



# **Evolution of Contact Centers in Banking:** Engaging and Empowering Agents in an Omnichannel Operating Environment

## **BAI Executive Report**

Based on Insights from The BAI Contact Center Executive Roundtable  
Sponsored by Avanade



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## BAI Contact Center Executive Roundtable Participants

Total assets and headquarters

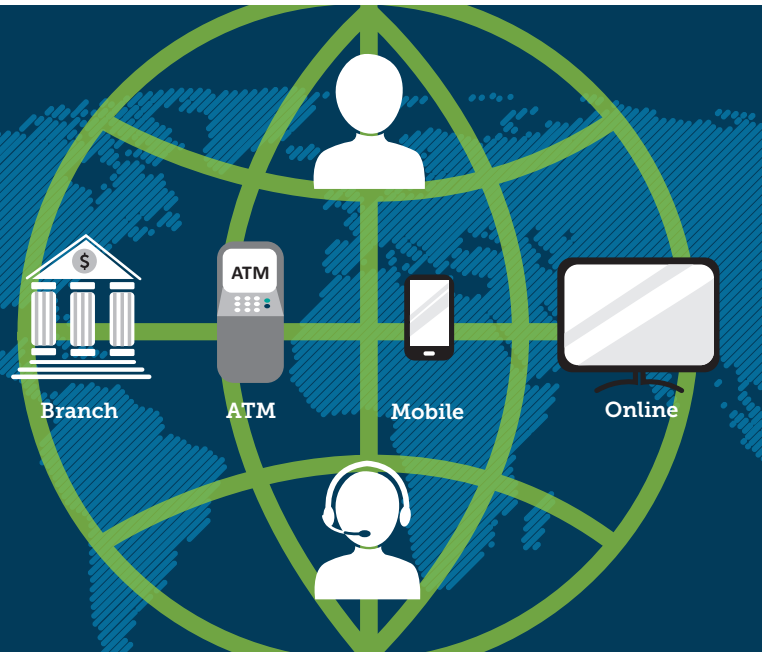
A special thank you to our roundtable participants for sharing their views on these critical trends and issues for contact centers.

<b>Citigroup</b> \$1.89 trillion USD New York, NY	<b>Commerce Bancshares</b> \$23.1 billion USD Kansas City, MO	<b>PNC Bank</b> \$271.2 billion USD Pittsburgh, PA	<b>Regions Bank</b> \$119.6 billion USD Birmingham, AL	<b>TD Bank</b> \$862.5 billion CAD Toronto, Ontario, Canada	<b>Webster Bank</b> \$23 billion USD Waterbury, CT
<b>Citizens Bank</b> \$127 billion USD Providence, RI	<b>HSBC</b> \$2.63 trillion USD London, UK	<b>RBC</b> \$940.5 billion CAD Toronto, Ontario, Canada	<b>Scotiabank</b> \$805.6 billion CAD Halifax, Nova Scotia, Canada	<b>U.S. Bancorp</b> \$410 billion USD Minneapolis, MN	<b>Wells Fargo</b> \$1.69 trillion USD San Francisco, CA

## Introduction

Contact centers in banking are continuing to grow in complexity as they shift from handling mainly transactional interactions, such as informational calls, to addressing more complex of issues, including sales and purchase-related activities.

Contact center agents have become the primary point for more complex interactions with customers, potentially leading to opportunities to recommend financial products and services.



With successful investment in self-service technologies, banks have enabled customers to handle many of their own basic issue and transaction activities. This transition has allowed contact center agents to become the primary point for more complex interactions with customers, such as loans and mortgages. This expanding role has the potential to lead to opportunities for agents within the contact centers to cross-sell and up-sell financial products and services. Additionally, contact centers are a critical component in a financial institution's ability to deliver an omnichannel experience to customers. As alternative channels such as mobile banking grow, the contact center must continue to evolve beyond basic transaction handling to a relationship and omnichannel focused approach that supports 24x7 interaction with customers and their activities, questions and needs across banking channels and lines of business. This means not only effectively resolving complex inbound calls and identifying opportunities to expand share of wallet but also increasing customer satisfaction and improving overall customer experience.

To explore ideas and inspire innovative thinking on how contact centers in banking can be more effec-

tively operated in this complex and changing operating environment, BAI hosted an executive roundtable discussion in April 2015. The dialogue centered on key issues, from enabling a connected customer experience to leveraging physical branches and using data to make more informed business decisions. A central focus throughout was the pivotal role of the agent in the contact center, with topics encompassing everything from hiring the right people to training and engaging those employees as well as evaluating their performance and reducing attrition.

Sponsored by Avanade, the roundtable provided an open exchange of thoughts and best practices among senior executives responsible for contact centers at their financial organizations. BAI is pleased to present this whitepaper containing perspectives and insights from the roundtable discussion, supplemented with additional content drawn from industry trends and information. We developed this resource to add value to your business planning and decision making as you seek to deliver an exceptional customer experience in your contact center.

“Banks are recalibrating contact center processes and staff performance metrics to better align them with market changes due to the increasing complexity of customer questions and concerns.”

Bill Hippensteel  
Chief Content Officer, BAI



## Executive Summary

Customers expect the same type of effortless experience from their bank as they have with Amazon, Apple and other leading retailers. Meanwhile, digital technology enables customers to do their banking over multiple channels, making contact center operations in the omnichannel environment increasingly more complex.

Based on insights from roundtable participants and supplemental research on building an effective contact center, the role of the agent is critical and rests on three key components.

### **Pillar 1: Recruiting and Retaining the Right Agents: Start with a Strong Foundation**

As identified by roundtable participants, attracting and retaining agents continues to be one of the biggest challenges faced by contact centers. Yet, much like the customers they serve, employees entering the contact center as agents expect simplicity—with the same convenient use of technology and information accessibility in their work environment as they have elsewhere. Along with fine-tuning pre-hire assessment tools, contact centers leadership should consider revamping onboarding with a goal towards ensuring extended employment. While awards, incentives and other recognitions can help ensure a satisfied and engaged workforce, they may no longer be as effective, particularly with younger employees coming into the workforce.

### **Pillar 2: Empowering Agents with the Right Tools: Expert Use of Customer Information**

A common theme in the roundtable discussion was that while financial institutions are becoming more proficient at gathering and presenting data to form a single view of the customer relationship, challenges remain in enabling agents to use customer data effectively during customer interactions. The modern contact center for banking will move beyond presentation of single view of the customer to a platform for enabling agents to become proactive advisors to customers. Banks need to make it easier for agents to view and understand customer journeys and actions across channels,

such as providing visual maps to agents of customer actions. Banks must also invest in turning customer data and insight into action. With the right tools, contact center agents can use customer information to effectively and accurately answer customer questions and concerns as well as make proactive recommendations on the next best action a customer can take regarding products, services and account management.

### **Pillar 3: Measuring Performance with the Right Metrics: Relevancy and Effectiveness Are Key**

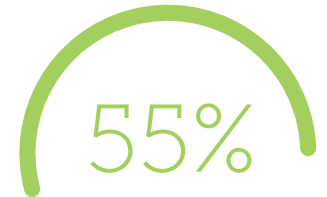
While metrics traditionally look at average handle time, first call resolution, sales conversion, customer satisfaction, net promoter scores and other key measures, these metrics may no longer be as relevant. In today's omnichannel banking environment, typical customer-agent interaction has moved from transaction to relationship oriented. These types of call naturally affect average handle time and first call resolution, and these metrics may no longer be effective gauges of performance. By recognizing these factors, contact center leadership can converse with agents to see what's working and what is not. Many of the participating roundtable organizations have started using new customer satisfaction scores, and while they believe other metrics may be changing, customer experience is still weighted the most, generally 40 percent across all scoring.

## Profile of Today's Contact Center: Changing Dynamics

Contact center operations in the omnichannel environment have become increasingly more complex. Customers expect the same type of effortless experience from their bank as they have with Amazon, Apple and other retailers. Meanwhile, digital technology enables customers to do their banking over multiple channels. But, whether a request or transaction was begun online, in the branch, on an ATM or from their smartphone, customers still want an easy, seamless experience, without having to start over should they need assistance from the contact center.

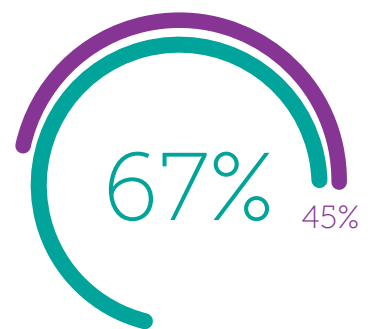
The ability of a contact center to meet customer expectations hinges on a key factor: the agent. As identified by roundtable participants, attracting and retaining agents continues to be one of the biggest challenges faced by contact centers. "How do you find people who want to solve 100 problems every day," said one participant. Yesterday's requirements and skill sets are no longer applicable in today's omnichannel operating environment as agents need to be tech savvy, problem solvers and proactive financial advisors able to effectively cross-sell while maintaining a high level of customer satisfaction.

Yet, much like the customers they serve, employees entering the contact center as agents expect simplicity—with the same convenient use of technology and information accessibility in their work environment as they have elsewhere. These two opposing forces—increasing complexity versus an expectation of simplicity—affect the performance of the contact center and need to be addressed by engaging and empowering agents. This whitepaper delves deeper into these crucial topics and suggests three key components to help build an effective contact center in an omnichannel environment.



### Banking Customers Want Proactive Relationships Not Transactions

More than half of banking customers surveyed want their bank to proactively recommend products or services that can help meet their financial needs. Among those interested in these services, 55 percent say that it would strongly increase their loyalty to the bank.<sup>1</sup>



### Millennials Expect a Seamless Omnichannel Experience

67 percent of millennials feel the traditional and digital experience they receive from their bank is somewhat or not at all seamless (compared to 45 percent for those over 55)<sup>2</sup>

## Featured Insights from Roundtable Participants

Throughout this whitepaper, we've presented comments and observations from roundtable discussions to help stimulate dialog and fresh thinking at your organization.

"Attracting and retaining talent is the biggest challenge we face. How do you find people who want to solve 100 problems every day?"



# Three Pillars in Building an Effective Contact Center

Based on insights from roundtable participants and supplemental research, we've developed some recommendations for building an effective contact center. This strategy centers on the critical role of the agent and rests on three key components: Recruiting and retaining the right agents, empowering them with the right tools and then measuring their performance with the right metrics.

## Pillar 1: Recruiting and Retaining the Right Agents: Start with a Strong Foundation

While recruiting is vital to getting the right people for your organization, competition for talented employees is fierce, and today's job applicants know it. They not only have more employment choices, they also have higher expectations for job satisfaction and demand more from their employers.

What can contact center leadership do to address recruitment challenges? Look at compensation to make sure it is competitive with similar positions elsewhere – not just the salary but the overall package of benefits. Effectively communicate with recruits that their salary will increase when training is successfully completed and the future earnings potential if they stay engaged in their work. While awards, incentives and other recognitions can help ensure a satisfied and engaged workforce, they may no longer be as effective, particularly with younger employees coming into the workforce.

Similarly, keep in mind that traditional recruiting methods no longer apply to millennials. Instead, consider social media and digital strategies to attract their interest. Social networking sites can also be used to map, validate and perform reference checks on suitable candidates. The key is to use the same technology platforms that your prospective hires are using.

### Identifying Candidates with Greatest Potential

Hiring the wrong person is expensive, in more ways than one. The average cost to source, recruit and hire a new contact center agent is about \$4,000, according to the 2014 US Contact Center Decision Makers Guide.<sup>3</sup> That amount does not include the related expenses of onboarding and training the new hire. Beyond those dollars, there is also the potential negative impact on the customer experience when an agent who is not right for the job is dealing directly with customers.

Several tools can also help identify candidates with the greatest potential, helping to minimize the risk of a bad hire. Pre-hire assessments, for example, provide valuable insight into a candidate's communication, language and critical thinking skills. To make the assessment tool most effective, really think about who your ideal agent is and ensure you are asking the right questions to identify that individual. This will allow you to get an understanding of not only capabilities but the skill set and personality that would fit well into that candidate profile. Screening for these elements is crucial for contact center agents and can help ensure high-quality hires. One bank at the roundtable gave the pre-hire assessment to thirty current employees to develop a baseline. Recruits must now pass the test to be hired. This strategy helps keep turnover low by identifying individuals best suited for the job.

Along with fine-tuning pre-hire assessment tools, consider revamping your onboarding with a goal towards ensuring extended employment. Rather than moving a new hire through the typical human resources steps of payroll and benefits and then into training, take a more employee-centric focus, particularly for millennials. One participant at the roundtable, for example, is using modular training with onboarding and peer interaction. There is a focus on proficiency and new hires progress through a workshop. As they reach proficiency, their pay increases. Such an approach can provide a foundation upon which newly hired employees begin to feel valued and successful for the long term.

Metrics for measuring performance are discussed later in this white paper, but it is important to note here that any interview and assessment results from candidates should be saved. This information should be monitored during their employment to develop accurate, reliable models to help identify future candidates that are likely to excel in their role as agent.

### Addressing Retention Challenges

Once you've found and hired the right agent, how do you keep that person? Sustaining employee engagement in the contact center environment is not about going from good to great, according to one roundtable participant. It is about keeping that agent engaged. Employees leave for many reasons, from frustration with cumbersome, manual processes to the misperception that there is no growth outside of the agent's role. Others burn out from the stress of solving problems all day long, every day, particularly if there is a lack of internal resources and tools to help them in their role.

Several strategies can help build retention. Review your training and development program to see if it is meeting the needs of your agents. If it isn't, identify what the program is missing and update it to more fully engage agents in training. Consider expanding training with gamification, especially with younger workers entering the contact center environment. By applying game mechanics to non-game experiences, you can address employees' need for community, feedback, achievement and rewards. Badges and points can be used to motivate agents to learn more and gain further recognition, particularly when tied to financial awards and advancement.

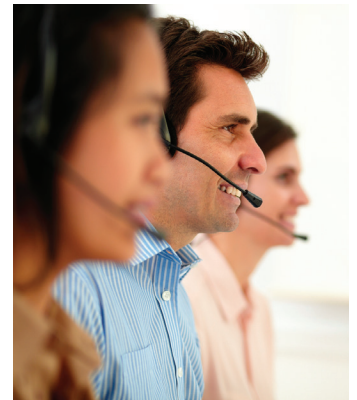
### Continuously Communicate and Recognize Top Performers

By clearly establishing and communicating opportunities for advancement on an ongoing basis, agents will most likely see the long-term benefits of staying. This proactive approach will encourage agents to remain with the contact center as they work to reach those elevated opportunities. A blend of rewards, individual praise and promotions can make agents feel appreciated and valued. Such continual feedback and recognition can go a long ways in creating a positive work environment and fostering retention. At the same time, a little competition among peers can be a great way to drive productivity.

Another strategy to consider is to leverage employees as agents of change. Identify individuals who other agents gravitate to and make them part of your efforts to build retention. Engaging agents that are seen as influencers among their peers can help create the culture you are trying to cultivate within the contact center. While these agents may not be your top performers, they usually have a dynamic personality or other qualities that give them a large sphere of influence with their colleagues.

Finally, don't let the focus on increasing productivity stifle creative thinking in your agents. All too often contact centers turn to repetitive tasks, rigid scripts and other methods to improve productivity. Unfortunately, agent boredom can quickly set in, inhibiting employee stimulation. Instead keep agents on their toes by varying work activities along with collaboration and team building exercises.

"We're looking at leveraging physical branches with more hybrid roles, and testing models such as agents being in the branch half of the day, then going to contact center."



"We developed an employee excitement strategy. Initially, I thought it might be soft, but it works and is a way to authenticate leadership."

## Pillar 2: Empowering Agents with the Right Tools: Expert Use of Customer Information

Now that the right people are in place, how do you provide them with the right tools to handle different types of customer activities and requests in an omnichannel environment? The key is to get information to agents in a format they can understand and effectively translate into action when engaging with customers. This means equipping agents with tools to:

**Respond to and help customers** with what's on their mind by providing effective and accurate answers to customer questions and meeting customer needs.

**Engender emotional attachment** by going beyond the basic questions and needs to anticipating and recommending solutions to potential needs, becoming a true personal and trusted advisors to customers.

**NEW CALL MARIA CAMPBELL** ★★★★★

**CLIENT SINCE: 10/2009**  
**SNAPSHOT: RETAIL AND COMMERCIAL CLIENT**  
**CALLS: 5 IN LAST 7 DAYS**

**ACCOUNTS**

ACCOUNT NUMBER	ACCOUNT TYPE	BALANCE	LAST CALLED
345678667756464	Checking	25,000.00	10/22/2014
345678667756465	Savings	10,150.99	10/14/2014
345678667756466	Money Market	15,550.00	10/13/2014
345678667756467	Personal Loan	9,381.99	10/12/2014

**RECENT INTERACTIONS**

- 10/22/2014 Opened new Commercial Account
- 10/14/2014 Send information on New Equity Line of Credit (LOC)
- 10/13/2014 Fraudulent Transaction on Ravens Credit Card

**OPPORTUNITY**

- Eligible for Executive Mobile Asset Management [see offer details](#)
- Eligible for Fraud Protection and Detection Service [see offer details](#)
- Increase your Commercial Liquidity [see offer details](#)
- Equity LOC [see offer details](#)

**NET WORTH PERFORMANCE**

Assets: \$ 4,022,283  
 Liabilities: \$ 1,005,570  
**Total: \$ 5,087,853**

**TRANSACTIONS**

Settled: 27  
 Failed: 2

**MONEY MARKET CHECKING SAVINGS**

3 Total \$79,811

**Case Number**

- W236565478
- W236548712
- W236548796
- W236547512
- W236547711

**Your Goals**

- Account Inquiry
- Add'l Products
- New Services
- Disputes Wires & Transfers
- AHT Goals

**Your Weekly Performance**

- Call Center Weekly Goal / Agent

The right tools enable agents to make proactive recommendations to customers.

A common theme in the roundtable discussion was that while financial institutions are becoming more proficient at gathering and presenting data to form a single view of the customer relationship, challenges remain in enabling agents to use customer data effectively during customer interactions. While many contact centers do give agents a view of the retail banking relationship, it may not be a complete picture or up to date. Even when agents can see the banking relationship, they often cannot view the detail behind it or understand how to use it.

Contact Center with Single View of Customer and Recommended Actions (Avanade CRM for Banking with Microsoft Dynamics CRM)<sup>4</sup>

The modern contact center for banking will move beyond presentation of single view of the customer to a platform for enabling agents to become proactive advisors to customers. Yes, banks still must invest in formulating a single consolidated view of customers and their



experiences, including unifying attitudes, needs, risk profile, loyalty and a host of other factors for both internal and external customer data sources. Further, banks need to make it easier for agents to view and understand customer journeys and actions across channels, such as providing visual maps to agents of customer actions. For example, a customer may do some loan research using a loan evaluation tool on a mobile device and then continue on their personal computer, the map would display the actions, then information access, and the point of abandonment.

As the roundtable discussion surfaced, banks must also invest in turning customer data and insight into action. With the right tools, contact center agents can use customer information to effectively and accurately answer customer questions and concerns. Perhaps even more important, agents can use this customer information to make proactive recommendations on the next best action a customer can take regarding products, services and account management.

Contact center technology will need to continually evolve to enable and empower agents to effectively advise customers, which can help build greater customer trust and improve profitability by transforming the way banks do business with their customers. Future contact center technology must evolve into next-best action platforms that:

**Turn customer data into holistic customer information:** Customer information is deduced and aggregated from internal and external sources, including all channels, and prepared for real-time use in the contact center.

**Convert information into actionable recommendations:** Customer information is used to make recommendations on next-best actions, including historical analysis of the customer as well as predictive analysis of future customer needs and behavior.

**Make recommendations easily understandable to agent:** Execution tools, such as template, call scripts, and workflows, enable agents to evaluate, understand and present recommendations to customers. Tread carefully, there is a fine line between providing call scripts as guidance and creating an over prescriptive process that removes the independence of the agent. Analytics and data visualization tools can play a key role in execution by exposing agents to the performance of recommendations and the reasons for acceptance or rejection by the customer. Increasing the agents' understanding of customer behavior enables and empowers them to make their own decisions on what to recommend to the customer.

Introducing next-based action capabilities can help banks move the contact center from a channel for transaction completion to a channel for relationship building by empowering agents to offer personalized recommendations, more convenience and more immediacy for customers.

"We see an opportunity in data, to turn it into good business decisions."



"We are consolidating processes around customer effort & enabling a connected customer experience."

“As much as we talk about handle time and other metrics, it’s the customer experience that gets weighted the most.”



### Pillar 3: Measuring Performance with the Right Metrics: Relevancy and Effectiveness Are Key

The right agents empowered with the right tools are at work in your contact center, now how do you determine if they’re successful? It’s important to measure agents against the key performance metrics that are relevant to the contact center. Depending on what is appropriate for your organization, these metrics can typically include average handle time, first call resolution, sales conversion, customer satisfaction, net promoter scores and other key measures. Such regular, consistent tracking helps ensure your contact center is providing high-quality service and keeps recruitment efforts in line with your institution’s overall business goals.

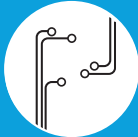
These metrics may traditionally have been the primary measure of an agent’s capabilities and potential. However, they may no longer be relevant in today’s omnichannel banking environment where the typical customer-agent interaction has moved from transaction to relationship oriented. According to roundtable participants, the majority of contact center calls are more complex and issues oriented versus just a request for information. These types of call naturally affect average handle time and first call resolution, and these metrics may no longer be effective gauges of performance. By recognizing these factors, contact center leadership can converse with agents to see what’s working and what is not. Some organizations at the roundtable, for example, now route long, intricate calls away from agents to a separate team. The agent may do the initial troubleshooting, and then transfer the call with team leader approval. In considering this process, weigh it against any possible negative impact on the customer experience with being passed from one agent to another and the need to repeat information for the other agent.

When polled if existing metrics still apply, roundtable participants generally agreed that while average handle time may not go away, it could be de-emphasized in measuring performance. Many of the participating roundtable organizations have started using new customer satisfaction scores, and while they believe other metrics may be changing, customer experience is still weighted the most, generally 40 percent across all scoring.

Another useful tool in measuring success is the interview and assessment information compiled when the agents were hired. As mentioned earlier in this whitepaper that pre-hire data should be maintained and ideally has already been updated with other post-hire information and business-relevant outcomes. This process will provide not only continuous validation of the employee’s performance over time, but a way to improve recruiting efforts as well.

# Key Takeaways

Based on perspectives and insights from participants at the BAI executive roundtable, supplemented with content drawn from industry trends and information, here are some recommendations on building an effective contact center for your organization.



Keep in mind that traditional recruiting methods no longer apply to millennials. Instead consider social media and digital strategies to attract their interest. The key is to use the same technology platforms as prospective hires.



Look at compensation to make sure it is competitive with similar positions elsewhere—not just the salary but the overall package of benefits. Effectively communicate with recruits that their salary will increase when training is successfully completed and the future earnings potential if they stay engaged in their work.



Equip agents with a single consolidated view of customers and their experiences, including unifying attitudes, needs, risk profile, loyalty and other factors for both internal and external customer data sources.



Make it easier for agents to view and understand customer journeys and actions across channels, such as providing visual maps to agents of customer actions.



Consider next-based action capabilities to move the contact center from a channel for transaction completion to a channel for relationship building by empowering agents to offer personalized recommendations, more convenience and more immediacy for customers.



Employ regular, consistent tracking to ensure your contact center is providing high-quality service and keep recruitment efforts in line with your institution's overall business goals.

## About BAI

BAI delivers the financial services industry's most actionable insights, enabling leaders to make smart business decisions, every day. We're passionate about the trusted information and powerful tools that provide leaders with the clarity and confidence needed to prepare for tomorrow, while performing better today.

*BAI is Bank Administration Institute and BAI Center.*

## About Avanade

Avanade helps clients realize results in a digital world through business technology solutions, cloud and managed services that combine insight, innovation and expertise focused on Microsoft technologies. Our people have helped organizations in all industries improve business agility, employee productivity and customer loyalty. Avanade combines business, technical and industry expertise with the rigor of an industrialized delivery model to provide and deploy high quality solutions—on premises, cloud-based or outsourced. Avanade, which is majority owned by Accenture, was founded in 2000 by Accenture LLP and Microsoft Corporation and has 25,000 professionals in more than 22 countries. Additional information can be found at [www.avanade.com](http://www.avanade.com).

Our global practice of digital strategy, technical, and functional professionals specialize in understanding the complexities unique to the banking industry and how digital technology can address issues of customer experience, market differentiation, and workplace performance. Our approach, offerings and services for banking are formed from our work with over 300 financial services firms worldwide including seven of the world's largest banks.

For more information on Avanade, please contact John Konczal, Avanade Industry Marketing at [john.a.konczal@avanade.com](mailto:john.a.konczal@avanade.com).



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## Sources

[1] Accenture, *2014 North America Consumer Digital Banking Survey. The Digital Disruption in Banking.*

[2] Ibid.

[3] ContactBabel, *2014 US Contact Center Decision Makers Guide*

[4] Microsoft Dynamics CRM, *United Service Desk*