



Part 3 | The Evolution of the Contact Centre

March 2021

A CCMA Research Initiative

Supporting Partner

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Interactions

A diary of change

In August 2020 the CCMA started on a journey to track how the contact centre is evolving during times of real change. This is the third part in a series of research reports exploring the future of the contact centre, thanks to our supporting partner Puzzel.

The first wave of research revealed how contact centre operations were responding to the first lockdown, rapidly ramping-up remote working and agile operations. The second wave published in November 2020 examined how contact centres were faring several months into lockdown. This third report explores the ongoing impact of the pandemic on people and operations.

As in previous waves, this report is based on qualitative research comprising group discussions with some of the leading brands in the UK contact centre sector.

With thanks to

We invited eleven contact centre leaders representing a diverse mix of vertical markets, contact centre types and experiences to a series of focus groups in January 2021 to explore how the industry is evolving. The CCMA and Puzzel extend their sincere thanks to these individuals for their generous participation in the study.

Jon Bowen, Customer Director, Paymentsshield

Gareth Brophy, Head of Customer Support, Halfords

Simon Butler, Director of Resource Planning EMEA, Fiserv

Jonathan Cowie, COO, Vivid Homes

Mark Davies, Customer Contact Director, Bupa

John Devlin, CEO, Ascensos

Ceri Henfry, Head of Operations, Moneypenny

Tracy Kellaway, Director of Consumer Care UK, Estee Lauder Companies

Louise Locke, Senior Director, Travelport

Phil O'Shiel, Client Delivery Executive Partner, Atos

Helen Wilson, Head of Customer Service, Atom Bank

Foreword

This third instalment in our 'Evolution of the Contact Centre' series is published just as we emerge from a long winter under lockdown. After such a prolonged period of restrictions, contact centre workers are understandably feeling the strain.

This report does not make for easy reading. It unflinchingly documents the toll that the ongoing pandemic has taken on the people working in our sector. Yet there are reasons to be hopeful. The number of infections is falling and vaccine rollout is on target. Leaders of contact centres up and down the country are united and single-minded in their commitment to prioritising the well-being of colleagues.

When the country begins to re-open and bounce back, our industry will emerge a more resilient one, better equipped than ever to deliver the experiences that our customers and colleagues demand and deserve.

Thank you for following our journey this far. I hope you will find this latest chapter insightful.



Leigh Hopwood,
CEO, CCMA

Contact centres have shown extraordinary resilience over the past 12 months. However, this report reveals the latest lockdown, which came after a difficult holiday season, has been particularly challenging for customer service teams. As fatigue sets in, workers across all levels are going to need extra care and support.

At the same time, contact centres have also become the most important touchpoint for their brands and are juggling more responsibilities than ever before. As a result, technology priorities are

now shifting to improving the agent experience, optimising workforces and delivering more seamless, on-brand customer experiences.

While the road to recovery will be a long one, with more flexibility, and greater visibility, contact centres have a lot to look forward to in 2021.



Jonathan Allan,
Chief Marketing
Officer, Puzzle

One year on

When the UK government announced another national lockdown in the first week of 2021, many contact centre operations had already gained valuable experience of implementing remote working. In terms of infrastructure and processes at least, most were well prepared.

With infection rates at record-high levels at the start of 2021, many contact centre professionals understandably opted to stay home even when COVID-secure premises were available.

“I think five or six per cent of the workforce want to go back full time. If anything they want to go back for a team meeting, but would rather work from home.”

Gareth Brophy, Head of Customer Support, Halfords

For some organisations this represents an opportunity to make permanent changes to their offices.

“Only nine per cent of our workforce want to come back to the office full time. People want to work from home a significant amount but want to have the office to interact with people one or two days a week. We’ve gone from three floors with 275 desks to one floor with 28 permanent and 70 hot desks, meeting rooms and breakout areas.”

Jon Bowen, Customer Director, Paymentsshield

One of the benefits of ongoing remote working has been increased flexibility in designing rotas.

“It’s the first time we’ve ever done split shift. We have some people doing nine to 11, 11 until three or three to five, because you don’t have to do that back and forth to the office. That’s opened up new ways to structure our teams, particularly to meet peaks.”

Jon Bowen, Customer Director, Paymentsshield

“We’ve managed to fill some of those shifts that we’ve struggled with before, such as the evening shifts up to 10 o’clock, because people can do home schooling during the day then work in the evening.”

Gareth Brophy, Head of Customer Support, Halfords

This flexibility is especially welcome as demand continues to be extremely high. Unlike last spring when lockdown meant an almost total shutdown of commercial activity, customers expect many organisations to be operating business as usual in 2021.

“One of the big differences between lockdown one and lockdown three is the guidance from the government is different. In lockdown one it was interpreted not to do stuff, whereas for the sake of the economy in lockdown three we are still doing things.”

Jonathan Cowie, COO, Vivid Homes

While remote working is clearly here to stay, its limitations have become very apparent.

“One of the things I miss more than anything is wandering out of my office and speaking to the people near me and getting an answer instantly to a question. It’s become a list of things that you write down then pick up at a subsequent time. All that spontaneity and creativity is stifled and pigeon-holed into the moment that you have scheduled to have the conversation.”

Tracy Kellaway, Director of Consumer Care UK, Estee Lauder Companies

“It’s when you bump into someone not necessarily having a conversation about work, but about life. I’ve been on calls with people and didn’t realise one of the ladies was pregnant and going off on maternity leave in a couple of weeks. I honestly didn’t know because I couldn’t see it on the call.”

Helen Wilson, Head of Customer Service, Atom Bank

The lack of opportunities for spontaneous connection, coupled with the detachment of video calls represents for many people a real limitation of remote work.

“ Remote working is clearly here to stay for many contact centres across the UK, so leaders must now turn their focus to the future. The biggest challenges going forward will be keeping teams connected, creating channels for collaboration, and monitoring staff wellbeing. If contact centres do plan on going 100% remote, or even introducing a hybrid approach, they will need the backing of robust technology that is not only flexible, but secure and easy to use. **”**

Jonathan Allan, Chief Marketing Officer, Puzzel

This is hard

Almost one year on from the first lockdown, the ongoing restrictions imposed during a long winter have taken its toll on contact centre workforces. Since the autumn the reality of the pandemic has hit much closer to home: the steep rise in cases over winter meant many people were either themselves infected or knew people who were.

“Lockdown one there was quite a lot of adrenaline driving things. It was classic disaster recovery stuff that we all trained for many years to do, and you’re in implementation mode, whereas this time is much more emotionally stressful for people.”

Ceri Henfrey, Head of Operations, Money Penny

“Lockdown three just feels like a hard slog. The novelty has worn off, a lot of people are dying, people know people who’ve been directly impacted, you’re in the middle of the winter and the worst time of the year.”

Jonathan Cowie, COO, Vivid Homes

“We built a business to work from home. We have the procedures, the processes. We’ve well planned, we’re well versed, we can deliver. What you can’t take away are people’s emotions.”

Phil O’Shiel, Client Delivery Executive Partner, Atos

“ There is no sugar-coating it, it has been an awful winter. And the real trouble is we simply don’t know what the future will hold. However, we do know we won’t be going backwards. The lessons we have learnt throughout the pandemic will stay with us, and the importance of flexibility, empathy and care, for both customers and employees, will continue. **”**

Jonathan Allan, Chief Marketing Officer, Puzzel

Customer tolerance for poor service has diminished

While winter lockdown has tested the resilience of contact centre professionals, the same also applies to customers. The spike in empathy and customer satisfaction witnessed last summer is gone, replaced by renewed expectations and lower tolerance levels when expectations are not met.

“There’s lot more anxiety out in society and in our customer base. We’re seeing this in some of the calls that we get.”

Jonathan Cowie, COO, Vivid Homes

“We’ve seen a growing amount of abuse to our staff over the last few months. Everyone’s resilience is just that much lower.”

Tracy Kellaway, Director of Consumer Care UK, Estee Lauder Companies

“Our customers are becoming less tolerant for our own capability to work effectively from home. If you work in customer service you understand because you’ve been through the mill, but the general population’s tolerance for our incapability is wearing thin.”

Louise Locke, Senior Director, Travelport

“It feels like customer expectations have arrived at the new normal before operationally we’ve fully decided what the normal should be for our businesses.”

Simon Butler, Director of Resource Planning EMEA, Fiserv

It has been perhaps the most difficult winter ever experienced for colleagues and customers alike. However, all signs are now positive with the infection rate falling, weather improving and target dates set by the government for easing restrictions.

“ Customer expectations are higher than ever, but contact centres must persevere. At the start of lockdown, we saw customers being a lot more understanding and empathic towards contact centre agents as they were adapting to the new normal. But now almost 12 months on, there are no excuses for poor service. Contact centres should be leveraging their technology to support agents and maintain service levels. **”**

Jonathan Allan, Chief Marketing Officer, Puzzel

Renewed focus on people

The contact centre sector has responded to adversity by doubling down on efforts to support its people. What has always been a highly people-centric industry has become even more single-minded in its dedication to colleague well-being.

“What I’ve tried to do from January is declutter the focus for our managers who are supporting our frontline every day. I said to leaders, the thing that I will hold you most accountable for as we go through the next six months above anything else is the engagement of your team. ‘Colleague-focused colleague-led and everything else will look after itself’ is the mantra that we’re following.”

Mark Davies, Customer Contact Director, Bupa

In contrast to last spring when technology transformation was top of the leadership agenda, the emphasis in Q1 2021 is very much on pastoral care.

“This wave feels much more people-centric challenges as opposed to technology-centric challenges.”

Jon Bowen, Customer Director, Paymentsshield

“We’ve tried to think about how we make certain things sacrosanct to try and protect the well-being of our colleagues above anything else. Making sure that we always have additional breaks that you build in during the day, that team meetings are never cancelled regardless of customer queues, that conversations that would ordinarily follow around productivity are softened because of extenuating circumstance.”

Mark Davies, Customer Contact Director, Bupa

“It’s really important for us to have conversations with people on a human level that aren’t just about performance and metrics and about ticking boxes. You need to get under the bonnet, under the skin, to know the individual.”

John Devlin, CEO, Ascensos

Similar to how the first lockdown bore witness to extraordinary digital transformation, colleague experiences during the third lockdown of winter 2020-21 will permanently influence how contact centres look after their people.

“Agent wellbeing is paramount – it pays to look after your employees. It is great to hear just how much emphasis contact centres are placing on staff wellbeing and the impact it is having on the welfare of their frontline staff.”

Jonathan Allan, Chief Marketing Officer, Puzzle

New challenges for leaders

As contact centres have redoubled their efforts to support staff during the ongoing pandemic, leadership responsibilities have evolved. During the latest lockdown a heightened awareness has emerged of the role that senior leaders play in the welfare of their people.

“There’s a client dynamic, there’s a customer dynamic and there’s a dynamic with the internal business, including colleagues. How do you keep all aligned and make sure people can just concentrate on their job? That’s my job really.”

Phil O’Shiel, Client Delivery Executive Partner, Atos

“Rightly or wrongly colleagues expect you to have all the answers to all the questions. It’s no longer a case of ‘you’ve done well, to get us all working from home, you’ve done well to respond to the initial challenge. But how are you going to make this a permanent fixture?”

John Devlin, CEO, Ascensos

“One of the hardest leadership periods that I think anyone could go through.”

Mark Davies, Customer Contact Director, Bupa

At the team-manager level, leadership responsibilities have also grown.

“I would say there has been an increase of 80 to 90 per cent in team leaders’ time spent doing welfare checks and escalated calls that in the office, somebody would lean over the desk and ask ‘can

someone else take this?’ Their role has moved massively.”

Jon Bowen, Customer Director, Paymentsshield

“If you looked at the top five things that a Team Manager or Customer Service Manager was responsible for 12 months ago, it looks completely different now. They’ve gone from pretty much 100 per cent in-office leadership to almost 100 per cent remote leadership, without any formal training or development.”

Mark Davies, Customer Contact Director, Bupa

“It’s a big organisational change for us as we not only support our guys operationally working from home, but emotionally working from home, too. You can’t ask a Team Manager to reinvent themselves overnight. You have to train and develop the manager to move into that kind of space. We’re working with third parties to do that as you need specialist skills to help.”

John Devlin, CEO, Ascensos

Managers must dial up their empathy and emotional intelligence to be able to proactively recognise potential distress signals from colleagues; no easy feat within a remote environment.

“We need people to be using their sixth sense more to pick up on things that would have been more obvious in an office. I’d be looking for a heavier EQ versus IQ balance in a people manager of today than I would have done maybe 12 months ago.”

Mark Davies, Customer Contact Director, Bupa

“Contact centre managers have done an exceptional job leading their teams through the pandemic so far. As lockdown eases, it will be important to keep checking in with agents, keeping those communication channels open, and making sure they have a seat at the table so teams can openly discuss what the future might hold. **”**

Jonathan Allan, Chief Marketing Officer, Puzzel

Planning for the year

For contact centre leaders 2021 forecasting and budgeting has been an extraordinary exercise in attempting to predict the unpredictable. Trading conditions continue to be volatile while for some organisations previous years' planning templates have ceased to be relevant.

"It's hard because you don't know what's going to happen in the year ahead. Volumes are higher than before the pandemic but we know we're not going to have the volumes that we had in 2020. We're trying to pick that sweet spot in between. We are reforecasting every month, from a volume point of view but also from a financial point of view."

Gareth Brophy, Head of Customer Support, Halfords

"Final decision making around the new normal has been held off for the immediate future, as I don't think we're really any closer to wanting to commit to an end-state operating model before we have more clarity on how we are likely to emerge from the current circumstances."

Simon Butler, Director of Resource Planning EMEA, Fiserv

In addition to managing all of the internal dimensions expected of the role, today's Contact Centre Director must stay well informed on political and economic development in a fast-changing external environment. Some sectors such as financial services and utilities are already experiencing the impact of changing demand patterns as the pandemic has affected customers' incomes. Others such as the travel sector are counting on demand to bounce back strongly once restrictions are eased.

"It's wait and see. Wait till we get to the end of furlough and what does that do to the economy in order to decide when you make those investments. It feels like treading water a little."

Jonathan Cowie, COO, Vivid Homes

"The financial impact of COVID will start flowing through in the financial sector. So we are trying to forecast what that impact will be for some of our customers and build that into our planning."

Helen Wilson, Head of Customer Service, Atom Bank

"If I don't plan for bringing in new staff now, by the time we hit June or July when things start spiking back up then I've already missed the curve. There will be zero tolerance for agents to be able to say I'm still learning, I'm still new, I've only just joined."

Louise Locke, Senior Director, Travelport

For organisations which import and export or deal with languages other than English, uncertainty surrounding Brexit is another variable added to the mix for 2021.

"Recruitment is the big one if you need multilingual staff. Recruiting from outside the UK is quite hard to justify now since January 1st."

Louise Locke, Senior Director, Travelport

"Retailers can't get access to containers to ship product because containers are all stuck on ships or in docks. It's a major impact on commerce for the UK and for European partners, because there are so many goods stuck in both directions not able to come across the channel."

John Devlin, CEO, Ascensos

As with last year, 2021 will be a year of change, transition and uncertainty. The longer-term economic impact of the pandemic and of Brexit are still unknown. Anticipating how consumer confidence will unfold is a key requirement to be able to predict demand and resourcing needs.

Evolving technology strategy

During the first lockdown in spring 2020 contact centres were extremely successful in rapidly implementing technology to enable colleagues to work from home. Many providers were also able to quickly roll out additional customer channels to help cope with demand.

Almost one year on, in line with the renewed emphasis on staff well-being, technology priorities have shifted towards empowering advisors and improving the colleague experience. Examples of technologies that have come to the fore recently include enhanced call-routing to guide both advisors and customers to the right outcomes, as well as closed-loop feedback systems to help advisors follow up on outstanding actions.

“We introduced something called a call assist tool, which helps guide advisors using decision trees through a kind of a set route, dependent upon what the customer is contacting us about. This massively alleviated the concern that our colleagues had about not saying something that they needed to. There is definitely a customer benefit as you have more consistency. But first and foremost it makes things easier for our people.”

Mark Davies, Customer Contact Director, Bupa

Technology is also being used to track, understand and thereby manage changes in customer demand.

“We had empirical speech analytics that showed across hundreds of thousands of customer conversations that customers were speaking to us about things that they weren’t before. Can I see this provider? Will I need to wear additional PPE? This helped me make the case for additional headcount as I could prove why call times were getting longer and it was due to changing customer needs.”

Mark Davies, Customer Contact Director, Bupa

Even following the huge investments and rapid deployments witnessed during the pandemic, there can be no doubt there are still significant gains left for technology – with colleague experience rising further to the top of the priority list as understanding grows of the importance of empowering advisors as a route to customer satisfaction and operational efficiency.

“ In times of crisis, customers want a human touch. This year, contact centres must find ways to inject empathy into customer journeys with the aim of really understanding what drives people and what each customer wants as an outcome. Technology should then be used to deliver that service seamlessly. **”**

Jonathan Allan, Chief Marketing Officer, Puzzle

The state of play in 2021

1. Our collective resilience has been challenged.

Winter lockdown has taken its toll on colleagues across the industry at all levels as well as customers. Mental health is top of the agenda while boosting empathy with colleagues and customers will be a permanent component of training and day-to-day operations.

2. We need workspaces that work.

While remote working has been hailed a great success, much is yet to be done to embed this approach into a long term, hybrid way of working that delivers for both colleagues and organisations.

3. Balancing needs is harder than ever.

The pressure has never been greater for contact centres to

maintain the balance between happy colleagues, meeting the expectations of customers who are looking for fast and effective resolutions, and managing costs.

4. No one size fits all.

The most effective new operating model will be specific to each organisation and its own dynamics and customer expectations.

5. Technology has so much more to give.

Even as many contact centres have adopted cloud infrastructures and digital channels, additional innovations such as smarter call routing and speech analytics pack the potential to unlock further productivity.

Coming next...

The promise of a safer and more sociable future brings a great deal of hope. With technology having a significant part to play in unlocking further potential business success, in the Summer of 2021 we will be exploring where contact centres are in their digital transition. We'll also be finding out how operating models have adapted to a new way of working.

You can find all the reports in the series online at: www.ccma.org.uk/insight/evolution-of-the-contact-centre/



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