

LEADING THOUGHTS



Mergers Offer an Opportunity to Reexamine Current Practices

By Larry Eiser Contact Center Insights

A merger gives you a chance to take a fresh look at your critical operational areas. **Key considerations to help you align high-performing centers.**

No matter how much benchmarking and best-practice networking you do, it's surprising how wedded you can become to a certain approach—and how blind you can become to options that exist in certain areas while working hard to change and improve others. Change is hard work, but undergoing a restructuring brought about by a merger gives you a window of opportunity to drive critical improvements and higher performance.

This challenge is even greater when both organizations have a track record of strong performance. It is tough for folks to walk away from current approaches, because of a sense that these might be the very things that drove the strong results they have been able to achieve. Keep in mind that there are multiple ways to approach nearly any aspect of this business and still be successful. There is never a single recipe for success.

When you are merging two organizations, you have to identify the differences in each aspect of the operations and get them on the table early on. You may not be able to resolve them all immediately, but you need to make them part of your change agenda from the start. This helps to keep people from getting further entrenched in current practices and helps those old gravities from resetting. You cannot escape the fact that strong employee communications and change management needs to be wrapped around this change agenda.

Reexamining Every Element with a Fresh Set of Eyes

You need to ensure that all of your operational bases are covered when building your change agenda. Key areas to examine include strategy, structure, staffing model, processes, people and technology. Addressing each of these areas involves asking the right questions.

STRATEGY

The first and most fundamental area the two organizations will need to align is the overriding strategy and focus of the contact center operation. That involves getting the answers to such questions as:

- What role do the contact centers play in each organization? What are they trying to achieve? Is that role being redefined in the combined organization?
- What is the fundamental philosophy of each company concerning customers?
- What is the philosophy of each contact center organization concerning customers, employees and value proposition to the larger organization?
- Are there differing regulatory or legislative rules that could impact the strategy of the merged organization?
- Are there differences in the profile, characteristics or expectations of each company's customers?

STRUCTURE

Organizational structure can often reveal the intended role and emphasis placed on the customer contact portion of the business. Questions to answer include:

- Where does the contact center report within the larger organization? Under a shared services organization? Reporting to a Chief Customer Officer or COO? Buried within an IT or Telecommunications organization?
- Is management of the contact centers, IVR, web and other

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channels integrated into one organization or dispersed?

- How many physical centers does each organization have? In what locations?
- How is each contact center organization designed? What roles exist? What investments have been made in workforce management, QA, process improvement and supervisory span of control?

With the right people in place, a variety of structures can work, but structure can also be a strong driver of behavior. A well-designed organization supports the most important processes and interfaces by breaking down barriers and facilitating communication.

STAFFING MODEL

Getting both organizations on the same page in terms of staffing model begins by answering key questions about how service currently is being delivered in each company and how it will be delivered to customers in the combined organization. The decisions made here will determine staffing levels, as well as when and where that staffing is needed. In my experience, this is an area that can generate a lot of emotion, more so than even strategy and structure. This stems, to a great extent, from the fact that it's easier for people to agree and be comfortable with high-level discussions on topics like level of focus on customers, employees and cost efficiency. To address staffing model issues, you begin to delve into greater detail about what really matters to the people who have to deliver on those higher-level strategic objectives. You will likely encounter a lot of ownership issues, especially when you're dealing with two high-performing organizations.

Oftentimes, each organization views their current approaches and practices as key ingredients that contributed to their track records for high performance. That makes it tough to let go and see other possibilities. Key questions include:

- What service level and response time targets are in place in each organization? What is the rationale behind those targets? What has performance been in meeting those targets?
- What hours of operation exist within each organization for live voice service and other channels?
- What channels are being provided to customers? To what extent are they being

utilized? What are the satisfaction levels by channel?

- What skill groups have been defined within each organization? What is the basis for these; e.g. contact type, customer profile or channel?
- What level of outsourcing exists in each organization? On what basis? What is the nature of the relationship including partner accountabilities and success measures?
- Do home-agent programs exist? To what extent are the organizations taking advantage of such programs to increase scheduling flexibility?

PROCESSES

Business processes define how things are done within the contact centers, and among the centers and the departments with which they interface. Comparing these processes side-by-side reveals questions that need to be addressed:

- What investments have been made, and emphasis placed, on workforce management? How do forecasting, staffing and scheduling occur? What internal and external factors are taken into account? How is accuracy measured?
- How is the voice of the customer measured and utilized?
- What are the key interfaces for the centers? What level of crossfunctional communication occurs? What metrics are measured and utilized to gauge process effectiveness?

PEOPLE

Another key focus area is understanding how each contact center organization manages its people. This includes how each company brings talent into the organization, as well as how it prepares, nurtures, assesses and rewards that talent. While all of the other elements (strategy, structure, staffing models and business processes) have some impact on the culture within the centers, the people-related processes play a primary role in influencing culture. It's important to consider all of those processes here:

- How are CSR or other candidates assessed prior to hiring? What training and support are provided to new-hires? What investments are made in ongoing and refresher training?
- How are quality and productivity measured

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for CSRs?

- What is the approach and frequency of coaching? What other support mechanisms are in place for CSRs (e.g., escalation line)?
- What types of performance are rewarded? What are minimum levels of performance?
- What compensation structures—base and variable incentive—are in place? How are they determined? How do they compare to the market?
- Do unions represent contact center employees in either organization? What restrictions exist?
- What does career progression look like? How are supervisor positions filled and rewarded?
- What does turnover look like in each organization? What measures are in place to impact retention?

- Have investments been made in speech and/or text analytics technology?
- What self-service platforms, including IVR and web, are in place? What level of utilization exists? What integration exists between these and CSR-assisted channels?
- What desktop hardware and software are available and utilized by CSRs?
- What knowledge management and CRM technology is being utilized?
- To what extent are the organizations using proactive outbound, mobile and social media as customer contact channels?
- Are there elements of the technology platform that are reaching end-of-life or that limit the pursuit of strategic plans?

Building a Roadmap to a New Future

As each element is evaluated and choices are made, it's important to keep everyone focused on creating and building the new organization. Look for the best of both approaches in a given area versus keeping score and compromising to balance perceived "wins" for each organization. Factoring in best practices from other organizations will help to spur creativity and prevent the leadership team from limiting its thinking to the two approaches represented by the merging organizations. A third approach often proves to be the best option, and can be easier to implement from a change management perspective.

A merger gives you a window of opportunity to take a fresh look at all of your processes and practices. Finding a way to keep that spirit alive will ensure long-term success because external factors like technology and customer expectations are always shifting. 

TECHNOLOGY

It is important to understand the technology platforms within each contact center organization. Separate platforms drive up costs and limit flexibility of the organization to operate as one. Aligning the technology is not necessarily about fork-lifting out what one or both organizations have today. You need to develop a roadmap that encompasses each element of your platform, and define where you need to be in two or three years. It also involves defining snapshots of where you need to be, year by year, as you follow that roadmap. Consider the following:

- What call center switch, routing, CTI platforms are being utilized? To what extent is VOIP being utilized?
- What workforce management and recording/QA platforms are in place?

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