

White Paper

How to Empower Others to Lead Themselves: *Crowd Accelerated Innovation*

April 2014

INTRODUCTION

As leaders, we are directly responsible for our own professional development, yet we do not use a similar approach with our Managers and Agents. We feel compelled to tell them what to do versus mentoring them through self-discovery. In order to empower those we lead to direct their own development, a new, bold process is necessary.

Chris Anderson (2011), TED coordinator, introduced the concept of Crowd Accelerated Innovation (CAI), described as innovation which is sped up by community sharing, and in the first example notes how the use of internet video leads to an instantaneous sharing of best practice, ranging from dance companies to TED presentations. All innovation, according to Anderson, is the result of ideas being spawned from the ideas of others.

One progressive contact center developed a cutting edge program to investigate the possibilities for CAI in a model traditionally very focused on process and method. This paper discusses the genesis and evolution of a contact center agent development program testing the crowd accelerated innovation practice; emphasizing the techniques utilized, the lessons learned and plans for the future in an effort to answer this question, *Should We?*

CALL REVIEW PHASE

The contact center instituted a new program throughout its Consumer Loan Acquisition (CLA) team for identifying missed application opportunities with an end goal of increasing the Application/Opportunity percentage site-wide. Additional, wholistic goals were developed as the program evolved, such as, increasing the Customer Satisfaction percentage, increasing Quality Assurance scores and improving Agent morale.

Agents not working on the CLA program, were selected to listen to CLA calls to identify missed opportunities, and identifying Agents who would improve from additional instruction/coaching. They became a Call Review Group. Nearly 30,000 calls have been reviewed and entered into the dataset. Call Review Group was asked to listen to calls for Customer's objections, the Agent's ability to overcome the objection and if the Agent attempted to overcome the objection twice.

Call Categories	Primary Objections
<ul style="list-style-type: none"> •Applications, •Application Opportunities, •Follow Up Calls, •Misdirected Calls, •Additional Products, and •Disconnects 	<ul style="list-style-type: none"> •I do not have enough time to do the application, •I want to speak with my spouse (or another person) prior to beginning the application, •I do not want to have a credit inquiry, •I do not know the vehicle I wish to purchase or when I will be purchasing, •The dealer is offering me a rebate or other incentive to entice me to finance with them, •I do not think my credit is strong enough, •I do not have all the information necessary for a refinance or P2P purchase

Through the initial phase of this process two observations were made: *the majority of calls received fall into the Follow Up, Misdirected and Disconnect categories, and Agents were receiving objections they were not prepared to overcome.*

OVERCOMING OBJECTIONS

When an agent would seek an application they would be faced with Customer objections to the request to complete a loan application. The primary objections were as follows:

Primary Objections	Primary Overcomes
<ul style="list-style-type: none"> • I do not have enough time to fill out a loan application • I want to speak to my spouse before I begin the loan application • I do not want the credit inquiry appearing on my credit report • I have not selected a vehicle yet • The dealer is offering an incentive to finance with them • I do not think my credit is strong enough to qualify for a loan • I do not have all the information for a refinance 	<ul style="list-style-type: none"> • How much time do you have? The application takes 5-10 minutes • Let's start an application so you are ready to speak with your spouse • Credit reporting agencies group similar inquiries together in a 45 day period • The app will allow us to find out which vehicle you qualify for • Often you will save money with rebates and our financing vs. dealer incentives • We can find out for sure with an application. You can also apply with a co-applicant • We can contact the 3rd party to obtain all the necessary information for you

Agents were having little difficulty overcoming the time objection as it only takes 5-7 minutes to complete the application. Other objections were more complicated and therefore more difficult to overcome.

Customers were very resistant to having their credit pulled. The Agents needed several techniques to overcome the objection where a poor attempt at an overcome would end the interaction. The traditional response was to advise the Customer of '*credit reporting agency bundling*' but this did not always work requiring the Agent to be confident on a subject they have limited training on, i.e., *How credit works*. An overcome directly from the sessions involved asking discovery questions to find out how actively the Customer was looking, had they applied anywhere else and, if not, what had them seek financing with the company first. This created an opportunity for Agents to proactively overcome an objection before it was made.

Similar scenarios were uncovered through this program. For example, some Customers are more reluctant than others to voice a specific objection. Quickly, it became apparent the only way to determine this Customer's objection was to ask discovery questions to find out what was preventing the Customer to act. One of the most successful avenues to uncover a Customer's objection(s) was to simply ask, "Is there a reason you do not want to do a loan application today?"

RATE SHOPPING: ASKING FOR A RATE QUOTES

Another area where Agents were encountering difficulty was when the Customer requested a rate quote for comparison with other lenders. Rate quotes by their very nature are dangerous as they are based on a new or previous model year, on a 36-month term and for Customers with excellent credit. It is estimated less than 10% of Customers paper grade will result in the lowest available rates. Newer Agents have been trained and tenured Agents have been coached to avoid providing rate quotes if at all possible. Initially this presented an issue as some Agents refused to provide rate quotes resulting in a negative Customer experience. Continuous requests to an entrenched Customer can impact the consistency principle negatively.

Specific overcomes to the rate quote inquiry have also been developed. For example, if a Customer indicates during the rate quote request their credit is less than excellent, Agents advise Customers providing a rate quote would not be in the Customer's best interest as those rates are based upon excellent credit and by providing the rate quote the Customer may form an expectation they will receive that rate. If the request cannot be reguided, and a Customer insists on receiving a rate quote, then of course the Agents provide the rate quote.

PREEMPTIVE OVERCOMES

As Agents were developing their own style of overcoming objections, the Call Review Group started hearing Agents preemptively overcoming objections they were anticipating hearing from Customers. The Agents had heard the objections so frequently they had become intuitive as to when the objection was coming and were effectively, "beating the Customer to the punch." As the Call Review Group continued to listen to calls, it was discovered the preemptive overcome can be extremely effective if done correctly; it removes any conflict over the Customer taking a position and requesting the AGENT try to move them off a position.

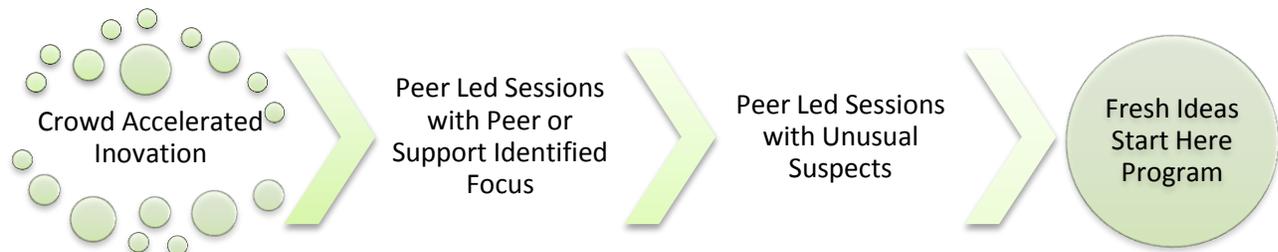
ADDITIONAL OBSERVATIONS

Many things were learned through this process. Initially our Call Review Group consisted of Home Equity and Website Customer Support Agents with the thought they would not be distracted by quality issues and focus solely on what type of call was being heard. Due to technical issues for particular Agents, CLA Agents were used when they were unable to take calls. This led to the discovery that a CLA AGENT can improve greatly by being the observer as well as the observed.

CAI SESSIONS

Based upon the issues identified by the Call Review Group, CAI sessions were developed to both disseminate information to Agents and to learn from Agents of ideas they have to assist all the agents with a particular skill. Initially we called the sessions Focus Groups, they are now called F.I.S.H. (Fresh Ideas Start Here) Sessions.

The following illustration is a representation of how the program is constructed:



The first session of a topic is the origin session. Each successive day's sessions receive a consecutive generation number continued for each day the topic is presented. If a topic is renewed after intervening topics are presented, the topic receives a new consecutive origin number and successive generations begin again. Each session also receives a consecutive number so we can track the effectiveness of each thread, each session, each origin and each generation. This method also helps identify those threads no longer useful to be retired.

PHASE I

Based upon the initial observations made in the call review phase, CAI Sessions were developed to provide Agents the information learned. Initially CAI Sessions consisted of playing 1-2 calls or call segments and then discussing the Agents behaviors within that call. With assistance from leadership, Agents were asked to identify the strengths and weaknesses of the behavior exhibited. Agents were also coached to illuminate other overcomes made to a particular objection. The Agents themselves began identifying other successful overcomes either through the CAI Sessions or during live calls they were continuing to service. For example, when a Customer is unsure as to their purchase window overcomes were difficult. An AGENT immediately identified the proper overcome.

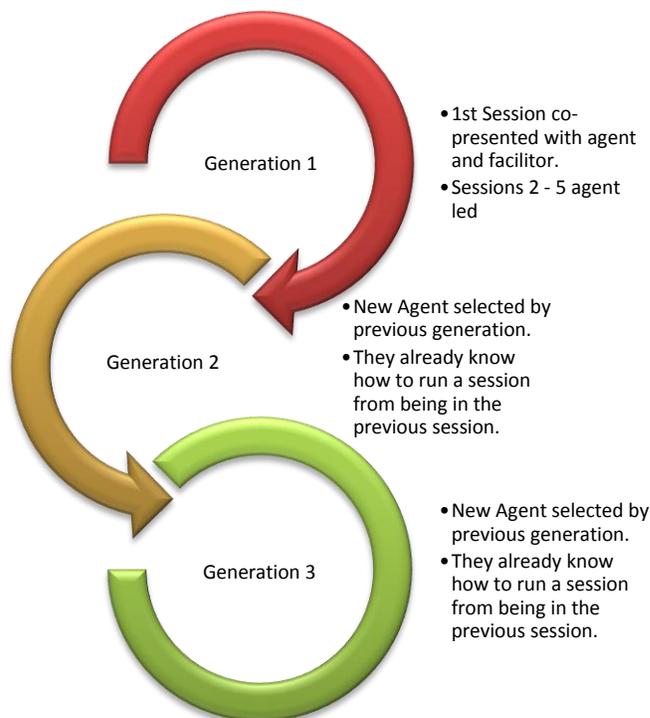
This process was not without its shortcomings. Initially it appeared through call reviews that speed in commencing and completing the application was critical to success. Agents were coached to get directly to the application and save other conversations such as, discussion of the Car Buying Service, the (Electronic Funds Transfer) EFT process or looking for other ways the bank could assist the Customer, until after submission of the completed loan application. After a few weeks the application rate increased but then plateaued and subsequently regressed. It is believed this regression is tied to fewer purchases during this typical annual sales cycle.

As call review progressed it became apparent some initial conclusions were incomplete. The more calls we reviewed, we realized the Agents who spent the first 60-120 seconds of the call building rapport with the Customer thorough the verification process and beyond were having more success in securing applications than those who went directly for the application.

We have found an Agent's soft skills make a difference. Soft skills are those non-technical skills required for Agent success such as tone, empathy, acknowledgement/willingness statements and underlying need questions, will carry them through even the most difficult calls. Soft skills directly affect the customer experience and the confidence displayed by the Agents. Most importantly, however, **strong soft skills will allow an Agent to uncover the Customer's objections and the appropriate overcome to that particular objection.** This is the key to success as this skill is integrated into each call as it occurs. The call review team can identify behaviors after the fact but that is still reactive, not proactive. This seems to be a common issue in the call center industry as it is too late to correct the behavior after the call has been released.

As the Focus Group process continued, we began to organize more Agent-led sessions without Upper or Middle Management, Quality Assurance or anyone associated with the Call Review Group present in the sessions. The goal of this change was to determine which Agents had the capacity to lead, which Agents worked well in groups and with others and to uncover additional topics the Agents identified as creating

problems during the initial loan application process or were producing an inordinate number of Customer call backs.



PHASE II

In Phase 2, the Focus Group Program was completely revised to be a completely Agent centered program. The Agents became the sole facilitators, developing the topics and providing the feedback.

What we realized is the more sessions an agent presenter performed, the more ineffective they became. This is due to a perceived authority the agents earn from their peers by leading. While in most settings this gained perceived authority is a good thing, in order for the sessions to

work, everyone has to feel comfortable no one person's ideas are better than the other.

Generation concept is simple. The agent leads a few sessions on a topic, pass it off to a new agent who understood the topic and was an active participant in their sessions. This allows a good idea to pass from one person to another.

A list of topics was developed by the Call Review Group in conjunction with Agents and TMs which would be useful as discussion topics within the sessions. They fall into two categories, **Soft Skills** and **Technical Skills**. There is obvious crossover between the soft and technical skills because an AGENT must be able to handle the technical aspects of the call in a manner which enhances the Customer's experience. The initial sessions focused on Soft Skills because, as stated above, these skills will help the AGENT to become stronger at all aspects of their call flow.

SOFT SKILL CURRICULUM

Soft Skill groups focused on Tone, Empathy, Acknowledgement/Willingness Statements and Underlying Need Questions, Loan Denials and Additional Opportunities, and De-Escalation. Future Soft Skill groups will continue to focus on the above but include other topics as they are identified. We have had great response to the Soft Skill curriculum. Agents identified as struggling with these skills have made significant progress in a surprising amount of time.

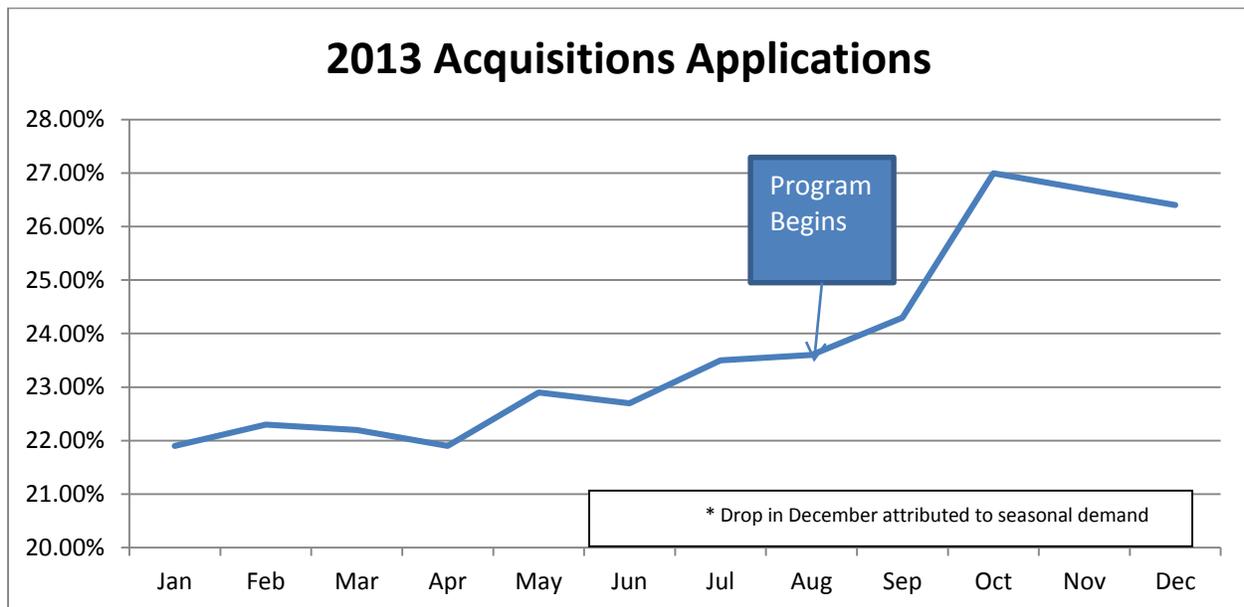
As the program progresses, we have discovered the program must be flexible and adaptable in order to adjust topics as we see the impact a lack of these skills has upon Customer Satisfaction (CSAT) results. Recently, we had a series of below 9 CSATs all related to the same issue. The below 9 CSATs related to the denial delivery and providing the Customer with additional opportunities such as the use of a co-applicant or a referral to Customer Advice and Solutions to explore improvements to their credit profile. As a result the next week's topic was changed to address this issue and provide Agents with a number of ways denials can result in a positive customer experience.

TECHNICAL SKILLS CURRICULUM

The listing of topics for Technical Skill CAI Sessions is inexhaustible. Those identified here scratch the surface.

The first of these groups have focused on POA/Lien Certificate for External Refinances, Loan to Value (LTV) It was learned during these sessions our Agents have an excellent understanding of LTV and the importance of ensuring Customer understanding of this concept. It appears the numerous calls asking questions about LTV are a product of another call center failing to ensure Customer understanding. (LTV) and how Consumer Loan Servicing (CLS) is impacted by CLA. We will be conducting future groups presenting topics such as Extended Vehicle Protection (EVP), the EFT process, the Car Buying Service and how to determine when a call requires Helpline or Underwriter assistance including how to approach the senior representatives in a manner allows the Agent to be a Customer advocate while still showing respect to those assisting our Agents in the performance of their duties.

Results



Results are often measured by individual agent successes and not overall results. But here is just one example of the possibilities of this type of program. The goal of an acquisitions line is to add more business by closing loans. This program led to a 4% increase in applications. This means the value of increase should cover a substantial portion of our client's outsourcing cost. An estimated 12 million dollars in new loans each month the gain is sustained reaps substantial revenue from accrued interest.

Where are the rest of the results? Here is the scary part; some of it is immeasurable at a high level. A session with 5 agents could end with these 5 agents improving 5 different skills. We know as leaders buy-in is paramount to behavior change. This program asks agents to do something different, buy into anything makes them better.

ADDITIONAL OBSERVATIONS AND UNEXPECTED BENEFITS

During the evolution of this program we observed other unexpected benefits the program can produce. We have had Team Managers ask us to review calls from particular Agents to either look for compliance with previously coached behaviors, to identify what causes a particular Agent to struggle and most recently to assist them in coaching during their Agent PEP Performance Enhancement Plan sessions.

Working with Agents in transition and their trainers and floor support personnel also shows benefits. Prior to Quality Assurance beginning the certification process, no feedback was given to the training team about Agents as they begin to take live calls. The response from the training team has been extremely positive. They have behaviors to coach either individually or as a group as they are identified and before they become negative habits the Quality Assurance team has to overcome.

AGENT FEEDBACK

The F.I.S.H. session facilitators have expressed an immediate increase in their morale as a result of being selected to lead the sessions. They appreciate the recognition, the sense they are valued and the opportunity to learn even more from other Agents as they lead. One AGENT facilitator reported the day they facilitated was the best day they had while working for Sykes.

The feedback from Agents regarding their experiences in the sessions has been overwhelmingly positive and has increased as the program evolves.

A few examples are:

“I enjoy these focus groups. I'm glad they give us a topic because we can discuss things with other Agents and get their input, and you learn something new every time. This one was helpful because it reminds you to come up with different options to our customers if they get declined. “

“The review of alternative solutions and missed opportunities for declines was excellent, I appreciated it greatly.”

“It was a really good topic, especially because it's something we don't get a lot of training for. De-escalating is one of the hardest things to do as an AGENT and I picked up a few tips on how to improve.

CONCLUSION

To date the CAI program has been quite successful. As an essentially new idea in the industry, it has not been without its challenges but with constant monitoring and critical analysis of the strengths and weaknesses it has become highly adaptable to respond to issues as they arise. As such, it has the ability to be the one proactive method a call center can incorporate in its efforts to continually challenge and improve the Agents. With their hard work and continued mentoring, Agents in a CAI program will enjoy having an edge over those who are not employing this program.

IMPORTANT TERMS

Topic Thread – a specific topic the sessions are about, and how that changed in subsequent generations.

Origin Thread – The first AGENT lead session on a particular topic as identified by peer nominated best practices.

Retired Thread – When a thread is seen to possess no further value through qualitative session ratings, the thread is retired.

Generation 2~– New AGENT mastery of a topic learned from an Origin Thread allows the AGENT to run sessions on the Origin Topic Themselves

Charge Resistance – Typical resistance seen from individual contributors when encountering those with perceived or actual authority. Charge resistance can increase in two ways.

1. AGENT mastery of facilitation changes facilitation style from collaboration to Educator / Student
2. AGENT is used enough times they develop a perception from the peers of an elevated authority status.

Dyadic Relationship – Traditional relationship between a Manager and an AGENT. A single connection connects the Agents to the TM.

Triadic Relationship – Network relationship which connects peers on a social group. Exponentially more connections than Dyadic.

Individualistic Commitment – What an individual takes away from each F.I.S.H. Session. This can be on or off topic, or the individual could have learned nothing at all.

About the Author: Joshua Hunter is a Sykes Site Director. With a career in Operations Management in contact centers spanning about 10 years he is an expert in budgeting, planning, project management and staffing. He has a background in Six Sigma and ITIL. His ability to recognize areas of opportunity and build creative solutions has earned him a reputation as an innovative performer. When he is not working, Josh volunteers through www.skillsforchange.com on various projects.