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Innovative Solutions From _____ The Multimedia Contact Center Solutions Experts

The New Rules Of Compliance: Combining Performance Management And Compliance To Solve The Regulatory Puzzle, Simplify Management And Reduce Costs

The word "compliance" can make any business cringe, especially public companies and contact centers in teleservices, healthcare, banking, insurance and other regulated industries. And it's no wonder. Governing agencies seem to issue new regulations every day, from every direction: FCC telemarketing rules, the Sarbanes-Oxley Act, HIPPA, GBLA requirements, etc. Most of these regulations are ambiguous and come with little regulatory guidance on how to define them in a clear and consistent manner.

Many companies, therefore, must interpret guidelines on their own and attempt to manage compliance issues accordingly, which may or may not keep them in the good graces of the regulators. Alternatively, some companies engage consultants and pay expensive fees upfront to avoid exorbitant fines for non-compliance later. As Richard Gincel writes in "The Awful Truth About Compliance" (Infoworld, Dec. 8, 2005), "According to AMR Research, U.S. public companies will spend \$6 billion

complying with Sarbanes-Oxley this fiscal year [2006], which will pay for staffing to consultant fees to mail archiving software."

With regards to a contact center environment that includes formal as well as informal agents, the aspects of performance management and compliance management are actually quite similar.

But trying to decipher and comply with complex guidelines is only one piece of the regulatory puzzle. Adding to the problem for thousands of organizations are disparate data systems, interaction systems and processes that not only make compliance programs difficult to manage, but drive up the already staggering costs of meeting regulatory requirements. Case in point? One compliance vendor recently pointed out that many of the companies

they serve now spend as much as 50 percent of their annual IT budget on addressing regulatory issues, in particular Sarbanes-Oxley Section 404, which requires a business's compliance processes to produce certifiably correct data.

That's the bad news for many businesses, since compliance will remain a daunting task for the foreseeable future. Yet there's also good news to achieving compliance success. By taking some practical, straightforward measures to combine compliance processes with performance management — and to converge data systems and interaction systems — regulated companies can gain tighter control of their compliance programs and reduce program costs significantly at the same time.

Performance Versus Compliance: Measuring The Similarities

With regards to a contact center environment that includes formal as well as informal agents, the aspects of performance management and compliance management are actually quite similar. As we've done in the comparison table here, the first step toward merging the two management processes is to identify the key points of each and gauge how they match up. Every point you associate on both sides of the ledger gives your organization a stronger framework for implementing a new compliance program or improving an existing one.

Performance Management	Compliance Management
Documented standards/policies for performance requirements	Documented standards/policies for compliance program(s)
Contact center manager in charge of quality and performance adherence	Executive-level manager in charge of compliance review and adherence
Frequent staffing changes (supervisors, agents, business users) require ongoing orientation and training programs	Frequent staffing changes (management and staff) require ongoing compliance training program
Varying skill levels affect performance reviews and consequences	Varying skill levels affect compliance reviews and consequences
Control mechanisms to improve performance that doesn't meet requirements	Control mechanisms to manage non-compliance issues internally
Security and encryption to avoid tampering	Security and encryption to avoid tampering
Management audits to ensure the integrity of performance measurement systems	Management audits to ensure the integrity of compliance program, per department
Multichannel customer contacts and multimedia interaction management	Multichannel customer contacts and multimedia interaction management; managing resulting data
Storage of multimedia recordings to measure performance on all media types	Storage of multimedia recordings to ensure compliance on all media types
Role-based access to performance data for review	Role-based access to compliance data for review
Supervisor-agent scorecard system to report performance and manage historical background data	Supervisor-agent scorecard system to report compliance and non-conformance issues

Interpret Regulations

Once you've determined a program framework for performance-compliance management, the next step is to designate staff to interpret and understand the regulations with which your business must comply. Consultants can help unravel complex regulatory guidelines to start, and can also refine your program framework as needed, although their service fees can add up quickly if used on a continuous basis.

Remember, too, that the various knowledge levels of agents and associated personnel in a contact center further lend themselves to regulatory issues. Because contact centers historically have a higher rate of turnover than most businesses, regularly scheduled training programs for new and existing employees alike can lead to a more consistent understanding of compliance among all employees.

Integrate Compliance-Performance Programs Into Your Business Processes

Given the similarities of compliance and performance, and to make both management processes more fail-safe and cost-effective, consider building in process control points along with departmental audit procedures, security and ongoing training programs to ensure adherence to those control points. Doing so will also make it easier to integrate all performance-compliance processes within your everyday business processes, based on the following program elements for your staff and the data and interaction systems they use.

Program elements impacting staff

- Compliance implementation team with direct lines to management to approve all policies;
- Clearly defined criteria for a successful compliance/performance management program;
- Clear policies for compliance and performance per department, such as telemarketing, sales, customer service, etc.;
- Documented compliance criteria and expectations for agents and supervisors, communicated up-front;
- Documented workflow and control points throughout the compliance process;

- Consistent compliance and performance "scripts" or response management tools for agents and other affected users, such as business users who serve as informal agents;
- Agent-supervisor training program for compliance quality and performance issues; and
- Departmental auditing program.

Program elements impacting systems

- Implement an integrated rules engine that handles all media types to manage inbound as well as outbound customer phone calls, e-mails, Web chats, faxes and other interaction types;
- Capture all interaction media types and associated customer identifiers, both for performance and compliance review;
- Offer real-time tools such as agent scripting, screen pops, etc. to meet compliance and performance criteria;
- Provide response management assistance for all media types, not just phone calls;

- Incorporate security provisions such as encryption to ensure the integrity of archived information;
- Use score card-based agent/user scoring and reports to understand compliance issues from a staffing perspective; and
- Update performance/compliance workflows in conjunction with the rules engine on a continuous basis: the ability to respond to updated regulations or interpretations in a timely manner is always critical.

Reassess Your Data Systems And Interaction Systems

The analysts at Gartner say it best in their report on Client Issues 2005 (Mar. 29, 2005): How to Achieve Regulatory Compliance and ERM. "Disparate and complex systems provide contextual data (from media such as e-mail, instant messaging, text documents and graphics) in every firm. The lack of rules and procedures to consistently capture and manage content in such media is a source of regulatory risk. The disciplines of records management, ECM and workflow are directly relevant."



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Call hindsight 20-20, but many organizations unknowingly amplified their regulatory risk by building out data systems and interaction systems years ago when compliance wasn't an issue. Fortunately, multichannel contact management systems like the Customer Interaction Center (CIC) from Interactive Intelligence make it possible to manage multimedia interactions as well as data from a single communications platform and "rules engine" — which reduces the risk of non-compliance for the inbound/outbound multichannel environment by replacing traditionally disparate systems. For compliance insurance plus enhanced performance, the CIC system offers integrated features including rules-based recording, agent scoring, screen pop, desktop screen capture, real-time supervisory monitoring, interaction tracking, and database and knowledgebase integrations for comprehensive performance-compliance management.

The Benefits Of Combined Performance-Compliance Management

In addition to reducing costs by combining programs and eliminating the ongoing need for expensive consultants, joint performance-compliance management in the contact center allows a single team to monitor performance criteria and oversee compliance issues simultaneously. Compliance therefore is "built in" both to the business process and agent performance review, along with consequences.

Advanced event-by-event monitoring, tracking and scoring features such as those in the CIC contact center application suite "rules engine" also reduce non-compliance incidents, leading to hard dollar cost savings from improved compliance tracking and auditing results, and due to associated savings over disconnected data and interaction systems.

Joseph A. Staples is Senior Vice President of Worldwide Marketing for Interactive Intelligence Inc., a global developer of software for contact centers and the enterprise since 1994. The application suites from Interactive Intelligence have long provided out-of-the-box functionality for performance as well as compliance management, and today remain proven solutions for regulated organizations worldwide. Contact Interactive Intelligence at 317-872-3000 voice and fax, or visit www.inin.com.

The Neverending Story Of The Consequences Of Failing To Self-Regulate

By Tracey E. Schelmetic, Editorial Director, Customer Interaction Solutions

Most fables start like this: "Once upon a time..." Being unwilling to break with tradition, I'll continue it. Once upon a time, there was a U.S. teleservices industry with little to no competition, few regulations and a lot of room to grow. Outbound, done well, was lucrative and the companies that were successful valued their customers and respected their limits. Enter the people who saw outbound as a "get rich quick" scheme, and outbound was branded with a scarlet "A"...for annoying.

"Perhaps we should talk about self-regulating," said the legitimate players, nervous that bad outbound habits would begin to scare away customers. "Nah," said many people in the industry. "That would put a kink in our business processes, and we're too busy for that."

As in most fables, the denouement is predictable. A lack of self-regulation led to an escalation of abuses by many outbound players, and the entire industry suddenly found that the Regulatory Fairy had flown in their windows overnight in the shape of the FCC and the FTC. Instead of a set of stern but practicable self-regulatory processes that they might have drafted on their own and been able to live with, what the industry got was a draconian rulebook with which many companies are still struggling to comply today.

Fast-forward a few years later, and many companies are still happily deceiving themselves. "Well, outbound may be regulated, but there's still inbound, Web media and self-service," they say. "No one will ever regulate those!" These companies haven't been paying attention. There are states with pending legislation requiring a caller who encounters an IVR to be able to zero out to an operator immediately, for example.

If your organization has been dragging its feet on implementing quality control and compliance systems in its call center, be assured that you're setting yourself up to be involuntarily put through the wash and dry cycle yet again.

As all fables have a moral at the end, let it be this...it's the companies that manage their processes for quality control and compliance because they want to, rather than because they have to, that get to run away with the beautiful princess and live happily ever after.

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