STATE OF THE INDUSTRY: TOOLS IN THE WFO SUITE

BY LORI BOCKLUND

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AN OVERVIEW OF TODAY'S WFO SUITES, HAPPENINGS IN THE MARKET, AND THE EXPECTATIONS OF USERS AND BUYERS.

BY Lori Bocklund, Strategic Contact Inc.

WORKFORCE OPTIMIZATION (WFO) TECHNOLOGY CONTINUES TO ADVANCE. While tools such as workforce management (WFM) and quality monitoring (QM) have achieved widespread deployment, gaps remain in filling out the suite of performance tools and applying them effectively to business needs. This article provides an industry update: what's part of today's WFO suite, what's happening with vendors and solutions, and the perspective of eager users and buyers.

The WFO Suite

In today's market, WFO suites include an array of components that deliver MANY intertwined functions. Figure 1 shows the types of solutions that are available.

Unfortunately, the market is often way ahead of the user's readiness to leverage what vendors have to offer. Because WFO holds so much potential value and gets at the heart of targeted areas for improvement, various tools sit high (or should) on many wish lists. The desire to close that market/user gap is clear. Users seek to improve the efficiency and effectiveness of the center, and optimize the hiring, training, performance and development of the most valuable (and expensive) resource—agents. They also want to target improvements to the customer experience as well as address some

less sexy, but essential, areas such as compliance. Monitoring, assessing and optimizing with today's WFO tools hits the mark. Investment in resources and proper processes must go hand-in-hand with the technology to deliver the business value these tools offer.
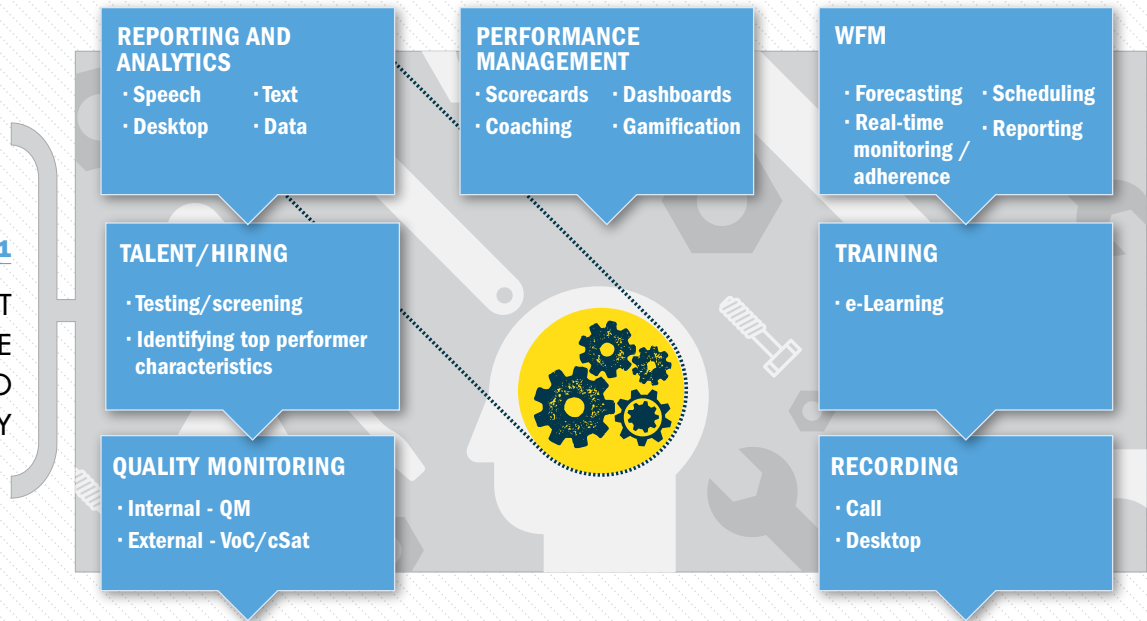
Market Happenings: Vendors and Products

In today's market, vendors are restructuring solutions and their sourcing and delivery. The market has distinct **tiers**, with a few big, mature players offering full suites (Verint, NICE, Aspect), and many smaller players nipping at their heels with low price points and high agility. The market is highly segmented, according to DMG Consulting LLC ("2015 Contact Center Workforce Optimization Market Share Report"), with Verint and NICE holding nearly 60% of revenue. The remainder of the market is split among 20-plus competitors. The competitors from lower tiers are adding functionality to each piece of WFO and adding more elements to their offerings. Their basic solutions will serve many well, while those who seek more functionality may have to move up. That leap can be big in both cost and complexity.

As is the case in other areas of contact center technology (CCT), the **cloud** is transforming WFO. Smaller WFO vendors tend to offer cloud solutions, sometimes as their only model.

They offer solutions that are quick and easy to deploy, low cost, and have little reliance on IT. Examples include injixo, Monet, KnoahSoft (acquired by Avaya), Envision, Uptivity (acquired by inContact), and others. The big players have been adding cloud solution alternatives as well, and cloud vendors of core contact center technology have been partnering and/or offering their own WFO solution (sometimes through **acquisitions**, as the list implies—see sidebar, "Acquisitions Fill Out Suites"). CCT solution providers such as Aspect, Avaya, Cisco, Genesys, inContact and Interactive Intelligence are offering cloud solutions directly and/or through partners, and they know they must include WFO suites. However, these cloud-based WFO suites can vary from the premise offering depending on the delivery partner, highlighting the importance of making careful decisions on sourcing and looking as hard at the vendor partners as the vendors and their products.

Another area of change is the variety of **media** supported beyond phone calls, such as email and chat. Centers have been handling alternate media for quite some time, and WFO vendors have had answers for RFPs that ask how they will do it. But few have made real headway in investing in WFO for any non-phone media. While it may seem straightforward, these other media behave differently, are captured

FIGURE 1

THE MARKET OFFERS A WIDE RANGE OF WFO FUNCTIONALITY

REPORTING AND ANALYTICS
- Speech
- Text
- Desktop
- Data

PERFORMANCE MANAGEMENT
- Scorecards
- Dashboards
- Coaching
- Gamification

WFM
- Forecasting
- Scheduling
- Real-time monitoring / adherence
- Reporting

TALENT/HIRING
- Testing/screening
- Identifying top performer characteristics

TRAINING
- e-Learning

QUALITY MONITORING
- Internal - QM
- External - VoC/cSat

RECORDING
- Call
- Desktop

differently, can have different key performance indicators (KPIs), require different agent skills, etc. We expect that, as the prevalence and use of these alternatives grow, so will the capabilities of the tools and vendor/VAR know-how in helping users apply the tools for forecasting, scheduling, quality management, analytics and other optimization of text-based media.

Some of the newest areas of WFO functionality are gamification, back-office tools and talent/hiring. The first two are often being done by the WFO suite vendors, while talent/hiring remains the realm of some niche vendors (see sidebar, "Some Niche Vendors Remain"). Gamification or incentive and reward programs can be an enterprise platform or a contact center specific tool. Back-office has increasing relevance with workflow tools and the ties of the back office into the end-to-end customer experience, particularly in some vertical markets such as insurance and healthcare. Vendors use different algorithms to address the work behavior of these back-office functions, such as true versus elapsed handle time, response time and turnaround times (instead of service level), and quality measures such as accuracy. Just as customers expect a phone call to be answered, it is important to make commitments on performance and manage to it for these back-office activities. Companies such as Monet, NICE, Pipkins, Verint, Aspect and

Genesys have shown a focus on this important area.

One last thing to note about the status of the market is that vendors continue to **innovate**, and it is not all driven from the needs of contact centers. Some vendors, especially the big ones, work in markets outside of the contact center. As they explore how to use analytics with video, develop facial recognition or other identification technology, and play in the world of "big data," they will drive innovative applications to the contact center, especially as channel use evolves and the focus on customer experience across channels grows.

The View from the Trenches: Users and Buyers

As previously discussed, buyers and users want more WFO technology, and want to get more out of what they already have. They know that performance management (PM), agent development and analytics (see Figure 1) have become a large part of WFO suites, presenting the opportunity to not just schedule the right number of people and provide QM scores, but to truly optimize operations. They want to leverage what the best do to extend good habits to others and improve everyone. That requires the proper tools, people to use them effectively, and well-structured action plans and continuous

SOME NICHE VENDORS REMAIN

While both vendors and buyers seem to have a preference for WFO suites, some niche players remain in both traditional functions like WFM, and in newer areas such as talent/hiring. Sometimes the niche is bolstered by work the vendors do in markets other than the contact center, other times by unique approaches and the corresponding research and development. Or, perhaps they remain niches because they've found a way to thrive and like it that way! Regardless, examples include:

- Nexidia for speech analytics
- Pipkins (premise) and injixo (cloud) in WFM
- Snowfly and BunchBall in incentives/gamification
- HireIQ, TeleManagement Search, Lucas Group in hiring/talent

improvement cycles.

Consider the impact that various elements of WFO can have. A center can create a better model for hiring the right people, use gamification to create productive competition along with collaboration, and use examples from QM in training and eLearning. When they use analytics to get more details on what individuals do and find the root cause of issues, they can create targeted improvements in training, processes and systems. Coaching for individual progress is great; centerwide enhancements are even better.

Everyone knows they need to start extending the WFO tools (especially WFM and QM) to media besides calls, but the tools, processes and resources can again all be hurdles. Whether because of low volume on these other media, or low maturity in managing them, or frustration with tools, few have gotten very far. As noted above, the vendors have said for years they have it, but approaches and specifics vary and often fall short (e.g., inaccurate results from simulation, treat non-voice as just other time segments to be scheduled, just modify QM scorecard). Perhaps this issue is a bit of a chicken-or-egg thing, but when centers put the proper processes and resources on the task, this part of WFO will gain steam.

Our "2014 Workforce Optimization Survey" (http://bit.ly/1YZ6OfH) and "2014 Contact Center Analytics Survey" (http://bit.ly/1MSD39O) with *Contact Center Pipeline* showed a high demand for speech analytics, and our project experience aligns with that. However, analytics still gets positioned with promises—or expectations—that generally exceed reality. The potential remains great, however, and we still see this as the next great WFO frontier. The focus will be root-cause analysis that leads to actions. Because of the challenges in-house operations have in delivering value from this high-potential tool (whether through their shortcomings or the vendor's), Strategic Contact recently announced an offering with analytics experts MainTrax. We believe a third-

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party service doing "a little fishing and teaching people to fish" is the way analytics' potential will be reached.

Excitement over gamification appears to be on the rise as centers seek ways to engage staff across generations and create a breakthrough for performance and retention. Competitions need to be intelligent, challenging, inclusive, and alluring to each individual, have a collaborative element, and not drive the wrong behavior ("social loafing," anyone?!). The potential rewards highlight one battle that is all too common for centers as they try to convince HR that the center is unique and needs to do some things differently to effectively manage performance and develop and retain staff. We see a strong desire to get more control over contact center specific training, coaching, incentives and rewards. The WFO tools can answer this need as long as no rigid corporate edict gets in the way.

We also see a desire—or need—for greater integration across WFO tools and to other tools. Within WFO, a common administration tool across WFM, QM, reporting, scorecards, etc., is a high priority. Another need is to bring data from various parts of a suite into PM scorecards and dashboards. Similarly, many things feed coaching, including those scorecards, QM and WFM. Across to other systems, WFM needs to integrate with payroll systems, contact center reporting/analytics needs to link into enterprise analytics or data warehouses, and eLearning and training modules should be part of corporate learning management systems (LMS). All of these needs are very familiar to the vendors but

not fully resolved. They address them through increasingly tight integration across their suites and "connectors" or APIs to other tools, but some are still a work in progress or require custom integrations with high price tags.

Bringing the Market and the Users Together

We'd be remiss if we didn't look at why the market tends to be ahead of the users and why the tools often fall short of expectations. It's not all the vendors' fault, of course. Sometimes it's about money. For example, everyone wants analytics and scorecards and dashboards, but not everyone funds the technology, much less the resources to use it effectively. Sometimes it's about shortcuts—in selecting the right tools, how they are deployed, or how they are used. Often it's about thinking the tool itself is the silver bullet. As powerful as these WFO tools can be, none are magic. They all require resources with the right skills and training, time to use the tools, and an environment focused on action to effectively apply the tool and DO something with outcomes.

The starting point is to get more out of current technology. Almost every center with any WFO tool has that opportunity. Then identify the next priority on the wish list. Buyers have to spend a significant amount of time planning for and selecting the right tool, as well as learning how to apply it effectively once purchased and implemented. Success themes are: put the right resources and processes in place to use the tools, get ongoing education (not just implementation training), leverage vendors and third party resources, and have a bias toward action. It's an ongoing process to optimize a contact center workforce, even with a suite of slick, valuable tools. ⊕

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ACQUISITIONS FILL OUT SUITES

Contact center technology is a highly competitive market, but also a very diverse one. The reality of few strong, dominant players does not scare off small, agile, innovative companies. With all this competition, we're seeing many acquisitions as vendors seek to be the "go-to" company for all contact center technology. Vendors like to say "one back to pat" (how positively optimistic!), but users generally say "one neck to choke" (more pessimistic… or realistic?). They may not agree on how to describe it, but this is one area where sellers and buyers align: a strong trend toward seeking a lot of technology from one provider.

HERE ARE JUST A FEW EXAMPLES OF THE MARKET CHANGES THAT HAVE OCCURRED AS A RESULT:

- inContact, a cloud solution provider of core solutions (IVR, routing and reporting across media), had been partnering with Verint for WFO solutions. They still do. But they also bought Uptivity (formerly known as CallCopy) and offer that WFO alternative. Verint is more likely to show up in larger environments with more complex functional needs, but it will be interesting to watch how the Uptivity products evolve in this new home.

- Interactive Intelligence (ININ) is a leader in both premise and cloud contact center technology solutions and has built out its own WFO suite, which it continues to enhance. They purchased a niche player, BayBridge, for long-term planning, which most people do outside of WFM due to limitations of the tools to accommodate various scenarios. The BayBridge tool was used with many WFM solutions and still could be, but is now squarely in the ININ fold.

- Avaya, another leader in premise contact center technology (who partners with multiple WFO suppliers and offers Verint through an OEM agreement), purchased Knoahsoft, a primarily premise WFO solution with a significant installed base with Cisco, among others. Avaya is now offering cloud WFO options with the Knoahsoft product as well.

- Genesys, yet another leader in both premise and cloud contact center technology, has both built (e.g., QM, WFM) and bought (e.g., cloud) its way to a very robust suite of tools. One specialty gap they filled was speech analytics, purchasing one of the niche vendors in this space, Utopy.

- Aspect long ago acquired a variety of vendors and is seen by many in the market as very capable with its WFO suite. They are the strong #3 in market share behind the two big players, Verint and NICE, according to DMG.
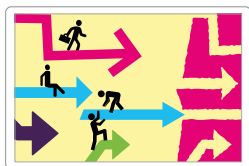
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