



HOMeward BOUND

An analysis of home-working trends in customer service

in association with Plantronics
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Foreword - Philip Vanhoutte, Senior Vice President and MD Plantronics Europe and Africa, Plantronics

The phenomenon of employing home-workers to perform customer contact roles is truly an idea that has come of age. A growing body of evidence is emerging that home-working is on the verge of becoming both an acceptable and highly effective option for both private and public sector organisations.

Historically home-working has been dismissed by some in the contact centre world (and in society more generally) as being more suited to creatives or the self-employed than to people serving customers of major brands - or for public sector organisations from councils to health authorities.

However, attitudes are shifting and today a Londoner paying a parking fine incurred in Westminster is likely to speak to a home-worker in Dingwall, hundreds of miles away, who will smoothly handle his enquiry from a Highland cottage. Technology is dismantling the barriers to doing things differently, and there are signs that psychological barriers are being overcome too.

Where there was once general scepticism that the kind of work done by agents in traditional contact centres could be done outwith the confines of a tightly-controlled and centralised environment, we now detect a dawning sense of enlightenment that not only can things be done differently by using home-workers, sometimes they can be done better and at lower cost.

The type of people coming forward to take up opportunities in home-working are often of a higher calibre in terms of educational attainment than those who generally work for contact centres and it is breathing new life into an industry sorely in need of knowledge workers.

Yet there are still significant impediments that may hamper further growth in home-working in the UK and which must be addressed at the highest political level if the benefits of home-working are to accrue to more businesses and to more employees.

Paradoxically, people already running successful home-working operations report in the CCA Members' Survey that reliability and speed of broadband connection is not a problem - yet for others, broadband remains a major concern.

The answer to the paradox may well lie in the fact that a high quality broadband connection is a prerequisite for effective home-working, therefore those running operations successfully will have selected recruitment locations with this in mind. How much farther and faster might the home-working revolution spread if there were universal access to high speed broadband across the entire UK?

The UK is a digitally smart nation, with Britons ranking as the most active users of the internet in Europe's top five economies, yet the UK still lags behind Germany and Spain in superfast broadband coverage, with speeds of higher than 30 megabits per second only available to two-thirds of the population.

Investment in broadband has a vital role to play in helping the economy back on to a growth trajectory, generating sustainable social and economic growth, and boosting innovation. Yet, a third of taxpayer-funded superfast broadband projects have yet to commence, which must surely threaten the feasibility of the UK achieving a stated target having the best superfast coverage in Europe by 2015.

In an age of austerity, home-working has much to commend it - delivering benefits to workers, the economy, businesses, customers, and even the environment. CCA members are at the forefront of some exciting home-working pilots which have delivered very impressive results. The next chapter is already underway and undoubtedly will prove equally fascinating.

Executive Summary

The UK has lagged other nations, particularly the United States, in adopting home-working as part of the business culture and service infrastructure. However, this research report indicates that mindsets are changing in response to several factors affecting the wider business environment and also to seismic change in consumer behavior, which is forcing a re-examination of the way customer contact centres are resourced and managed.

There is evidence of an attitudinal shift at a senior management level within not just contact centres but enterprise-wide, resulting in a greater propensity to recognise and embrace the benefits of home-working. At the same time, suspicion and distrust of home-working appears to be abating despite recent debate in which some leading business figures took a stance against it.

Customer contact workers are arguably subject to more performance metric scrutiny than most parts of an organisation - one benefit of this is that contact centre leaders are particularly well-placed to quantify the benefits of home-working in a detailed and objective manner.

Among the increasing number of organisations that have carried out pilot projects, and even among those still weighing their options, there is a growing consensus that home-working can offer a cost-effective and highly flexible solution to resourcing and operational issues.

Traditionally home-working has been a marginal part of contact centre activity in the UK but we may be approaching a tipping point at which home-working will become a mainstream choice. This is not yet evident in terms of the percentage of contact centre workers working from home - but it is discernible in terms of the major global brands that are now either countenancing home-working seriously or planning to scale up existing home-working operations.

Contact centres have struggled historically to attract older, more experienced and better-educated people and yet industry leaders are painfully aware of a need to do so in order to provide a higher level of service to more demanding, well-informed customers with complex needs. The home-working phenomenon may present a partial solution, as our research shows that home-workers represent a different demographic than traditional contact centre recruits - they tend to be older, possess more life experience and have completed tertiary education.

This report examines some myths and perceptions about home-working and depicts an overview of the different models emerging as well as bringing insights into the new breed of people providing customer service on a daily basis from an urban flat to a cottage in the Outer Hebrides.

Key findings include:

- Home-working is on the rise
- 59% have either implemented home-working, are trialling or investigating it
- 61% plan to increase home-working in future

There are a range of benefits for businesses, employees and customer:

- Flexibility
- Cost reduction
- Employee engagement
- Wider talent pool

Disclaimer: The research, data and views in this paper are not necessarily those of the Customer Contact Association or Plantronics. The report has been prepared in good faith, but neither CCA nor Plantronics can be held responsible for any actions taken by those reading the paper.

Section 1: Introduction

A confluence of socio-political, economic, demographic and environmental factors is driving organisations to look anew at adopting home-working for customer contact, customer service and back office processing functions.

A protracted economic downturn has pushed businesses into tightening and sometimes slashing budgets, concentrating senior management minds on finding new and smarter ways of working which deliver more for less. They are focused on increasing employee productivity, boosting customer satisfaction, loyalty and sales and in cutting the cost of recruitment while also improving employee retention.

Also, society is changing as Baby Boomers age and Generation X - and more particularly Generation Y - want different things from a job such as variety, fun and flexibility. The other side of the coin is that people are living longer and surviving on reduced pensions, so more over 60's want to remain economically active, opening up a new recruitment pool.

At the same time, we are witnessing the rise of the 24/7 'now culture' in which people demand instant service at any time of the day and across whichever channel they choose. Mass mobile adoption has removed barriers to getting in touch in evenings, weekends or holidays which means companies are having to look at extending service hours exponentially - no mean feat in a tough economic climate.

The type of work being done by contact centre staff is also becoming increasingly complex, requiring independent thinkers and problem-solvers who can also deal empathetically with customers. Traditionally, contact centres have not recruited for these skills, so unless a new approach to recruitment is adopted, businesses will face a serious skills gap which will impact on service standards.

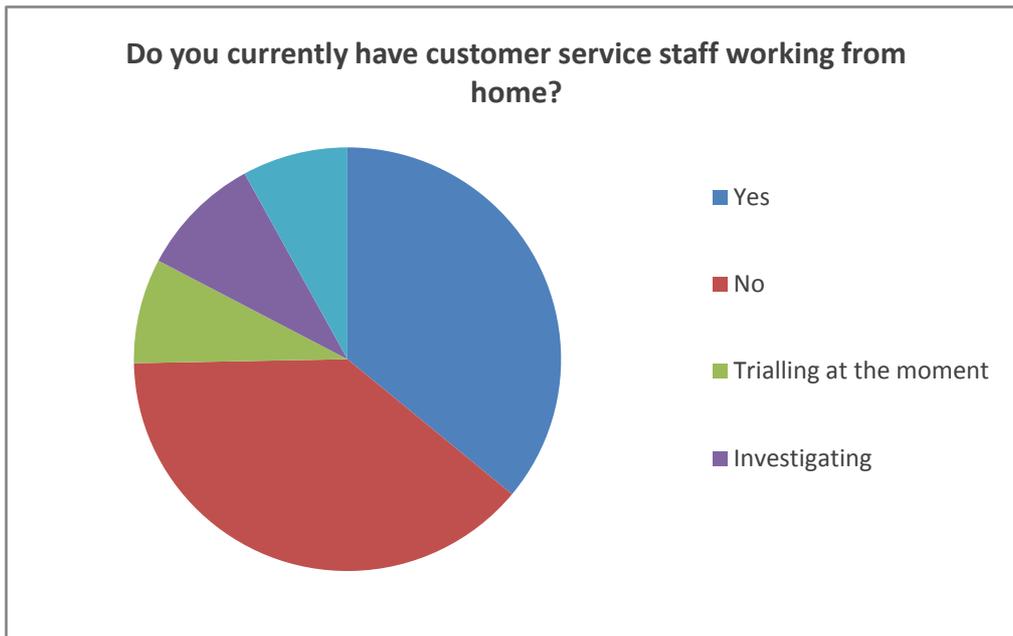
There is a growing realisation that the current contact centre model is broken and that issues surrounding people, premises, and processes need to be reassessed.

Moreover, technological advances and developments such as greater availability of high speed broadband, the rise of cloud computing, more sophisticated data security and the Bring Your Own Device trend, are opening up exciting possibilities of changing the ways in which businesses work. There are a plethora of secure ways to store, retrieve and disseminate data and to share knowledge.

Virtual ways of communicating are now commonplace thanks to the rise of social media networks which means home-workers no longer fear social isolation as they can participate in vibrant virtual communities.

Taken together, these factors are conspiring to create a momentum for change with home-working becoming a more prevalent topic in not only contact centre but in boardrooms as more evidence of the benefits it can deliver to all stakeholders emerges. This report looks at the benefits, the barriers, the opportunities and the experiences of organisations and individuals who have become part of the home-working phenomenon.

Home-working revolution spreading

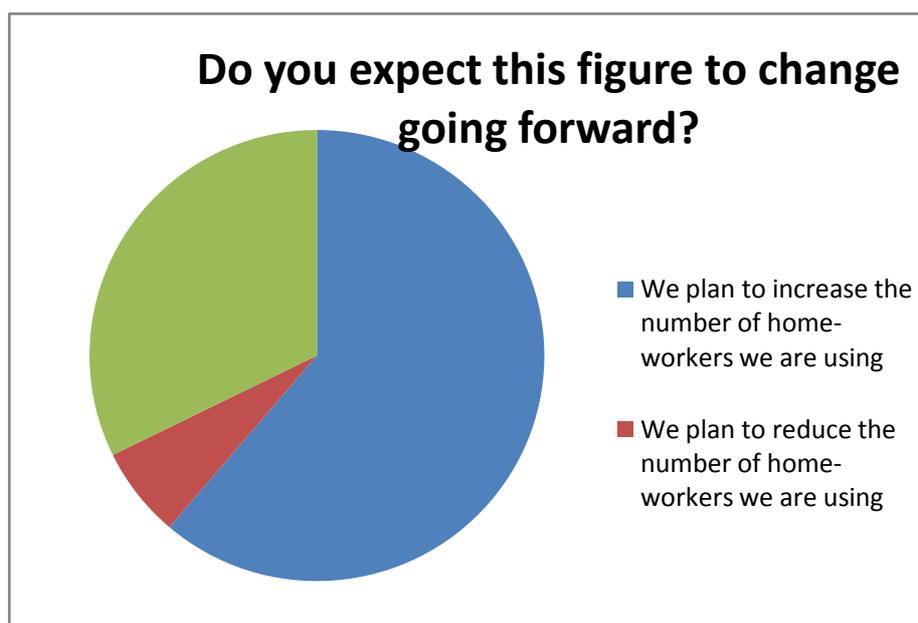


The survey revealed that home-working is no longer an uncommon strategy for members - in fact there are signs it may be on the verge of becoming a mainstream response to resource planning, albeit so far involving a small percentage of overall contact centre staff.

The stand-out statistic is that 61% of respondents are either currently using home-workers, or trialling, investigating or planning to commence a home-working operation within the next six to 12 months.

Currently, for the overwhelming majority of organisations, home-workers represent less than 20% of their overall contact centre staff, however numbers are set to rise.

A total of 61% of respondents plan to increase the numbers of home-workers they use with only a tiny portion planning to reduce numbers. A pattern is emerging of establishing trust and confidence in a relatively small pilot operation before moving fairly swiftly to larger scale implementation.



“On CCA Industry Council lots of organisations are about to dip their toe in the water and there may be some surprises about who is doing it. Several things are driving the need to do it – e.g. cost of utilities for running a site, demand peaks and troughs...The big barriers on security and technology are gone and a critical mass is developing now. If you throw everything together, including the green, political and economic agendas there are major reasons why big businesses will venture into the home-working world.”

Nicola Collister, Chair of CCA Industry Council

While some CCA members such as home shopping retailer Shop Direct were among home-working pioneers in the UK, others are relatively new to home-working but have become advocates after successful small pilots.

“We are a highly regulated business and very risk averse however we now have 18 homeworkers. We started a proof of concept with 20 and only 2 have gone back. Our plan is to increase to 50 by the end of June with an overall target of 300...We are still struggling with some of the technology but it’s a very exciting journey and we have lots of enthusiasm across the organisation.”

Director for a major UK insurer

“Right now we are on the cusp on something big in homeworking - people’s attitudes to homeworking are changing.”

**Dickon Moon, Director of Strategic Sourcing & Admissions EMEA, Arise
(provides outsourced home-workers)**

Section 2: Methodology

The research set out to gauge the role of home-working in customer contact and customer service operations now and to examine whether it is likely to play a more significant part in these activities in future as well as examining the factors influencing homeworking trends.

Key objectives were to ascertain:

- Number of companies using home-workers now
- Number of companies planning to start using home-workers or to increase their numbers in future
- Perceived benefits of using home-workers for organisations, their customers and their staff
- Perceived barriers to using home-workers

There were several research phases:

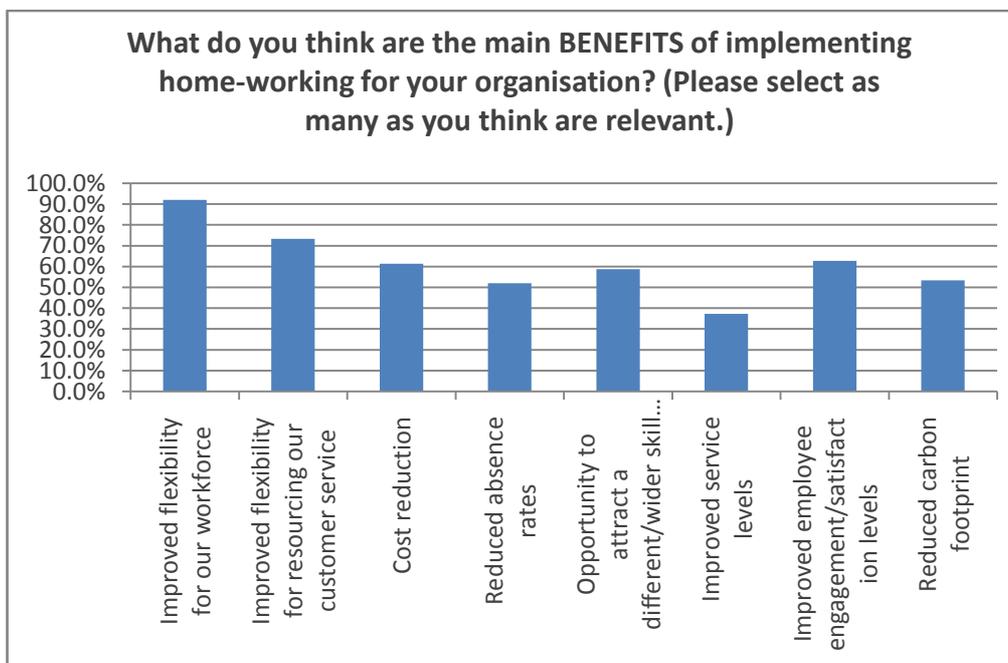
1. CCA surveyed a representative sample of its members to explore different approaches and attitudes towards home-working. Responses were received from 75 respondents by the stipulated deadline. These included organisations in both the private and public sectors, including outsourcing organisations as well as in-house contact centres. The respondents were from a range of sectors.
2. The survey findings were analysed and interpreted in a desk research phase alongside contextual information from other international studies and experts.
3. The report also contains case study information on individual home-workers which was collated by CCA Director of Communications Valerie Darroch, with the assistance of Highlands and Islands Enterprise.
4. Additional field research was carried out, including attendance by CCA at a seminar on home-working at which presentations were made by four companies using home-workers: Aviva, Home Retail Group, Photobox and Home Retail Group. This was facilitated by Sensée.
5. CCA and Plantronics hosted a webinar for members on preliminary results of the members survey with presentations by Richard Kenny, EMEA Marketing Manager for Plantronics, and Luis Lemus, Senior Manager Customer Experience, of Plantronics' own contact centre in Netherlands which has conducted a successful home-working pilot.
6. CCA and Plantronics hosted a meeting of CCA Customer Experience Network in May 2013 attended by senior individuals from sectors spanning food retail, general retail, banking, insurance and transport as well as outsourcing businesses and also by Judith Hogan, Head of Corporate Sales at Plantronics and Professor Alan Wilson of University of Strathclyde Business School. The dinner included a wide-ranging discussion of the results of the members' survey and attendees also shared their own home-working experiences. Insights from these discussions are included throughout this report.

Section 3: The benefits of home-working – a ‘win-win’ scenario

Flexibility is main attraction

The over-riding positive message which emerged from the members’ survey is that there are many benefits which all scored relatively highly - however flexibility is the main attraction.

Improved flexibility for the workforce was named as a main benefit by 92% of respondents, edging benefits to the business into second place with 73% citing improved flexibility for resourcing as a benefit.



Home-workers can be used to perform split shifts or ‘micro shifts’ of as short as 30 minutes to manage surges in demand. It is far less easy to persuade in-house workers to be this flexible as it may not be worth their while driving or taking public transport to work for such a short period. For home-workers, they just log on and start working and then return to their personal lives.

For employees, the gains are principally considered to be a more flexible work-life balance and more time available to spend with friends and family or in leisure pursuits as a result of cutting out commuting time and being able to structure their day in a way which suits their personal needs as well as those of their employer.

Cost and efficiency savings

Perhaps surprisingly, improved employee engagement was ranked ahead of cost reductions in the list of top benefits, despite increasing evidence that home-working has a direct positive impact on costs.

For example, a two year study of a global airline’s experience of home-working, involving 50% of its US workforce, identified the following benefits:

- A 10% increase in calls per hour
- A 12% increase in revenue per hour
- 15-20% reduction in contact centre budget

A 2011 survey of 100 UK companies (by At Home Customer Contacts) cited cost savings as the number one driver for companies adopting home-working while other studies place a high value on business continuity and disaster recovery benefits.

Several CCA members have reported significant savings, including Tesco which is expanding its home-working operation following successful pilots. The pilots in Dundee were set up partly to determine whether the company could use home-workers to avoid the cost of setting up a new bricks and mortar contact centre.

Frost & Sullivan estimates that only 59.6% of a bricks and mortar contact centre agent's time is 'productive time' as the rest goes on breaks, lunch, meetings, training, holidays and sick leave. It cites examples of home-working delivering cost reductions of as much as 30% per agent position.

"A home-worker costs £2,700 per head (to set up) compared to the cost of building a new contact centre which costs £10,000 per head and the carbon footprint is smaller too."

Robert Tait, HR Manager Tesco Stores

Business continuity benefits

CCA members cited instances of extreme weather or IT outages forcing them to close contact centres and flexing up home-working operations to deliver uninterrupted service to customers. Several described this as one of the most valuable benefits they had realised from home-working.

Lower attrition rates deliver savings

Greater employee engagement has the added bonus of reducing attrition, in turn delivering cost savings. Richard Kenny, EMEA Marketing Manager for Plantronics estimates that the average UK attrition rate for contact centre employees is 20% and says it costs an average of £2,000 to recruit a new agent, not to mention training costs. He said home-workers have a lower attrition rate than in-house agents, contributing to lower costs.

Addressing diversity and inclusion

The survey also revealed signs that some senior managers are beginning to view home-working in a more lateral way and to consider equality and diversity issues as well as corporate social responsibility. This was evidenced by individual comments about improving employment opportunities in vulnerable communities and also for people with disabilities or caring responsibilities.

In fact there are numerous case studies which concern home-workers with health or disability issues who could not work in a conventional contact centre but who are highly proficient and motivated and do an excellent job, with a first-rate attendance record.

Likewise carers, retirees who wish to supplement their pension, or people with a portfolio of roles have found home-working fits perfectly with their circumstances.

Satisfaction on two fronts

The survey delivered positive results on the critical issue of the relationship between home-working and both employee and customer satisfaction. The most marked impact was on employee satisfaction which respondents said was markedly higher among home-workers. Just over one-third said that customer satisfaction was higher (for service delivered by home-workers) while the majority said it was similar to in-house agents.

Meeting green agendas

Just over half of organisations stated a belief that home-working can reduce their carbon footprint either through reduced energy consumption in buildings or employee commuting.

BT has reduced its property portfolio by £500 million from basing staff at home and reduced commuting time has cut the need for 12 million litres of fuel, cutting CO2 emissions by 97,000 tonnes.

Several home-workers have commented on environmental benefits, particularly those living in remote, rural or island locations. One home-worker in the Outer Hebrides previously spent one-third of his salary on fuel to travel to work and has reclaimed 28 days a year which he would otherwise have spent in his car.

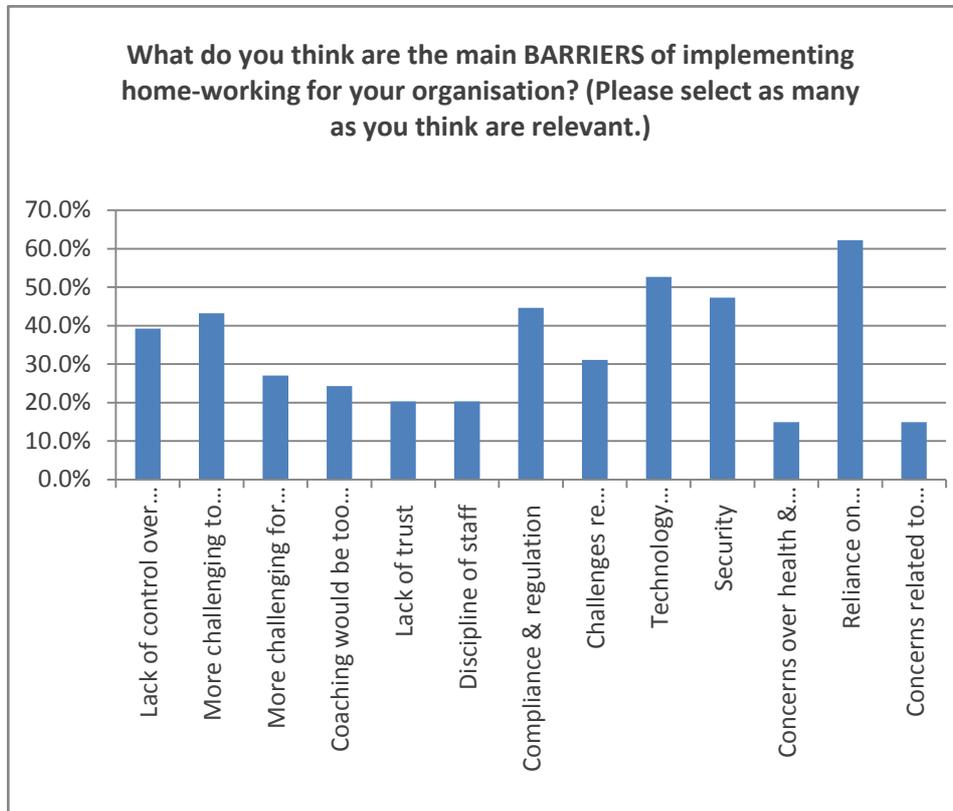
Quiet home environment boosts concentration

In general, home-workers like to use their own equipment and benefit from working in a quiet environment which allows them to focus better and delivers a better interaction with customers as a result. One of the biggest bugbears for contact centre staff, especially those working in very large open plan centres, is unacceptable levels of background noise which requires them to strain their voice to be heard. Already there have been cases of repetitive voice strain brought against employers, echoing the legal action taken by workers suffering from repetitive strain injuries caused by typing in previous decades.

Also in an era of diminishing consumer trust, acoustic intelligence becomes more important – in seconds a caller will make an unconscious judgement on whether they trust the person on the other end on the phone. The answer will depend on an interplay of factors including the tone of voice and energy levels, the warmth of a greeting, but clarity is also critical, which means getting the acoustics right at home is as critical, if not more so than in a contact centre. Background noise must not distract from the conversation.

Section 4: Barriers to home-working – separating reality and perception

Main Barriers



Technology concerns dominate when it comes to identifying barriers to home-working with reliance on broadband connectivity emerging as the top barrier for 62% of respondents, despite increasing high speed broadband rollout in the UK.

However, delving a little deeper to discover what telephony systems are being deployed currently, it emerged that, in aggregate 85% of respondents are using a telephony system which connects via broadband for home-workers, with some using PC-based soft-phones and others using IP/TDM desk-phones.

More general technology constraints were cited by a further 52% as a barrier while security and compliance and regulation concerns emerged as barriers for a significant number of members (47% and 45% respectively).

However one respondent commented: **“All of these can be resolved if you put measures in place to control home-working. Don’t believe anything is a showstopper in this.”**

Currently half of respondents are using a thin client or virtual desktop for home-workers, accessed through a dedicated package, with the next more common approach being fully-installed software, with a further 11% using cloud-based software accessed through a browser.

Unified Communications

Experts urge companies seeking to deploy home-workers to utilise unified communications, referring to it as “an essential technology that rallies the entire company, especially managers and back office teams or specialists outwith the contact centre, towards customer centricity.”

At the core of a unified communication system is Presence - an online indicator that shows whether someone is available to communicate, and also indicates the best method of communicating with them. Presence makes it easy to find the right person quickly, regardless of where they sit within a dispersed workforce - at home or in an office. That makes it easier for different people within an organisation to collaborate, which means customers get their issues resolved faster, boosting satisfaction.

Broadband connectivity

Despite worries on connection speed and reliability, businesses currently operating with home-workers on broadband have found it to be a reliable option. There is also evidence of economic development agencies securing broadband investment specifically in order to attract home-working jobs and other forms of inward investment.

A prominent example of this is Highlands and Islands Enterprise (HIE) which is leading a multi million pound investment project which will bring next generation broadband (NGB) across the region. HIE has developed a £126.4 million public investment project to provide a fibre network capable of transforming the area's digital access as part of a larger plan to bring NGB to all by 2020.

However, on a UK-wide perspective there is still significant room for improvement as the UK lags behind Germany and Spain in superfast broadband coverage. In the UK, superfast broadband, defined as connections offering speeds higher than 30 megabits per second (mbps) - are available to just two-thirds of the UK population, according to communications regulator Ofcom.

Perception or reality?

While the survey results on both the technology and security issues showed significant concern, the experiences of companies already running home-working operations run counter to this belief.

Many companies use a ‘lockdown’ IT system which means that home-workers can only access client data on a limited, highly controlled and visible basis, they cannot cut and paste or print any customer information and their WIFI devices are disabled while they are working. Laptops are generally forbidden.

Studies have shown that the level of fraud within home-working environment is either the same as with in-house operations or lower - with 42% of companies reporting lower fraud when using home-workers - reducing the company’s risk profile and liability and reputational exposure.

“We saw less fraud and risk issues with home-working teams that we did with in-house teams. Some of the security questions we used for home-working recruitment we then started to use to test and control in-house processes.”

Emma Davison, Head of Customer Service Outsourcing, Shop Direct

“The questions we got from day one of our home-working pilot were all about data protection but we have lots of security measures. We have a facility for customers to type in credit card data without making it visible to the agent and desktop controls which prevent copying, pasting and screenshots. Where is it more risky for agents to write down customer details? At home with a webcam and remote monitoring or in a contact centre in the middle of a team of 16 agents and one manager overseeing? We concluded the risk was no greater.”

Andy Rosser, Programme Manager, UK, Aviva

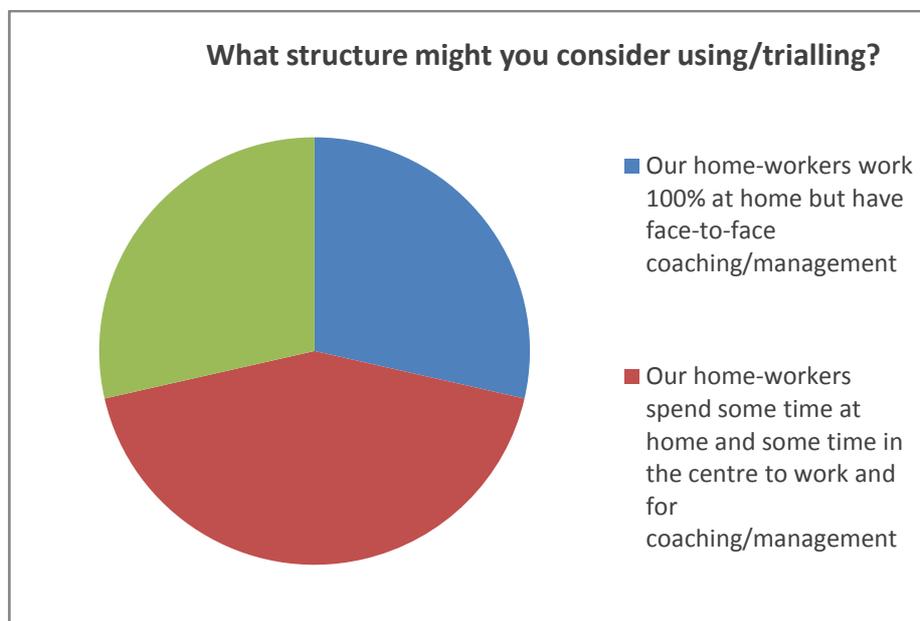
People issues no longer seen as a major concern

By contrast, from a cultural and psychological viewpoint, trust issues - which were once highly prevalent in the minds of those used to running traditional tightly-controlled contact centres - are no longer a major worry for most members while health and safety issues also attracted as low rating as barriers.

The majority of respondents do not consider people issues a significant barrier, indicating a general belief that contact centre managers and team leaders believe they are equipped to manage control, train and coach home-workers remotely.

Virtual coaching and training adoption

Strikingly, as the world of work increasingly embraces virtual ways of engaging, learning and doing business, the CCA Members' Survey revealed forward-thinking attitudes, with just under 29% of respondents considering using or trialling 100% virtual coaching and managing for home-workers.



Robert Tait, HR Manager for Tesco Stores has been at the helm of home-working pilots for the retailing giant and told a CCA seminar on 'The Future Workforce' that having experimented with different blends of in-house or virtual coaching and training, it was clear that by far the most successful approach was having home-workers based exclusively at home and being coached and managed 100% virtually. Tesco uses coaching tools such as webcam analysis and Skype to assist home-workers.

Social isolation

This is cited by some companies as a reason not to introduce home-working but the extent to which it is or is not an issue depends on several factors including: whether you offer home-working as a voluntary option to existing agents or whether you recruit people specifically for this role. There are numerous examples of social networking being used to foster team spirit, collaboration, knowledge sharing and close emotional ties between home-workers e.g. Yammer - now used by 200,000 companies worldwide.

Career progression for home-workers

Although one international study of home-workers in China produced some evidence to indicate that home-working may hamper career progression, CCA members have enlightened views on this issue as 82% said they allow people in senior or managerial posts to work from home and a further 6% are looking at this as an option. There is also evidence of skilled outsourced home-workers progressing to remote supervisory roles coaching and training new home-workers.

Health & safety concerns abate

Another indication that thinking has moved on considerably is that concerns over health and safety issues, which historically have featured prominently in the home-working debate, are now listed as the least common concern as companies work out appropriate policies and procedure to address these matters.

However, it is not an issue to be taken lightly and there is a need for contact centre associates to become more knowledgeable on ergonomics in the broadest sense, encapsulating both the audio and physical environment.

Ensuring that workers have appropriate work stations and IT and telecoms equipment within the home matters to long-term health as well as productivity and the responsibility for having a safe working environment should not be passed solely to the worker. A US study this year found that 48% of home-workers surveyed use furniture or technology that is not ergonomically adjusted for them.

Home worker toolkit

While many companies prefer to employ home-workers directly, others contract with self-employed home-workers via specialist companies such as Arise, while others contract their home-working operation out to outsourced home-working specialists such as Sensée.

The vast majority (81%) of home-workers have their hardware including computers and headsets supplied to them. However in the case of one specialist outsourcer (Sensée), home-workers are required to buy their own kit with a stipulation that it must meet an agreed specification.

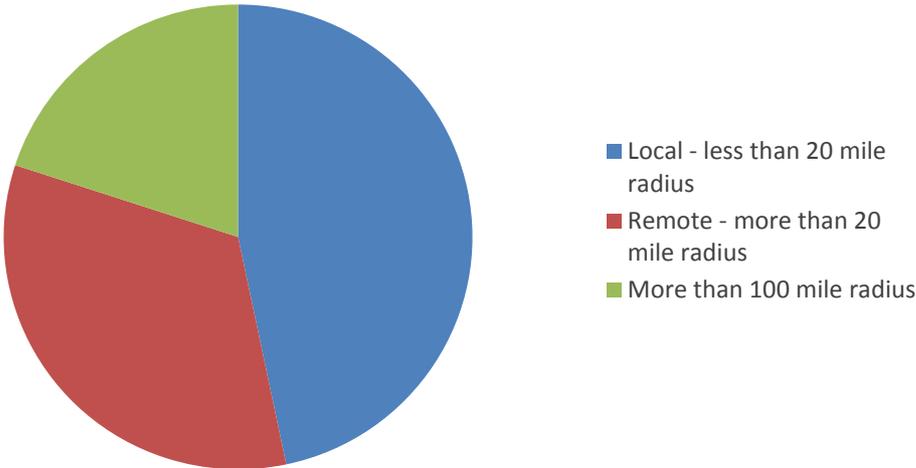
The equipment issue is not seen as a barrier, although some companies choose to limit the recruitment radius for home-workers to within a one hour commute from their bricks and mortar centre until home-working pilots have proven to be successful and the IT system robust.

Their rationale is that they may need to send IT personnel to home-workers' premises if there are technical glitches. This was a strategy deployed by Tesco when it began trialling home-working within a 50 mile radius of their Dundee contact centre but the retailer is now prepared to look at extending its catchment area following a smooth pilot operation.

Overall, the current trend is to recruit home-workers close to the main contact centre site, at least initially - the survey showed that 47% are using home-workers who live within a 20 mile radius. However at the other extreme, one in five respondents are successfully using home-workers who are based more than 100 miles away with some targeting people in remote or rural locations.

Home-working specialists say that businesses are just waking up to the potential gains of having a location-neutral recruitment policy which expands the talent pool.

How far away from the contact centre are your home-working staff located?



Section 5: Tapping into a wider talent pool – home-workers represent different demographic

Home-working positions tend to attract a different kind of person who may never have worked in a contact centre environment before (and indeed would still either not wish to do so or be unable to for a variety of reasons) yet, they commonly possess the kind of skills needed to handle increasingly complex customer enquiries, namely:

- empathy
- independent mindset
- motivated self-starters
- problem solving abilities

There is evidence that the profile of home-workers differs in several ways from the profile of the average contact centre workers in the following ways:

In-house agent	Home worker
average age 23	average age 38
30% college educated	80% college educated

Home Worker Profiles: Home Truths

Mike Walker

Mike lives in Harris in the Outer Hebrides and views home-working as a flexible way of earning extra money which also cuts the cost of travelling to work. He handles several customer accounts for Arise, combining part-time home-working with working for the Scottish Ambulance Service and leading missions for the Hebrides Search and Rescue team.

‘Homeworking is a convenient way to earn extra money without incurring travel costs. I was spending up to one-third of my salary on fuel to travel to a job elsewhere on the island.’

May McIlhenny

May, who lives in Caithness, embarked on a new career as a home worker at the age of 63 after retiring from a 25 year career as a civil servant and a period in a conventional call centre. Taking up a home-working opportunity with Sensée marked a new lease of life for May who feared that her age and living in a remote area would make it hard to find employment where she could use her skills and also enjoy flexible working.

‘It’s the ideal opportunity because you’re judged on your ability to do the job, not your age or your circumstances’

Mairi MacLeod

Mairi, who lives in Thurso, has been a home worker since January 2012, when she set up her own business to serve clients in partnership with Arise UK. A former nurse, she works flexible hours which suit her family life. As an Arise Premier Alliance Partner she also mentors and supports other homeworkers who choose to work directly, through her limited company, rather than set up their own businesses.

‘Being a homeworker has increased my independence, my self-esteem and my confidence. I love the flexibility of choosing my hours and I’ve made some of the best friendships of my life.’

Ron Turner

Ron Turner began his career as a home worker after moving to the island of Bute five years ago. The former sales manager needed a job with flexible working hours which would allow him to fit work around looking after two young boys. He began as a Client Service Adviser and was promoted to Performance Facilitator after Arise spotted and developed his ability to coach and support other home-workers.

‘People don’t realise home-working can offer a professional role with quality training and promotion prospects. It’s given me a flexible career that fits with looking after my boys.’

Geographic and demographic recruitment

Given that home-working removes geographic recruitment limitations, it opens up the possibility of targeted recruitment of agents based on other factors which could make them more effective performers or better able to relate to customers be it based on life experience, hobbies, interests or sharing the same accent and local knowledge.

CCA and Plantronics’ webinar on home-working explored this issue by polling participants on their ability to route calls in the following two ways:

- by geography to an agent living in the same locality as a customer
- demographically through recruiting a different type of person to help customer relations

The responses showed that although some companies are alert to these more sophisticated recruitment possibilities, they are currently in the minority. A total of 14% are currently routing or investigating geographic routing while just 12% are looking at routing via demographic.

However, companies in the vanguard of this are clear on the benefits while others understand them but do not currently have home-working on a sufficiently large scale to enable them to fine tune operations in this way.

“If we can get to scale wouldn’t it be great to have people served in their local dialect?”

CCA Industry Council member

Rank Interactive has made intelligent use of both geographic and demographic criteria to deploy Sensée home-workers with a local knowledge of areas close to their bingo halls. Recruits are the same age group as customers and speak in the same accent and have been successful in ‘warm calling’ customers who have not played bingo for a while.

“We have Mecca bingo halls the length and breadth of the country and our customers responded extremely well to talking to home-workers in their own localities.”

Jennifer Kosmalski, Head of Customer Service at Rank Interactive

Acoustic intelligence delivers a competitive advantage

Acoustic intelligence is intelligence gathered through analysis of auditory phenomena - in simple terms, what customers hear during a call affects the way they perceive the underlying organisation. A panoply of factors are judged simultaneously and unconsciously during a call which is why it is vital that home-workers do not allow any distracting noises to intrude and that they can be heard clearly, especially in a climate of increasing consumer mistrust.

Accent, tone and sentiment matter hugely in conversations between customer service agents and customers and play a larger role than many realise in defining and reinforcing brand identity. Clarity, warmth, and intelligibility all contribute to a positive experience and a distinctive audio experience can deliver a competitive advantage.

Julian Treasure, author of 'Sound Business: How to grow profits and brand value,' says that every phone call is an ambassador for an organisation. He says: "brand voice is not a metaphor, it is how the brand sounds when you hear it speaking through any one of thousands of vocal interactions..."

Treasure argues that companies could and perhaps should, hire people whose voices and manner of speaking fit with their brand e.g. some brands demand a calm, intellectual way of conversing whereas others are more suited to a high energy informal kind of banter.

Accents and energy levels are part of the equation but call quality is of paramount importance and it is an issue on which home-workers can score over traditional contact centre workers, if they have the right equipment and training. Research shows that people working in noisy open-plan contact centres perform less well on long-term memory recall and mood than people in quieter and less cramped environments. It also found that being distracted by multiple irrelevant conversations impeded their ability to learn - not an issue for home-workers.

Section 6: One size fits all approach flawed, flexible models deliver results

Different Home-working Models

Organisations are taking different approaches to home-working operations, with some opting for mixed models of full-time and part-time workers; some offering home-working opportunities primarily to existing staff; and others bringing in new recruits who will work exclusively from home.

The consensus is that there is no one perfect solution and that the approach depends on the nature of the business and the needs of its customers. There are also some organisations who wish only to employ home-workers on a seasonal basis to deal with demand peaks, particularly in the retail sector.

For now, outsourced home-working solutions are in the minority, partly due to the fact that the main players are relative newcomers to the UK market but also because some large enterprises prefer to control home-working pilots themselves. However, outsourcing specialists are actively recruiting and building up databases of potential new recruits in expectation of taking a bigger slice of the pie in future.

Outsourced home-working solutions

Dickon Moon is Director of Strategic Sourcing & Admissions EMEA for Arise, the world leader in home-working which has 1,500 Client Support Professionals (CSPs are agents) in the UK handling customer enquiries for a range of UK organisations including Shop Direct and Yodel. He believes home-working is set to rise sharply and plans to double the number of home-workers dedicated to Arise in 12 to 18 months.

Arise home-workers are self-employed and either set up their own company to handle payments or operate via a limited company run by someone else. Arise home-workers have varied professional backgrounds and 10% of them have a disability.

Steve Mosser, co-founder and CEO of Sensée, has a different approach – his home-workers are all employed directly by Sensée, an approach he says is more suited to the UK. He says the company's clients, which include Home Retail Group, Rank Interactive, Photobox and Aviva, realise operational savings of 30% and a significant increase in productivity. "Our agents score higher on productivity because their hours can be aligned to workflow patterns rather than conventional working hours," he said.

Sensée has a searchable database of 3,000 registered agents who can be recruited on the basis of skills, location, hobbies and interests. It also provides proprietary flexible technology solutions for secure data and communications, shift scheduling, remote team management, e-training and automated skills sourcing. Home-workers 'gather' in chatrooms, with many using Yammer, a popular enterprise social network to exchange news and gossip, just as they would in a physical centre. The result is strong social bonds.

Serco, a major outsourcer also plans to increase deployment of home-workers, particularly in the Highlands and Islands, according to Kathleen Lohse, Customer Service Manager for Serco in Dingwall. "We have experience with working for Westminster Council, we set up a trial three years ago and put out the back office work to home-workers. It was parking enforcement correspondence which involved quite complex case management work and we utilised technology to manage peak activity. We tested the waters to demonstrate the capability of home-workers and it worked really well for us."

Serco recruited people with good transferable skills in admin and customer service as well as good verbal and written skills. Serco provided and support and training to help them become confident in IT. Lohse said Serco is now also looking at 'community shoring', converting an under-utilised building in a village or other community hub into a micro centre where rural dwellers can come together and work.

Home-working in Action

Shop Direct

Shop Direct, a home shopping retailer, pioneered home-working four years ago, opting for a third party partnership with Arise rather than an in-house recruited model. Emma Davison, Head of Customer Service Outsourcing, was head of real time planning at the time. She says, "A dream scenario for me was that every agent could be scheduled within 10 minute intervals - unfortunately it didn't have quite that level of flexibility but at the time we were heavily unionised and home-working really helped with shift planning. Whilst flexibility is huge, there is a pattern that emerges – people very rarely want to work a random shift pattern however there is control in terms of shifts offered. The biggest win from a business point of view as a retailer was during some really bad snow when we made a really difficult business decision to close the contact centre estate in its entirety from 4pm (instead of the usual 11pm) as we had genuine health and safety concerns.

The home-working lines were the only lines which remained open and our home-working team managed all calls. There were lots of other benefits on a regular 'business as usual basis' but for that time alone, it would have sold the concept hand down. It also enabled us to tap into a workforce that typically wouldn't be attracted to a contact centre including former IFAs who knew about credit issues as well as semi-retired people. Initially we thought it would be working mums that would make up the majority of our home-working group but we tapped into other demographics."

Research Update: Shop Direct no longer uses home workers as it now has a 10 year outsourcing contract with Serco which does not include a home working option. However, a representative from Shop Direct said that the decision did not in any way reflect negatively on its experience of using home workers which was a wholly positive one.

Photobox

Photobox, Europe's leading online digital photo service, has been using Sensée home-workers since 2010. Helen Ellis, European Customer Services Director for Photobox says the company uses home-workers tactically for huge demand peaks such as Christmas, bringing workers on board in October and scaling down post-Christmas. The business started using home-workers purely to handle email contact but has now expanded the functions carried out by home-workers to include phone and live chat as well as handling enquiries in both English and in French. Using home-workers enabled Photobox to expand its customer service opening hours to 11pm and Ellis linked this directly to improved Customer Satisfaction and Net Promoter Scores. In terms of demographics home-workers are closer to the company's customer demographic than its in-house team, which is good for customer empathy. Flexibility is however the top business benefit for Photobox. "I only pay for productive hours and it's really cost-effective for me to do that," she said.

Home Retail Group

Home Retail Group (HRG) spans Argos, Homebase and Habitat, with 28,000 products and a multitude of delivery options. Its workforce is heavily unionised, limiting flexibility so Malcolm Goff, Operations Leader began a home-working pilot in pursuit of greater operational flexibility. The company experimented with different models including its own staff and also Sensée workers and a mix of home and contact centre working. Goff said that a 12 month pilot involved agents being cross-trained to take complex calls such as handling escalated complaints. He says, "It became apparent within 12 weeks that home agents were capable of much more than we had anticipated,"

Part of the learning from the pilot included the importance of supporting people with the right technology to provide them with networked knowledge. HRG now has 140 Sensée home-workers as a co-sourced model and also 30 of its own HRG home-workers hosted on the Sensée PCI-compliant technology platform. Absence among home-workers is lower than in the contact centre and there is growing interest among

HRG staff in switching to home-working, with 1,000 of them applying to do so. “The showstopper has been the ability to chat virtually - people love it and they have created their own little community.”

Plantronics

Plantronics, a world leader in advanced headsets, audio technology and communication, operates its own leading-edge customer contact centre in Hoofddorp in the Netherlands, one of five technical assistance centres around the world. The company believes that liberating employees - allowing them a say in where, when and how they work; equipping them with technology to perform well; providing good coaching and training; and judging by results not presence, reaps manifold benefits for the business, staff and customers.

Plantronics uses ‘Location Independency Suitability Analysis’ to assess the optimum place for workers to be based, taking into account their role, their experience, their personality, the suitability of their home for work and whether their job can be done both in-house and at home. Luis Lemus, Senior Manager Customer Experience for Europe and Africa, says a home-working pilot began in in Hoofddorp in 2009 with a focus on validating both short-term and long-term business benefits. Part of a wider smarter working initiative, it has been a major success. Key benefits include:

- cut attrition from 12% to 2%
- reduced absenteeism from 12.7% to 3.5%
- delivered savings of \$400,000 in reduced employee turnover alone
- Plantronics has become an employer of choice in the area

Section 7: Conclusions

We are living in the age of the virtual organisation, the virtual office, the virtual chatroom, the virtual worker and the virtual network - all contributing to increasing popularity of home-working as risks of piloting are much less than years ago.

However the benefits have been shown to be real not virtual. There is a growing body of evidence that intelligent recruitment, training and deployment of home-workers for key customer service roles delivers:

- a real benefit to workers
- a real benefit to employers
- a real benefit of customers
- and a real sense of community and fulfillment

Benefits are becoming more widely known as academic studies and direct experiences contribute to the body of knowledge on the topic, raising the quality of debate and influencing opinion in a positive way.

This project identified multiple benefits to be derived from home-working:

- flexibility for workforce
- more flexible resourcing
- greater employee engagement
- reduced costs
- reduced absence
- opportunity to attract a different skill set
- reduced carbon footprint
- more inclusive employment opportunities
- better productivity
- increased customer satisfaction

Barriers still remain, including cultural ones surrounding trust and control of employees. However, it is evident that for some barriers such as broadband, technology reliability and data security and fraud, the barriers are more perceived than real. While broadband is currently being used successfully for home-working purposes by many companies, the UK lags behind other nations such as the Nordics and Netherland.

It is clear there is increased momentum for home-working and a divergence of views on how best to approach it. There is no consensus on this currently - different organisations have experimented with different models with varying degrees of success. However choice abounds with the emergence of outsourcing expertise in this area as well as in-house expertise.

There may be merit in looking at a way to share home-working experiences in a more structured way in order to develop greater awareness of pitfalls and also to develop best practise models for different kinds of organisation. There are signs of a general lack of awareness of the fact that PCI and FCA compliant businesses are already doing home-working successfully.

Technology has a role to play in supporting successful home-working. Tools which make a difference include:

- enterprise social networking tools/ chatrooms
- visual communication via webcams or Skype
- application sharing
- Presence to indicate when workers are active and available

Appendix

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Get in Touch

CCA is committed to advancing and expanding understanding of customer contact and service operations and strategies. It has an independent and respected research unit which collates, analyses and shares information from across sectors, geographies and specialisms and an extensive research archive with more than 50 in-depth research papers compiled over the last decade.

If you wish to follow up on any of the issues contained in this report or you are interested in becoming a research partner and commissioning original research on any issue related to customer contact and service operations and strategy please contact CCA to discuss your aims.

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