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# The care of one

Hyperpersonalization of customer care

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*Hyperpersonalization of customer*  
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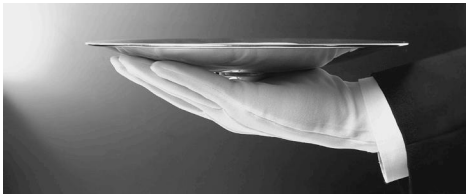


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# The vision for 2025: Hyperpersonalized care and ‘care of one’

As the traditional call center has evolved into a contact center, companies have begun to view the function less as a cost center and more as an opportunity to provide strategic, experience-oriented customer care. The initial shock of the COVID-19 pandemic forced organizations to adopt physical distancing, test their business continuity plans, and rapidly deploy work-from-home models, all while customers rushed to digital channels. This urgent response has now given way to a pervasive uncertainty about what lies ahead. One certainty, however, is that personalization will continue to be central to the customer experience.

Even before the pandemic, personalization had become an integral part of exceptional customer experience—not just in e-commerce channels but in all customer interactions. This transition was fueled by rising customer expectations and increased pricing and product parity, which have increased the importance of shaping the customer experience and perception at every touchpoint. The crisis made personalization—and the empathy and connection that go with it—even more critical.

Personalization takes a variety of forms. In the physical world, it is about taking care of individual customers. On digital channels, companies must meet a new standard: the “care of one,” an ethos that focuses all decision making on serving individual customers and their personalized needs. For example, e-commerce players have reset the bar by providing personalized offers. Advertising has also moved in this direction. At the same time, technological innovation has enabled the radical reinvention of the operating model as the cost of creating personalized experiences continues to go down. This combination creates an opportunity for companies to double down on hyperpersonalization and the care-of-one approach.

Companies should make hyperpersonalization in customer care a top goal for 2025. This time frame reinforces the urgency while providing enough time for companies to achieve the goal—if they take action now. Of course, enterprises are at different starting points: incumbents are often slow to shift gears, while start-ups have the benefit of skipping the learning curve and accelerating their capabilities. Companies across industries have already blazed this trail. It’s now up to executives to follow their lead.

## What does it take to deliver personalized care?

Managers and workers who have been on the front lines of providing excellent customer care may assume that pursuing hyperpersonalization is simply a matter of continuing to do what they are already doing, only better. In fact, companies will need to elevate their game with new strategies, technologies, and processes that tailor the care experience to each customer’s needs and journey. Hyperpersonalization consists of four elements:

- **Knowing your customers—truly knowing your customers.** Companies that can aggregate all customer information—including user attributes, behaviors, and past interactions across all channels—will be able to engage much more effectively.

- ***Reacting to customers before they even know they need you.*** Data and analytics can enable contact center agents to predictively identify opportunities to delight, preemptively solve issues based on personalized needs (for example, a help desk pushing computer updates remotely based on call-volume trends without the end user ever knowing), and determine the right times to reach out when a live interaction is preferred. These insights can help create a better-trained, more empathetic workforce to support proactive outreach.
- ***Integrating technologies and contacts across all channels.*** A seamless customer experience throughout the journey (for example, starting the interaction in one channel and picking it up in the next) requires better alignment and collaboration of customer care, product development, marketing, and operations.
- ***Implementing real-time agent tools.*** Companies that incorporate added functionality (for example, “in-moment” coaching) and eliminate cumbersome platforms can reduce barriers to addressing customer needs and resolving problems. Agents can then be freed up to show true empathy and make real-time decisions in their interactions with customers. This role will require a different hiring process to ensure that organizations have talent capable of stepping up.

Ultimately, the evolution of the contact center to an experience center requires investments in new technology, processes, and mindsets.

## What could this look like in 2025?

As customer care continues to evolve, personalization will be a core tenet of companies’ broader care strategy. Its impact will be felt in enhanced digital channels (as the volume of customers using self-service channels continues to rise) as well as in live channels. In some industries, companies will focus live customer engagement on the most emotional, complex, and loyalty-driven interactions.

Customer care in 2025 will focus on four key attributes:

### **White-glove customer service for all**

Organizations will shift from reactive service centers to centers that take proactive control of the customer relationship. A customer’s real and potential individual needs will be identified and solved before the customer thinks to reach out. The predictive nature of engagement will allow companies to complete purchase assistance, deliveries, status updates, appointments, and other tasks with precision, personalization, and minimal effort.

Data from all customer interactions will be fed back into analytics to inform operations, help the company understand behavior patterns, and guide the organization on what matters to each customer. Creating this distinctive experience will rely on data-driven recommendations for the best method, channel, and time to interact with individual customers. Setting up this feedback process will be a critical element for personalization. For example, contact centers will automatically determine the optimal time to reach out with an offer based on recent customer actions as well as when live outreach is required to prevent attrition or build personal relationships. Customer feedback, behaviors, and trend data will flow directly from the contact center to the rest of the enterprise to improve products, marketing, or upstream interactions (such as the in-store experience and marketing outreach and promotions).

### **One company, one voice (omnichannel communication)**

In the next five years, companies will achieve total consistency and transparency across channels, prioritizing a seamless experience for the journeys that matter most to the customer. A dynamic platform will collate, record, and visualize all customer interactions (both proactive and reactive) and activity across

channels (such as digital, voice, and in person) in a single data repository used to predict customer needs and streamline every contact. This detailed view of the customer relationship and journey, supported by tailored customer relationship management (CRM) tools and databases, will allow agents and organizations to instantly see, react to, and choose personalized actions based on a customer's profile—including lifetime value, preferences, sentiment, and patterns—as well as context based on holistic interaction history and the customer's most recent journey. Agents and customers will have the freedom to seamlessly communicate across multiple channels without losing context. The result will be more personal experiences and consistent service.

### **The workstation of the future (digital enablement)**

Human agents aren't going anywhere for the foreseeable future, but technology will enable companies to be more targeted and effective in how they deploy the workforce to pursue personalization. The 'care of one' will be supported by advanced analytics, AI, real-time natural language processing, and other tools that detect customer sentiment and emotion. Cutting-edge agent-productivity tools will fully support the end-to-end interaction with automation for both the agent and the customer. With this in-call guidance, agents will be able to focus 100 percent of their time on listening to and interacting with customers and tailoring responses. And with the greater visibility afforded by these tools, agents will draw on the expertise of their coworkers to resolve customer requests on first contact. After calls, robotic automation of back-office functions will further free up agents to focus on high-value tasks. The challenge for companies will be twofold: selecting the right suite of technologies to create super agents, and calibrating the optimal balance in machine–human collaboration.

### **Contact centers: The future talent factory**

Strategy and operations will increasingly be guided by the voice of the customer, putting a premium on employees with a customer-first mindset. The contact center will evolve into a highly valued feeder of long-term talent into the company, so customer care must change the way it attracts, retains, and develops talent. People analytics will be used at each stage of hiring to ensure that incoming talent has the right attributes for success. Customer service representatives will be supported with digitally enabled in-moment tools and coaching (allowing for successful performance with greater spans of control with supervisors); well-defined career paths; tailored, ongoing training; and upskilling for roles in the contact center and beyond. Other areas of the organization will increasingly look to contact center graduates to fill hiring needs, which will help to embed a deeper understanding of the customer throughout the organization.

By 2025, a good portion of customer service representatives will be graduates of online high schools and universities, so companies must change their approach to training and development. On-demand training will be provided through dynamic delivery models and tailored to learning styles and needs. By offering long-term careers for agents, companies will also shorten the recruiting process and create significant cost efficiencies.

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To achieve hyperpersonalization and the advantages it confers, customer care organizations have much ground to cover in the next five years. When the only certainty is change and the only speed is faster, companies that stand still will soon be left behind.

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# The future of customer experience: Personalized, white-glove service for all

The next horizon of customer service will be built on individual customer profiles, enabling companies to quickly resolve issues and even prevent them from occurring.

*by Rohit Agarwal, Raelyn Jacobson, Paul Kline, and Maurice Obeid*



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**The future of customer service** is already here. Laptops silently report impending performance issues, triggering a remote fix before the user even realizes there might be a problem. Vehicles send proactive maintenance notifications and communicate directly with manufacturers to speed up repair response when a problem occurs. The next horizon is for customer service to be completely customized to each individual: when a customer calls a contact center, the agent can pull up a profile detailing the customer's every interaction with the company, from previous service calls to payment schedules to marketing segmentation.

Such personalized service can be compared to the “white-glove service” long associated with high-value customers and transactions. Characterized by attention to detail, convenience, speed, and emotional fulfillment, this high standard of service offers solutions, products, and services that are tailored to each customer's specific and unique needs. It is central to a customer-first mindset and made possible by the availability of data and advanced analytics to track a customer's individual journey in real time.

Yet very few organizations are providing this level of service today. There are two primary reasons for this. First, many believe it to be prohibitively expensive. Second, building a comprehensive customer profile requires a high level of cross-departmental visibility, which in turn necessitates enablers such as organizational structure changes and IT investments. To offer high-touch service to everyone, customer service can no longer be an isolated department; it must be tied into every business unit that interacts with the customer, including sales, marketing, product design, collections, and the front line.

The good news is that white-glove services offer a high return on investment. In fact, they present an opportunity for significant cost savings because they accelerate the resolution of contact center issues (or prevent issues altogether) and deepen

customer trust and loyalty, thereby supporting retention and tailored cross-selling. And, while such services require technology investments and shifts in organizational structure, these investments and shifts will soon become mandatory as companies compete to meet customer expectations. All functions will benefit from the enterprise-wide visibility required to build comprehensive profiles of individual customers.

### **The modern reality: White-glove service is both inevitable and economical**

Modern customers increasingly expect highly personalized service. Providing such service offers several benefits to the organization:

- **Deeper customer trust and loyalty.** Companies can win lifelong customers by creating a seamless experience across all touchpoints and providing the right service or product to meet individuals' needs.
- **Reduced need to call.** Proactively resolving issues or contacting the customer can significantly decrease the volume of calls that reach the contact center. Improved prediction of intent and first-call resolution will also reduce repeat calls and average handle time. Digital channels can also reduce customers' need to call—and the move toward digital service capabilities has accelerated in recent weeks and months as the COVID-19 pandemic has led to physical-distancing and shelter-in-place requirements.<sup>1</sup>
- **Reduced costs.** Traditional customer service is the same for all customers—for example, businesses typically create standard solutions for all disgruntled customers. Companies that know customers individually can tailor solutions to meet individual customer needs, possibly at lower cost to the organization—for example, offering a simple apology rather than a gift card.

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<sup>1</sup> For more, see Jorge Amar, Raelyn Jacobson, Becca Kleinstein, and Allison Shi, “Redefine the omnichannel approach: Focus on what matters” in this compendium.



# White-glove services offer a high return on investment.

- **Increased revenue.** Individual customer profiles also enable companies to take a needs-based approach to selling, replacing the standard one-size-fits-all approach—such as walking the airplane aisle with a credit-card offer—with tailored outreach with higher acceptance rates. In our experience, some organizations have seen a revenue increase of 30 percent or more from adoption of a needs-based approach and proactively reaching out to customers at the right time with the right offering.

These benefits can far outweigh the cost of the investment required. Historically, white-glove service was costly because it required companies to hire highly trained, premium agents and expensive concessions, but today it involves investments in IT, data management, and advanced analytics as well as change management and training. A systematic analytics capability enables organizations to analyze the whole population of customers—after which adding a new person comes at almost negligible cost. Once a company has developed a methodology to identify needs, execution is far simpler and the service is ultimately cheaper to deliver. This is increasingly true as digital capabilities become more ubiquitous and less expensive.

## What must change

In our experience, the vast majority of customer service operations are reactive, with a primary focus on resolving customer queries—which is just

one small piece of the customer journey. This is because most customer service units are currently siloed. They lack transparency into, and integration with, all the various departments that interact with customers, including back-office functions such as marketing and sales as well as frontline employees in stores and branches. Put simply, the right hand needs to know what the left hand is doing. A company can have all the data in the world on an individual customer, but to be useful the data must be structured to enable insights and shared with the right functions. There are two primary components to building a highly sophisticated and cutting-edge customer service function: understanding and anticipating customer needs, and implementing enablers to facilitate the development of comprehensive individual profiles of customers.

## Understand and anticipate customer needs

Based on customer awareness of an issue and the organization's ability to respond either reactively or proactively, customer needs can be broadly categorized into three major archetypes:

- **Preventing issues.** Proactive customer service can endear a company to its customers by preventing issues before they occur. For example, a global help desk uses back-end analytics to track computer performance and notices that certain systems are experiencing slower-than-average performance due to pending software updates and so forth. The help desk silently dispatches a fix to all computers

that meet similar parameters to prevent them from having a similar slowdown.

- ***Solving problems before customers raise them.*** Busy customers experience white-glove treatment when they know they have an issue but the company raises it first—and solves it. For example, a customer stuck in traffic on her way to the airport gets a proactive alert from the airline, telling her she's likely to miss the flight given her current location and offering alternative flight options. Early detection of financial fraud is another example, but many companies have only scratched the surface of such proactive problem solving.
- ***Personalizing responses when customers reach out.*** When a customer does request help, companies can still provide exemplary service by predicting her needs based on her individual profile and providing a personalized response. For example, a utility's interactive voice response (IVR) system determines that a customer is calling about a bill that is higher than usual. The IVR runs analytics on the back end to review the bill and link it with data on recent temperatures and bills from similar customers in the area, quickly equipping the customer service agent to explain and provide a detailed report for the customer.

#### **Implement organizational enablers**

Building a mature customer service capability means building well-informed individual customer profiles—which, in turn, requires the customer service function to have visibility into the end-to-end customer journey and play a vital role in managing the customer relationship beyond simply resolving issues. To create the necessary transparency and capabilities, companies need a set of overarching, foundational interventions. Organizations can consider all these interventions from the start and pursue them at their own pace.

***Facilitate cross-functional collaboration on customer data.*** Most organizations are unlikely to be able to meet the needs of customers in each of these three archetypes without increased

collaboration and integration among the service, sales, and marketing functions, as well as significant IT support. To enable this collaboration, companies need to create feedback loops and break down silos in an effort to facilitate the transparency required to build comprehensive individual customer profiles and shepherd customers through touchpoints with the organization. For example, if customer service knows when a customer placed an order thanks to collaboration with sales, the company can reach out proactively to confirm order status and avoid shipping issues.

***Build robust data and analytics capabilities.*** A major hurdle to building comprehensive customer profiles is establishing clean customer data. Historically, customer data is duplicated, conflicted, and fragmented across the systems and functions at most organizations. Data “sources of truth” are not always clear, and multiple systems may be able to update the same customer record. Furthermore, much customer data is unstructured and, thus, difficult to glean insight.

Building a customer-focused organization means not just implementing one system but stringing together an ecosystem of capabilities and integrating them with business processes. It requires closing the loop on the end-to-end customer journey using advanced customer relationship management (CRM) systems and continuous data curation. The maturity of the available technology, data integration, and organizational setup determines the level of personalization that an organization can provide as a starting point. And companies should establish continuous technology adoption, data-integration initiatives, and organizational restructuring to improve personalized services to customers.

When an issue does arise, functions can work together to determine the root cause of the issue and address it through process transformation and automation to ensure that the issue does not recur. For example, an insurance company was experiencing high call volumes from customers asking simple questions about account details. It

used an analytics-driven root-cause analysis to determine the cause of the issue: the company was using a third-party vendor to handle its welcome packages, and customers were not receiving their welcome packets on time.

Proactive issue identification is not possible without data and analytics. Companies can use advanced analytics on available customer data to offer services or products based on the customer's recent behavior. For example, a credit-card company may be able to use the shopping data of a customer who bought a plane ticket to provide need-based offers such as a lower foreign exchange rate on purchases in certain countries.

***Implement change management.*** Driving company-wide change is never easy, so a change-management effort that is built around a shared purpose is crucial. Companies can start by identifying the right stakeholders, categorizing them by their level of influence and the change in their remit, and mapping them on a change-influence matrix to determine who to involve, who to engage, and who to keep in the loop. Companies need to understand the underlying mindsets that drive employee behavior to determine the right interventions, such as role-modeling and targeted capability development, and to reinforce desired

behaviors. The goal is to go beyond compliance and engender true commitment to the customer experience and the organization's ability to provide white-glove service to all.

A crucial component of change management is empowering frontline employees to resolve issues by making an appropriate offer or presenting a personalized solution. When frontline employees have the proper authority to take action based on an individual customer's attributes, needs, and situation, they can take ownership of the interaction, determine the root cause of the issue, and equip customers with self-service tools to resolve similar issues in the future.

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Customers increasingly expect every service organization to work tirelessly in the background, preventing issues before they arise; knowing when, where, and how to get in touch; and proactively reaching out where necessary. Mounting such a customer service function requires an understanding of customer needs and organizational enablers that facilitate data collection, analysis, and sharing. Organizations that get it right will continue to set the pace for peers across industries.

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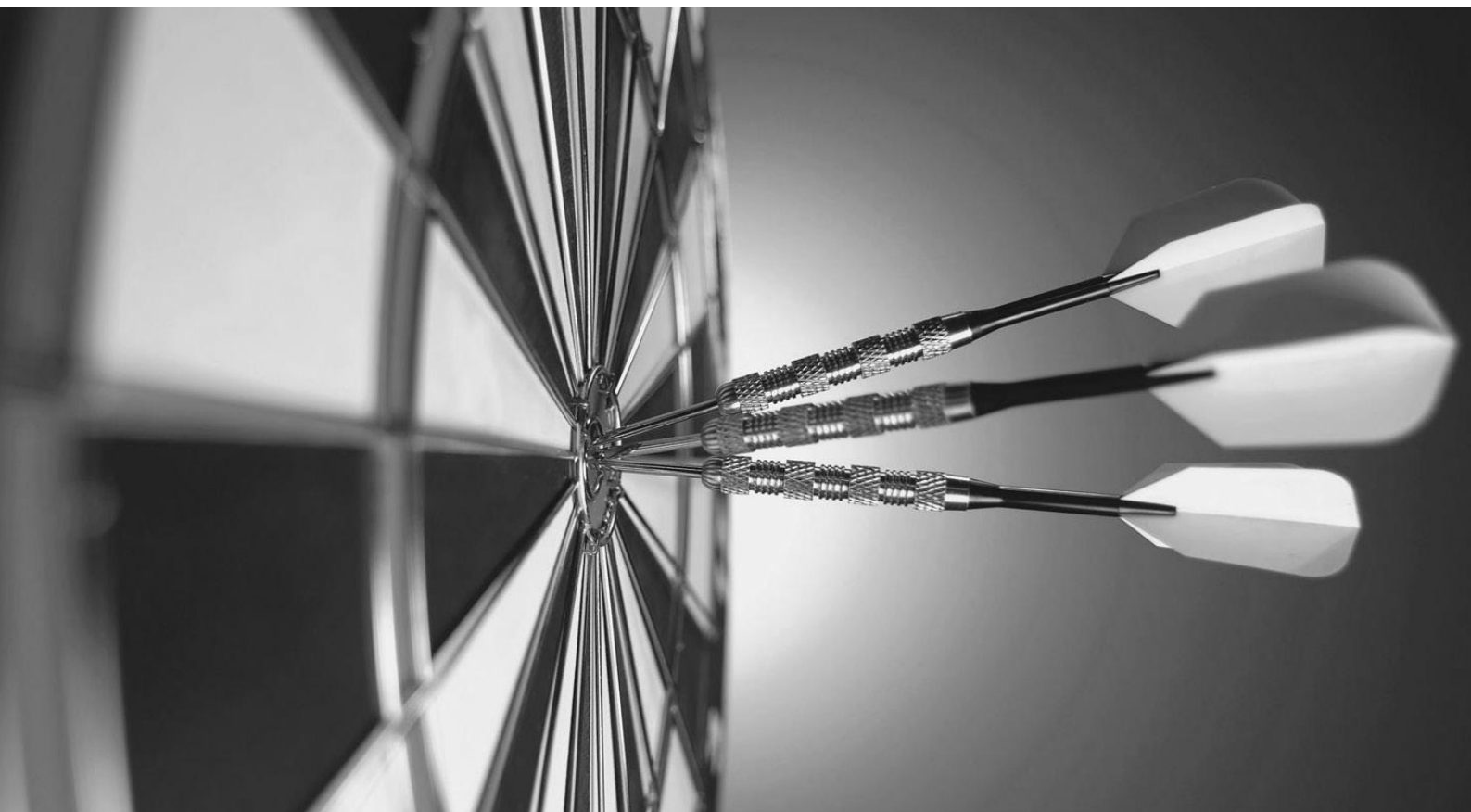
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# Redefine the omnichannel approach: Focus on what truly matters

Many companies try but fail to build an omnichannel experience for every channel and customer. Leaders should instead limit their focus to the top two or three cross-channel customer interactions.

*by Jorge Amar, Raelyn Jacobson, Becca Kleinstein, and Allison Shi*



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**The idea of an omnichannel experience**—in which companies aspire to provide a set of seamlessly integrated channels that caters to customers' preferences and actively steers them toward the most efficient resolution—has been around for years. Customer expectations have changed, however; customers increasingly expect consistent information to be at their fingertips, regardless of the channel they choose to engage with. Our research shows that more than half of customers engage with three to five channels during each journey they take toward making a purchase or resolving a request. We also found that the average customer attempting to book a single reservation for accommodations online switched nearly six times between websites and mobile channels.

Although many companies have tried to implement an omnichannel strategy, few have truly succeeded in building a comprehensive experience for the customer. The perception that the effort would require an unsurmountable amount of time and resources has been daunting enough to keep some companies from ever making the attempt.

Others have tried to do the impossible and meet the potential omnichannel needs of every customer and every possible touchpoint. These companies have stumbled owing to their lack of focus, competing priorities, slow progress, and huge costs—and ultimately had only a disjointed experience to offer their customers. What most leaders fail to realize is that a perfect omnichannel solution rarely, if ever, exists. It is impossible to be all things to all customers, especially in an ever increasingly paced world.

It is possible, however, for a company to design an exceptional omnichannel experience for a large majority of its customers, by focusing on the two or three cross-channel customer journeys that are most important to that majority. Getting the omnichannel design right for these targeted journeys requires a customer-centric mindset that's infused throughout the organization.

## **The importance of a new omnichannel strategy**

Companies that successfully adopt a more customer-centric stance and focus on the two or three most important cross-channel customer journeys can create significant value. An omnichannel effort targeted to the top interaction models can dramatically increase the extent to which customers are able to use self-service options. In our experience, some use cases have shown nearly a 20 percent boost in containment—that is, the share of customers who engage with an automated system such as an interactive voice response (IVR) system, a website, or a chatbot, and have their needs met without assistance from a live agent.

The approach also can reduce the time it takes to handle calls that do reach an agent, because an efficient omnichannel system alerts the agent to customers' intentions and the actions they took prior to the conversation, enabling a faster time to resolution. It can improve customer satisfaction by providing a more personalized experience and even create “moments of delight” for the customer during interactions that truly matter to them. Focusing on only the top two or three journeys can also make frontline employees more impactful and successful, since, as containment rates rise, employees are able to focus on spending their time with customers who truly need individualized attention.

## **How to build the new strategy**

To reap these sizable rewards, leaders must identify and prioritize the most important cross-channel journeys, design custom omnichannel experiences for those journeys, and embed a customer-centric mindset throughout the organization.

### **Find the right cross-channel journeys to prioritize**

The first step for an organization embarking on a targeted omnichannel effort is to select the cross-channel journeys to focus on.

Advanced analytics can help organizations make full use of their rich customer-interaction data and truly understand customer intentions and behaviors across channels. A deep understanding of the customer will help the company determine which cross-channel experiences truly matter the most. Often organizations discover that what is most important to their customers is very different from what they had expected.

When sorting out these data-driven insights, the company should consider two core dimensions of each type of customer journey:

1. Customers' propensity to use multiple channels
2. The importance of the journey to customers (which could be a function of customers' emotion levels, the journey's complexity and urgency, and the number of customers who take the journey)

To find out which omnichannel customer journeys to prioritize, a company should lay out the

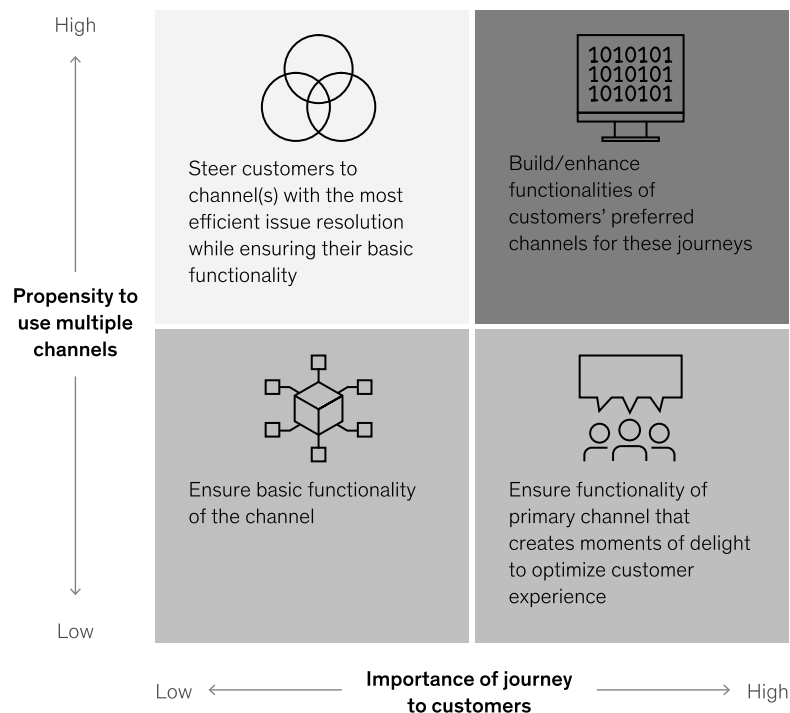
considerations for the two dimensions in a matrix so that the best candidates fall in the top-right quadrant (exhibit). The journeys in that quadrant become the company's top priorities.

An organization can tailor its omnichannel approach by mapping each customer journey to a quadrant of the matrix and focusing on only two or three in the top-right corner.

The telecom industry provides one example of a journey that falls into the upper-right quadrant of the matrix. Because a typical customer doesn't purchase a new device or change internet and phone packages frequently, the decision to make a change can be complex or emotional to the customer. Such a customer often starts the purchase journey by researching products or services online or in apps before making a switch to the channel—most likely a live chat, a phone call, or in the store—that provides the best offer or the best rate or is most trusted by the customer. The combination of the journey's importance to the

Exhibit

**An organization can tailor its omnichannel approach by mapping each customer journey to a quadrant of the matrix and focusing on only two or three in the top-right corner.**



customer and his or her propensity to use multiple channels makes this omnichannel journey a prime experience for the company to get right.

A “fix my internet” journey also tends to be extremely important to customers and has a low propensity to require multiple channels, thus falling into the lower-right quadrant of the matrix. It is important because a sudden internet outage can disrupt customers’ lives and cause them undue distress. And these customers are unlikely to use multiple channels because, having lost access to the internet, they often move straight to phoning the company.

Organizations should deprioritize the cross-channel functionality of low-importance journeys such as a “check my data usage” journey, when customers often quickly check their data usage using an app without crossing over to an additional channel. This journey falls in the lower-left quadrant, as it has low importance and customers taking the journey are not inclined to use multiple channels.

#### **Design for the channels that matter**

Once organizations have determined where important interactions intersect with a high propensity to use multiple channels, they can shift their focus to building out functionalities in line with the channels of customer choice, making sure information flows freely across those channels to enable a personalized omnichannel experience.

Our experience shows that—whether a company is in the travel, retail, financial services, or other industry—there are often patterns in how customers interact with different channels as they embark on

specific journeys with a company. By prioritizing the most common paths and the channels that customers on those paths use first, companies can quickly increase their chances of creating impactful experiences where they matter most and make the experience feel personalized to the customer.

For example, one telecom company found that the “dispute my bill” journey fell into the upper-right quadrant—a key journey to get right. The company tracked customers’ digital engagement behaviors—including activities on the company’s website and app, chats, and inbound calls—and found that more than 70 percent of those who called to ask about their bills spent 10 to 15 minutes on the website three to four days before making the call. With this in mind, the company equipped its contact center agents with customer-specific information from their customers’ previous online interactions and the history of customer bill changes. As a result, the next time these customers called, agents could jump directly to the bill in question and address critical questions. This approach created a personalized experience for the customers.

In some cases, companies may purposefully choose to engage the customer across multiple channels. Upon analyzing its cancellation journey, one telecom found that many customers spent time reviewing their contract and cancellation terms online a few weeks before calling to cancel. Instead of passively waiting for a customer’s call, the company proactively implemented a pop-up chat function on its contract and cancellation-terms webpage that connected customers directly to the retention team. If the customer still chose to call, he or she was

## **By prioritizing the most common paths and the channels that customers use first, companies can create impactful experiences where they matter most.**

routed directly to a retention agent equipped with the customer's browsing history. This purposeful engagement ensured timely intervention, reduced customer attrition, and provided a meaningful boost to both customer and employee satisfaction.

### **Embed a customer-centric mindset**

Internal limitations—such as legacy technology platforms or a lack of automation in the back office—should not determine what kind of omnichannel experience a company builds. Rather, companies should focus completely on understanding what customers want and need by segment (such as age, geography, and income) and taking an omnichannel approach that puts customer needs at the very center of its functionality.

Recognizing that buying a car can evoke strong customer emotions and that many customers use multiple channels along the way, car companies, for example, should take great pains to understand the journey a customer is likely to take and then build omnichannel functionality based on that path. With a deep understanding of the customer journey, car manufacturers might, say, make sure that agents and dealerships have the right set of information at their fingertips—such as customers' online or mobile-app search history and saved searches—to provide a more personalized experience.

For an organization to deliver truly individualized service and maintain superior omnichannel experiences, the journey-focused and customer-centric view needs to permeate throughout the organization, from the C-suite down to the agent level. Some organizations have started to organize teams around journeys to cut through business

silos and adopt an agile mindset that quickly brings customers' concerns to the surface.<sup>1</sup> In companies with successful omnichannel efforts, customer satisfaction measurements cascade upward, from the front line to management scorecards, and employees are held accountable for the promises they make to customers.

The behavior of the leaders at such organizations provides a role model. For example, C-suite leaders at one North American bank gain a greater understanding of what's important to customers—as well as boost employee morale—by regularly visiting the call center and sharing customer feedback with employees across the organization. Employees are recognized and celebrated publicly for outstanding customer service.

Without being thoroughly customer-centric and focused on customer journeys, companies are likely to expend their resources in the wrong places and inevitably fall behind the competition.

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Companies that get the omnichannel experience right can stay ahead of the curve by being among the first to adapt to an increasingly digital world. The earlier organizations can start using a customer-centric and journey-focused approach to their omnichannel strategy, the sooner they will reap the benefits. Omnichannel success no longer needs to be a daunting or seemingly unachievable aspiration. By focusing resources on the multichannel journeys that customers truly value, organizations can provide personalized attention and provide the best customer service in the moments that matter most.

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<sup>1</sup> For more on an agile mindset, see Carolyn Dewar, Sherina Ebrahim, and Michael Lurie, "Agility: Mindset makeovers are critical," McKinsey Organization Blog, April 30, 2018, on McKinsey.com.

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# Technology and innovation: Building the superhuman agent

The latest tools have the potential to transform the performance of contact center agents. Understanding how to apply these technologies before, during, and after customer contact is the first step.

*by Felix Kalkum, Becca Kleinstein, Damian Lewandowski, and Julian Raabe*



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**Researchers, academics, and innovative organizations** have produced a seemingly never-ending wave of tech-based breakthroughs that keep resetting the bar for customer care. The use cases for artificial intelligence, automation, and analytics in the contact center are increasingly expanding, making these technologies fixtures in virtually every executive boardroom discussion.

Many companies are implementing targeted digital technologies in their contact centers. At the heart of this approach is embedding the right tools in the contact center to create impact: routing calls to the agents best equipped to handle them and ensuring that agents can focus on human interaction and show empathy. The recent transition to remote working adds another category of digital tools to consider (see sidebar, “Virtual workforce: Choosing effective solutions to improve productivity”). These cutting-edge technologies can help agents investigate customer issues and solve queries efficiently while capturing lessons to continuously improve.

Weaving all of these technologies together to support customer engagement is tremendously complex, and the wide array of available tools further clouds the path forward. Best-in-class organizations are differentiating themselves by taking a holistic view on how to improve the user experience and then selecting the technology that can deliver specific capabilities. Collectively, these applications and use cases represent a future state, in which technology is woven into operations to support human agents at every step.

### **The contact center agent of the future**

Technological advancement is the key to enabling personalized assistance for each customer—the ‘care of one.’ This concept is based on data collected before, during, and after an interaction and requires the aggregation and use of data across channels, journey flows, and systems. Both humans and

technology are needed to provide personalized customer care. In the coming years, technology won’t completely replace humans but rather facilitate and support intense human-machine interaction and collaboration.

For example, each contact center agent could be supported by a virtual agent-assistant, a behind-the-scenes bot that actively supports the conversation. This intelligent bot, powered by natural language processing (NLP) and next-generation machine-learning techniques, will be quietly monitoring every call or chat and equipping the agent with personalized advice: What are the customer’s intent and past actions? What is the customer feeling? What is the best next action? What are the most relevant insights and guidance from our knowledge management system? By supplying information from different systems and handling administrative tasks, these technologies will free up agents to fully focus on applying judgment, solving problems with creativity, and creating a connection with the customer.

### **The road to enablement**

Despite daily advances in computing power, algorithms, and data volume, the sheer size and complexity of incorporating these technologies into the contact center mean that it will take time to achieve this future state. In the near term, organizations can start capturing value by harnessing the full functionality of existing technology and redirecting resources to focus attention on the care of one. The recent proliferation of digital customer care capabilities—for example, digital self-service tools such as apps and chatbots, interactive voice response (IVR) systems, NLP, real-time coaching, and augmented reality—makes it possible for companies and agents to adopt the care-of-one mindset without sacrificing cost and revenue targets. We highlight how specific technologies can be applied before, during, and after the call to improve agent performance.

## Virtual workforce: Choosing effective solutions to improve productivity

**The COVID-19 pandemic** forced customer care organizations to rapidly move agents to remote work. This disruption has the potential to significantly lower costs, improve innovation, reduce processing times, and increase employee satisfaction. To realize this potential, customer care leaders must find ways to create a supportive environment for agents while facilitating coaching, engagement, and collaboration. Organizations can foster virtual collaboration using a variety of tools:

**Communication.** This category of tools supports synchronous and asynchronous communication activities such as real-time remote discussions and presentations, desktop sharing, mobile screen mirroring, virtual team meetings, channel- and group-based instant messaging, whiteboard use, and email.

**Team collaboration.** Companies can organize teams and their work product by using tools that support activities such as file sharing, especially for large documents and version control; project planning and management; task management; single-source documents; tracking of issues and bottlenecks; real-time project updates; group calendars; and event scheduling.

**Writing and editing.** These tools help teams work together to create, publish, and manage documents. They include wikis and online document-processing tools, joint whiteboarding, and central knowledge spaces.

**Engaging and networking.** A number of sites and tools support social media, networking, and fun activities, including office pools, surveys, forums, ideation platforms, retrospective tools with features

such as upvoting, interactive team quizzes, and interactive Q&As.

### Benefits

1. ***Innovation and virtual teams.*** Collaboration tools can boost productivity and unlock innovation by enabling virtual teams to work together across geographies, functions, and organizations.
2. ***Human-to-human collaboration.*** Video conferencing has been one of the most important enablers of collaboration over distance. However, interoperability across video systems has been a headache for some organizations. To solve this issue, organizations are increasingly moving toward solutions that do not rely on proprietary systems (such as Zoom).
3. ***The right answers at the right time.*** AI-enabled search tools or the search features of collaboration tools are critical in large organizations. Without search, organizations can find it challenging to provide the right data to the right people to enable productive working sessions.
4. ***Speed, convenience, and flexibility.*** Tools such as instant messaging increase efficiency by eliminating the need to travel for in-person meetings. These tools also offer added convenience for employees who have flexible hours and work remotely.

### Risks

1. ***Potential decrease in productivity by increasing multitasking and context switching.*** Frequent notifications and flashing or beeping lights can interrupt productive working sessions.

Employees can also feel overwhelmed by information coming through too many channels.

2. ***Difficulty managing and protecting information.*** Collaboration tools (especially instant-messaging tools such as SMS and WhatsApp), by their nature, make it easy to share information. However, issues can arise when confidential data is generated in these channels but no clear owner has been designated to archive, store, or delete information.
3. ***Blurred lines between work and personal time.*** Employees who are working from home and staying constantly connected through virtual communications channels can find it challenging to keep work from infringing on their home lives.

Effective collaboration will continue to be an important factor for increasing workforce productivity and innovation. Consequently, finding efficient ways to deliver better collaboration tools will remain a priority for customer care leaders.

### **Before the contact**

Live touchpoints with customers—such as call, chat, or messaging—will always be important, but those conversations are most effective when agents can focus on complex interactions. To ensure that agents concentrate on the highest-value voice interactions, customer care leaders should first implement auto-response and self-service options to handle the most frequent, transactional interactions.

### ***Quickly address root causes***

When trying to address an issue, 66 percent of customers begin with self-service before reaching out to an agent or virtual agent. Organizations should provide their customers with the technology to solve their problems via continuous updates of self-service channels such as the web knowledge base, FAQs, community forums, apps, and websites. Advanced analytics, machine learning, and speech and text analytics can be used to dynamically analyze large volumes of contacts and generate insights about contact drivers, self-service leakage, repeated interaction bursts, and channel switching. Companies can then use these insights to efficiently update self-service information and functionality.

### ***Reach out before customers do***

Proactive conversational AI platforms can resolve requests before the customer even feels the need to reach out. Modern solutions integrated with various data systems can analyze large quantities of internal and external data and identify triggers to start proactive and personalized conversations through a customer's preferred channels. For example, a leading telco was able to eliminate 50 percent of unnecessary service calls and inbound calls related to repairs by using robotics to proactively contact customers and resolve issues as soon as remote monitoring detected a malfunction.

### ***Deflect with cognitive agents***

Two-thirds of customers believe service through online channels and mobile devices should be faster, more intuitive, and better able to serve their

needs.<sup>1</sup> Organizations should seize the opportunity with improved front-end robotics or “virtual agents” to handle repetitive, transactional requests as well as to guide customers through a logical menu of topics and intentions to address issues. Companies that have incorporated such technologies are seeing significant returns: in fact, effectively deploying conversational AI can create a twofold improvement in customer experience; reduce cost to serve by 15 to 20 percent; improve churn, upsell, and acquisition by 10 to 15 percent; and result in a fourfold increase in employee productivity.<sup>2</sup>

### ***During the call***

Even though the industry is rapidly evolving to prioritize digital modes of communication, the majority of customer respondents still prefer to use voice channels to resolve more complex issues. Retaining the human element and striking the right balance between human and digital customer service will lead to more satisfied customers. To increase efficiency and overall service quality, top organizations are enabling agents to focus their entire attention on value-added tasks while optimizing costs.

### ***Match ‘alike’ personalities***

Instead of assigning customers to agents automatically or through simple rules, organizations are using advanced analytics and machine learning to route calls. Modern techniques draw on data about individual callers (for example, from external databases and internal CRM data) and agents (such as past performance and call history) to match calls with the best-suited agent. This approach results in more successful interactions, improved agent performance, and, ultimately, better call outcomes.

### ***Know your customers***

Knowing a customer's history is no longer a competitive advantage, but a must for organizations that want to keep their customers satisfied. More than three-quarters of customers expect a service representative to be familiar with them, the

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<sup>1</sup> McKinsey research on customer digital preferences, 2019.

<sup>2</sup> McKinsey & Company, “Conversational AI ‘chatbot’ in banking: Delivering differentiated customer experience,” December 2019.

product, and their service history and information.<sup>3</sup> Next-generation agent desktops and knowledge management systems start by combining multiple communication channels (for example, web chat, email, and SMS) with internal and external customer databases into one simplistic view. Organizations then layer in AI-enabled customer analytics, suggestions for next best actions, recommendation engines, product and offer analytics, conversation profiling, and risk identification. A single portal provides all the information and context that agents need to provide fast service and ensure smooth cross-channel transitions.

#### ***Boost emotional connection in the moment***

People skills have never been more critical for agents. With robotic and cognitive technologies handling simple queries, the agent should focus exclusively on consultative conversations with the customer. To support these interactions, many organizations are using real-time coaching and training tools powered by deep learning and behavioral science. Such tools measure hundreds of quantitative and qualitative metrics in real time—tone of voice, speed, pauses, volume, keywords, compassion, and more. AI analyzes the conversation and nudges the agent on screen with recommendations if it detects an issue. For example, the AI coach may suggest that the agent show more empathy or speak at a different speed to build a better connection. This support can help agents come across as more confident and empathetic, which in turn can improve customer experience, sales, and retention. According to research, while it's impossible to control the customer's actions, a fully engaged phone professional who listens and expresses a genuine interest in resolving the situation will foster the type of partnership with customers that is necessary to ensure more engaging and successful conversations.<sup>4</sup>

#### ***See what your customers see***

Computer-vision AI and augmented-reality software are transforming the contact center's approach to

customer care. Modern organizations are applying the latest algorithm innovations and overlaying information from the customer's smartphone screen directly to the agent's desktop.<sup>5</sup> This software empowers agents by providing additional visual guidance to improve the accuracy of real-time decisions, support, and recommendations.

#### ***After the call***

Once a call is completed, agents often have a few minutes of downtime that they typically spend on administrative tasks. However, contact centers could improve efficiency by implementing back-end robotics to handle simple tasks, freeing agents to spend more time enhancing their skills through quick, personalized training sessions.

#### ***Monitor and optimize agent performance***

The biggest cultural and organizational changes of next-generation performance management will be based on personalized, real-time coaching with near-constant feedback for agents. Modern performance management operating systems use AI and NLP to visualize role-based data, identify improvement areas, and continuously monitor performance at the individual and team levels. These insights are used to tailor coaching and training to an agent's personality, skills, and motivation. Next-generation systems also include personalized targets for agents, gamification to spur healthy competition, and self-learning recommendation engines. Collectively, these tools motivate and train agents while they wait for their next call.

#### ***Understand your back-end operations***

Several capabilities, such as process discovery or process mining, offer process insights that can reduce the burden on agents and improve performance and overall customer service by quickly identifying nonintuitive opportunities for digitization and automation within contact centers. For example, managers can use computer-vision applications to determine how much time agents spend on specific activities and to untangle the

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<sup>3</sup> McKinsey research on customer digital preferences, 2019.

<sup>4</sup> "The state of empathy in the call center," Cogito.

<sup>5</sup> A customer must have to download an app and agree to terms before sharing their smartphone screen with an agent.

granular workflow of tasks, activities, and events that agents perform. Who is responsible for high-priority processes? Are people engaged and productive? What are the sources of lost productivity? These applications can answer all of these questions and others.

***Let robotic process automation (RPA) tools handle all non-value-added back-office tasks***

Automation can replicate human work in a cost-efficient way by handling repetitive processes and tasks through virtual rule-based robots. Data integration, manipulation, and analysis can be facilitated by converting unstructured analog data flows into structured digital flows. This exercise can improve customer experience by enhancing the quantity and quality of data inputs, which accelerate analytics.

## **Selecting the right technology to support agents**

Creating superhuman agents requires a huge number of technology solutions. This presents a key challenge for organizations intent on achieving this vision. Each tool provides only a small part of the solution, many functionalities overlap, and tools must be integrated and able to exchange data. Customer care organizations should select a few tools as a starting point and prioritize implementation based on each tool's contribution to well-defined business goals. The following five-step process has proved effective for a range of customer care organizations:

1. ***Define business success in hard numbers.***  
Organizations should select key performance indicators (KPIs) that are most relevant to their business, such as cost to serve (CtS). Executives can set ambitious goals, but they must be sure

to focus on metrics that can actually influence business outcomes.

2. ***Build a driver tree to highlight which factors influence those KPIs.*** For example, companies can segment CtS into front-office, back-office, IT, and nonpersonnel activities. These drivers can in turn be broken down further into metrics such as average handle time.
3. ***Simulate different interventions by applying them to the driver tree and determine which changes will have the greatest impact.*** For example, if average handle time is found to be a key driver, then an optimized agent workspace, knowledge management tools, and other support can have a large impact on overall success and should be prioritized.
4. ***Scan the market to stay current on cutting-edge tools—but don't let the latest products shape strategy.*** Instead, companies should define their problem as described above and then seek out solutions.
5. ***Track business KPIs before, during, and after implementation of the prioritized tools.*** This is critical to measure the impact of investments.

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Ushering in the era of superhuman agents won't be automatic or easy: a comprehensive solution has too many moving parts. For companies that get it right, the benefits will be well worth the investment. And, at a time when the world is reeling from the pandemic, customer care volumes have spiked, and remote working has suddenly become standard practice for contact centers, organizations have a unique opportunity to make significant progress.

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# Customer care: The future talent factory

Customer care employees can bring invaluable customer insights and expertise from the front lines of customer service to positions in other areas of the organization.

*by Eric Buesing, Vinay Gupta, Sarah Higgins, and Raelyn Jacobson*



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**For the better part of a century**, the corporate mail room was the entry point for talented employees at many organizations. Employees knew that if they worked hard and learned about the business from the bottom up, they would have an opportunity to climb the corporate ladder—sometimes even to the corner office. Many former mail-room employees stayed with their companies for decades.

But the nature of work has changed, and organizations increasingly have trouble hiring and retaining the best employees. According to a 2019 McKinsey survey of more than 100 leaders and experts in the contact center sector,<sup>1</sup> 50 percent rate retention as a key challenge for talent management.

Companies are overlooking an untapped source of potential talent: their own contact centers. Many organizations view the function as just a cost center, with frontline employees constantly cycling in and out, instead of as a valuable source of talent with a unique vantage point on customers. Businesses that develop the ability to find and thoughtfully cultivate customer care talent at an early stage can build a talent pipeline for the contact center and beyond while reducing costs and improving customer satisfaction.

### **Intentional contact center talent management: Why it matters**

As more companies improve their digital capabilities, the nature of contact center work is changing. Straightforward transactional issues are increasingly handled via digital self-service tools, while customer inquiries that are more complex are routed to contact center employees. These types of customer interactions—complicated problems, upset customers—require a different level of skills and knowledge to resolve effectively and efficiently.

And yet the “brand” of the contact center has not evolved to reflect this changing reality. Salaries have not increased in proportion to other roles, and promotion opportunities are often limited. Attrition continues to be high; in our experience, most contact centers experience average annual turnover rates

of up to 60 percent each year. Even best-in-class companies see turnover of nearly 20 percent a year. This doesn’t have to be the case; our research has revealed that up to 80 percent of contact center employees would like to eventually move into another position within the company, either in contact center leadership or in another part of the organization.<sup>2</sup> They just need a path to do so.

By taking an intentional approach to improving the frontline experience and investing in talent, companies can not only reduce attrition but also build a pipeline of talent to the contact center and to the broader organization. This effort can simultaneously reduce costs and improve customer satisfaction.

### **Build a pipeline of talent**

Many executives say there’s no better training ground for learning how to improve a company than speaking to its customers. Many executives even make it a point to shadow calls monthly. Some companies have new employees spend an entire day of their onboarding listening to contact center calls to quickly give them a deep understanding of what matters most to their customers.

By building on this foundation of customer insight with skills gained over time, employees can make a smooth transition to other adjacent roles in the organization. For example, an employee who builds experience in scheduling and workforce management can easily transition to a role in operations management.

A few leading companies with internal contact centers are beginning to entirely rethink the contact center model, its brand, and the value it can bring to the company. These companies staff their contact centers with highly skilled employees who empathize with customers and are empowered to address their individual challenges with plans for quick resolution. These employees learn to view the company as the customer sees it—and thereby gain invaluable insights that can inform other areas of the organization.

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<sup>1</sup> State of Customer Care Survey, 2019.

<sup>2</sup> McKinsey Employee Engagement Contact Center Survey, 2018.



Further accelerating this change, many organizations are broadening their definition of customer service and expanding the pool of talent from which they recruit. Advances in remote collaboration technologies and increased acceptance of work-from-home models are also expanding talent sources for the customer care organization.

**Reduce costs**

Attrition costs companies as much as \$10,000 to \$20,000 per contact center agent (Exhibit 1), depending on an organization’s geography, employee tenure, and the level of training required for the

position. Increasing retention can therefore reduce upfront training costs, recruiting costs, and loss of productivity during ramp-up. Furthermore, companies that selectively upskill contact center employees can then consider them for other adjacent positions in the organization, reducing those functions’ recruitment timelines and costs. Hiring from within is almost always more cost efficient than recruiting from outside the organization.

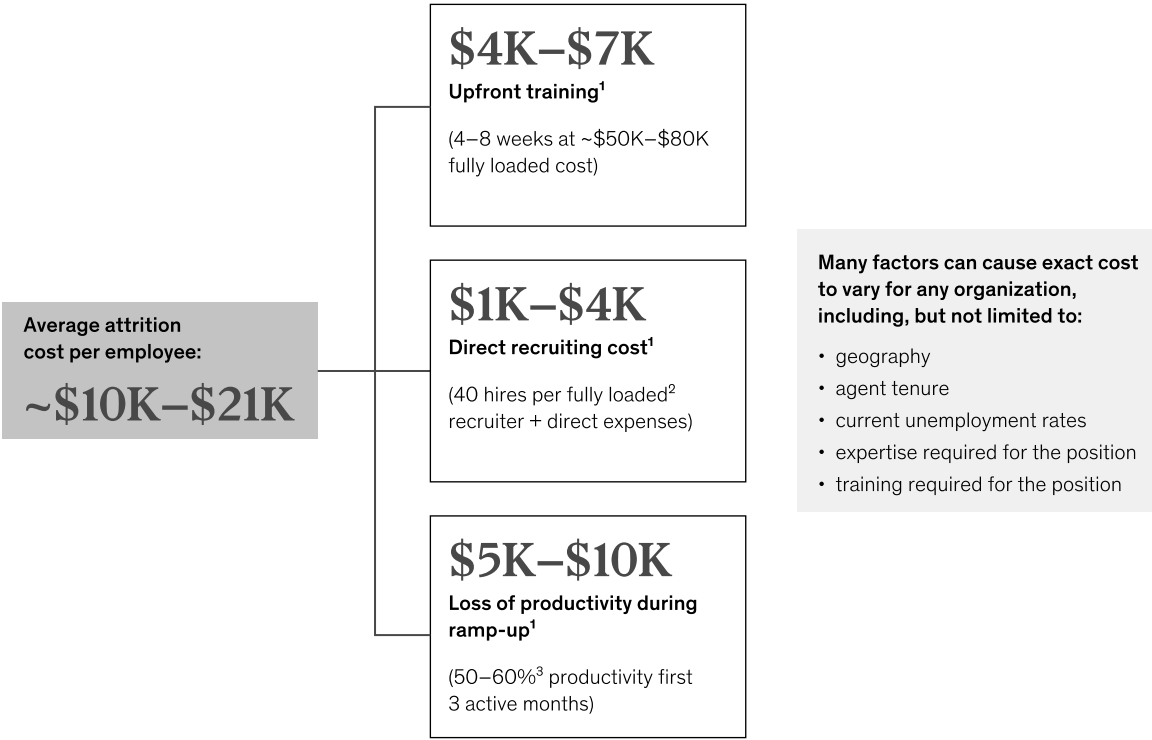
**Improve customer satisfaction**

As customer expectations continue to rise, companies increasingly compete on service.

Exhibit 1

**Call center employee attrition is costly.**

**An illustrative example**



<sup>1</sup> Depending on amount of upfront training provided as well as average annual compensation.  
<sup>2</sup> Full compensation package, including pay and any benefits.  
<sup>3</sup> Productivity driven by combination of agent efficiency, rates of first contact resolution, and higher support levels from supervisors/tenured agents during nesting; if not managed carefully, this higher support can also affect established agents by reducing supervisor time available to them.

Source: Expert interviews; Jon Anton and David Gustin, *Call Center Benchmarking: How Good Is “Good Enough,”* Purdue University

In addition, our research indicates that better customer service is directly correlated with overall revenue and organizational health. Given that contact center employees communicate with customers all day, they know more about customer needs than any other group in an organization and are often the first to identify widespread customer issues or process inefficiencies. Promoting from within the contact center thus can embed a deeper understanding of the customer throughout the organization. For instance, Apple promotes sales associates into corporate positions, where they bring a deep understanding of both the product and the customer.

### **Three steps to reimagine the contact center**

Companies should hire top talent for contact center roles even though these roles are predominantly entry-level positions. A defined upward path from the contact center through the organization can help attract high-quality talent looking for a career within the organization rather than a stepping-stone. It will also increase the likelihood that these individuals will contribute to the company down the line—if businesses invest in the right combination of training, skills, and coaching.

#### **Get the right people in the door**

The first step to getting the right people in the door is to understand what knowledge, skills, attributes, and experiences employees will need to thrive both in the entry-level role and in the company at large.<sup>3</sup> By harnessing advanced analytics capabilities to assess data and identify characteristics of successful employees, organizations can build profiles of ideal candidates. Résumés can then be assessed against these profiles to identify which applicants are most likely to succeed. Data on demographics, previous job types and experiences, and skills obtained can be combined with results from online assessments to build a better understanding of candidates' skills and mindset. These attributes are not always easy to assess in an

in-person interview, which is why analytics can play a significant role in revamping recruiting.

Analytics can help organizations predict both performance propensity and which employees are more likely to stay with the company for a longer period of time.<sup>4</sup> Based on our experience, companies can determine employees' potential performance and attrition risk by following a three-step process:

1. Gather data points on current and past employees related to performance (such as average handle time and first-contact resolution), behavior (such as break times and schedule adherence), employment experience and skills (such as compensation, tenure in role and organization, training completed, and skills developed), and other attributes such as demographic details (such as location and commute time).
2. Build a machine-learning algorithm using historical data to understand how different factors correlate to affect both performance and attrition risk.
3. Run the machine-learning algorithm on a regular basis to identify applicants projected to be high performers with low attrition based on relevant factors, and advance them through the hiring process.

Once employees are in the door, effective engagement initiatives can also help reduce attrition (see sidebar "The profound impact of engaging contact center employees").

#### **Create more formal opportunities for development and career progression**

A robust, ongoing training program can set up newly hired employees for success in their current roles and beyond. Training programs should help develop skill sets and cultivate knowledge to prepare employees for their next role, as well as for future development both within and outside of the contact center, such

<sup>3</sup> For more, see Mike Barriere, Miriam Owens, and Sarah Pobereskin, "Linking talent to value," April 2018, McKinsey.com.

<sup>4</sup> For more, see Jeff Berg, Avinash Chandra Das, Vinay Gupta, and Paul Kline, "Smarter call-center coaching for the digital world," November 2018, McKinsey.com.

## The profound impact of engaging contact center employees

**A crucial step** in reducing frontline attrition is boosting employee engagement. A McKinsey survey found that contact center employees who are satisfied with their job overall are four times more likely to stay with their company for at least a year and 16 times more likely to refer their friends to the company.<sup>1</sup>

In our experience, several factors can improve retention, including frequent, effective peer-to-peer interactions; a sufficient training period; socialization among colleagues; and available, engaged supervisors. The same McKinsey survey also found that career opportunity is one of the top five factors affecting employees'

overall satisfaction with their role. Even employees who don't necessarily want a promotion are more satisfied when they know that opportunities exist.

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<sup>1</sup> Whitney Gretz and Raelyn Jacobson, "Boosting contact-center performance through employee engagement," March 2018, McKinsey.com.

as finance or digital. Organizations can use analytics and digital capabilities to assess employees and build their customized development paths—including through virtual engagement with a largely remote workforce (see sidebar "Developing and engaging a virtual workforce in the era of COVID-19").

**Conduct an assessment.** Organizations can ask employees to take assessments to better understand their aptitudes, interests, and career goals. These evaluations could be partially quantified with a supporting assessment examining skills for adjacent roles, customized to the organization. The program would then make recommendations on the types of roles within the organization that an employee may be suited for in the future, along with a clear outline of the required steps to reach each of those roles.

**Build a formal coaching program.** Using an employee's responses to the assessment, companies can create a coaching program (delivered both in person and virtually) to introduce employees to various roles and business units over an 18- to 36-month period. Coaching moments should be embedded throughout the day, in addition to regular sessions with a team leader. For example, a supervisor or peer coach can schedule short observations of employee interactions with customers and offer real-time feedback. Coaching is often centered solely on improving customer interactions, but team leaders who are armed with

additional information about employees' aptitudes and career goals can tailor how they are coached and broaden their focus to include development goals that support preparation for a "next-step" transition or a future leadership role.

**Reskill employees.** In today's increasingly complex and data-driven world, new roles require employees to have many different skills. Reskilling may involve a mix of in-person training, digital courses, on-the-job practice, conferences, and experience visits that give employees the chance to preview day-to-day responsibilities for future roles.

All training modules should be personalized (based on employees' assessments and performance) and on demand, with dynamic delivery models that support individual learning styles and needs. This is especially important as employees increasingly expect dynamic, digital learning methods. For example, tailored, bite-size digital training modules can be pushed to an agent's desktop, focusing on specific skills that would benefit the agent based on recent behavior and skill aptitude. Ideally, these training plans could be used continually to build progress over time, rather than as a one-and-done exercise.

**Use analytics to monitor individual progress, tailor programs, and promote advancement.** Many organizations already collect a great deal of data about employee performance along key

## Developing and engaging a remote workforce in the era of COVID-19

**Remote work** is an increasingly crucial aspect of attracting top talent that goes far beyond physical-distancing requirements. More than ever, flexibility can be used to attract and retain remote workers who want to balance their work schedule with family obligations or have personal situations that require flexibility.

A larger remote workforce increases the potential candidate pool, as geography may become a less limiting factor, and changes the possibilities for flexible work shifts—including later starts, earlier ends, or longer breaks. Companies will need

to adjust hiring, onboarding, and training practices to successfully incorporate more remote-working competencies, such as videoconferencing-enabled quality control and interactive self-training platforms. Supervisors will need to be upskilled on coaching in a remote environment and maintaining company culture to keep employees engaged through activities such as virtual team events and competitions.<sup>1</sup>

Additionally, organizations must now consider how an increased need for flexibility and work-from-home

configurations will influence the desired characteristics for new talent and the development of future organizational leaders. For example, if recruitment were optimized for people who can effectively work from home, would those individuals continue to be successful if they were to make the transition to on-premises leadership roles? How can organizations continue to effectively accomplish apprenticeship and on-the-job leadership development in a virtual working environment?

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<sup>1</sup> For more, see Jeff Berg, Eric Buesing, Vinay Gupta, and Raelyn Jacobson, “Customer-care organizations: Moving from crisis management to recovery,” April 2020, McKinsey.com.

performance indicators, but analytics can play an even greater role in creating opportunities for development. Employee details—such as the number of trainings or events attended, improvement in core skills over time, customer-satisfaction scores, time spent on coaching, absenteeism, and employee-satisfaction survey data—help organizations understand which employees are at risk of leaving the company and design effective retention and training programs. Companies can use advanced analytics to identify individuals with a high risk of attrition due to certain behaviors (such as unscheduled breaks or a decline in productivity) and then launch targeted retention programs to find and address the root causes of these employees’ behaviors.

### **Once pathways are developed, make them visible**

Even after completing training, employees at many organizations are unaware of potential career opportunities available to them. From the beginning, leadership should clearly communicate the various pathways and options. For example, some companies distribute laminated cards outlining

the milestones available in an agent’s first two to three years, along with their benefits and the requirements for reaching them. These cards can be posted at the majority of agents’ desks, so they are always visible and explicitly clear. Other companies have online portals outlining all of the various career options and the associated required skills.

Telling the stories of people who have successfully moved up within the organization is another way to highlight pathways and show employees that advancement is feasible. Organizations can also use career counselors to help employees navigate their options and cultivate the necessary skill sets that will help them progress.

While these best practices are applicable to any organization, they can be tailored to specific organizational contexts. Indeed, career progression can happen in a few different ways: learning new skills (for example, skills certification), qualifying for a pay raise, moving up through promotion to a higher-tier role (for example, becoming a supervisor), getting a different job within the organization, or

focusing on development growth rather than a title change. To move people into different jobs, the organization will have to set up a track or pathway into those roles via the contact center (for example, moving into the email or multichannel team) and support the transition through reskilling or training.

To develop employees as they progress in their careers, organizations need to examine how frontline employees can learn and grow in their current roles. What skills would help them advance? The best organizations have an employee-to-supervisor development program that focuses on keeping employees engaged and improving their skills in leadership and other areas to enhance their value to the team. These skills can also have ancillary benefits; for example, employees who have already learned how to be supervisors can get off to a fast start once they get promoted. Peer coaching can also shed light on whether an employee might excel in a supervisor role. Even employees who decide not to become supervisors will benefit from the opportunity to mentor their peers.

In addition to creating and spotlighting these career pathways for employees, HR and talent-management functions must encourage hiring managers to look to high-performing contact center employees for leadership openings in workforce management, operations, and other areas of the contact center, as well as for roles in other business units.

### Putting it into practice

These strategies are broadly applicable for organizations that have captive, in-house contact centers, but they will play out differently depending on variables such as an organization's size and geographic footprint.

Strategies to reimagine the contact center must be tailored to fit each company's operations. Organizations whose contact centers are located

in the same city as other functions, for instance, can easily consider future needs in determining their recruiting pool. If leadership foresees a need for account managers, contact center applicants can be screened for the capabilities that will enable them to be successful in that role so that they are well positioned for the next step. One large financial-services company that takes this approach consistently identifies the top talent in its contact center and flags those employees as emerging leaders who can be promoted into other business units.

Organizations whose contact centers are separate from the company's main headquarters or other operations, on the other hand, may not be able to transfer employees to functions that require an on-premise presence. These organizations should consider focusing their hiring on employees who are likely to be engaged and satisfied by working in a contact center environment long term.

Even business-process-outsourcing organizations can consider intentional talent-management strategies to improve retention by enabling frontline workers to progress to contact center leadership positions and beyond.

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Organizations of all sizes and types can benefit from intentional talent management. Just getting the right people in the door to decrease employee turnover will have an impact on recruiting and hiring expenses. Early identification and development of contact center talent allows frontline employees to become more effective peer coaches and enables new supervisors to hit the ground running, even if they do not go on to become the next business-unit head. In a world in which talent is challenging to find and retain, embracing an intentional, analytics-driven strategy to talent management is a no-regrets move.

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