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MAXIMIZE YOUR RESULTS BY WORKING BETTER TOGETHER: BRIDGE THE SILOS IN YOUR BUSINESS


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This document provides an overview of the performance improvements companies enjoy when they bridge organizational silos through better enterprise communications. It also highlights how savvy firms maximize employee productivity, reduce costs and create happy customers.

The ROI of Bridging Organizational Silos Through Better Communications

Companies increasingly cite improving customer experiences as a key objective to differentiate themselves from competitors. The contact center is often the first point of contact for customers when they need support to resolve an issue. As such, it plays a pivotal role in meeting and exceeding customer expectations. To truly delight customers, contact centers must work closely with other business departments (e.g. sales and back office) by bridging the gap across organizational silos. This is where enterprise communications come in. The ability for employees to communicate and collaborate effectively is crucial to achieve common goals, including improving customer experiences.

Businesses aiming to improve customer experience outcomes must remember that these outcomes are not a byproduct of a certain technology or process. Rather, customer experiences are ultimately shaped by employees using various technologies and processes to address client needs. Contact center agents have a pivotal role in addressing these needs. To succeed, they must have the right knowledge and the right tools. Yet, findings from Aberdeen's latest customer experience management (CX) survey shows that on average, 17% of employees' time is spent looking for information they need to do their jobs.

For a contact center with 200 seats where each agent costs \$50,000 in fully-loaded labor cost, agents spending 17% of their time costs the business \$1.7 million each year in unnecessary labor costs. In addition to such unnecessary costs, companies that struggle with empowering their employees with the right knowledge at the right time also lose potential revenue. This loss is a result of customers growing frustrated with agents taking too long to handle their issues and as a result, either decreasing their spend with the firm due to poor service delivery or preferring to work with a competitor who addresses their needs more effectively. In other words, **bridging the silos across the business** to empower employees with timely and relevant knowledge **has a direct impact on the financial success of organizations.**

Definition: Unified Communications

For the purposes of this research, Aberdeen defines "unified communications" as a set of technologies that allow employees throughout the business to interact with one another through various modes of communications.

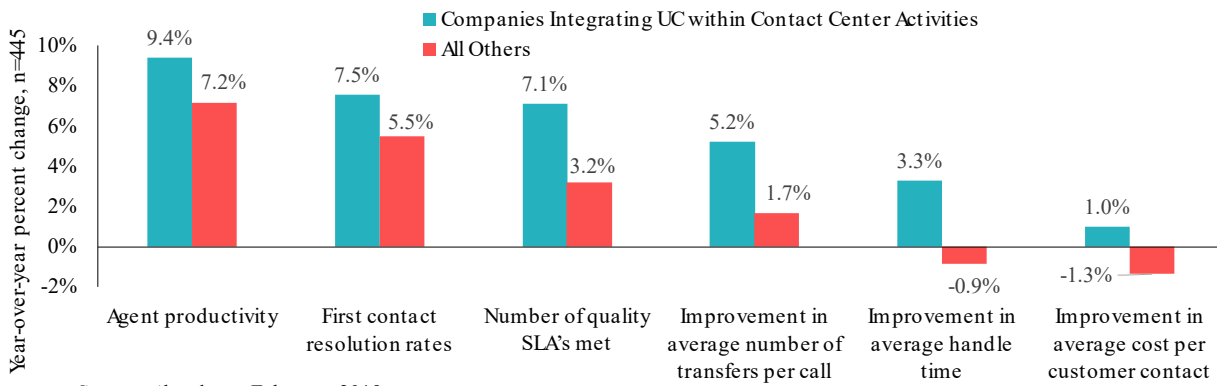
These include phone, video, chat, email, presence, collaborative workspaces, mobility, desktop sharing and directory services. UC also enables employees to use a single number to interact through all these channels, making it easier for employees to communicate and collaborate.

Technology is only the delivery mechanism for UC; the goal for most UC platforms is to help employees such as contact center agents more easily communicate and collaborate to do their jobs.

The good news is that there is a group of savvy businesses that understand the connection between empowering employees with better communication tools and processes and achieving CX objectives. Between March and June of 2018, Aberdeen surveyed 445 contact centers from around the world. Data shows that 36% of organizations currently have a process through which they empower contact center agents with UC capabilities (see sidebar on the previous page). This refers to providing agents with technology tools to streamline how they communicate and collaborate internally with other agents and colleagues in other departments (e.g. sales and back office).

Figure 1 shows that enriching contact center activities with better communication and collaboration capabilities helps transform performance results across several traditional contact center KPIs. UC-enabled contact centers — those integrating unified communications within their contact center technology toolbox — achieve 31% greater annual improvement in agent productivity (9.4% vs. 7.2%). That’s because agents in these businesses can more easily communicate and collaborate with colleagues to address customer issues. In turn, this helps reduce the time it takes for the business to resolve client issues — reflected by UC-enabled firms enjoying 3.3% annual improvement (decrease) in average handle times, compared to 0.9% worsening (increase) by non-users of UC.

Figure 1: Integrating UC within Contact Center Activities Improves Productivity, Drives Efficiency, and Reduces Cost

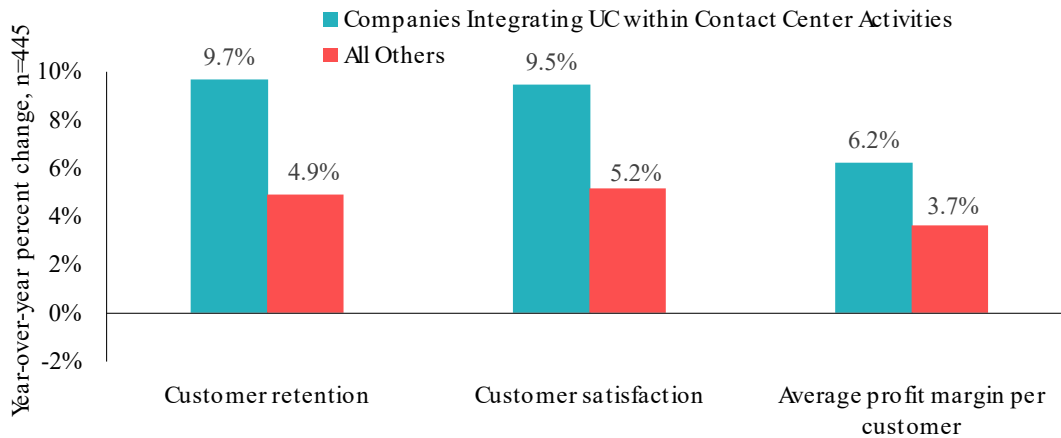


Data in Figure 1 shows that bridging organizational silos through better communication also helps contact centers improve first-contact resolution rates – a metric reflecting the percentage of customer issues successfully addressed at the first point of contact to minimize the need for customers to repeatedly contact the business. Given that **UC-enabled contact centers** enjoy 36%

greater annual improvement in first-contact resolution rates, we can note that they also **make strides in minimizing customer effort** (7.5% vs. 5.5%).

Collectively, the findings in Figure 1 reveal that enriching contact center activities with UC helps businesses improve operational efficiency. In turn, efficiency gains enable contact centers to reduce their operational costs – specifically, the cost per customer contact. It’s important to note that **reducing the cost of customer care doesn’t result in poor customer experiences for UC-enabled contact centers**. Instead, Figure 2 shows that they enjoy 83% greater annual improvement in customer satisfaction rates (9.5% vs. 5.2%). This improvement can be attributed to our earlier analysis showing that by empowering agents to more efficiently find the right knowledge, UC-enabled firms make it easier for them to resolve customer issues.

Figure 2: UC-Enabled Contact Centers Achieve Greater Customer Experience Improvements



Source: Aberdeen, February 2019

When customers are happy, they are more likely to reward businesses that meet and exceed their expectations. This is validated by UC-enabled firms improving customer retention rates by 98% more year-over-year (9.7% vs. 4.9%). These happy clients also tend to increase their spend with businesses that meet and exceed their needs year-over-year. As such, **UC-enabled contact centers increase their overall revenue by growing customer spend while reducing the cost to serve their clients**. Together, these results enable savvy firms to enjoy 68% greater annual increase in their average customer profit margins (6.2% vs. 3.7%).

The Path to Maximize ROI with Better Communication & Collaboration

It’s important to note that simply adding UC capabilities is not enough for businesses to bridge organizational silos. Streamlining communications efforts

Better Communications Helps Reduce Costs

Figure 1 shows that UC-enabled firms enjoy 1.0% annual improvement (decrease) in customer contact / support costs, compared to 1.3% worsening (increase) by others. While this 2.3% gap may not seem significant, it has significant monetary impact.

Let’s assume that a contact center currently observes \$10 million in annual customer support costs, including labor costs, telephony, real estate, and other related expenses. According to Aberdeen’s research, adding UC within its activities would help this business decrease its annual support costs to \$9.9 million. Not adding UC within the contact center technology toolbox, however, would result in annual support costs increasing to \$10.13 million.

This means that adding UC within its activities would help this contact center enjoy \$230,000 annually in reduced customer support costs. Over the course of five years, this business would save \$1.15 million – funds that it can invest elsewhere such as adding emerging technologies into its toolbox and driving customer experience innovation.

must be supported with certain building blocks to make it easier for employees across the business to do their jobs. Research shows that companies enjoying the performance gains observed thus far in this report utilize a group of activities more widely than their peers with lagging performance. One of the most widely adopted capabilities is enabling contact center agents to create and follow up on tasks through their desktop (Figure 3).

This capability refers to enabling agents to create tasks so if additional work needs to be done to address client issues, customers don't need to stay on the phone or a chat session. Rather, the agent would complete the task without the customer needing to stay on hold, then proactively contact the customer upon issue resolution. This capability also enables agents to assign tasks for others in the business (SMEs). This can be done by using collaborative workplace capabilities within UC platforms where the agent can use the company directory to find an SME and work with them to resolve the customer's issue.

As an example, a consumer who has an active auto insurance related claim may call the contact center of their insurance firm to learn what repairs may need to be done. The contact center agent would need to connect with a specialist who would observe the vehicle in-person and decide on the repairs that must be done and determine which repairs are covered through the consumer's insurance policy. In this case, the contact center agent would use the company directory to find the SME assigned to the consumer's claim, determine their availability through presence capability within the UC platform and have the SME share related details about the claim through a collaborative workspace. This information exchange can also be done through email and instant messaging capabilities.

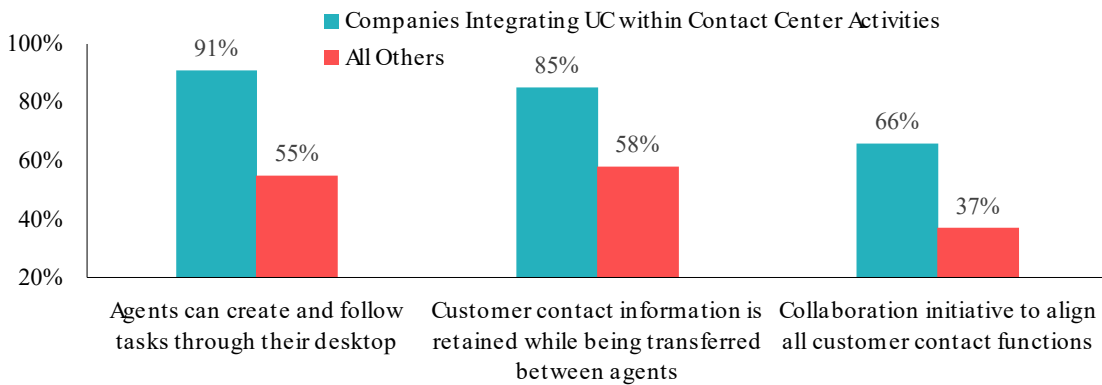
By bridging the silos between the contact center and the back office, the insurance company improves employee productivity. This productivity gain ultimately helps the business address the customer need at the first point-of-contact — helping improve first contact resolution rates and taking an important step to minimize customer effort. In other words, **bridging the silos across the business helps firms transform themselves to become easier to do business with their clientele.**

Minimize the Cost of Agent Churn with Better Communications

Agent turnover is one of the top challenges impacting customer care programs across companies of all sizes and industries. Findings from Aberdeen's October 2018 *Agent Productivity & Performance Management* study shows that a lack of necessary technology tools agents need to do their job is the number one factor influencing agent experience results.

Therefore, by providing agents with UC capabilities that enable them to do their jobs more easily, companies improve agent experiences. In turn, this helps minimize agent churn and the subsequent overtime costs of covering for those agents while replacing them, as well as the cost of hiring and onboarding new agents. In fact, the *Agent Productivity & Performance Management* study shows that **UC-enabled contact centers achieve 25% greater annual improvement (decrease) in agent churn rates.**

Figure 3: Use UC to Make it Easier for Agents to Do Their Job




Percent of respondents, n=445
Source: Aberdeen, February 2019

Another widely adopted capability across UC-enabled contact centers is the ability to retain customer insights when transferring a customer between agents. While contact centers must aim to optimize their customer routing activities so they can connect the right customer with the right agent, there are times when agents may need to transfer a client. Examples may include a contact center agent who was helping a banking customer with account information needing to transfer the client to a mortgage specialist if the client asks related information.

When transferring customers between agents, it's important for companies to keep in mind that it's frustrating for clients to re-explain their issue to another agent / SME when they shared related details before. Beyond frustrating clients, such poor knowledge capture and share across the business extends handle times in the contact center and worsens employee utilization rates. Figure 3 shows that UC-enabled contact centers are 47% more likely to retain customer insights and use UC capabilities to share this information across employees when transferring clients between agents (85% vs. 58%). When implementing this activity, it's important to keep customer data security regulations in mind and ensure that such internal communications are compliant with these privacy regulations.

Figure 3 also sheds light on the organizational aspects of bridging departmental silos. Specifically, it shows that firms using UC capabilities are 78% more likely to have a formalized collaboration initiative that aims to align the activities of all employees interacting with customers (e.g. sales, marketing, service and even back office) — 66% vs. 37%. This means that these firms are not just adopting UC technology capabilities. They're also **educating employees** on how to use those tools **to better communicate and collaborate**. They weave communication and collaboration within performance management and ongoing coaching and training programs of employees to

On average, employees spend 17% of their time seeking relevant knowledge to do their jobs.



remind and train them on **how to better work together** to achieve common objectives, including creating happy customers.

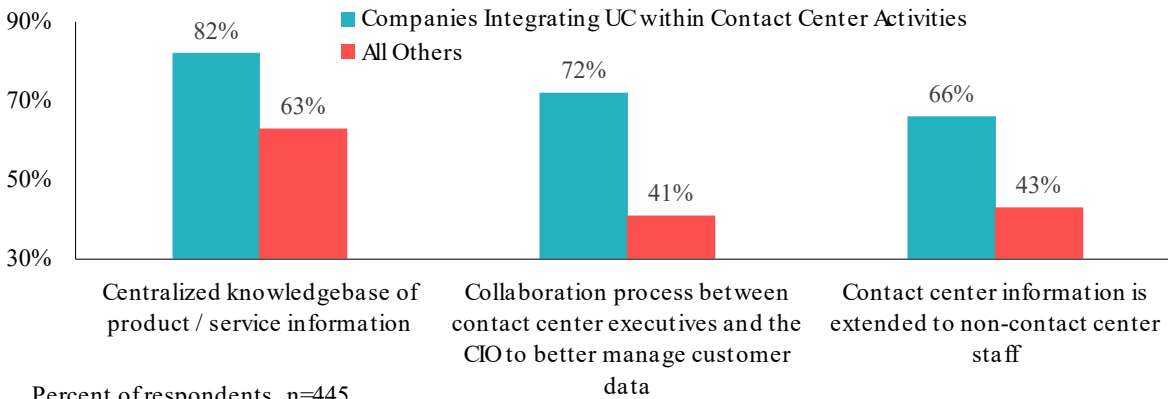
One of the many examples through which companies educate and coach employees on how to effectively use UC tools is creating workspaces where employees in each department must access to find and access training materials. By delivering continuous learning through such an approach, employees can quickly learn how to use these tools and explore how they can use various UC capabilities to do their jobs. Ultimately, this helps firms increase the overall adoption and use of UC across the business.

Building an organizational culture where communication and collaboration is key pays dividends. Agent turnover is one of the top challenges impacting contact centers of all sizes and in all industries. Findings from Aberdeen's October 2018 *Agent Productivity & Performance Management* study shows that a lack of necessary technology tools agents need to do their job is the number one factor influencing agent experience results. By providing agents with better communication and collaboration capabilities, companies improve agent experiences. In turn, this helps minimize agent churn, overtime costs from existing employees covering for their departing colleagues, and the cost of hiring and onboarding new agents. Indeed, the *Agent Productivity & Performance Management* study shows that UC-enabled contact centers achieve 25% greater annual improvement (decrease) in agent churn rates.

Earlier in this report, we noted that on average, employees spend 17% of their time looking for information to do their jobs. In the case of the contact center, one of the top reasons why companies observe such lack of productivity is because agents must query multiple systems to find the knowledgebase articles they need to address client issues. UC-enabled firms alleviate this problem by building a centralized knowledgebase of product / service information that agents can easily access through their desktop. They can also use the communication and collaboration capabilities such as instant message, collaborative workspaces, etc. to share these knowledgebase articles with peers.

For example, a contact center agent in a financial services firm may be managing a chat session with a customer. When the customer asks a question that the agent doesn't know how to address, the agent can use the directory available through the UC platform to find an SME and collaborate with them to properly answer the question. Figure 4 shows that UC-enabled firms are 30% more likely to have such a centralized knowledgebase (82% vs. 63%). Establishing and managing this capability requires using knowledge management systems that seamlessly integrate with the agent desktop and other contact center applications.

Figure 4: Break Down Your Organizational Silos to Improve Employee Productivity & Create Happy Customers




Percent of respondents, n=445
 Source: Aberdeen, February 2019

One of the top challenges influencing modern customer experience programs is the ability to use existing insights to personalize each client interaction and ensure their consistency. Overcoming this challenge by streamlining enterprise communications activities to facilitate knowledge access and share across the business is top of mind for almost all CX leaders. However, data from Aberdeen’s recent survey of 369 CX leaders shows that only 27% of firms are fully satisfied with their ability to use existing knowledge to meet and exceed customer expectations.

To overcome this challenge, savvy businesses build a close partnership between their IT team and customer care department. In fact, this partnership must expand to include all lines-of-business (LoB) in order to optimize customer data capture, analysis and utilization processes throughout the business. Using UC capabilities helps firms make it easier for LoB leaders to communicate with their IT counterparts as well as one another. Figure 4 shows firms with UC capabilities are 76% more likely to have established such a partnership with IT and various LoB (72% vs. 41%).

A closer look at Figure 4 reveals that contact center leaders who know how to make optimal use of UC capabilities don’t just use these capabilities to establish a strategic partnership with It. They also use these capabilities to extend contact center insights to other departments in the business so they can more easily communicate and collaborate to achieve common objectives, such as delivering omni-channel customer interactions. In fact, they are 53% more likely than firms not using UC to facilitate such multi-directional information flow within the business (66% vs. 43%).

Facilitating knowledge share throughout the business helps boost operational efficiency and revenue growth. Regarding the latter, for sellers to grow current



customer spend they must know how clients currently use company products / services, their overall experience and indicators for potential cross-sell / up-sell opportunities. To demonstrate how this knowledge helps drive sales effectiveness, a contact center agent may interact with a manufacturing client contacting the business for help with machinery that requires repair. If the agent determines that the customer doesn't currently have an extended warranty contract covering such repairs, they can then use the CRM system to find the salesperson managing selling activities with this client and use capabilities within the UC platform to communicate this knowledge with the seller. The seller can then use this insight to follow-up with the client to present them an option to buy an extended warranty covering their current issue along with future issues.

Key Takeaways

Customer experience has become a key differentiator for firms across almost all industries and sizes. Yet, findings illustrated throughout this document show that many organizations struggle to achieve their CX objectives due to challenges in finding and utilizing knowledge. This is largely due to a lack of communications processes and tools needed to bridge the internal silos in a business and empower employees with the information they need to serve customers.

Often being the first point of contact for customers when they have an issue, contact centers must prioritize addressing the challenge of organizational silos by finding ways to work better together throughout the business. Findings in this report show that 36% of businesses have found ways to alleviate the above problems.

These firms enrich their activities by incorporating UC capabilities within their contact center activities. In doing so, they empower agents so they become more productive and handle customer issues more efficiently. These efficiency gains also help them reduce costs. Most importantly, bridging organizational silos ultimately helps UC-enabled contact centers minimize customer effort and improve customer satisfaction and loyalty. If you haven't yet successfully bridged organizational silos across your business, or if you're planning to do so but don't know where and how to get started, we recommend you follow the steps below to align your performance with the performance of savvy businesses maximizing their results:

- **Complement communications tools with organizational processes.**
Savvy firms don't just expect technology to transform their performance. They use employee training and coaching programs to educate employees

across the business on the benefits of regular and effective communication and collaboration. They also monitor how effectively employees communicate by using customer experience and feedback data.

- **Make knowledge exchange in your business multi-directional.** In today's world, where every other business is using at least 10 channels to interact with customers, it's critical that employees throughout the business have the same view of customer insights so they can ensure the consistency and personalization of interactions – regardless of the channel or department customers interact.
- **Prioritize employee experiences.** When enriching your activities with UC, we recommend doing a thorough analysis of what information employees need, and when and how they prefer to access that information. You can use tools such as desktop analytics as well as employee surveys to gather this insight. The findings from this analysis will help tailor your use of UC capabilities so they are easy for employees to use, hence enabling wide adoption and garnering significant returns from investing in these capabilities.

Related Research

The Top Ten Technologies CX Leaders Are Planning to Adopt in 2019; December 2018

Modern Customer Service: Transform Your Service Experiences to Become Future-Ready; November 2018

Agent Productivity & Performance Management: Help Your Agents Do Their Job; October 2018

The Intelligent Contact Center: Use Data to Drive Efficiency & Maximize Customer Experiences; June 2018

State of Contact Center WFO 2018: Driving Customer Satisfaction Through Efficiency; May 2018



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