically?"

Employers should also develop methodologies to assess and manage training performance. They can tie performance for example, to agent job description and skill evaluation.

Training, say experts, is only as good as what the company wants from their employees and how they evaluate their skills, and vice versa. Poor training affects job and recruiting performance. If the agents are poor-quality or take a long time to bring up to speed, call center performance declines as costs go up and efficiency, effectiveness, and customer satisfaction declines.

"If you don't evaluate the effectiveness of your training, you simply continue to train as always, which could be in a very inefficient and ineffective manner," warns Jackson. "You may be investing a lot of resources into something that does not give you a good return."

ePerformax's Hartsaw recommends that you train management and trainers to look at training as an investment that requires a financial return. Training isn't expensive, she says, if it works. Whether you're trying to reduce costs, increase sales, or improve customer retention, you must measure the training's impact.

"Training dollars invested during tough times usually have the greatest impact," says Hartsaw. "That's because everyone is focused on what it will take to build their individual job security. And people understand improved performance creates job security."

✪ AGENT RETENTION

You have selected and trained your agents. Now how do you retain them and for how long to make a return on your investment?

These are not easy questions to answer, because there is a wide range of retention techniques. Moreover, there are many circumstances where you may not want to retain staff for a long period of time. Let's look at them.

Retention Advantages

The key reasons why should retain your staff are to get the most value out of the money you put into your employees, not only in recruiting and training expenses but in lowered productivity until they get up to speed. Turnover can cost as much as 150 percent of each departed worker's annual salary. The payback period on agents ranges from three to four months to nearly two years depending on the skills required and depth of training involved.

More important, retention may help you keep customers. A study released by The Radclyffe Group found a strong correlation between employee satisfaction and customer satisfaction. The firm found, with no exceptions, that the companies with the highest employee satisfaction had the greatest customer satisfaction. The Radclyffe Group also found the obverse: companies that had unhappy employees also had unhappy customers.

How do employee and customer satisfaction influence each other? CEO and president Elizabeth Ahearn says that in companies where there is strong employee satisfaction when customers call to complain, agents are trained, for example, to respond with positive empathy. They're also empowered to give replacement items or discounts.

Agents tell customers that they understand how upset the callers are (without overtly or covertly criticizing their employers) and say they will try to resolve the issue.

But where there is strong employee dissatisfaction, the customers sense it. Such agents might tell customers that they would be dissatisfied, too, if they experienced what happened to callers. Supervisors tell agents that there is nothing they could do. And the agents, in turn, tell that to customers.

"Customers decide whether or not to make future purchasing decisions with a company, or to recommend its services to others, as a direct result of their experiences with the call center agents." Ahearn says. "Interactions with them can often be the first point of contact that a customer has with a company. A positive, enjoyable experience can lead to high customer loyalty and repeat purchases over time."

Retention Downsides

Yet there are downsides to keeping employees for long periods of time. The most practical if the most cynical rationale is to avoid paying them benefits, especially medical.

Having workers on the street before they are eligible saves money, but exacts a human toll on employees and their families in the U.S. where there is no government health insurance. It is also counterproductive. Employees who can't afford doctor's bills stay sick longer, which lowers productivity, come to work ill, which can spread disease causing more sickouts and they may leave on a moment's notice if they get a job that has decent benefits.

Slightly less nasty rationale to discourage retention is not paying wage increases with seniority. This is a fairer reason, especially with lower-skilled agent work, because there is often no real benefit in performance and productivity with longevity. Agents know all there is to know. Where this practice gets slimy is when companies hire people at lower wages at the start, promising to boost them after three or six months but who then find excuses to fire the workers before those dates.

Lastly, call center functions with naturally high turnover, like outbound business-to-consumer cold calling, tend to burn through their local labor forces quickly. There is little point of keeping those employees around.

Retention and Customer Reaction

A high turnover strategy may turn out to be penny-wise but pound-foolish. While new hires may have less expensive pay rates, reports Maureen Wolfe, principal at Legge and Company, they turn out to be more costly.

New agents' inexperience leads to longer call times, escalations, and return calls. They are less experienced at segue marketing, and training costs multiply. The churn creates termination, recruitment, selection, and orientation costs.

"Perpetually inexperienced staff leads to lower customer satisfaction, loyalty, and revenue," warns Wolfe. "That does not leave a positive customer impression of your enterprise."

In today's hectic economy, if you run your call center like this, you'll soon find your benches empty. There are many other call centers and other service sector employers that value good employees. Illustration by Travis Kramer.

Retention Challenges

Keeping quality people has its challenges, and as the labor market tightens, they will grow. Underlying the issue is that call center work per se is not a career for most people. No more than working the checkout line, ringing up purchases at the sales kiosk, flipping burgers, or guarding buildings. Organizations do not see any necessity to professionalize call center work and pay accordingly.

There are exceptions to this: higher-level work requiring experienced and/or certified individuals. These include inside sales, insurance, real estate, securities dealing, "dial-a-nurse," and senior-level technical support.

The traditional way forward in call centers, retail, and restaurants, is through supervision and management. This pathway is beginning to gather weeds for two reasons. Many agents do not possess supervisory skills, and the agent-to-supervisor ratios have been lengthening from 8:1 to 15:1 or higher.

But advancement is an important facet to offer in recruiting and retention. There is a direct correlation between lack of advancement and turnover. The Radclyffe Group reported that nearly 90 percent of agents who said they were bored with their jobs because they had no opportunities to grow their careers planned to leave within a year.

Retention Methods

There are several ways to retain your staff. Here are the key ones.

Providing the Best Center for Your Organization

Follow the advice in this book by providing agents with an easily accessible, pleasant, professional-looking, and safe place to work. That includes ergonomically sound workstations and chairs, glare-free lighting, excellent ventilation, even temperatures, low noise levels, and convenient break areas. Employees won't work in boiler rooms if they have a choice.

As consultants such as Bob Engel and Gere Picasso have pointed out earlier, providing substandard facilities leads to turnover and productivity costs that will quickly overwhelm any savings you initially achieved. You can also begin shopping for a subtenant for that call center real quick, because the word of mouth reputation as an employer will quickly dry up your labor pool.

If your site selection strategy includes co-location, you may have tapped into one effective means of attracting and keeping talented staff. By being in the same building as other departments you will be providing them with doors to advance their careers.
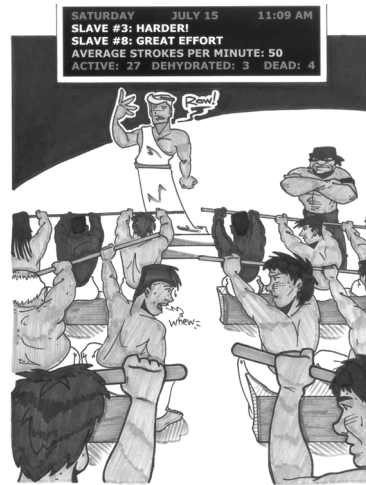
Unfortunately, the best call center locations may not be ideal for regional or national offices, and vice versa. Even so, make sure your call center employees are kept in the loop on new openings. A few employees may relocate to HQ if they are offered new positions there.

Treating Employees Well

Want to keep call center staff? The same three words that go for everyone: Treat Them Well. That means being fair and professional when managing their performance, keeping your bad day emotions in the black boxes where they belong when dealing with others and being accommodating to their needs as long as it doesn't impinge on your center's performance.

Treating staff well also means offering them affordable medical and 401(k) benefits and not canning them as soon as they become eligible for these necessities and for pay raises.

Empowering Agents

Call centers should make each agent's work personally rewarding. One way is to empower agents to make decisions, to become self-respected and customer-respected "go-to" people. Supplying such responsibilities gives agents pride and makes their work much more interesting and attractive.

The experience has been that when given the responsibilities, agents don't give away the store. Maggie Klenke, partner at The Call Center School, observed that agents who are empowered to decide whether to give refunds to customers and determine the amount of the refunds are stingier than the companies had expected.

Special Projects

Consider rewarding top performers with special training, and provide them opportunities to develop and succeed on special projects customized for them, recommends Klenke. These projects will help them win recognition, show talent, and grow their careers. The programs can also include community charitable work, which has tremendous publicity value. It can also attract new recruits.

Quality Supervision

Have agents supervised and coached by people who have the skills for those tasks. Chapter 15 explores this issue in depth. It costs nothing to say to an agent, "You did a great job!" Yet those few words are arguably the most important retention method call centers can deploy.

Additional Skills Training

Look at offering skills training. These include email and Internet response, monitoring, and technical support. If you have tasks that requiring licensing, such as insurance sales, offer it at a discount or pay for it completely for top-ranking employees.

Mentoring

Another means is mentoring, in which employees demonstrate and develop teaching and coaching abilities. That may open up advancement for top mentors.

Internal Career Pathing

Put together your own career path, such as creating more team leaders and sub-team leaders inside call centers.

"The recognition among colleagues that comes about from promoting agents to those roles counts more than any marginal pay increases," says Jeff Furst, president of staffing firm FurstPerson.

Paying per Performance

Coupled to career pathing is paying per performance instead of granting raises across the board. Outlay increases when agents meet certain milestones, like competing the end of mentored training, or when they reach certain attainment levels, provided you give them training. For example, in one company, a Level II agent may have email and chat training, whereas a Level III agent might be English and Spanish bilingual. In another company a Level II agent handles gold card customers and a Level III agent services platinum card customers.

"When agents attain these levels, you can offer them raises because they will be able to offer better performance than before," Radclyffe Group's Ahearn points out. "The agents will feel that they are getting ahead both in skills and financially, which will help keep them in your company."

Flexibility

Considering being flexible with your working hours in case employees have family responsibilities. Don't limit this to those that have families. Single and childless workers also have personal needs that are equally important to them.

Nothing like a truckload of prizes (or at least some candy) reports *Call Center Magazine* to keep agents motivated. Tinker Federal Credit Union filled a remote-controlled truck to deliver presents. The call center senior member service supervisor also handed out toy racing cars to encourage staff to "race for success" and watches to "watch out" for cross—selling opportunities.

Matching Jobs with Advertised Positions

Perhaps the best agent retention method is ensuring that the job advertisements and descriptions match what the agents will be doing, recommends Berta Banks, partner, Banks and Dean. Also, keep the recruiting and training teams updated on call center strategies and agent position requirements to ensure proper selection and training.

"This ensures that the qualities required for the job are properly identified in screening and selection and that training is aligned with the work environment and learning style of the class," Banks says. "When this process is in place, managers get the people they need to get the job done."

Incentive Programs

Everybody likes incentives, whether cash, gifts, trips, or "employee of the month." Or not have to come into the call center or office at all.

Brad Cleveland, president of ICMI, points out that incentives can dramatically impact call center, team, and agent performance. They also help maintain agents' interest in their jobs. Most employees will find higher pay for better performance appealing.

But, he adds, these programs must be set up right or they will fail. They should enhance quality and customer satisfaction, be tailored to the call center's mission (outbound cold calling agents are motivated differently than inbound tech support reps), and include non-monetary rewards (for example, agent of the month).

Also, no incentive program, no matter how well planned and implemented, can replace good leadership and management practices. "An incentive program is just one aspect of an effective manager's performance improvement arsenal," Cleveland says.

When deciding what incentives to offer, Manpower suggests that you consult with your team leaders. And when setting up your recognition and rewards programs don't forget the "Steady Eddies" who do most of the work. These are the employees whose performance may not be spectacular but who come in and leave on time, take few sick days, and meet expectations.

Also consider rewards for achievements such as attendance, on-time arrivals, and employment anniversaries.

Gifts programs

Rewarding agents and teams with gifts is a popular method to encourage excellent performance and agent retention. ICMI reports that gifts rank third in the incentives offered by call centers, behind recognition and awards but ahead of pay increases and job promotion.

How to supply gifts to deserving agents and teams? You can purchase the items, in consultation with the team leaders, and store and distribute the goods. Or you can outsource the gift program to incentives companies that partner with product or service vendors and handle fulfillment.

Here's how they usually work. You assign values (for example, dollars or points based on the performance you are measuring). Then you distribute awards directly to employees through certificates or tokens, or indirectly via the incentives firms that accumulate the awards in online accounts.

Employees can redeem awards directly through gift certificates or indirectly by, for example, purchasing items in program-specific catalogs with the points collected.

Gift certificates work especially well when they are for well-known firms with a broad range of products to appeal to a wide variety of employees. Because your agents redeem certificates on the spot, there is no waiting for redemption.

The Bill Sims Company champions gifts because, unlike cash and gift certificates, they are tax-free to employers and employees, with some restrictions. The firm offers a quality gift catalog to clients.

"Employees also tend to remember gifts more than cash or gift certificates," says President Bill Sims Jr. "Also my experience has been that 15 percent to 20 percent of all gift certificates are never redeemed."

Some incentives firms go beyond point-gathering and gift-distributing. Through experienced call center industry partners that assess hiring and performance, RYI Solutions analyzes your staffing, training, and retention issues. Once problems in these areas have been identified and corrected, RYI Solutions helps you devise and implement a gifts program tailored for your call center.

The downside of such gifts programs is that they have limited and short-duration results, but they can work with the right agents. Agents who handle customer service and support aren't likely to be motivated by them, says Jeff Furst. However, they can work for employees like sales and collections agents who are more goal-oriented.

If you do deploy such a program, you need to have employee participation in the setup so they buy into the incentives. "A golf outing is not going to appeal to the entire enterprise," says Manpower's Buelow.

Employee recognition

Recognition by supervisors and colleagues is the best motivator. Set up "employee of the month,," "top sales for the week," or similar programs. Reward them with their photo in the lobby. Take your top performers out to lunch. Reserve choice parking spots for this month's winners. Write them up and have their photos appear in internal newsletters.

Home Working

Many people love what they do for a living but hate the commute that is growing in time and stress and takes away from their personal lives. Home working gives that time back, along with money saved in commuting costs. Consultants estimate employees can save $4,000 to $5,000 per year by skipping the drive or the ride.

You'll likely find that you can keep agents longer and get more out of them as well as attract new employees if you offer this option. But make sure that you provide that to agents who have proven that they can work without direct supervision and you have the environments that permit home working.

Individualize the Incentives!

Whatever the retention method you pick, you must individualize them, recommends Maggie Klenke. "Different factors motivate employees differently," she points out. "Some are motivated by careers, others by experience, knowledge, recognition, and money. You have to find that motivator in each employee and tap it."

Detecting and Avoiding Burnout

Retaining your employees also requires that you be alert for problems with the ones who have been good workers. Call centers are high-stress environments, and the tensions get to everyone to varying degrees.

Kathyrn Jackson advises that you look for signs of burnout such as health problems, sickouts, short temper, bad co-worker interaction, and lack of responsiveness to corporate communications.

For agents, in particular, this is shown in lower monitoring scores and increases in escalated customer calls and poor attendance. In supervisors the symptoms are less monitoring being done, unavailability for questions, and decrease in coaching sessions.

To handle burnout RDC recommends you should consider:

* Measuring job satisfaction—conducting employee surveys, providing opportunities to serve on committees, working with management to improve the environment of the call center
* Rotating jobs—having agents and coaches work on projects from time to time
* Ensuring that appropriate training is delivered
* Offering access to gyms
* Providing defined career paths relieving the "dead-end job" syndrome
* Providing voluntary time off, allowing agents to go home (without pay) when call or contact volume does not require their services

"Managers noticing these signs should have one-on-one sessions with coaches, and coaches noticing these signs should have one-on-one sessions with agents," says Jackson. "Causes of burnout could include reaction to understaffing or personal problems."

DIALOGUE, NOT PITCHING

To gain revenue from customer service calls, many enterprises require call center agents to upsell on them. But the results have reportedly been less than stellar.

One key reason is that both agents and customers often feel uncomfortable at turning service calls into sales pitches.

"The old pitching model is broken," explains Kathy Dean, partner with consulting and professional services firm Banks and Dean. "Customers don't want to be aggressively sold. They would rather dialogue with agents."

Banks and Dean has a staffing, scripting, and customer follow-up program for business-to-consumer and B2B clients. The approach stresses assessing customer needs and building relationships with them rather than pitching on outbound, and upselling on inbound.

For example, on the outbound side, instead of calling with an offer, agents would call customers and ascertain whether that prospect has a need for the firm's products or service, like a bank calling people who just moved into areas near their branches.

On the inbound side, agents, after issue resolution, would create a dialogue with customers to hear if they have a need that the firm can meet and learn about the customer's interests, preferences, and decision factors.

"All customers have needs," says Dean. "It is critical to the enterprise for agents to discern those needs and understand if their product and service can meet them."

Revenue could increase significantly from customers calling back. Banks and Dean boosted sales for their customers by 45 percent to 90 percent using this method.

To enable this new method you need to look and screen for a different kind of person than those typically found on outbound and inbound sales and service.

"You need agents who can ask questions, listen, assess, and come up with responses to meet customer needs, not just those who can sell or provide service," explains partner Berta Banks.