

South Carolina State Credit Union (SCU)

EXECUTIVE SUMMARY

PRODUCTIVITY IMPROVEMENTS

- Increased product sales to credit union members
- Increased sales promotion effectiveness for credit card services
- Increased first-call resolution in the call center
- Decreased wait times for teller lines at branch office locations
- Increased efficiency of call center management and training
- Reduced staff time spent managing voice-mails and emails
- Reduced mean-time-to-resolution (MTTR) of voice system support calls from three to four days to three to four hours
- Reduced member complaints by 10 percent

DIRECT COST SAVINGS

- Reduced branch-office member service representative and loan officer staff by one third
- Eliminated annual costs of approximately US\$50,000 in outsourced telephony and networking maintenance repair fees
- Reduced long-distance toll charges by \$20,000 annually
- Saved \$5,000 annually in toll-free 800 number fees

Company Overview

The South Carolina State Credit Union (SCU) is a not-for-profit financial organization that offers a full range of financial services to its members, including checking accounts, savings accounts, Internet banking, credit cards, mortgages, and financial counseling. It is headquartered in Columbia, South Carolina, and has 19 branch office locations and a broad automated teller machine (ATM) network spread across eight counties.

Business Challenge

Previously, the SCU had a Nortel Meridian private branch exchange (PBX) at its headquarters, and a variety of different key telephone systems (KTS) at its 19 branch office locations. Each site location operated in isolation – there was no way to transfer or route calls between the headquarters and branch offices. The company's management decided that integrating the organization's voice infrastructure across all site locations would improve SCU's member service and support capabilities.

Prior to the implementation, SCU had one toll-free 800 number for its members, and separate phone numbers for each of the 19 branch offices. If members called into a local branch for assistance, there was no way to route or transfer the calls back to the central headquarters if a branch office employee was either unable to answer or resolve a customer call. Consequently, SCU received a significant number of complaints from members who had difficulty locating an employee to address a problem. The availability of member service representatives was inconsistent, and the average time to resolution for incoming support calls varied enormously.

The Solution

In late 2003, SCU deployed an IP Communications solution from Cisco Systems® comprised of Cisco® CallManager, Cisco IP Contact Center Express (IPCC Express) and Cisco Unity™ Unified Messaging. The Cisco IP Communications solution included 200 IP phones installed at headquarters and throughout the 19 local branch offices, along with 29 Cisco IPCC Express agents, and 250 Cisco Unity licenses. Over the first five years (2003-2008), SCU anticipates an overall investment of approximately \$450,000 on the IPC deployment.



According to Alan Feldsott, SCU's vice president of Information Technology, "Part of that cost of moving to the Cisco system was actually cost that we would have incurred anyway if we had moved to new systems at the branches." SCU needed to replace various key systems at their branch office locations regardless, so they decided to replace their legacy TDM infrastructure with an IP Communications system.

Benefits

As of late 2005, SCU has been using its new Cisco IP Communications solution for 18 months. The resulting benefits have been significant, and have changed the way SCU does business.

The Cisco IP Communications deployment has helped SCU improve customer support through a centralized IP call center (IPCC Express). SCU has also realized improved efficiency of IT operations through the converged voice and data network, and improved employee productivity through the use of unified messaging.

(1) Increased Cross-Selling of Products to Members

As a direct result of this specialization in the workforce that the IPCC Express has enabled, SCU has had greater success cross-selling and up-selling products to existing members that call in for customer support. "We're now able to really match the skill set for the marketing and the cross-selling to member service representative (MSR) positions," Feldsott explains.

(2) Increased Ability to Handle Responses to Outbound Promotional Campaigns

The concentration of customer service and cross-selling skills in the centralized call center has increased the effectiveness of SCU's promotional marketing campaigns. With the call center centralization enabled by Cisco IPCC Express, SCU is now equipped to handle large increases in incoming call volume that result from its promotional marketing initiatives. "We just had our largest month in new accounts for credit cards because of a campaign that we had in place," Feldsott says. "The call center has been in the forefront of that, and we would have had difficulty in handling the response to this if we didn't have the [IPCC Express]." Partly as a result of these new call center capabilities SCU has increased its level of credit card outstanding balances by 20 percent in the last year.

(3) Significantly Improved Call-Center Responsiveness

The most immediate benefit SCU realized from its Cisco IPCC Express deployment was a significant improvement in call center responsiveness. All inbound calls during normal business hours are now answered by live member service representatives (MSRs). Members no longer have to leave a voice-mail or call a different number to reach an MSR.

Additionally, Cisco IPCC Express is helping SCU reduce its average hold time through its granular reporting capabilities. Currently, the organization averages 40 seconds of hold time per call, but the reporting capabilities of Cisco IPCC Express are helping it make adjustments to its call center in order to reach its goal of a 20 second average hold time. With its previous call center software, it was virtually impossible to even track the average hold time, much less do analysis to help reduce it.

Cisco IPCC Express is also helping SCU reduce its average hold time and ratio of "first call resolution." Previously, if the MSRs could not resolve an issue, they would transfer the call to an appropriate individual in the back office. If this individual was not at his or her desk at the time of the transfer, members would have to leave a message. With the Cisco IPCC Express, calls are routed to specific functional groups (mortgages, credit cards, checking accounts, etc.) and are then answered by whichever individual is available at the time. According to Keith O'Shei, a senior network analyst at SCU, "Now we have a lot more personal contact with members, and a lot more immediate resolution of their problems."

(4) Faster Teller Lines at Branch Locations

Now that calls to local branches are routed to a centralized call center, tellers servicing in-branch visitors no longer have to answer calls in addition to their other duties. According to Feldsott, this helps eliminate the frustration customers felt while waiting in line for a teller to end a call and become available.

(5) More Efficient Call-Center Management and Training

The Cisco IPCC Express has increased visibility into the performance of SCU's call center. Now, the organization can track metrics such as average time to answer an incoming call and percent of calls that are resolved by the first agent. It has also enabled SCU to improve initial and ongoing training of the MSRs that work in the call center.

(6) Specialization in Hiring Personnel

The solution has also given SCU greater flexibility in staffing. Because inbound support calls are now all effectively routed to the central call center, sales skills are no longer necessary for bank personnel, who can be hired exclusively on the basis of their accounting skills.

(7) Increased Staff Productivity through More Efficient Management of Voice Mail and E-mail

SCU has deployed Cisco Unity Unified Messaging system, allowing the organization to integrate voice mail and e-mail. As a result, employees spend less time managing messages and can respond to and prioritize critical messages more effectively, which Feldsott reports is a critical advantage. When a customer service issue is passed to another employee, the MSR can include a voice-mail in addition to a text-based summary of the problem or resolution so that the receiving employee has access to a summary of what transpired. “[This has] helped me really judge the level of concern of the member and be able to deal with it much more effectively,” Feldsott reports.

Employees also make use of the unified messaging system from both Cisco IP Communicator soft phone clients on laptops and on Pocket PCs with Microsoft’s ActiveSync 3.8. When they are out of the office, they are automatically notified when they have new voicemails and they can instantly see who the message is from. They can download the *.wav file and listen to it from their mobile device without having to call into the central voice mail system. This capability has helped employees stay in better communication with colleagues and customers while traveling.

(8) Reduced Need for Branch Office Personnel

As a result of centralizing their contact center operations, SCU’s staffing requirements at its 19 branch office locations will ultimately drop by a third from the previous level of 55 employees. As O’Shei explains, “We’ve cut down on the amount of personnel that we have to use to handle member information.” MSRs at the central call center now handle the vast majority of inbound member support calls, allowing branch office personnel to focus on other tasks.

In addition to reducing the level of permanent employees at branch locations, SCU no longer needs to have senior-level MSRs and loan officers travel from headquarters to various branch locations on an as-needed basis to do specific tasks for members. “We had five or six people that we needed to have that would do this type of fill-in work previously,” according to Feldsott. “That’s now been essentially eliminated because of the way we’re able to route and handle calls.”

(9) Reduction in Telephony and Networking Maintenance Expenses

SCU estimates that it has eliminated up to US\$50,000 in operating expenses because it is no longer dependent on outside consultants to maintain its telephony systems. Previously, the company spent \$11,000 annually for standard maintenance of its Nortel Meridian private branch exchange (PBX) at headquarters. This amount did not include requests such as moves, adds, and changes, nor repair and maintenance fees spent on the variety of key systems at branch office locations.

In addition to enabling the IT staff to bring maintenance of voice systems in-house, the deployment of Cisco IP Communications has allowed them to manage branch office voice and data networks remotely. Previously, if anything went wrong with either the telephone system or the network at a branch office, SCU would have to send IT staff from headquarters to fix it. This resulted in significant lost productivity for the IT department.

According to Feldsott, “The combination of standardizing on Cisco equipment, gaining more internal control of those systems and integrating the telephony into it has really allowed us to eliminate costly dependencies on [outsourced] groups that were very specialized. We were spending probably \$40,000 to \$50,000 a year because we didn’t understand our systems really well.”

(10) Faster Resolution of Voice and Data System Help Requests

The increased level of internal control from the deployment of Cisco IP Communications has led to faster resolution times to requests for changes, upgrades, and other support issues. Specifically, the mean-time-to-resolution (MTTR) for voice system support requests was between three and four days. With Cisco IP Communications, the MTTR has fallen to an average of three to four hours, according to Feldsott.

The biggest reason behind this dramatic fall in MTTR is that SCU’s internal IT staff can now handle both voice and data network support in-house. Previously SCU was dependent on a variety of different external consultancies to manage and trouble-shoot their patchwork of different key touch systems (KTS) at branch locations or their legacy PBX at headquarters. “If someone got sick or left their organization, we often had long delays [before getting any] support,” according to O’Shei. Now that the Cisco IP Communications

system is live, “99 percent of what we need to accomplish on an everyday basis, we can get done ourselves [and] we have multiple people that have that knowledge,” O’Shei explains.

The convergence of the voice and data networks has also led to training and development synergies for SCU’s technical staff. Both are now consolidated onto Cisco platforms, and IT employees who learn a certain aspect of Cisco IP Communications can also use that knowledge to help manage the data side of the network. According to O’Shei, “As we become more knowledgeable about one [part of the network], it also helps with the other. It doesn’t matter which side you’re on, because in the process you’re touching both of the systems.”

(11) Long Distance and Teleconferencing Savings

SCU estimates that it has realized savings of at least \$20,000 per year on long distance services as a direct result of deploying Cisco IP Communications. These savings come from toll bypass for inter-office, on-net voice calls. The company also estimates that it has reduced its toll-free number fees paid to its carrier by approximately \$5,000 annually as a result of the Cisco IP Communications solution. When members call into the local numbers of branch offices with requests that cannot be handled by local staff, they can now be routed automatically over the company’s WAN to the central call center. Previously, local branch staff would give a member the 800 toll-free number which they would then call separately.

Conclusion

SCU has fundamentally improved the way it handles member support services through its Cisco IP Communications deployment. With Cisco IPCC Express, calls to any branch can now be routed to a centralized call center and—from there—to an appropriate back-office functional expert. The resulting improvement in member support services has allowed SCU to grow its business significantly, resolve member requests more quickly, and consequently reduce the number of member complaints. Additionally, Cisco IP Communications has resulted in direct cost savings (lower maintenance fees and long distance charges) and employee productivity benefits with Cisco Unity Unified Messaging. The organization plans to integrate additional applications onto Cisco IP Communications in order to streamline other business processes and realize more productivity benefits.

For more information

www.cisco.com/go/ipc

www.cisco.com/go/voice

<http://www.cisco.com/en/US/products/sw/custcosw/ps1846/>

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