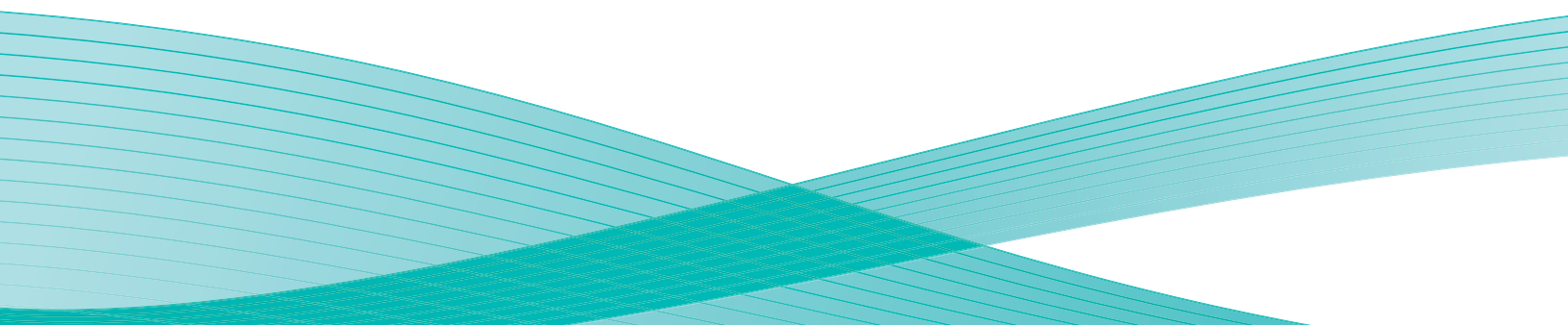


# Economy-Proof Customer Satisfaction with Knowledge Management

Business Brief: Even in the best of times, customer satisfaction is a key ingredient in an organization's long-term health. But in the worst of times, ensuring satisfied customers may be absolutely essential for survival. Knowledge management can help businesses deal more effectively with these economic fluctuations while driving significant, sustained improvement in customer satisfaction. This business brief explains how organizations can benefit from implementing knowledge management as a strategy for weathering economic changes and how to ensure long-term success of knowledge management within the enterprise.



# Economy-Proof Customer Satisfaction

## Reducing Support Costs While Improving Service Quality

Customer service and consequently, satisfaction, are often hit particularly hard when organizations respond to both economic contraction and expansion. When an organization downsizes, critical knowledge and intellectual capital can be lost and customer service may suffer. When business activity resumes, it often picks up so quickly that organizations can't hire and train employees fast enough to handle the volume and ensure quality service.

Customer service organizations face incredible pressure to control costs while delivering exemplary customer service. Yet industry research shows that 80 percent of customer support costs are directly related to solving the customer's problem – a fact that might seem to make cost reduction a very difficult goal to achieve.

Clearly, addressing the customer support activities involved in this 80 percent cost factor can deliver tremendous savings. And by implementing the right solution, support organizations also gain the opportunity to significantly increase customer satisfaction.

The right solution is knowledge management (KM) – the blending of people, processes and technology to capture and enable easy access to an organization's information, experience and wisdom. An effective KM solution improves information access both internally for customer service agents and externally for customer self-service. For instance, industry analysts at Gartner predict that 80 percent of successful self-service deployments will contain a knowledge base, because it "can optimize cost of service and increase customer satisfaction by providing a more consistent customer experience."<sup>1</sup>

Knowledge management has repeatedly been proven to simultaneously improve service quality and reduce costs. And by aligning KM with core business processes, an organization's collective knowledge also becomes a strategic resource that delivers the competitive differentiation and brand loyalty that lead to long-term, organic business growth and profitability.

## What Is Knowledge Management?

For most enterprises, the problem isn't a lack of knowledge for resolving customer questions and problems. Instead, the challenge is too much information and limited, often time-consuming and frustrating ways to identify and access the right information quickly.

Customer service agents may spend valuable time searching through trouble tickets, policy documents, FAQs, emails and notes simply looking for content that might be relevant. Customers may be frustrated when they must call or send an email to obtain information they expect to find easily on the company website or customer portal.

Knowledge management reduces this search time and effort by capturing, consolidating and classifying information from numerous sources into a central knowledge base. A good KM system also processes this content to make it a more powerful tool for serving customers, whether through interactions with agents or in self-service applications.

For example, instead of searching separately in multiple tools, customer service agents can enter a single query to find all relevant information. KM tools also make it easy to add and change knowledgebase content, to continually capture new solutions to problems and keep information up to date. This dynamic adaptability of knowledge management delivers the sustained value of more-efficient service delivery and easier access to an organization's specialized or in-depth expertise.

## Understanding the Impact of Knowledge Management

Knowledge management can deliver a measurable impact on the ability of a service organization to resolve customer problems faster and more accurately – directly improving contact center efficiency while boosting customer satisfaction. For instance, organizations implementing KM can experience tangible improvements around key performance metrics such as reduced call handling time, escalations, transfers, repeat calls and field visits. And by extending knowledge management to Web-based and personalized self-help, organizations can realize even more efficiencies such as deflected calls and consistent responses to customer issues.

<sup>1</sup> "Use Contact Center Agent Knowledge for Self-Service Cost Savings," Johan Jacobs, Gartner, March 2, 2009

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Beyond customer service, knowledge management can help the broader enterprise generate value from its intellectual assets by enabling more informed and timely decision making, improving communications and ensuring continuity as workers retire or leave. By fostering the sharing and open exchange of ideas using knowledge management, organizations enable their employees to more effectively achieve strategic objectives such as product and service innovation.

## Keeping CNH Ahead of the Competition

Case New Holland (CNH) is a world leader in the agricultural and construction equipment businesses. The company's history of innovation – and consolidation – can make life challenging for CNH's contact center agents. Its support centers on four continents must literally have expertise across thousands of products, models and model years; hundreds of product categories; and a myriad of accessories. And CNH must provide support for all those products in multiple languages to thousands of dealers spread across the globe.

By implementing Consona™ Knowledge Management, CNH experienced a near-immediate positive impact. Users soon began reporting a 37 percent increase in how often they were able to find solutions with upgraded self-service, resulting in CNH achieving a positive ROI in less than three months. Other benefits include a significant annual savings through self-service, which now deflects 80 percent of calls and has contributed to higher customer satisfaction.

## Aligning People, Processes and Technology

Although technology is a major component of knowledge management, technology alone cannot deliver the desired improvements in customer service. Success also requires an alignment with the organization's people and processes for new ways of working and sharing information.

Initiating this alignment requires a broad management commitment to changing current business processes and implementing best practices for capturing, maintaining and improving the organization's collective knowledge. This management commitment also fosters the necessary culture change toward collaboration and acknowledging people as the organization's most important knowledge asset.

Technology alignment means integrating a KM system with contact center systems, interactive voice response (IVR) systems, multi-channel systems (for SMS, chat, email, video), social media, help desk solutions and other support systems. New and modified support processes mean changes to reporting systems and measurement parameters in order to properly evaluate employee performance and the impact of KM on customer service costs.

Because of the distinct challenges of implementing knowledge management – organizational, technical, cultural and industry-specific – many organizations turn to an experienced partner, such as ACS, for help. Working with a partner can help mitigate project risk, speed time-to-benefit and optimize the return on investment in knowledge management.

# Economy-Proof Customer Satisfaction

## Helping ParTech Put the “Quick” in Quick Service Food Industry

With over 45,000 of its POS systems installed in 105 countries, ParTech is the leader in point-of-sale (POS) systems purpose-built for the restaurant, hospitality and retail sectors. As with most contact centers, staff turnover was resulting in knowledge gaps, primarily because the company’s existing knowledge management product wasn’t able to capture an agent’s expertise before he or she walked out the door – resulting in growing call volume, longer call duration and an increasing workload.

ParTech turned to Consona Knowledge Management to capture information as it was created in the course of resolving customer issues, filling the gaps in ParTech’s knowledge base and preventing new gaps from being created. The new system exceeded ParTech’s return on investment goal of saving two minutes per call, which translates into significant cost savings. The company also increased first-call resolution by 7.5 percent, reduced average handle times for complex products by 31 percent and decreased escalation rates by 25 percent.

## Choosing the Right Knowledge Management Partner

With more than 60 implementations across many industries, ACS has extensive experience in knowledgebase development and deployment. ACS combines technology, industry knowledge, and proven deployment and testing processes to deliver successful KM implementations. This wealth of experience also gives ACS the expertise to help organizations ensure the long-term success of their knowledge management efforts.

ACS even uses knowledge management internally, with implementations such as a knowledgebase that combines content from eight different salary and benefits databases. This solution serves 165 advisors who provide benefits and payroll assistance to 76,000 ACS employees working in more than 100 countries.

At the core of the ACS knowledge management solution is the highly respected Consona Knowledge Management Suite from Consona CRM. Consona draws on collaborative expertise in organizations to deliver fast, accurate and consistent answers to customer questions during a call with an agent or in self-service applications, email exchanges or online chat sessions. The technology provides capabilities for knowledge authoring and content management, as well as a patented, self-learning search technology that quickly gives users the best answers to entered queries. Consona helps organizations achieve tangible, significant improvements such as:

- **Chat/call deflection:** Reduce calls on average by 18–20 percent and improve email deflection rates as much as 40 percent.
- **Reduced training:** KM can enable rapid agent maturity, reducing average training efforts by 30–35 percent.
- **Increased first contact resolution (FCR):** KM can deliver an average of 15 percent increase in FCR rates for seasoned agents, with 27–30 percent improvement for new agents.
- **Determining intent from customer inquiries:** Conversion and resolution can increase up to 38 percent.
- **Improved contact center efficiencies:** Decreased research time, reduced tier-two escalations and increased time to proficiency can mean efficiency gains as high as 30 percent.
- **Improved service-to-sales opportunities:** Depending on the industry, companies can experience an increase of 5–15 percent,

## Summary

Knowledge management enables customer service organizations to easily capture and draw on expertise available across the enterprise – turning collective knowledge into a corporate strategic asset.

The KM solutions delivered by ACS help organizations measurably improve customer satisfaction while lowering costs through fewer calls, faster problem resolution, reduced staff training time and greater productivity. With ACS, companies can position their organizations for success no matter what the economy brings.

To learn more about implementing knowledge management solutions, visit [www.acs-inc.com](http://www.acs-inc.com).

