



USA800
Making Every Contact Count

OPTIMIZING SALES PERFORMANCE IN A CONTACT CENTER ENVIRONMENT

“...Sales are an integral part of every organization. We know that every interaction with a contact center representative is an opportunity to grow our clients business as well as develop a loyal customer relationship. We focus on ‘Making Every Contact Count’ ...”

As businesses constantly seek to do more with less, the contact center, if properly optimized, is firmly positioned to exceed performance expectations while delivering a superior customer experience. This white paper will bring insight into the opportunity for the contact center to deliver maximum sales return to the business.

Dan Quigley, the author and COO and CFO of USA800, a mid-sized US based outsourcing CSP (Contact Center Service Provider) located in the mid-west, offers his point of view on the “Keys for Success”. This includes building and sustaining a sales culture that excels in performance; recruiting and motivating the right people for the job; and developing and operating a Performance Based Culture that instills ownership and accountability.

Dan punctuates his point of view with a client case study provided from his own company. For more industry related thought leadership, go to www.usa800.com.

Introduction

Over the past decade there has been significant attention placed on redefining the role of the contact center and leveraging its ability to contribute financially to the bottom line of the business. Repositioning the operation from a cost-center to a profit-center capitalizes on the notion that every contact is an opportunity to generate revenue and/or reduce cost. Serving revenue generation has propelled the contact center into the role of a sales organization.

There are additional, external forces at work contributing to the elevated sales role of the contact center. For one, the millennial generation (born mid 1970's to early 2000's), is the next major buying power. A population of 80 million - the largest generation ever- the millennials represent an annual buying power of \$1 trillion¹ that are tech savvy, prefer to buy and research online and expect expert help when they are ready to buy.

Social media, the new marketing frontier, caters to this audience and promotes the opportunity to capitalize on the consumer's immediate desire to buy. The time to buy is compressed from delays, in getting to a "brick and mortar" location, to immediate via "click and mortar" options. The company can react and deliver on the consumer's needs and buying temperature as an integral part of the marketing message they just communicated.

Economic conditions continue to force businesses to tighten their reins and reduce costs across the board. As a result, there is a lot of dialogue around metrics associated with the cost of sales and opportunities to seek out lower cost sales channels. A contact center, that also integrates web, chat and e-mail with

phone sales support can be the answer, if well executed.

Of course, not to be overlooked are the traditional direct response marketing channels, for example TV and print, that continue to drive prospective customers to the contact center each an opportunity to convert to a sale via multiple channels such as web, chat, e-mail and phone.

Across the board marketing and advertising executives are rethinking their advertising spend. Nielsen reported significant ad spending declines in the first half of 2008 by eight of the top 10 advertisers, down

roughly 6% during the same period in 2007. Even though some product categories are down, there are

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others such as Direct Response Product which increased spending 20.5%, and Credit Card Services increasing spend by 19%. And, the report indicates these categories should continue to spend.²

This all points to the amount of potential buying traffic being driven for various reasons to the contact center as sales opportunities. However converting those opportunities into real revenue is where the significant difference across contact centers comes into play. In any of the aforementioned examples getting the buyer to the contact center is only the

¹ Entrepreneur.com: Entrepreneur's Start-ups 03/2009

² Nielson: 2009 US Industry Outlook; December 2008

beginning. If the sales interaction is not convenient, accurate, and, in general, a positive experience, then the possibility of the conversion is severely diminished, if not lost. Worse, the potential negative word of mouth fallout can have a far reaching damaging impact on future sales, as well as diminishing the company's brand.

This white paper has been prepared with the intention of sharing best practices, explaining the "nuts and bolts" of what it takes to create, cultivate, operate and motivate a superior sales-focused contact center organization. We will discuss how to drive performance excellence and deliver maximum return back to the business. The model for success presented in this paper is a proven, real world approach, to equipping and enabling a premier sales contact center to exceed sales and quality expectations for both the company and the customer.

Not All Contact Centers Are Alike

There are significant differences across contact centers, not only in what they do but in how they deliver. One of the obvious differences is the types of programs they run such as Technical Support, Customer Care and Back Office Processing. Similarly when it comes to sales there is a significant difference between "Sales-Focused" organizations and "Order-Takers".

Take the scenario of the catalog shopper. In this example, the inbound contact is typically a warm buyer and is already familiar with what they want or need. The emphasis is on taking the order, which many times includes an attempt to up-sell or cross-sell other offers that are prescribed by the system or by the process. In a sales-focused contact center organization, the emphasis shifts to the soft sell skills needed to handle inquiry calls driven typically from direct response marketing activities. These customers require special handling and sales expertise to lead

them through the emotional process of making and committing to a buying decision. Furthermore, in an expert sales organization, simply getting the sale is not enough. What the customer experiences throughout the process is as critical to the outcome as the sale itself. In today's experience economy, a company's brand is defined by the customer experience they deliver. In sales that branding opportunity starts with the first sales interaction.

Create a Performance Based Culture

The true essence of being successful in the sales arena is to develop and more importantly operate by a 'Performance Based Culture'. Instilling a sense of ownership in the organization that drives a commitment to success is the cornerstone of a performance based culture. Organizations that have the luxury of operating as Employee Owned have an easier time of creating such an environment because all employees, from the front line agents to the top management have a stake in the company and therefore, a vested interest in success. However, employee ownership is not required to create a Performance Based Culture -- it can be created



through incentives, career planning, recognition, commitment and respect. The reality is that any organization can successfully transform itself to foster

a culture that cultivates an entrepreneurial spirit and thrives on a shared commitment of success and sense of ownership.

A practiced and sustained behavior of collecting, respecting and valuing sales agent's ideas and feedback will manifest itself in greater creativity and buy-in.

Fostering an entrepreneurial spirit and ultimately a performance based culture requires processes and mechanisms whereby everyone on the team has a voice and they know their voice and feedback is valued. Not surprisingly, the smartest person in the organization is the Sales Agent when

it comes to knowing what is working, and more importantly, not working in the sales process. Additionally, when it comes to uncovering what is broken and coming up with creative and innovative ideas as to how to drive greater sales performance, the Sales Agent is invaluable. A practiced and sustained behavior of collecting, respecting and valuing their ideas and feedback will manifest itself in greater creativity and buy in.

A Performance Based Culture, especially in a sales organization, walks a fine line of knowing when and how hard to push in meeting and excelling against sales objectives. It is easy to lose sight of respect and caring for the team, as a whole, when sales numbers and quotas come into play. You have to be cautious that an almost "shark-like" behavior does not negatively impact the customer experience, create a negative view of the brand and deplete the team's shared commitment to success. So, consideration must be afforded to balancing sales goals and

objectives with the overall well being of the team and of the brand.

Last, but not least, don't be fooled, expert sales professionals, the type of people that excel and deliver superior sales performance are motivated by money and excitement. Therefore, compensation programs that offer: substantial upside based on performance; recognition programs that highlight winners; and incentive events that add fun and excitement; are all ingredients to creating an environment in which people who like and want to sell will be happy and motivated to work their hardest.

Keys to a Formula for Success

There are several keys to operationalizing and sustaining a premier sales organization that consistently excels in their performance. Those keys include:

- 1. *Understanding and Alignment***
- 2. *A Process Approach to Sales***
- 3. *Persistence and Patience***
- 4. *Operationalizing a Performance Improvement Cycle***
- 5. *Technology-Enablement***

These five elements work in concert with each other to cultivate and sustain a premier sales organization. Collectively they represent the total picture of setting strategy, delivering on that strategy via people and process, and equipping the organization with the appropriate technology to be effective and efficient. Of course, also built into this model is the practice of continuous improvement that tracks, monitors and refines each program.

1. Understanding and Alignment

The first step in establishing a premier sales program is to understand the financial objectives and drivers of the business. These help to define the overall goals of

the program. Aligning revenue goals with sales results and cost expectations at this juncture is critical to program success. Knowing the business revenue and cost drivers ultimately helps to design a program that also meets those expectations.

For example, what is the current cost per acquisition goal by channel? Is it realistic? What needs to be done to reach it? What are the product, promotion, pricing and/or distribution drivers that enhance or limit channel success? How is success defined within each sales channel and what are the appropriate metrics to measure performance and quality? Once these, and other, key questions are addressed, then it is possible to develop an end-to-end process that goes beyond just selling, but also aligns the financial drivers of the business with the overall success criteria of the program.

2. A Process Approach to Sales

Once the financial drivers in the business are defined and understood and the end-to-end process has been developed that aligns accordingly program success becomes a matter of execution. A view of the equation that yields the greatest results in a high performing sales organization is:



Figure 1

PROCESS + EXECUTION = RESULTS

The right process along with execution will lead to great results. Figure 1 provides a graphic view of the overall end-to-end process. Some of the highlights of this process include:

Selection/Recruiting and Hiring

This is focused on **'Getting the Right People'**. It is not uncommon when transforming a contact center from cost to profit to simply "add" a sales component to the work of the existing agents. Or, move existing agents regardless of their sales skill set or desire to sell to a sales program and assume that training will fill the skill gap.

The better way is to look for people with the right sales attributes and a sales mindset. For example, look for people that live for recognition, are motivated by money, know they get paid for what they produce and understand variable compensation. This often requires customizing the recruiting process and adjusting where and how to advertise to hire the right people.

Training is a key component of On Boarding. Attention to, investment in and deployment of well thought out formal training is the common denominator among "Best-in-Class" sales organizations.

The screening and testing process must be adjusted as well, to ensure the right profile of agent has been acquired – meaning that they have the attitude, desire, competitiveness, intelligence and motivation to have sales success. In some cases, this may also mean hiring an external assessor to determine if the recruits have more of a sales focus than service acumen and validate the hiring decision.

On Boarding

On boarding focuses on **'Getting Them Ready'**. On boarding follows the training process with assessments and testing. It should be noted that training classes with 100% graduation should be considered too high, some fall out should be expected. This could be an indicator that the training curriculum

or testing process is not sufficiently aligned with the job expectations and should be adjusted. The company should be willing to take some risks by adding a few people that could fall in or out. It does not add that much to the overall cost and will most likely yield a better overall result in the hiring process while working to get more agents on the floor

Training is a key component of On Boarding. Attention to, investment in and deployment of well thought out formal training is the common denominator among “Best-in-Class” sales organizations.

Research has revealed that Best-in-Class organizations far out perform all other companies in terms in year over year (YOY) growth with respect to their Key Performance Growth Indicators such as: overall corporate revenue and profit margin; revenue per sales representative; average deal size; and overall sales team quota achievement.

As shown in Figure 2, with year over year increases in the 5% to 11% range Best in Class organizations are sharply contrasted with both Industry Average and Laggard companies with yielded annualized tracking rates approaching negative twelve percent (-12%).

are not yet counted as part of the larger agent population, in terms of answering calls and providing service. The goal is to build “good habits” as quickly as possible coming out of training. If agents build good habits and know what is expected of them on each contact, the right expectations are set from the beginning. This is critical to their overall success.

Making assessments coming out of training, out of on-boarding and after the first thirty days will establish whether an agent can really deliver on the job and have a successful sales career.

Compensation

Compensation focuses on “**Treating Them Right**”. Remember the goal is to recruit people that are motivated by money and appreciate a variable compensation model. These people will understand how to play for the piece of the variable pay that is based on the fruit of their own labor.

Compensation reward should be directly related to their commitment and willingness to perform. Make sure the opportunity for them to learn and produce is available. High performers will understand that when the customers and call volumes are there, they have the potential to have greater financial success. Agents like this should be in sales organization because they have a high degree of personal ownership, investment and reward. They also have a high personal degree of accountability. With this accountability they will look to their short comings and will seek to improve. They will also look to others for help. It is suggested seating people together on the floor where they can drive each other’s success and learn from each other.

Ultimately compensation is about creating a culture where rewards are shared and people are treated right.

Figure 1: Early Best-in-Class Metrics: Year-Over-Year Sales Force Data

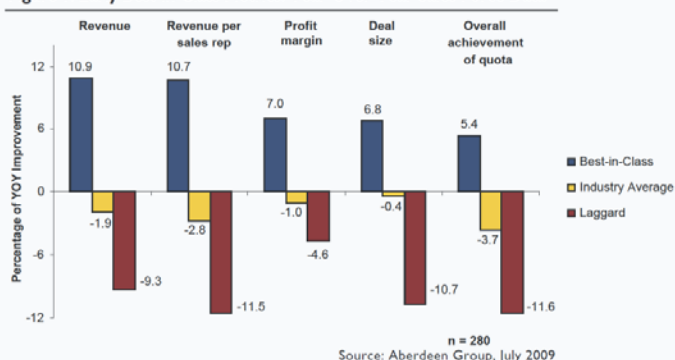


Figure 2

After role playing, testing, and certification during training, the agent moves on to the ‘Nesting’ phase. An initial nesting phase provides a higher level of supervision, evaluation, and assessment, where they

Evaluation and On-going Support

Evaluation and on-going support focuses on **“Keeping Things Going”**. This step in the process builds on the rigor and process used during on boarding to promote good habits and deliver early success. This is critical step because early success solves for a multitude of downstream problems. Struggling and stumbling early on, creates problems for the management team and coaches later on in the process.

It is important to provide a high amount of quality monitoring. Recording 100% of the calls and making the recordings available to the agent and supervisor for coaching enhances the coaching experience. This way they can listen to the calls to understand their conformance to the sales process, their level of enthusiasm and the energy they deliver on each call.

The Evaluation and On-Going Support is a crucial step in the ability to deliver on the model of Process + Execution = Results. Given the nature of sales programs, things tend to change with a pretty high degree of frequency. Offers change, products come and go and pricing may fluctuate. Therefore, it is important that a comprehensive method for evaluation and support is used as opposed to simply looking at one particular metric, such as close rates. Taking a single metric view, will not provide the total view of a sales agent’s performance and may drive a negative customer experience.

3. Persistence and Patience

By virtue of the fact that while businesses may share a common set of business metrics to which they monitor their course, generally each has a unique set of value drivers against which they establish success for their company. Therefore the end-to-end process that must align is not a “one-size fits all” scenario - at least not in the case of premier sales organizations. It is important to be persistent but also patient.

Persistence says it is crucial that the organization be persistent in expecting results early, demanding results often throughout the process and ensure learning as they go. But, at the same time, be patient in terms of understanding it takes time to get it right. Constantly defining and refining the process to make sure it is on target and adding value to the business, is a key requirement

4. Operationalizing a Process Improvement Cycle

Early on the importance and process for setting up a Performance Based Culture was discussed. A key to success is how to manage and continuously improve on the culture and the organization.

This is accomplished through clearly defining



Making Every Contact Count.

EXPECTations, INSPECTing behaviors, ANALYZE for opportunities to improve and COACH for performance improvements.

Setting expectations at each level means:

For the Agents:

- Setting expectations as to what they are saying and doing on the phone.

For the Supervisors:

- What they should be saying and doing with their team
- The number of observations they should have with their team

- The ability to run “Team Huddles” to gather and collect feedback from agents on what is/is not working
- The ability to coach and demonstrate leadership within the center

For the Call Center Manager:

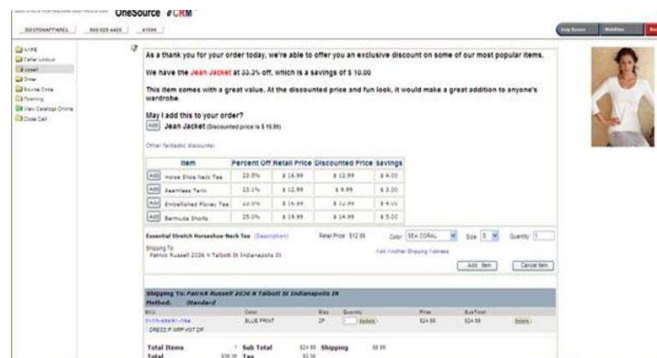
- How they work with the Sales Coaches to deliver results

The next step of the continuous improvement is inspecting behaviors, meaning the ability of the organization to listen, coach and provide feedback. Then assess and qualify where the agent falls in their ability to deliver on required behaviors. Any good sales organization or performance based culture can analyze the organization and identify opportunities for improvement. This is critical for the agents, for the team and for the organization. Lastly, these opportunities must be exploited as coaching opportunities and opportunities for improvement, regardless of whether it is with the agent, account management, the program, the process or technology or even higher up in the organization.

5. Technology Enablement

Agent support tools should provide transparency into their performance and allow them to understand how they are performing and how the team as a whole is performing. They should also provide near real-time reporting as to what their sales, incentives and rewards are and how they compare competitively to the rest of the team. In addition, the agent tools should provide the ability for HR and other administrative functions to be easily and efficiently processed. The more information the agents and the team have at their fingertips the more they can feel a part of the organization.

As shown in figure 3 with a sample eCRM screen from an agent desktop, technology should support and



facilitate the delivery of the business and financial value drivers of the business. Technology should allow agents to easily understand the call flow, as well as, call volume, order volume, chat, what’s happening real-time in intervals throughout the day and overall.

In a sales performance driven culture, results need to be known immediately on multiple levels. Not just on close rates, revenue and average order value, but also on agent behaviors. What’s going on with customers when they are calling in? What are the break outs on types of customers vs. the types of issues they are calling about? This information should be fed back to the business so management can make the appropriate marketing, operational, or pricing decisions that add value to the business.

At the end of the day, it gets back to the first key to success in our formula, Understanding and Alignment. If the right information can be disseminated throughout the entire process and chain of personnel in a timely manner then the contact center sales organization has a better chance of succeeding and achieving its goals.

What Can Be Expected

So what should be expected from an in-house sales organization or from an outsourcing partner with whom your customers’ sales experience is entrusted? You should expect that they will have the vision,

know-how and desire to pay pain-staking attention to each of the “Keys for Success” required in establishing a Performance Based Culture that instills ownership and accountability. That they will:

1. Align financial business drivers that define success and understand how to get there.
2. Be diligent in the approach to process development and execution in order to ensure results.
3. Be persistent yet patient, meaning demand results early, but be tempered by the flexibility to learn along the way.
4. Manage and continuously improve the culture and the organization.
5. Recruit and hire the right people for the job and then equip and empower them in a way that motivates and drives them to excel in their sales performance.

In doing so it is realistic to expect significant year over year growth in conversions and orders while delivering a superior customer experience that lays the foundation for continued loyalty and competitive differentiation.



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Dan has been an employee-owner at USA800 for over 4 years. He is responsible for providing overall oversight for the internal operations of the company including call centers, fulfillment, client services, information technology, network, and accounting. While Dan is one of the newest members to the management team, he has over 16 years in the industry working for several well known companies, such as Cricket Wireless.

Dan has a degree in business administration from the University of Kansas and has been critical in improving the sales process that provides innovation, flexibility and successful results for their clients. In his own words.....

“In the contact center world, people make the difference and provide a competitive advantage. Our agents on the phone are often the first and last people customers speak with and their level of care, concern, and problem solving ability are critical in forming a lasting impression with customers. We leverage employee-ownership to attract and retain agents that help create a competitive advantage for our clients.”

About USA800

USA800, Inc. is a 100% employee-owned, inbound customer care center which employs 800+ employee owners at its three contact center locations (Kansas City, Missouri, St Joseph, Missouri and Halstead, Kansas). USA800 has been named as one of the Top 50 Inbound Call Centers by Customer Interaction Magazine. For more than 30 years, USA800 has been providing inbound sales, customer care and technical support functions. USA800 serves a cross section of industries including: Catalog, Consumer Goods, Communications, Financial Services, Government, Healthcare, Insurance, Travel & Leisure, and Not for Profit. For more information, go to www.usa800.com.



