

The Evolution of the Contact Centre

Summer 2023

A CCMA Research Initiative

Supporting Partner

puzzel.
When every moment matters

Complexity rises as customers' needs escalate

Welcome to the Summer 2023 edition of The Evolution of the Contact Centre, the latest in our long-running series which explores how our industry is changing.

There is no sign of the pace of change slowing down. Customer contact is being radically reshaped before our eyes: customer needs have become significantly more complex and more urgent thanks to the stresses brought about by

high inflation and other socio-economic factors happening in the UK and across the world.

This latest edition of The Evolution of the Contact Centre explores these themes and how the contact centre industry is responding. As in previous waves, this report is based on qualitative research comprising group discussions with industry leaders representing some of the UK's leading brands.

With thanks to

We invited nine contact centre leaders representing a diverse mix of vertical markets, contact centre types and experiences to a series of discussion groups in June 2023 to explore how the industry is evolving. The CCMA extends its sincere thanks to these individuals for their generous participation in the study.

Emma Barr, NEC Director, Circle Health Group

Adam Gould, Head of Customer Service & Engagement, Castles and Coasts Housing Association

Jason Mann, Operations Director, PIB Group

Catherine Oehlers, Director of Customer Experience, Masimo Consumer

Francesca Rea, Director of Contact Centre & Service Delivery, NewDay

Sarah Rowe, Head of Customer Experience Centre, Tructyre

Laura Scott, COO, Dialect Communications

Faye Spencer, Head of Business Services, Information Commissioner's Office

Jen Turner, Head of Sales, Service and Retention, The AA

A year of role and skills elevation

In the summer of 2023 contact centres are under huge pressure to achieve efficiencies and in some instances are being asked to cut headcount. In difficult economic circumstances it is understandable that some organisations may seek to cut costs, and to look at customer contact as an area where potential savings might be achieved. At the same time decision-makers should be reminded of the crucial role of customer contact which is even more instrumental to the health of our society than it ever has been.

Challenge breeds opportunity of course, and in difficult circumstances we are seeing an elevation

of roles and responsibilities as the level of expertise needed in the contact centre surges. A substantial chunk of this report is devoted to how the demand for know-how is changing the way contact centres recruit, train and retain, and indeed how the well-rounded capabilities of leaders in the contact centre make them potentially well suited for other senior roles.



Leigh Hopwood,
CEO, CCMA

In an era of economic challenge and evolving work dynamics, contact centres are navigating an increasingly complex landscape. So far in 2023, we have seen a confluence of slow growth, soaring inflation and tightening budgets, placing contact centres and consumers alike under significant pressure. As demands for efficiency intensify, contact centres are seeking ways to optimise operations and manage the escalating number and complexity of customer interactions.

Whilst the contact centre industry has not fully kept pace with the demand for change, the future looks promising, and the challenges posed by the current economic scenario could serve as a turning point for the industry. As we venture into the second half of 2023, contact centres must think strategically about how they can leverage automation to drive efficiency and reduce demand on their operations.

This Summer's edition of The Evolution of the Contact Centre is a must-read – delving into the pressing issues and trends that define the contact centre industry's landscape. From the surge in contact demand to the challenges and opportunities presented by hybrid working, we aim to provide valuable insights to help organisations navigate these complex times successfully. We hope that this report will serve as a guiding light for contact centres as they brave the storms and embrace the potential for growth and innovation.



Gabriela Warren,
CMO, Puzzel

Organisations pushed to find savings while demand escalates

By the summer of 2023 the UK had endured several quarters of slow growth combined with inflation levels not seen in a generation. Organisations and consumers alike are being forced to tighten their belts, some severely.

“The sector rent increase is normally CPI plus 1%. This year, it would have been 13%. But we’ve only been allowed to increase rent by 7%. That’s a 6% drop in our income.”

- Adam Gould, Head of Customer Service & Engagement, Castles and Coasts Housing Association

Customers are turning to providers for support to help them manage the cost of living, driving up the volume and complexity of contact demand at the same time as there is huge pressure on operations to reduce costs.

“We need to realise significant efficiencies through a lean programme of work, including process automation and streamlining. All of this without impacting service level.”

- Sarah Rowe, Head of Customer Experience Centre, Tructyre

“We’ve had to massively increase our money advice and financial inclusion team who are there to help ensure people maximise their benefits. Our general contact demand has gone up 25% over the last year.”

- Adam Gould, Head of Customer Service & Engagement, Castles and Coasts Housing Association

Faced with the need to do more with less, contact centres seek efficiencies and ways to reduce demand volumes.

“Customer-focussed organisations have great engagement and are able to drive much better digital adoption. Customers trust you more, you’re listening to them, you’re driving things that make your services easier for them to use and to self-serve rather than having to contact you. When you’re really improving things that matter to customers, you also reduce your costs because you’re reducing your contact rate through eliminating unnecessary contact.”

- Francesca Rea, Director of Contact Centre & Service Delivery, NewDay

Hybrid working – three years on

Three years since the great pivot to hybrid working, some operations have managed to thrive (typically ones which have been built from scratch for remote working), and some have asked colleagues to return to the office full time.

The vast majority of contact centres are still

working through their approach to hybrid working. Many have discovered that while offering colleagues flexibility is valuable, time spent on premises is irreplaceable, many others have seen team cohesion suffer.

How to convince people to go back to the office

Offering flexibility in choosing where to work has become crucial for employers to stay competitive in a tough recruitment environment. However, some organisations now regret giving their teams too much autonomy, making it now difficult to persuade people to return to the office. Furthermore, for organisations that allowed individual teams to set their own rules, inconsistency has become a problem.

“Our challenges have come from people that have been allowed to work at home for a long time and have adjusted their lives to suit. It’s not a problem for new recruits but it’s harder to convince those who have been competently doing their job at home why they should be coming in.”

- Jason Mann, Operations Director, PIB Group

To attract people back to the office there should be a meaningful reason to be there, which could be specifically related to team-building activities,

training or indeed incentives such as free food and beverages.

“There’s no point bringing people back into the office unless it’s got a purpose, a value attached to it. We organised structured training, to create a buzz on site. People realise they get trained quicker, and become competent more quickly by being trained in the office.”

- Jason Mann, Operations Director, PIB Group

“We’ll mandate one day per week as your team day. We decided if you do come in, it’s got to be an experience. We’ve been good at that from the start of hybrid working, free breakfasts, lunches and coffees and face to face recognition and our beehives to name a few.”

- Francesca Rea, Director of Contact Centre & Service Delivery, NewDay

Growing complexity accelerates talent development

Not only is demand volume growing but queries are more complicated than ever. Growing adoption of self-serve deflects simpler journeys away from assisted channels. Meanwhile, customer needs become more urgent and emotive against the backdrop of financial pressures.

“Patient behaviour has changed since the pandemic and is driving a different kind of call handling experience. Patient’s are looking to access treatment quickly and are conscious of the impact long delays have on their health. To meet this need we are investing heavily in equipping our teams with the skills to deal with a more emotive and informed patient.”

- Emma Barr, NEC Director, Circle Health Group

“With the cost-of-living crisis, we’re now dealing with calls which only months ago would have only been the remit of a complaints department or a credit control team. There are so many more of these calls now that we’re having to equip the front line. It’s more than selling or renewing an insurance product.

It’s all of those wraparound conversations to help customers facilitate their insurance needs against all of the regulatory and socio-economic changes going on.”

- Jen Turner, Head of Sales, Service and Retention, The AA

In this environment there is a greater onus on advisors to upgrade their expertise and a greater onus on learning and development teams to prepare the front line. For some contact centres there is no substitute for live classroom training.

“As the calls become more complex, it becomes more difficult to get people competent at the speed we need them to be when they’re at home. Online modules and e-learning were a fashionable thing to do about two years ago but we now understand that that in-person training is much quicker and more effective.”

- Jason Mann, Operations Director, PIB Group

“We’ve adapted our training to bring together the benefits of face-to-face and virtual. To combine the interaction you get in person with the types of output that come from virtual.”

- Laura Scott, COO, Dialect Communications

A crucial component of this learning is helping advisors to be able to make increasingly complex decisions in the moment. Autonomy is naturally part of the equation, but the foundations and guardrails must be in place to enable that autonomy to exist.

“We’re asking advisors to have more complex conversations and absolutely, they are more than skilled to do that. But most agents would take a level of confidence from having a framework. Nobody can just make these decisions for customers without knowing the options, the

flowchart. Having these not only gives confidence to agents, but gives consistency to customers.”

- Jen Turner, Head of Sales, Service and Retention, The AA

Greater autonomy and upgraded skills are not only advantageous to the front line, but delivers knock-on benefits up the ladder.

“We rolled out problem-solving training to help agents get things done themselves, get things logged in the right place and get some governance around that. That doesn’t just only empower the frontline agents, but empowers the team leader population which then frees up the ops managers and me.”

- Jason Mann, Operations Director, PIB Group

Roles are being elevated

Particularly in technical sectors and regulated industries, domain knowledge is increasingly invaluable. It may be easier to recruit colleagues who already have this knowledge and train them to deal with customers, than the other way around.

“We’ve always recruited for great empathy and listening skills. We’re also looking for people who have worked in telecoms, who understand devices and connectivity. Not just techies but people who can explain things to customers. You can train a lot of the rest of it as long as you’ve got those core skills.”

- Francesca Rea, Director of Contact Centre & Service Delivery, NewDay

“Repair calls are up yet it’s difficult to train younger people to diagnose housing repairs when they don’t know the difference between a ballcock and stopcock.”

- Adam Gould, Head of Customer Service & Engagement, Castles and Coasts Housing Association

With many providers ramping up their digital capabilities, contact centres are seeing a growing number of requests from customers seeking assistance with self-serve journeys. As such some frontline roles are pivoting from solving the customer's problem, to helping the customer solve the problem themselves. These 'digital coordinator' roles require a high degree of expertise and can command higher salaries compared with typical frontline roles.

“We changed our whole role profile to digital coordinator, which brought in more tech-savvy people who understand cybersecurity, connectivity, devices. We found that that really helped with our CSAT as many queries are now in relation to digital assistance, so we then went through a complete accreditation of our people to train & upskill them as well. With that comes a good salary, because we get more effectiveness from good people and fewer repeat calls.”

- Francesca Rea, Director of Contact Centre & Service Delivery, NewDay

Recruitment is still difficult

Many contact centres continue to adapt and hone their recruitment and retention strategies in a tight labour market which shows few signs of easing up.

“It is no secret that staffing in healthcare is challenging. Our candidate demographic is getting younger, and we have altered our offering and engagement approach to ensure that when they join us they are supported and equipped to make a difference to the patients they speak to each day.”

- Emma Barr, NEC Director, Circle Health Group

Some contact centres are exploring the possibility of targeting more mature candidates, for whom the flexibility and hybrid working that many contact centres offer can be especially attractive.

“We have an excellent age range and experience level at the contact centre, which puts us in a great position to not only offer a happy and rewarding

workplace culture but also deliver outstanding level of customer service. It's great to have a mix like this in our team.”

- Emma Barr, NEC Director, Circle Health Group

“We actively engage with universities and colleges, but we'd need to target differently to attract mature colleagues.”

- Laura Scott, COO, Dialect Communications

Not everybody believes that targeting a more mature cohort will be a lucrative strategy, for frontline roles at least.

“For entry-level roles, we've really struggled to onboard and keep mature people. The speed, the intensity, the pressure, it's the hardest job, isn't it? And the late shifts and weekends – in my view more mature people don't want to do them.”

- Jason Mann, Operations Director, PIB Group

Brand and purpose help to attract people

In a highly competitive recruitment market well-known and trusted brands stand out, especially ones known for their ESG credentials.

“When I worked at Co-op there was a high proportion of agents with 20-25 years' service on the phones. They had a huge amount of tenure and I think one of the mains reasons is the Co-op brand.”

- Jen Turner, Head of Sales, Service and Retention, The AA

Lesser-known organisations can be at a disadvantage when advertising for roles, as candidates may not be familiar with their brands.

“I've only got a small amount of space in a job advert. I've got to communicate all of the job requirements. There's not enough room to talk as much about our purpose as I'd like.”

- Faye Spencer, Head of Business Services, Information Commissioner's Office

“With a workforce that is increasingly interested in employment that is doing good, I'm yet to fully tap into that. We have roles to enable businesses good business practices as well as protect people.”

- Faye Spencer, Head of Business Services, Information Commissioner's Office

Skills learned in the contact centre are highly transferable

Contact centres are well recognised for offering excellent opportunities for progression to other roles in the organisation, with the skills and relationships built in the contact centre serving colleagues well in other departments. Mentioning this explicitly in recruitment can be a way to stand out from other roles.

“Skills in a contact centre are massively transferable, whatever level you’re at, to many other industries.”

- Laura Scott, COO, Dialect Communications

“We don’t talk about a career in the contact centre. We talk about a career in the company, where the role can take you and the career paths it leads to.”

- Jason Mann, Operations Director, PIB Group

While the 'springboard' to other roles is attractive for colleagues some contact centres have realised that they have effectively become training departments, experiencing high internal attrition and unable to replace people quickly enough.

“There’s lots of progression for staff from contact centre roles. Because my team can handle pretty much any data protection question a business or a lawyer will ask, they’re just brilliant for the rest of the business.”

- Faye Spencer, Head of Business Services, Information Commissioner's Office

Career paths for senior leaders

The versatility and adaptability learned on the job in contact centres applies all the way from the front line to the top. Contact centre leaders eyeing bigger roles have plenty to offer.

“I was reading on LinkedIn about whether we going to start seeing the CEOs of the future come from the contact centre. There tends to be a finance or maybe a marketing bias into the CEO route, but will we start to see that shift and change in the next few years? There used to be a view that contact centre people were jacks of all trades. But actually what you tend to find is that people know a lot of stuff about a lot of stuff. Digital, regulatory understanding, marketing, PPC, SEO, even pricing- we’re well rounded.”

- Jen Turner, Head of Sales, Service and Retention, The AA

“The insights in my team, the way that they can highlight commercial opportunities and the connections we can make across functions within the business...I don’t think there’s any other function that can bring to a business what the customer service teams can do.”

- Sarah Rowe, Head of Customer Experience Centre, Tructyre

At the executive level, soft skills become more important than hard ones, as leading others takes precedence over one's own task abilities. With its emphasis on people, the contact centre can be an excellent training ground for future executives.

“Once you get to a certain level you don’t necessarily need to be an expert in the thing that you’re doing or that your team is responsible for.”

You need to be a leader of experts. You need to be able to have a value adding conversation with people, but you don't need to be able to do everything that they do in order to be able to lead them well, and to help them deliver."

- Jen Turner, Head of Sales, Service and Retention, The AA

"In the contact centre you can be a great leader. The commercial exposure really helps you."

- Francesca Rea, Director of Contact Centre & Service Delivery, NewDay

"Our Deputy Chief Executive Officer/Chief Operating Officer started out in a phone-based role. He often describes his experience in public facing roles as driving his values and work in senior leadership positions"

- Faye Spencer, Head of Business Services, Information Commissioner's Office

As well-rounded as leaders emerging from the contact centre are, they must expect to upskill to stand a chance of a seat at the executive table.

"Contact centres are often about today, this week, this month. We're wired to deal with crises and to put out fires and we're very good at reacting to issues. The nature of the beast means we don't spend much time thinking about next year or the year after."

- Jason Mann, Operations Director, PIB Group

"The role of the COO was always the goal. However now those roles need to incorporate so much more around information security and data management due to the high risks in those areas that you would need to be an expert in those fields to be strong enough to be the successor on that role particularly in financial services, in my view."

- Francesca Rea, Director of Contact Centre & Service Delivery, NewDay

Integrating the contact centre with other customer functions such as customer insight is one route to elevating leaders and offering talented individuals a wider sphere of influence as well as benefitting the organisation by breaking down silos.

"There's definitely an opportunity for contact centre people to become Chief Customer Officers and Chief Experience Officers, providing they pick up the mantle of feeding insight back into the business from complaints through to Voice of Customer surveys."

- Francesca Rea, Director of Contact Centre & Service Delivery, NewDay

"Customer insights drive positivity into the organisation. Often the things that get escalated reflect poor experiences. If you can bring more rounded insights to the business, people get a much better appreciation of what's going on every day and the role that the team plays."

- Catherine Oehlers, Director of Customer Experience, Masimo Consumer

Personal branding and internal awareness-building naturally become more critical for aspiring executives. Specifically, leaders wanting to reach the C-suite must show evidence of transformation and change agency, not just competent operational management. Building relationships with peers, supporters and sponsors outside of the contact centre is essential to shore up recognition.

"If you're running an operation which is making marginal gains every year from efficiency savings or driving cross-sell, that doesn't stand out. MDs and CEOs tend to be people who have done something transformational. Managing an operation isn't enough. The C-suite are high-impact people. Marketers who launched successful new products, and Finance Directors who doubled EBITDA are the people that catch the eye."

- Jason Mann, Operations Director, PIB Group

Ultimately, contact centre leaders stand a greater chance of being promoted to the executive level if they are working within enlightened organisations that understand the value of customer contact and recognise the potential of the people who lead those functions.

.....
“Contact centres can be seen as a cost by some businesses. But for others, contact centres are the heartbeat of the business. They’re dealing with the customers and delivering resolutions.”

- Laura Scott, COO, Dialect Communications
.....

5 Takeaways from The Evolution of the Contact Centre

1. A perfect storm of organisational cost-cutting at the same time as surging contact demand is pushing contact centres to find efficiencies.
2. Many operations are still honing their hybrid models, trying to balance colleagues' desire for flexibility with the benefits of time in office (training and team cohesion).
3. As customer needs become more urgent and more complex, this is elevating skills and expertise on the front line.
4. ESG credentials and a well-known brand can be advantageous for employers in what is still a difficult recruitment environment.
5. Contact centres breed great leaders with the potential to take on executive roles, as long as they can effectively build their personal brands and networks.



0333 939 9964 | www.ccma.org.uk | info@ccma.org.uk