

Staff motivation key to call centres

Call centres enable financial institutions to differentiate themselves from their competitors by providing a superior customer experience. They also have the ability to generate significant amounts of revenue. However, retail banks can maximise call centre potential by seeing employees from that channel in the same light as branch staff. **Ronan McCaughey** reports

Speaking to *Lafferty Retail Banking Insider*, Cohen Brown Management Group regional director Johanna Lubahn, who co-wrote a white paper in 2007 named *Call Center Cinderella* with Edward Brown, president and chairman of Cohen Brown Management Group, says that call centre operations costs are typically 25 percent less than a bank's branch network, and they employ the equivalent of one-tenth of the branch staff.

Lubahn, who previously managed National Australia Bank's call centre operations, points out that successful call centres can yield 50 percent of the retail revenue for a bank. "Call centres have proven themselves as big revenue-drivers, but a lot of banks still see them as a servicing role. Retail bank branches have security implications, while contact centres do not have cash-handling costs. Call centres can offer a huge competitive differentiator because they are convenient and efficient [for customers]," she says.

The Bank of New Zealand's call centre delivers 35 percent of the bank's retail revenue alone, adds *Call Center Cinderella*.

The front line

A spokesman for the British Bankers' Association concurs with Lubahn, noting that call centres are vital to retail banks' operations since they form the front line for virtually all customers who call the bank. Citing BBA statistics, the spokesman says there were 776 million telephone transactions at banks in 2006. These included procedures such as account queries, balance information and bill payments.

To ensure call centres become a financial institution's secret weapon, the ability to manage, motivate and incentivise call centre staff is crucial. Lubahn believes a call centre's culture decides whether it becomes a sweat shop or a positive working environment. "There is a phenomenon in call centres where representatives can feel isolated. They may just get to wave to someone and then they feel that they are talking to outer space. Usually it is not a badge of honour to move to a call centre. This comes from the history of call centres that were started to support branches and be very efficient," she says.

Call Center Cinderella explained that when banks treat their call centre employees as professionally as they treat their branch employees, they record stellar performance in terms of low turnover, high job satisfaction, high service scores and high sales to satisfied customers.

It noted: "Call centres are customer-employee contact points. Half the equation is the employee who is expected to deliver an informed, polite, thorough, pleasing, differentiating customer experience. Yet how many banks concentrate on the call centre employee experience? Call centre employees often have a hard time. They are not trained in the skills that can help them provide a good customer experience, the training they do receive is often insufficient. Sales training equips them with little but stock phrases, product training with little but jargon and scripting consisting of accurate but ineffective spiel."

Hans Eysink Smeets, managing partner of Dutch-based Eysink Smeets Business Consultants, believes the

high turnover of calls and emphasis on speed means call centre agents tend to offer superior advice than their branch colleagues. Yet, paradoxically, Eysink Smeets believes that call centre staff are viewed as "the lowest of the low" by the rest of the retail bank. To eradicate this problem, he says: "One of the most important ways to motivate staff is to make it clear to them how crucial they are. Being proud of yourself is one of the best motivators."

Call Center Cinderella observed that walking into most sizeable call centres reveals scoreboards that are usually posted high, flashing productivity statistics such as average answer time, agent availability, average handling time and average calls per hour.

Staff motivation

To make call centre staff feel an integral part of the bank's business strategy, the BBA spokesman says that involving employees in decisions and rewarding quality performance – not just based on speed or sales – always helps to make them feel part of the team. "Training, multi-tasking and job flexibility can often add to the motivation process and building these elements into objectives helps everybody to know what is expected of them and how to fit into the organisation. Giving staff responsibility after providing appropriate training helps to motivate and retain staff," he says.

To sustain staff motivation, the spokesman adds that call centre team leaders should continue to monitor the performance of individual team members so that any specific training needs can be identified and customer service enhanced. He adds that there needs to be an overlap between marketing and resource management to ensure there are sufficiently and appropriately trained people in place to meet any expected increase in demand.

"There also needs to be a contingency plan to ensure that the standard of service doesn't slip if demand exceeds expectations. This might involve

flexible use of available resources," says the spokesman.

Lubahn concurs and advocates that call centres should ensure they have enough extra staff to cope with heavy call volumes during marketing campaigns.

Call Center Cinderella points out that because of the emphasis on speed and efficiency, two minutes per call is a common call centre limit. Nevertheless, relying on call centre metrics is only one factor in delivering a quality experience for customers.

Lubahn observes: "Some people are stuck with measuring the metrics, but you have to balance this with the quality of service. Successful call centres let managers deal with the metrics and representatives deal with the calls."

A HSBC spokesman says: "Call centres are important to HSBC. They are an outbound sales force and need to be well-trained so they can build a rapport and understand what [customers] are looking for. Staff are motivated against personal levels and team levels, in addition to pro-active and reactive surveys of customer satisfaction."

'The call centre is an integral part in the planning of campaigns and extra staff are employed when needed'

Jane Maartens, First National Bank

Call centres function best when they have a clearly defined role in the financial institution's overall strategy and when the organisation motivates its employees to maximise the value of very customer conversation, according to *Call Center Cinderella*.

Jane Maartens, CEO of First National Bank (FNB) Call Centre in South Africa, says its staff are part of the team and understand as well as execute the organisation's business strategy. "The call centre is an integral part in the planning of campaigns and extra staff are employed when needed."

To avoid an unmanageable influx of calls, a spokesman for HSBC says it has call centre operations in the UK, India, the Philippines and Malta, where any adviser can deal with a customer's enquiry.

Rapid response

In his opinion, the UK government's admission in November 2007 that child benefit data affecting an estimated 25 million people was lost by HM Revenue & Customs illustrates the need for call centres to rapidly adapt their procedures and pro-actively address customers' concerns, since the incident generated public fears. To help reassure people worried that the child benefit data could be used to fraudulently access their bank accounts, the HSBC spokesman says it provided its call centre staff with a list of the top ten questions they expected from the public.

"Call centres play a big role in controlling fraud and most staff have extremely high levels of training to calm customers [in these cases]." The spokesman adds that adhering to procedure is paramount for all HSBC customer agents because this is best way for the organisation to ensure its customers' trust. Optimising the role

of people and processes is therefore fundamental in order to ensure call centres becoming a successful banking channel.

Technology is also integral to this, as highlighted by a case study published by Oracle in 2006 that stated its role in developing Bank of Ireland's 'Banking365' customer relationship management system. Following the system's soft launch at the end of 2001, the case study said that by May 2002, all 400 of the bank's call centre agents were using the system at two sites in Ireland.

In conjunction with Oracle's 'Siebel' line of applications, the system used a new browser-based interface that automatically validated data when entered by agents, which helped to increase their confidence and deal with customer enquiries rapidly, said the case study.

It noted: "Although Bank of Ireland is eager to keep agents focused on servicing customer requests, the new solution has increased the ability to identify cross-selling opportunities. Bank of Ireland has integrated the desktop with its standard consumer lending products so that opportunities can be identified according to the customer's profile and banking history."

Despite the rise of online and mobile banking, in addition to the emergence of third-party distribution channels ranging from post offices to retailers, retail banks recognise the importance of call centres in their strategies.

Nevertheless, in Eysink Smeets' opinion, the challenge and future for call centres will be the establishment of a common platform that provides users with the same information at any point in a bank's channels. "Call centres are often run on their own IT systems and have their own commercial targets compared to branches, which are not coordinated. It is not rocket science. We need one platform for all channels."

Meanwhile, the HSBC spokesman believes that the challenge for retail banking call centre operations remains balancing an efficient operation with providing for customers' needs, as well as attracting skilled staff and training them appropriately.

Call centres are serving retail banks well in terms of efficiency and customer satisfaction. However, making staff feel an integral part of a financial institution still needs to be addressed by some sections of the industry. When this is carried out, call centres are likely to become star performers. ●

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