# Call Center Transformations in the Real World

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**LEGERITY, LLC**

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## Company Background and Introduction

Legerity is a mission driven company specializing in the design and delivery of large-scale IT solutions and client enablement. Legerity is a Pega Global Alliance Partner and helps clients get more from Pega by implementing best value, collaborative Pega solutions while developing a talented workforce in the real world. The company formed in 2018 and is based in Hampton Roads, Virginia. Legerity's partners have over four decades of experience leading in Fortune 500 IT organizations and have delivered numerous successful Pega projects and transformations. Legerity values being trusted, transparent, and transformative.

Founder and managing partner Jeff Schrecengost is an experienced and highly successful technology leader with over 20 years industry experience. Jeff was responsible for all aspects of application development and support for the Government Business Division at Anthem, Inc. The Government Business Division of Anthem represents about 40 billion dollars in revenue to the organization and is inclusive of Medicaid, Medicare and federal government products. Before joining Anthem, Mr. Schrecengost served in various roles at Amerigroup including Director and then associate Vice President of Information Technology. He directly managed development and support staff for multiple initiatives promoting overall business growth.

Jamisson Fowler, Legerity founder and managing partner, has over two decades of successful industry experience and serves as a Senior Advisor with McKinsey. Previously he served as the Digital Transformation leader and Commercial CIO at Anthem, Inc., where he led a $1bb portfolio of technologies. His team focused on the ideation, development and creation of new technologies, tools and programs to better

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serve Anthem's commercial markets. Jamisson was instrumental in starting the Anthem Innovation lab and driving digital change across the organization. This involved authoring and driving the implementation of an enterprise wide scaled agile framework, implementing Design Thinking, and driving more competitive digital capabilities. Prior to joining Anthem, Mr. Fowler served for over 12 years at Amerigroup in various technology and operational roles including Vice President of Information Technology. During his tenure, the company experienced significant growth becoming one of the largest public sector managed care companies serving 4.5 million members. Amerigroup was repeatedly recognized as one of the fastest growing companies in America prior to Anthem's acquisition of the company in 2012. Jamisson is a former associate at PricewaterhouseCoopers where he served as a programmer and technical lead supporting application implementations for the financial services industry.

After 40 years of combined experience running IT departments in the payer industry, we have experienced almost every major pain point one could imagine. This paper particularly focuses on the challenges of implementing and improving the call centers needed to support customers. In general, we found call center costs too high, customer satisfaction too low, and a great deal of uncertainty by leadership and staff on how to transform their call centers to remedy these problems. Let's take a deeper dive into these challenges and how we solved for them.

## Industry Research

When we look at the customer-care industry, we see some key dynamics that are causing major shifts. McKinsey & Company, an American worldwide management consulting firm that conducts qualitative and quantitative analysis to evaluate management decisions across public and private sectors, conducted a survey of customer-care executives and identified five key trends that are shaping the future of customer care and must be considered as leaders strategize[*].

**1. Inbound calls will decline in number or be eliminated**

Frontline automation is rapidly changing the requirements of traditional call centers. In McKinsey's survey, nearly three out of five customer-care leaders said that inbound call volumes will decrease in the next five years. Within ten years, 40 percent of

respondents said the number of inbound customer-care calls will fall significantly, perhaps to zero.

**2. Digital-care channels are already the starting point for most customer-care interactions**

Survey respondents said that in 2015, digital-care channels (such as web chat, social media, and email) accounted for 30 percent of all their customer-care interactions. By 2020, they believe that share will rise to 48 percent. One reason: the growing number of "digital natives" who grew up communicating over the Internet and expect digital care.

**3. Large investments will be required to improve the skills of customer-care workers**

As transactional calls move to digital channels, more complex interactions—such as cross-selling and upselling and financial advisory—will account for the largest share of volume in traditional call centers. The majority of survey respondents expects automation to replace not only more transactional interactions but also about 25 percent of the activities of even exceptional customer-engagement agents.

**4. High-end customized experiences will require companies to rethink customer engagement**

As customer-care leaders transition their function from a lower-skill cost center to higher-skill profit center, the function's approach to creating value will change. To that end, executives are mapping the customer journey and using design thinking to reconfigure traditional customer care and enhance customer experience. Executives who are considering a shift from outsourcing to in-house support (in an effort to build customized capabilities) are also exploring live-interaction channels such as video and augmented reality. For example, more than a third of the survey sample say they have already invested (or are eager to invest) in video. About half say they will rethink the location of their contact centers, given changes in talent, sociodemographics, and service offerings, and three in ten are considering bringing part of their customer-care operations in-house to maintain greater control over customization.

**5. New technology providers will flood the customer-care space, so companies must choose wisely**

Leaders acknowledge the changing technology landscape and the need for more tech investments to support a longer-term strategic vision. Nearly half of the executives we surveyed rated investing in new technologies as one of their top priorities over the next five years. Three technology areas are likely to become prominent: insights or behavioral routing software, artificial-intelligence agents, and visualization technologies.

## Common Issues

Our own personal experience echoes and validates this McKinsey research. One of the most pressing challenges we faced and continue to see with our clients is having an ineffective call center. Below is a list of important metrics to track in a call center to define and measure efficiency. Very often metrics are not gathered and may even be unable to be gathered.

| **Ten Call Center Metrics to Track** |
|---|
| Average Call Abandonment Rate |
| Percentage of Calls Blocked |
| Average Time in Queue |
| Service Level |
| Average Speed of Answer |
| Average Handle Time |
| Average After Call Work Time |
| First Call Resolution |
| Forecasting Accuracy |
| Contract Quality |

Contributing to an ineffective call center is a poor associate/agent experience. A poorly designed and confusing agent experience drives poor customer call

interactions. For the agent, there often are too many legacy system interactions required to solve an issue thus generating inefficient interactions and the inability to sequence better interactions. This translates into first call resolution being too low and agents not being able to find answers for customers. These frustrations for the agent contribute to low employee satisfaction and reduced engagement leading to very high agent turnover rates.

It leaves little doubt that the experience described above generates frustration as well for the customer. We find consistently that usually a call is a misuse case, meaning that the entire interaction is negative driven, and there is a need for a platform that solves issues as well as promotes knowledge of the individual being served and proactive issue resolution. For example, a customer calling to fix a bill (negative event) doesn't also get a positive assist such as, "you can save money" or "let me schedule an appointment for you to get your A1C checked." An inefficient, negative event call center does not promote a sense of intimacy with the customer thus leaving them feeling unknown as they call repeatedly to try and address the same issue. The agent does not instill confidence, may transfer the customer too many times, place the customer on hold too long, and in the end may never actually resolve the customer's issue. These negatively driven interactions, or misuse cases, often can lead to lower net promoter scores for the company.

***"One of the most common issues we find is a lack of talent to complete the work needed to be done."***

Another common challenge we find when looking to improve call center efficiency is a lack of enterprise strategy and consensus. There is often a lack of management consensus on the financial benefits of a plan to improve the call center. This lack of management buy-in on the value proposition of a call center overhaul can cause the best laid plans to stall. Large programs to transform call centers often seem risky to leadership if there is an inability to define and then de-risk the transformation down into manageable and understandable components.

Even if/when consensus can be gained, the next challenges we often find are execution design obstacles. One of the most common issues we find with our clients is a lack of talent to complete the work needed to be done. The existing workforce is unfamiliar with how to do the work before them or how to implement the chosen transformation platform. Additionally, there are challenges with data conversions, timing of the transition, and abrasions during implementation of a new platform.

## Alternatives

We faced the challenges we described above and consistently see these same themes in clients we serve. We searched out options for how to improve our call centers and considered various alternatives. We could remain in our legacy platform and enhance it with custom homegrown solutions. We researched numerous CRM technologies for migration. We also had the option to just do nothing and see what happened. These alternatives were too complex and too costly leaving us with long term maintenance and high total cost of ownership without enough functionality to improve our call centers.

## Proposed Solution

While these challenges can be discouraging, they can be overcome. We found a very viable and deliverable solution and made tremendous improvements to our call center. We decided to implement the Pega Platform to transform and revamp call center performance. We partnered with Pega experts for an initial discovery phase and pilot program. Pega gave us out of the box functionality from the start. We continued to leverage Pega expertise during our training and education phase for building our workforce. By bringing in experts while we staged our enablement program, we were able to build our solution team in an effective way from the beginning while delivering quick wins for our business.

***"While these challenges can be discouraging, they can be overcome."***

The improvements we saw were well worth the expected bumps in the road as we tackled the challenge of transforming our call center. We were able to reduce training times, reduce average call handle times, we increased employee satisfaction and reduced turnover. We gained foundational capabilities to build on with the Pega platform and increased our ability to make rapid changes.

## Recommendations

If the challenges we've shared with you sound all too familiar and you want to see improvements in the efficiency of your call center, we recommend these key steps:

1. Schedule time to meet with our strategic advisors and explore the possibility of leveraging our advanced implementation team to get your call center transformation off on the right start. We can also help you map out a path for enabling your workforce to succeed with the changes implemented.
2. Consider investing in an assessment phase utilizing our Pega readiness scorecard.
3. Consider our pre-launch checklist to help ensure you are prepared for your project to begin.

We look forward to collaboratively solutioning with you the challenges you face and helping your company find success with Pega in the real world.

***Contact Us Today***

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