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Advancing the craft of technology leadership

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It's No Game: Gamification Is Transforming the Call Center

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Introduction

We live in a world with more distractions than ever before. Phones, email, texts, media, and advertising all vie for our attention. Is it any wonder that we're having a problem retaining customers? When a competitor waves a glittery reward, customers quickly leave your company.

"The 21st century is going to be a war for human attention," says Carnegie Mellon professor and game design guru Jesse Schell.

What was I saying?

Oh right.

Distraction is a given, and in an environment of cut-throat competition for customers' attention, retaining customers becomes the most difficult challenge that businesses face. We all know it's more expensive to acquire a new customer than to retain a current one. But did you realize that, according to Gartner, a 5% increase in customer retention could increase profits by 25 to 125%?

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Now let's talk about who is in charge of customer retention at your organization. Who is on the front lines when customers call, irate and ready to churn?

Your call center staff.

In most organizations, the people who are answering calls have a low-pay, high-stress job that offers very little in the way of breaks and perks. Is it any wonder that in the collective experience of CITO Research staff, the most cynical employees in an organization work in the call center? They are inundated with negative information about your brand, mainly because customers don't call in to share good news about your product.

The solution is not to get happy customers to call in; it won't happen. The solution is to develop motivated, engaged call center agents who are incented to positively represent your brand and your message.

This CITO Research paper describes how you can do just that.

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Countering Problems with Employee Engagement

When you hire new staff, at the outset they are engaged, interested, and sometimes a bit overwhelmed.

As time goes on and they master their jobs (at least to the level they are interested in mastering them), their engagement decreases. They become bored. If they hear complaints about your company all day long, they may become cynical about the brand and discouraged. Eventually they leave and you have to train new workers—an expensive proposition.

According to research from the Corporate Leadership Council, deteriorating employee engagement is not exclusive to the call center. It's eroding overall.

A recent Gallup Poll shows that 70 percent of people aren't engaged in their jobs. And their lack of engagement costs the U.S. economy \$350 billion annually in lost productivity. The percentage of highly disengaged employees went from 8% in 2007 to 21% in the second half of 2009. And when they're disengaged? Not only is their motivation and enthusiasm sapped, but they are also much more likely to leave. Engaged employees are 87% less likely to leave the organization than the disengaged.

Increasing employee engagement, particularly in the call center where your brand ambassadors talk to customers every day, should be a very high priority.

Recent workforce science research identifies another group in the call center whose engagement is critical—managers:

Bosses, as it turns out, really do matter—perhaps far more than even they realize. In telephone call centers, for example, where hourly workers handle a steady stream of calls under demanding conditions, the communication skills and personal warmth of an employee's supervisor are often crucial in determining the employee's tenure and performance. In fact, recent research shows that the quality of the supervisor may be more important than the experience and individual attributes of the workers themselves.

—Steve Lohr, "Big Data, Trying to Build Better Workers,"
New York Times, April 20, 2013

Workforce engagement, both for managers and call center reps, can be improved using gamification.

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What Is Gamification and Why Does It Work?

So what is gamification and how can it help improve call center employee engagement and job satisfaction and reduce employee turnover? Gamification is simply a term for applying game mechanics to non-game experiences to motivate high-value activity and loyalty.

Gamification involves guiding, reinforcing, and increasing high-value activity by capturing the data that your employees generate as they do their work and using that data to motivate them. It does that by giving them real-time feedback, goals to accomplish, rewards for hitting milestones, and a community of people to compete, collaborate, and share with. These techniques, honed and refined over the last 40 years in the world of video games, have now made their way into the data-rich environment of the contact center.

Gamification works because it addresses the motivations and desires in all of us, including the need for community, for feedback, for achievement, and for rewards. These concepts aren't new to the workplace. Employee of the month programs have been around forever and offer important recognition. Gamification takes this to a new level, leveraging the data generated by your agents, combined with the latest understanding of what motivates people and the data-driven motivational techniques from video games to empower your business with a new engine for driving engagement, participation, and meaningful business results.

Other quick ways to describe what gamification does include:

- Recognize and Reward
- Measure and Motivate
 - Build Reputation
 - Increase Loyalty

Todd: *I've noticed that almost everyone signed up for the incentive program, except you. Don't you want anything?*

Asha: *[looking at the My Hot Dog toaster product] What would I do with this? I'm a vegetarian.*

Todd: *Maybe it works with carrots...*

Interchange between call center manager and employee in the movie "Outsourced"



Gamification Strategy and Tactics for Call Centers

Imagine if you were to give incentives to call center employees who share their suggestions for process and product improvements. After all, your product managers and product development staff probably don't spend a lot of time on the phones in the call center (although some organizations require executives to do so periodically). Gamification can drive employee engagement while at the same time bringing you valuable suggestions that could transform your business. Points could be awarded for suggestions; larger incentives and badges could be awarded for suggestions that are successfully implemented.

Gamification has many facets (see below). These techniques can be used in combination to let employees know what they should be working on right now and whether they're on the right track. Badges, leveling up, and points can be added as visual and thematic vehicles to measure and communicate progress and success. They also motivate employees to learn more and gain more recognition and rewards. Using a gamification platform (instead of traditional white boards or bulletin board recognition programs) also enables you to collect data about what's working and how engagement is improving over time, for managers and their teams.

<i>Gamification Mechanic</i>	<i>What's in it for me?</i>
Fast Feedback	See where I'm headed
Badges	Show my achievements
Competition	Know who's winning
Community	Work as a team
Leveling Up	Learn more, try harder

In addition, gamification tools, tactics, and techniques can be taken to the next level when used in the context of a community. As with a multi-player game, community drives a significant amount of the value from the experience. Building community is an important aspect of gamification.



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Gamification in Action: LiveOps' Call Center Transformation

LiveOps, a company that provides call center services in the cloud, bets its business on a unique approach to the call center. Instead of running traditional brick and mortar call centers, with many agents and supervisors walking around, LiveOps has 20,000 agents who work from home on their own terms and schedules without traditional management oversight.

In order for LiveOps to succeed, its virtual call agents must provide excellent customer service for its customers, despite the nontraditional work environment.

LiveOps' transformed its community of 20,000 virtual call agents into a gamified social hub, using Bunchball's Nitro platform.

Competition is nothing new in call centers, and compensation is often tied to metrics in a way that can produce unintended consequences. For example, if the metric is finishing calls quickly, the quality of the interaction can plummet as agents strive to get off the line quickly. If the main metric is customer satisfaction, an irate caller can skew an agent's ratings (and compensation) and so agents may be tempted to play "hot potato" with such callers in an effort to save their skins. (Did you ever notice how often calls to call centers suddenly drop?)

Motivating this far-flung workforce in a positive way was the challenge that LiveOps faced. In response, the company transformed its "MyWork" community of 20,000 virtual call agents into a gamified social hub, using Bunchball's Nitro platform.

To get agents participating in eLearning and increase their sales, LiveOps and Bunchball created a program featuring competition, goals, points and badges—among other mechanics—while connecting them to an active community and providing a transparent, centralized location to showcase their accomplishments.

Having a leaderboard, for example, drives community and connection even though teams are spread far and wide, as this agent post indicates:

"We did it team, back on top of the leaderboard. Let's keep this momentum going and keep converting. Thanks to all for the great team effort!"¹

¹ <http://www.managementexchange.com/story/distributed-social-workforce-drives-profit-and-performance>



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Agents can see immediate results of their interactions with customers through their MyWork interface. Everyone can see their own successes and those of others. There's no waiting for feedback; it's right there for all to see, motivating them to bask in their success (and keep working) or to re-engage and move toward mastery, improving their interactions and results.

Training is important for call center interactions; the more agents know, the more calls they can quickly resolve and, in some cases, the more sales they can make. However, training takes time away from work, so it can be a hard sell for time-pressed agents. Some 72% of LiveOps agents completed extra certification, which was optional and for which they received only points and badges.

Points are currency in the MyWork community, awarded for hitting performance goals, completing certifications, and sharing expertise with the community. Agents also get points for demonstrating specific skills in articulating LiveOps' culture and brand objectives.

The LiveOps MyWork community saw the following results after implementing gamification:

- Wide adoption of gamification. It was optional, but 80% of agents signed up within one week of rollout.
- Time to onboard new agents plunged from 4 weeks of classroom training to 14 hours
- Service levels improved by 9%
- Average call handle time decreased by 15%
- Sales performance, a key metric for these agents, improved by 8% to 12%

Surprisingly, gamification appeals to all types of people, because positive reinforcement drives results with just about everyone:

"I have to admit I am not at all competitive—but the opportunity to be in this program and view my metrics compared to others is very inviting."

—Independent contractor working for LiveOps



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The program's benefits were immediate: After ramping up, LiveOps' agents exceeded the company's expectations, raising customer satisfaction ratings and LiveOps' Net Promoter Score. Through gamification, LiveOps is driving excellent customer service for companies like AAA, Symantec, and Salesforce and supporting its business model.

Five Ways Gamification Increases Employee Engagement

- 1. Reduce time to on-board new employees:** Gamification enables step-by-step real-time feedback, allowing employees to more quickly learn how to do their job and achieve faster time to productivity. At LiveOps, onboarding time went from 4 weeks of classroom training to just 14 hours.
- 2. Improve collaboration, lifting the knowledge of the group:** As workers pool their knowledge, they find solutions together; established employees share expertise that increases the knowledge level of the group as a whole.
- 3. Answer the question, How am I doing?** Employees want to track their progress against goals and personal objectives and know where they stand in relation to their peers. Gamification provides immediate and consistent feedback.
- 4. Automate incentive programs:** Gamification platforms take existing manual contests and challenges and automate them. Experiences can be personalized to increase their relevance for individual team members; metrics can help gauge the success of these programs and improve them.
- 5. Offer a new approach to service metrics:** Managers can switch from reactive to proactive in motivating employees using data generated by gamification platforms.



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Conclusion

CITO Research has found that gamification can play a key role in increasing employee engagement, especially in call centers. To consistently drive employee engagement requires an incremental and systematic approach that provides data about progress and improvement. This is best achieved through adoption of a gamification platform.

According to Gartner, by 2014, 70% of the 2,000 largest global companies will use gamification for a least one aspect of their organizations. If you want to drive engagement—which ultimately drives profitability—CITO Research recommends incorporating gamification into your strategy.

A gamification strategy should be multi-faceted. Not all employees want to compete; some just want to know that they are doing their jobs well. Some want the recognition of their peers. Implement a variety of gamification mechanics and use metrics to see what drives the results you are looking for.

Gamification is about engagement. Engagement builds lasting relationships, helps achieve key business objectives, and drives business value. When employees are motivated to participate and engage with customers—and each other—they not only become better workers, but are transformed into brand ambassadors to help you retain customers. It goes without saying that employee retention and satisfaction rise as well.

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