

# MicroSave Briefing Note # 130

## Customer Service Through Call Centres

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### Introduction

Traditionally, the banking sector has been an early adaptor of several technology based interventions to provide 24x7x365 customer service availability for its customers. Core banking systems, ATMs, internet banking, etc. were designed to provide better and more readily available services to their customers. Call centres, in-branch customer help desks, e-mail-based systems, etc. were developed to stay connected with customers and ensure that their queries were quickly resolved. Financial inclusion (FI) players in India are trying out different delivery channels to offer convenient and accessible services to customers. Many banks, agent network managers (ANMs) and technology service providers (TSPs), have also arranged call centres to stay connected with, and be available for, their customers.

This Note details the role played by call centres in reaching out to customers targeted through FI initiatives, and the considerations and challenges which go into setting up and managing these call centres.

### Role of Call Centres

The three broad roles played by call centres in agent based banking are:

- Providing information to callers
- Instant redressal of callers' complaints
- Initiating service requests of callers

Agents also use call centres for complaint redressal on issues like server down time, issues with field staff, etc. or to seek information on commission structure, product features or any other query coming from the customers. In fact, recognising how important the call centre is as an agent support function, a leading ANM of India started a separate toll-free line. This provides agents quick responses without the congestion of the public line for customers accessing the call centre.

#### Some regular cases for which customers call up are:

<b>Seek Information</b>	Enquiries on product, process, pricing, terms & conditions, service availability, account balance, transaction history
<b>Complaint Redressal</b>	Overcharging, service denial by agent, misbehaviour by agent
<b>Initiate Service Request</b>	Blocked/inactive account reactivation, PIN reset, change of registered mobile no, loss of smart card/mobile phone

### Types of Services Offered

*Inbound services:* These are the call centre services that are offered through calls initiated by customers or

agents like enquiries, grievance redressal and technology support for agents. In such a case, call centre executives are trained professionals who handle the incoming call and resolve it either by providing an instant solution or by raising a service request which has a defined turnaround time for resolution.

#### Contact Centre - An Emerging Concept

A leading ANM in India (its parent company handles several other businesses as well) provides multiple options to customers/agents to raise their grievance - through **inbound calls**, **SMS** (call centre executive calls back) and **web portal** where a person can log the grievance. The parent company's call centre handles FI related calls as well hence each of the 52 call centre executives are trained to handle FI/non FI related calls. Estimated call volume on FI related calls (with FI customer base of around 300,000) handled:

<b>Inbound calls/day</b>	500 - 550	Each executive handles nearly 10-15 FI related calls daily
<b>Outbound calls/day</b>	100-150	

*Outbound services:* These services are offered through calls initiated by call centre executives who call up customers or agents. These calls are used to promote a new product or service or to conduct satisfaction surveys. Outbound calls are also made to educate customers on how to ensure security of their account, how to stay alert to fraudulent practices and to re-

Safaricom, the leading mobile money service provider in Kenya (M-PESA) provides differential customer service to different segments. There are dedicated call centres for agents and agent aggregators, as well as other two dedicated call lines for customers - one line is toll free (and hence often congested), and a second premium line where customers pay for the service.

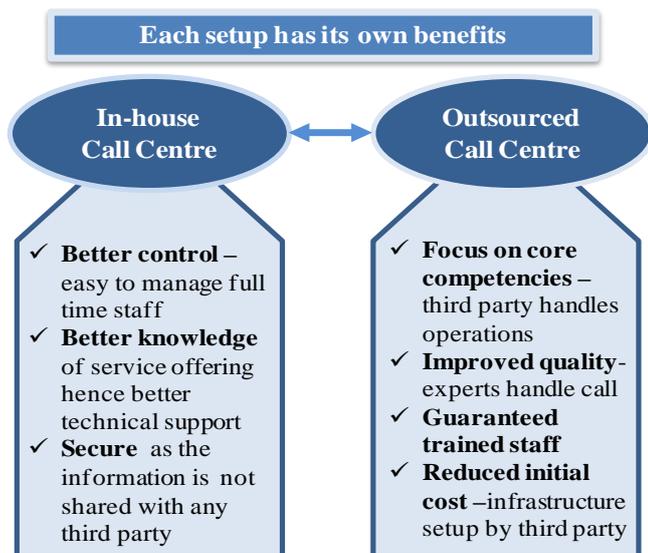
emphasise product features.

For a call centre supporting FI services, it is highly important to give priority to inbound services, which have high volumes. However, call centres can also provide outbound services during lean periods of the day when incoming calls are lower (typically during normal office hours during the day).

### Business Considerations – Call Centre Setup

Several banks, financial institutions and ANMs involved in FI have attempted to set up a call centre in one form or the other. The biggest business consideration that they have to decide upon while setting up such customer service options is whether to keep the call centre in-house or outsource it to a specialised third party. This decision has to be made

based on a number of parameters like strategic fit with their business model and also based on commercial considerations. These are highlighted in the diagram below.



### Other important considerations

**Human Resource Management and Training:** A call centre setup usually has a hierarchical structure where each level has a defined role. Executives handle inbound/outbound calls and report to team leaders, who are subject matter experts and handle escalated calls. They report to a manager who handles the whole team in terms of quality, targets and overall operations.

Training is complex and essential to respond effectively to customers during the call. With the entirely new market segment serviced under FI, it becomes particularly important to have staff who can handle calls effectively. Areas typically covered under training include product and process knowledge, issue resolution, customer relationship management and the use of other applications (see **Role of Technology**). In addition, executives are given a separate course on soft skills and behavioural aspects of managing calls – this again may need tailoring for the low income market.

**Monitoring Parameters:** Monitoring involves conducting periodic checks to determine an employee’s level of performance in relation to established performance standards. Monitoring provides the data by which performance is ultimately evaluated. Quantitative monitoring is based on parameters like service level (where actual call rate is matched with targets); average call handling time for an executive; and first time call resolution (where it is checked if the call was resolved by the executive in the first call itself or not). Quality monitoring is also conducted by listening to and observing executives’ phone calls and other interactions, and then scoring those conversations against an agreed definition of what constitutes an effective customer interaction.

### Role of Technology

Certain specific applications which assist the call handling and issue resolution at call centres are:

Application’s name	Application’s Use
<b>Automatic Call Distributors</b>	To manage incoming call flow and automatically diverts calls to the most appropriate agent based on subject knowledge, language skills and availability.
<b>Customer Relationship Management</b>	To document customer issues and action taken. Assists in responding to customers based on their past interactions through call centre.
<b>Call Processing Simulator</b>	To evaluate/verify the information shared by the caller. This application is connected with backend real time transaction database.
<b>Workforce Management Software</b>	Based on call flow, helps in forecasting call volume. Useful for scheduling optimal number of executives to attend calls.
<b>Campaign Management System</b>	To manage the outbound calling by providing contact details for calling and interface for recording the interactions.

### Challenges in Managing Call Centres

As FI players are servicing clients in diverse geographies, the biggest challenge faced is to cater to the regional customers who can interact only in their local language. Cost considerations will always favour a centralised setup, so call centres are usually setup and manpower with regional language capabilities are recruited based on call log patterns. Another challenge is handling call flow at peak hours and also ensuring that executives do not sit idle during lean hours. For this, call centre staffing work on a shift basis to ensure optimum staff during peak hours. Also, during lean hours, idle executives are used to make outbound calls.

### Conclusion

Currently in India, call centres supporting FI initiatives are either running as in-house establishments fully managed by one of the participating agencies, or as outsourced call centres to third parties, based on the overall business considerations. Some MNOs or banks which have ventured into FI are using their existing call centre facilities to cater to the new set of customers. There have also been instances where ANMs have entered into an arrangement with partner banks to piggy back on the bank’s call centre. On the other hand, many FI initiatives have not yet started, or are in the process of setting up, a call centre for better customer service. As FI initiatives mature and competition increases, call centres to support customer service will become key differentiators. Indeed, it is not unreasonable to argue that a quality call centre is essential to build trust in emerging e/m-banking systems.