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Contact Center e-Learning Survey Recap Report

PERFORMANCE

Prepared By:

Ulysses Learning

October 2004



Executive Overview

To date, little, if any original research has been conducted on the use of e-Learning to improve *contact center* performance...until now.

In a landmark study conducted by Advanstar Technology Group and Ulysses Learning, organizations across all industries were asked:

- *How is your contact center using e-Learning?*
- *Is its use on the increase or decline?*
- *Has e-Learning had a positive impact on targeted performance results?*
- *What is the general satisfaction level with e-Learning?*
- *Who's using simulation-based e-Learning?*
- *What kind of results are they achieving?*
- *What are you doing to ensure successful e-Learning initiatives?*

The results from Phase 1 of this survey were shared during a presentation by Mark W. Brodsky, President and CEO of Ulysses Learning, which was given at the recent ICCM International Conference in Chicago. In phase 2, additional organizations were surveyed; the combined results are featured in this report.

The survey was sent via e-Mail to Advanstar's database of contact center executives. Contact centers of all sizes in all industries were studied with over 85 organizations participating. While the overall sample size was too small to be statistically representative, it was large enough to capture meaningful insights into how contact centers can improve business results through e-Learning.

A recap of survey findings is presented on the pages that follow.



Survey Responses

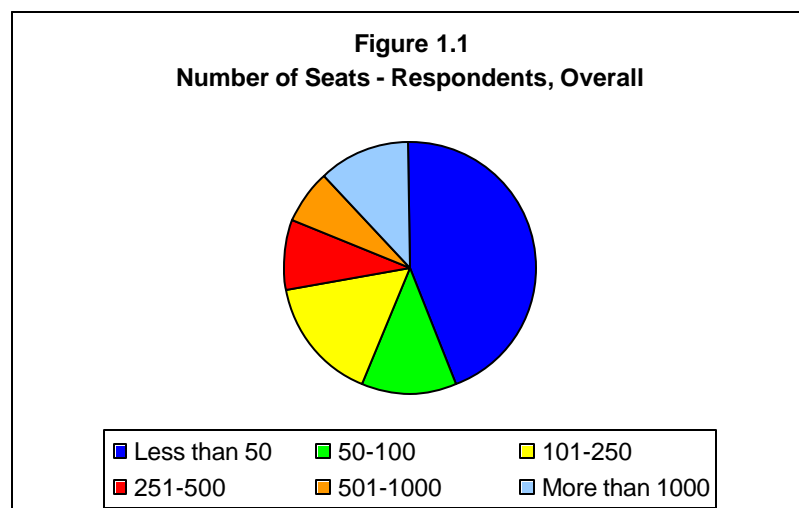
Section 1: Survey respondent profile

Q: What industry do you serve?

The breakdown of respondents by industry is as follows...

- 22% ~ Banking/Financial/Credit
- 16% ~ Telecommunications
- 14% ~ Manufacturing/Wholesale/Retail
- 12% ~ Multiple industries
- 11% ~ Government/Education/Utility (other than telecoms)
- 10% ~ Computing/Electronics/Software
- 7% ~ Medical/Healthcare
- 5% ~ Insurance
- 3% ~ Travel/Transportation

Q: How many seats are in your contact center?

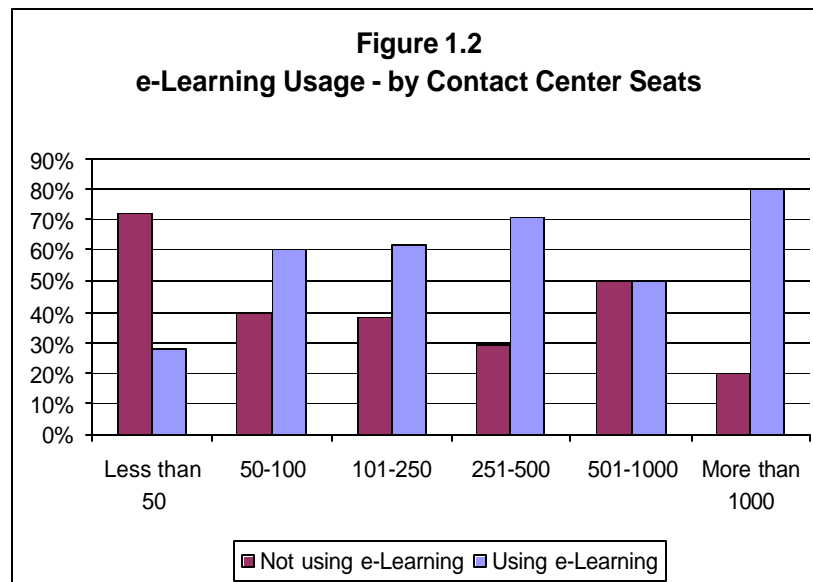




Q: Is your organization currently using e-Learning to train contact center staff?

Note: The term e-Learning applies to all training and performance improvement initiatives that are delivered to learners through the Internet, Intranet, or CD ROM.

- Forty-seven percent (47%) of those responding to the survey indicated that they are using e-Learning to train contact center staff; 53% are not. Figure 1.2 provides insights into e-Learning usage by contact center size or number of seats.





Points to ponder:

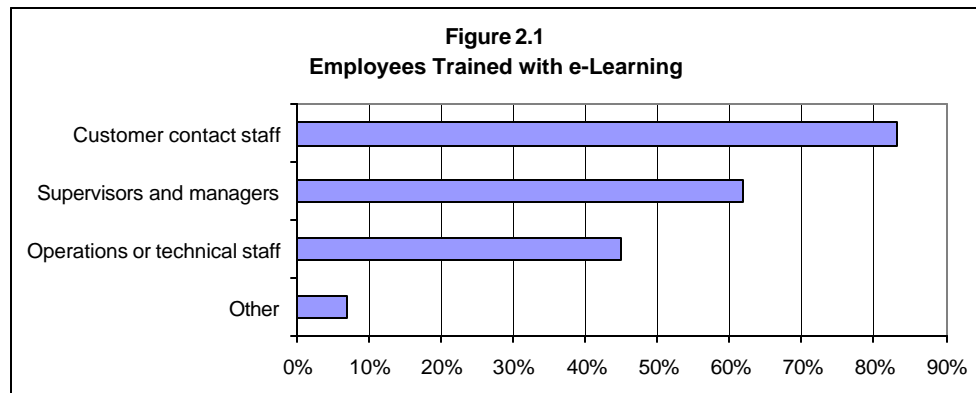
Overall, the survey respondents were fairly well distributed by industry and size.

Also, the percentage of those using e-Learning to train staff is comparable to data featured in other industry research studies on e-Learning. (Of note, Brandon Hall's recent e-Learning User Survey – www.brandon-hall.com.)

When comparing the size of contact centers not using e-Learning to those that are (Figure 1.2), the distribution does shift. In general, the larger the contact center, the more likely they are to be using e-Learning.

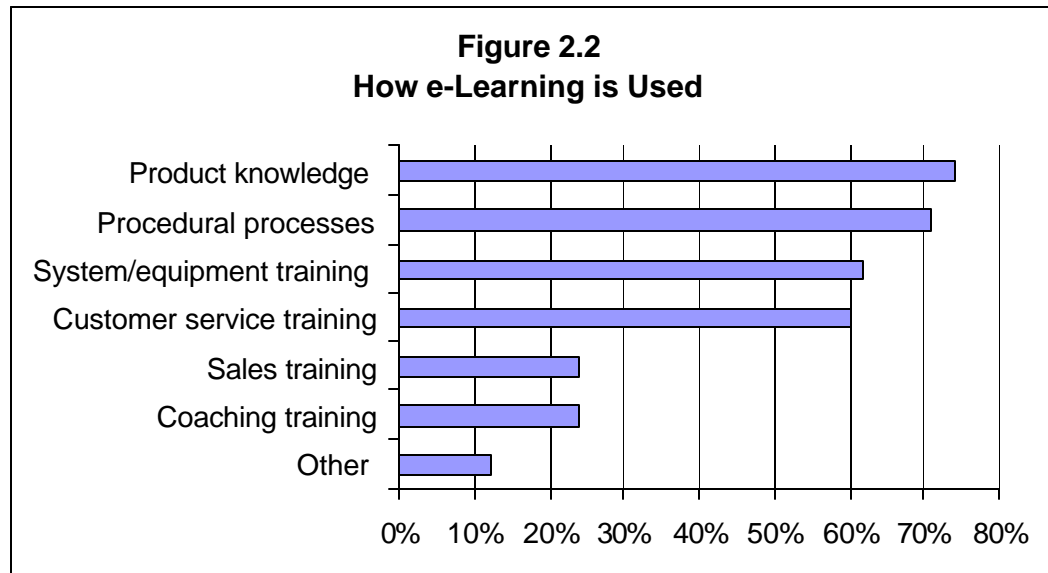
Section 2: e-Learning Audiences and Applications

Q: Which contact center employees in your organization are trained using e-Learning?





Q: How is e-Learning used in your contact center?



Points to ponder:

No surprises here. Those respondents from contact centers using e-Learning are using it to train front-line staff, predominantly. And, it's certainly not surprising that product knowledge, operational, and technical training top the list of areas most frequently addressed through e-Learning. These are all appropriate uses of this training method.

***Are contact centers tapping into the
real power of e-Learning?***

However, several questions remain – *Are contact centers tapping into the real power of e-Learning? Are they maximizing its use? What about the use of e-Learning to develop complex skills like customer service, sales, and coaching? Can more be done, more efficiently and effectively, through e-Learning?*

The answers to these questions will be explored in the sections that follow.



Section 3: e-Learning Results and Trends

Q: Overall, has your e-Learning had a positive impact on your targeted performance results?

- Sixty percent (60%) of respondents using e-Learning said that it is helping them achieve business results; 2% said it's not; and 38% said they don't know.

Ninety-eight percent (98%) are satisfied with e-Learning and 85% plan to increase its usage in the future.

Q: In your opinion, what is the general satisfaction level with the e-learning initiatives you have implemented to date?

- Ninety-eight percent (98%) of those surveyed said they were either satisfied or very satisfied; 2% were dissatisfied.

Q: Over the past 12 months has the use of e-Learning in your contact center...

- **Increased** – 62% indicated this response
- **Decreased** – 2% indicated this response
- **Remained the same** – 36% indicated this response

Q: Looking ahead to the next 12 months, do you anticipate e-Learning usage to...

- **Increase** – 85% indicated this response
- **Decrease** – 0% indicated this response
- **Remain the same** – 15% indicated this response



Points to ponder: Now this is fascinating data. Of those respondents who indicated that they are using e-Learning to train staff (47%), 60% said the e-Learning is having a positive impact on their targeted performance results.

Also, 98% said they are either satisfied or very satisfied with e-Learning initiatives implemented to date and 85% said their use of e-Learning will increase over the next 12 months.

However, well over a third of them (39%) don't know if their e-Learning initiatives have had a positive impact on performance. Is this blissful ignorance? Not really.

The same trend continues in our next section as we review key data on *simulation-based e-Learning* usage and results. Together, the data from these two sections, suggests that there are two factors which help explain why such a high percentage of executives are satisfied with their e-Learning initiatives and plan to use e-Learning more in the future...*even though* they don't know if it's helping them achieve business results.

These two factors (which will be discussed in the next "Points to ponder" section) are...1) newness and 2) unidentified opportunities.

Section 4: *Simulation-based e-Learning* Usage, Results, and Trends

Q: Has your organization implemented a *simulation-based e-Learning* initiative?

Note: Simulation-based e-Learning has learners execute tasks as if they were on the job, and provides training as they go through simulated exercises.

- Thirty-six percent (36%) of those respondents who are using e-Learning to train staff are using *simulation-based e-Learning*. (This equates to just over 17% of the total companies responding to the survey.)



Q: What percentage of your e-Learning is simulation-based e-Learning?

- Eighty-three percent (83%) of those responding to this question said less than 25% of their e-Learning is simulation-based with 17% reporting simulation-based e-Learning accounts for 25% to 50% of their e-Learning.

Q: Overall, has your simulation-based e-Learning had a positive impact on your targeted performance results?

- Thirty-two percent (32%) responded “yes”; 0% responded “no”; and 68% responded “don’t know”.

Q: In your opinion, what is the general satisfaction level with the simulation-based e-learning initiatives you have implemented to date?

- Ninety-four percent (94%) of those responding said they were either satisfied or very satisfied; 6% were dissatisfied.

If so many folks don't know if they're getting business results through their e-Learning (and simulation-based e-Learning) initiatives, why are they so satisfied and planning additional initiatives in the future?



Points to ponder: The plot thickens. Once again, we found this set of data to be most interesting.

Thirty-six percent (36%) of those respondents who are using e-Learning to train staff are using *simulation-based e-Learning*. (Again, this equates to just over 17% of the total companies responding to the survey.)

Thirty-two percent (32%) said their simulation-based e-Learning initiatives have a positive impact on performance and a whopping 68% said they don't know.

Yet, as was true in the data presented in the previous section, nearly all were satisfied or very satisfied with their simulation-based e-Learning initiatives (94%).

The data presented in this section, as well as the previous, beg the question – *If so many folks don't know if they're getting business results through their e-Learning (and simulation-based e-Learning) initiatives, why are they so satisfied and planning additional initiatives in the future?*

As we look further at the data and layer in our own experience in working with contact center executives over the past 8 years, what we learn is that most see great potential in this powerful training method though many are still trying to figure out how best to use it – especially simulation-based e-Learning.

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Behind the confusion are two main factors – newness and unidentified opportunities.

First, let's examine the notion of newness. As this research study indicates, the expansion of e-Learning and simulation-based e-Learning within contact centers is still in the early stages (46% of those survey are using e-Learning; 17% are using simulation-based e-Learning).



Second, regarding unidentified opportunities, we're now at the stage where there are tangible examples on how best to use e-Learning and simulation-based e-Learning. If we apply this experience, we can increase the chances of its effective use and achieve the related performance improvement and business results in our contact centers.

One thing we learned is that while e-Learning, in general, is effective for many types of basic training – from product knowledge and operational or procedural training to technical and new hire orientation training – **simulation-based e-Learning** is *highly effective* for developing more complex skills such as customer interaction (service and sales) and coaching.

In contact centers, these complex skills are needed by reps and coaches now, more than ever before, to handle the ever increasing sophistication of customer calls. As more customers are opting to use self-help and web-enabled options to handle the more routine transactions, the remaining calls coming into our contact centers are often more difficult and challenging.

This lesson is supported in several major research initiatives, including recent contact center customer satisfaction studies conducted by SQM Group (www.sqmgroup.com). What SQM Group found is that among all the factors that drive customer loyalty, First Contact Resolution tops the list.

Furthermore, they found that what drives First Contact Resolution is right information used by reps applying good judgment skills – decision making and customer interaction skills – in an empowered environment. Again, decision making and customer interaction skills are complex skills.

This has been further validated by experts such as e-Learning guru Gloria Gery (www.gloriagery.com) and simulation learning pioneer Clark Aldrich who authored *Simulation and the Future of Learning: An Innovative (and Perhaps Revolutionary) Approach to e-Learning* (www.amazon.com) and the soon-to-be-released *Learn by Doing*. Both agree that simulation-based e-Learning, specifically, is an emerging trend that will have substantive impact on how we develop complex skills.



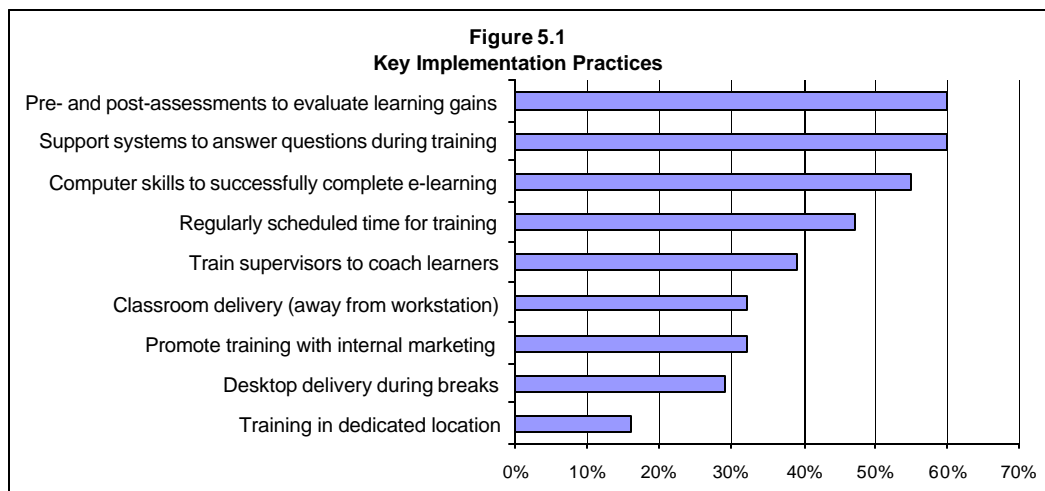
Specifically, as we look at the research data we see that there is untapped potential in using e-Learning to develop more complex customer interaction skills. As presented in section 2 of this report, only 24% are using e-Learning to develop customer interaction skills such as sales. And although 60% said they are using e-Learning to develop customer interaction service skills; 40% are not. The opportunity is considerable.

Section 5: e-Learning Implementation and Evaluation Practices

Q: What does your organization do to help ensure successful e-Learning initiative(s)?

Those surveyed were asked to respond to a series of implementation practices used in contact centers around the world as represented in Figure 5.1 below.

There are several opportunities to improve key implementation practices which positively impact performance improvement results.





Q: How do you evaluate the performance impact of e-Learning?

- Forty-five percent (45%) of those responding to this question said they evaluate the performance impact of e-Learning on an individual level; 29% on a group level; and 16% on the organization's bottom line.

Points to ponder: The responses contact center executives provided to this list of best practices did indicate that there are several opportunities to improve key implementation practices which positively impact performance improvement results.

Particularly noteworthy was the response to the best practice of training supervisors to coach learners as they apply the skills on the job. Only 39% of respondents indicated that they are implementing this practice in their contact centers. Great opportunity for improvement exists here.

Only 39% of respondents indicated that they are training supervisors to coach learners as they apply skills on the job. Great opportunity for improvement exists here.

Often supervisors are not coaching because: 1) they are not trained to do so; and 2) they are not being held accountable for coaching.

At a recent user group of over 70 senior contact center executives from Fortune 100 firms and global financial services providers in 2004, nearly 100% said that coaching reps was the most important factor in their ability to reach business goals and improve performance. Supervisors and managers from these organizations target spending 40% to 50% of their time coaching.



Regarding measuring the results of e-Learning, only 45% evaluate its effects on an individual level and 15% on the organizations bottom line.

Another response that stood out in this group of data was the percentage of respondents who said they evaluate the performance impact of e-learning on an individual level (not even half at 45%) and those that evaluate the effects of e-Learning on the organization's bottom line (a mere 15%).

This finding does provide additional insight into why such a large percentage of those surveyed did not *know* the impact of their e-Learning and simulation-based e-Learning initiatives. (Review sections 2 and 3 of this report.) And, points to yet another opportunity for significant improvement.

Final Thoughts

So what have we learned? Plenty.

We've learned that e-Learning usage is growing; that there is untapped potential in e-Learning, especially simulation-based e-Learning for developing complex customer interaction skills; and that there is room to improve upon current implementation practices, especially providing training for our coaches and holding them accountable for coaching reps.

We also learned that while many contact center executives don't know if e-Learning *really* has had a positive impact on bottom-line results, they are certainly satisfied with what they are seeing, so far, and anticipate greater results in the future.

There *is* hope, backed by meaningful business trends suggesting e-Learning and simulation-based e-Learning can help contact centers executives achieve their targeted performance results. Without a doubt, the road ahead is an exciting one as we begin to tap into the true intelligence and power of e-Learning and affect meaningful and long lasting performance improvement in our contact centers.



A Special Thank You...

Thank you to all the contact center executives who participated in this research endeavor. We hope you find the results useful as you consider additional ways to raise your contact center performance.

If you'd like to discuss this research study with us further, please call us 800.662.4066.

Also, for articles and more information on improving customer service and coaching performance, visit our website at www.ulysseslearning.com. Here are several links that might be of particular interest to your and your organization.

On e-Learning.....

Article –

E-Learning Implementation: Your Roadmap for Success
<http://www.ulysseslearning.com/elearning.pdf>

Article –

Four Blended e-Learning Blunders
http://www.ulysseslearning.com/articles_09.html

Article –

When 15-Minute e-Learning *Doesn't* Work!
http://www.ulysseslearning.com/articles_06.html

Focusing on Contact Center Performance.....

Article –

The Race to Sales: What We Forgot Along the Way
http://www.ulysseslearning.com/PdF/Race_to_Sales_04.pdf



Article –

Stop the Madness! Finding the Right Measures to Raise Performance

<http://www.ulysseslearning.com/madness2.pdf>

Article –

Walking the Sales and Service Tightrope: A Balancing Act Without a Net

http://www.ulysseslearning.com/articles_08.html

Article –

Contact Center Coaching Best Practices: Top Lessons from Top Coaches

<http://www.ulysseslearning.com/PDF/BalancingAct.pdf>

Article –

Six Strategies for High Performance Contact Centers

http://www.ulysseslearning.com/articles_07.html



About Advanstar Technology Group

Advanstar Technology Group is a comprehensive and integrated portfolio of market-leading business-to-business media solutions, including: conferences and expositions; print and electronic magazines; buyers' guides; newsletters; marketing lists; and a host of online resources.

Advanstar is committed to being the leading provider of information and communications products to targeted business and professional markets, spanning every major segment of technology needed to manage and optimize:

- Enterprise Applications – Content and document creation; digital printing and production; and CAD/CAM/CAE/PLM, learning and training
- Communications Networking – Telecommunications; service providers; wireless; and networking
- Customer Contact and Relationships – Digital Marketing; direct response television marketing; contact centers; customer service; and CRM
- Manufacturing – Supply chains; Auto-ID, sensors, MEMS, instrumentations and controls

For more information on Advanstar, visit www.advanstartech.com.

About Ulysses Learning

Ulysses Learning (www.ulysseslearning.com) is recognized as the leader and pioneer in the use of simulation-based e-Learning to improve service, sales, and coaching performance. The company is known for building Judgment@Work™ skills – decision making and advanced interaction skills – in contact centers and at all points of customer interaction throughout the organization for financial services, insurance, and telecommunications leaders.

For the second year in a row, Ulysses' **CallMentor® Learning and Performance Improvement System** has received ICCM's **Best of Show** honors for best contact center service, sales, and coaching training. In addition to receiving this honor, Ulysses has also numerous other awards, including Customer Interaction Solutions' **Product of the Year**, a distinction it has received each year since 1999.

For more information on Ulysses Learning contact the company at 704.943.5800 or at info@ulysseslearning.com.