



White paper

Transforming Quality and Compliance using AI

Quality checking to Quality improving

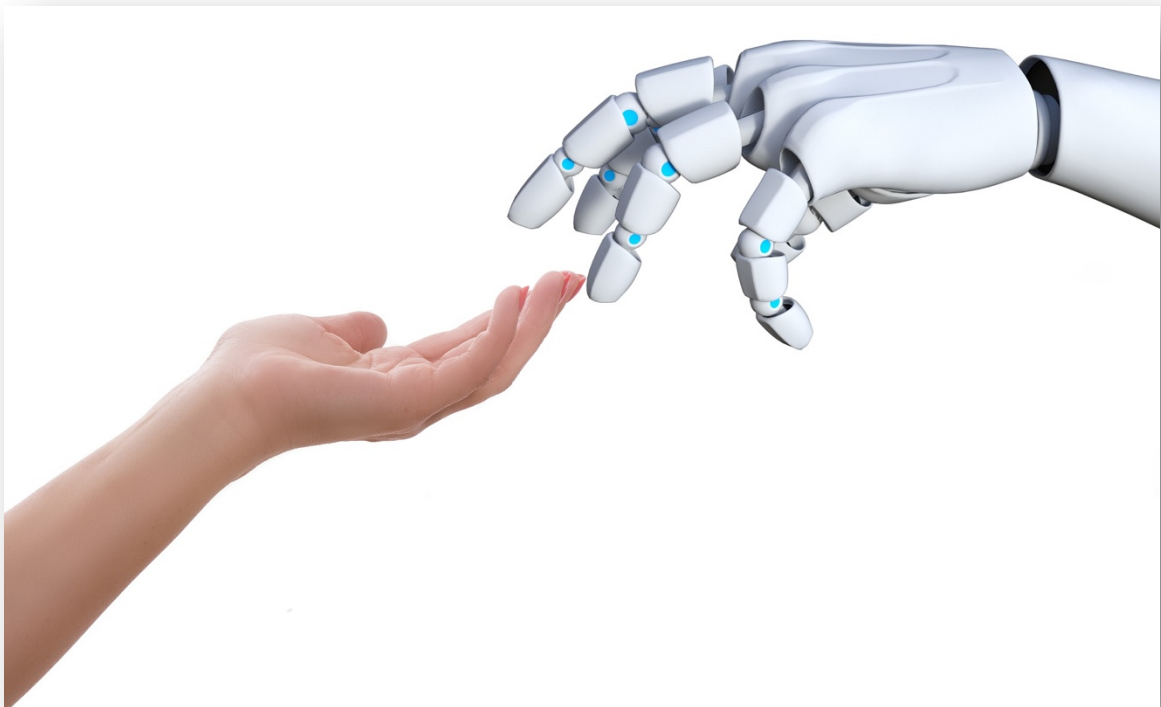


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Introduction

In recent years, 'Artificial Intelligence' and 'Robots' have been overhyped in the business world when talking about the future of technology, or the future value of people as workforce. Despite this increasing publicity and awareness in the market, businesses are yet to realise the full value of Artificial Intelligence in relation to their customer strategies. In the fast-moving world of AI, many leading companies have adopted chat-bots and automated messages to handle routine and repeat questions – through a drive to bring down the cost of staff. Thinking about AI as only a 'cost-lever' and not a 'strategic lever' is a mistake – companies would do far better to think about building their AI strategy on a solid platform of balancing Customer Experience with Risk & Compliance and Reward.

In a study conducted in May 2019 by CXReview, we found that as many as 70% of companies see benefits in automating their quality management process. Even though these findings might be encouraging, companies are slow to adopt AI in their customer-facing roles, such as in contact centres – with only 40% of respondents evaluating whether to adopt AI for their quality and compliance checks.

Gone are the days where customers want face to face interactions, instead most customers want responses quickly, consistently and, most importantly, they want the right answer to the question they are asking. Furthermore, customers want a relationship with the company they can trust with their personal information. The team in quality and compliance are the custodians of maintaining customer trust and standard of service.

The CXReview survey indicates 80% of respondents felt that pressures on quality and compliance are increasing in their contact centres. But the consequences of non-compliance can be devastating, with investigations, huge fines and compensation payments made for customer data breaches, as well as hitting front page headlines. This is hardly surprising as CXReview found that less than 5% of calls are checked for quality and compliance in UK contact centres, with the average as low as 2%.

Now it is possible to reduce risk substantially by implementing AI quality and compliance solutions, with up to 100% of calls checked 24/7, and reports produced within minutes.

Successful businesses will listen to all the customer conversations, focus on improving the poor interactions and raise the bar on good behavioural standards.

The importance of Quality and Compliance

In this white paper, we have sought to examine the current contact centre practices in quality management, contact monitoring and assessment and how these will be altered by the introduction of emerging technologies and the ever-changing demands of quality and compliance driven by:

- Regulators - The Information Commissioner's Office (ICO), Financial Conduct Authority (FCA), Ofcom, Ofgem, Ofwat, the Payment Card Industry Data Security Standard (PCI DSS) and other industry regulators.
- Compliance Laws and Requirements – GDPR (General Data Protection Regulation), DPA (Data Protection Act) 2018, FCA's TCF (Treating Customers Fairly) rules, Ofcom's Fairness for Customers' commitments.
- Customer satisfaction metrics – NPS (Net Promoter Score), CES (Customer Effort Score), CSAT (Customer Satisfaction measures).
- Operational developments – increased contact channels, growing complexity, growth in home working and collaboration with third party service providers.

Today, the penalties imposed for regulatory non-compliance are increasing substantially, whether they are experienced through:

- Regulators' fines and/or restrictions on organisations' activities for mis-selling, misuse of personal data or other transgressions.
- Brand reputational damage as a result of poor customer experience or compliance failures - often shared globally on social media.

Most businesses choose to rely on good agents and a robust training programme to deliver consistent quality at scale. But the high turnover of contact centre staff makes it difficult for companies to deliver a consistently high quality of service added to the pace of process development and change.

Over the past 15 years, we have worked with contact centres of different sizes, across multiple business sectors and find that very little has changed in the quality management process. It is still largely driven by business pressures to report on quality measurement targets, leaving little time to consider, define, refine and improve good customer service quality outcomes and experiences.

The prime objectives of quality management should be:

- 1) Assess that the agent is accurate and truthful in serving the customer.
- 2) Establish that the customer is satisfied with the service.
- 3) Identify improvements to the organisation's proposition and service delivery.

The QC function in the contact centre

For most businesses, the challenge with quality management is the TIME and COST. However much you improve the quality management process, it does not solve some of the fundamental problems related to post-call checking against pre-defined standards:

- Quality check reporting can be inconsistent because it is also subject to human error. After all, no one is checking the checker. And even if someone is, who checks them?
- It is a monotonous and mundane task, with low levels of job satisfaction.
- Reviewing only 2-5% of conversations means that many errors will remain undetected for a long time.
- Quality check reporting can take between 2 days to 3 weeks to produce, review and share, which means that an advisor's mis-selling or inappropriate behaviour will continue unaddressed before corrective actions can be taken.

The Challenge

As customers look for better product and service choices, businesses need to work quickly to meet these challenges if they are not to be overtaken by more agile and customer centric competitors - who are better equipped to deal with this shift in customer behaviour through more customer platforms, higher quality interactions and an integrated communication model.

A growing awareness of customer data security and its abuses by businesses is leading to more regulations and bigger fines. While GDPR and the 2018 Data Protection Act enforce personal data protection, it is not enough for companies to only cover the risks - they need to pro-actively embrace the regulations to shape a more respectful and customer-friendly approach to service.

The business challenge today is the cost of operating a robust quality and compliance function to meet these increasing demands from regulators and delivering a great service.

We see businesses publish high customer satisfaction ratings based on small sample checks, but social platforms often tell a different story about customers' real-life perceptions of their experience.

To differentiate, businesses have to identify the root cause of problems and implement an improvement programme. This starts with the QC function!

The Opportunity

The real opportunity for businesses is to elevate the importance of QC from a back-office verification service to a strategic function.

Change the focus from Quality checking to Quality improving.

AI based technology is now available for businesses to make this subtle but fundamental change to deploy a quality driven platform of continuous improvement in contact centres.

The Business Impact

Senior management need to evolve their thinking on the role of quality and compliance in the business. It needs to change from a reporting function to a strategic platform that will integrate internal processes and behaviours to deliver a consistent and improving business performance.

While there is great focus on adherence to regulations, this should be seen as no more than the base level of acceptable practice. Failure to comply not only carries heavy penalties but reputational damage, impacting brand value and trust.

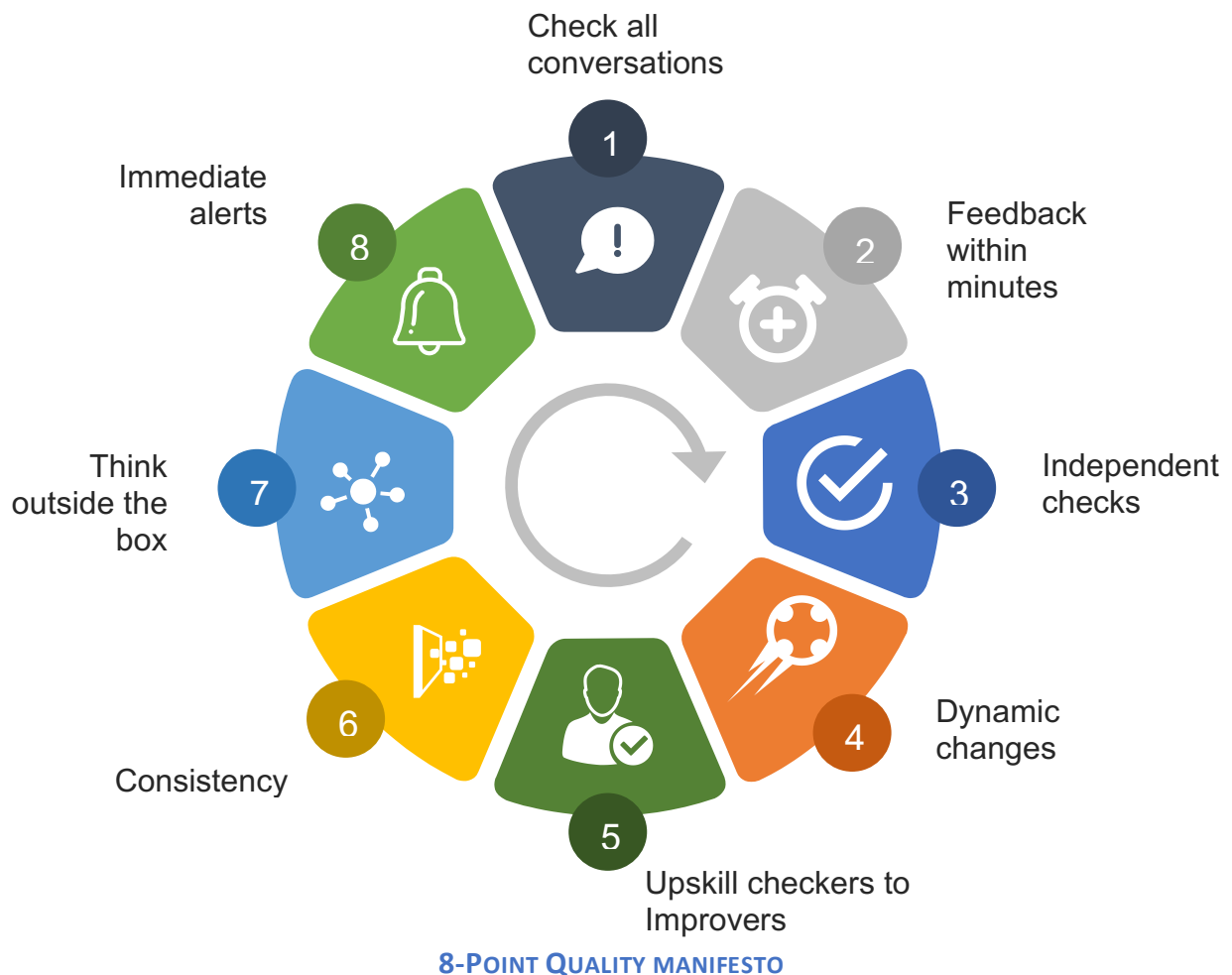
We see from the CXReview survey that 'customer experience' is deemed key to sales and commercial success and it is accepted that employee satisfaction has a direct impact on delivering a great service.



The Vision: 8-Point Quality Manifesto

Making changes requires support from the business and its people. A clear vision for this change, that is easily understood and accepted, is critical before taking the first step in implementation.

For quality and compliance, this may be your 8-point manifesto (below) for announcing your ambition and the roadmap to overall quality improvement.



- 1) Check 100% of customer conversations – Voice, Chat, Social, Email, Notes.
- 2) Report on quality checks within minutes of the call – not days or weeks later.
- 3) Introduce independent checks that are owned by the business, as opposed to passing the responsibilities to third party.
- 4) Make the QC process dynamic – make any changes live within minutes.

- 5) Elevate the QC staff from repetitious drones to critical, engaging analysts adding real value to the business.
- 6) Incorporate consistency in the checking process that can be also be verified.
- 7) Expand the checks to include parameters currently missing from QC because of time constraints.
- 8) Trigger immediate alerts for critical failures to initiate corrective actions.

Artificial Intelligence (AI) for quality improvement

Is AI ready to support quality management?

Technologies are making great strides and this is apparent from new consumer uses like voice assistants (such as Alexa, Cortana and Google Assistant). As consumer usage increases, so is the range and quality of solutions evolving for use in business.

The technology is ready for those that are willing to take the step forward in using AI to enhance their quality management process.

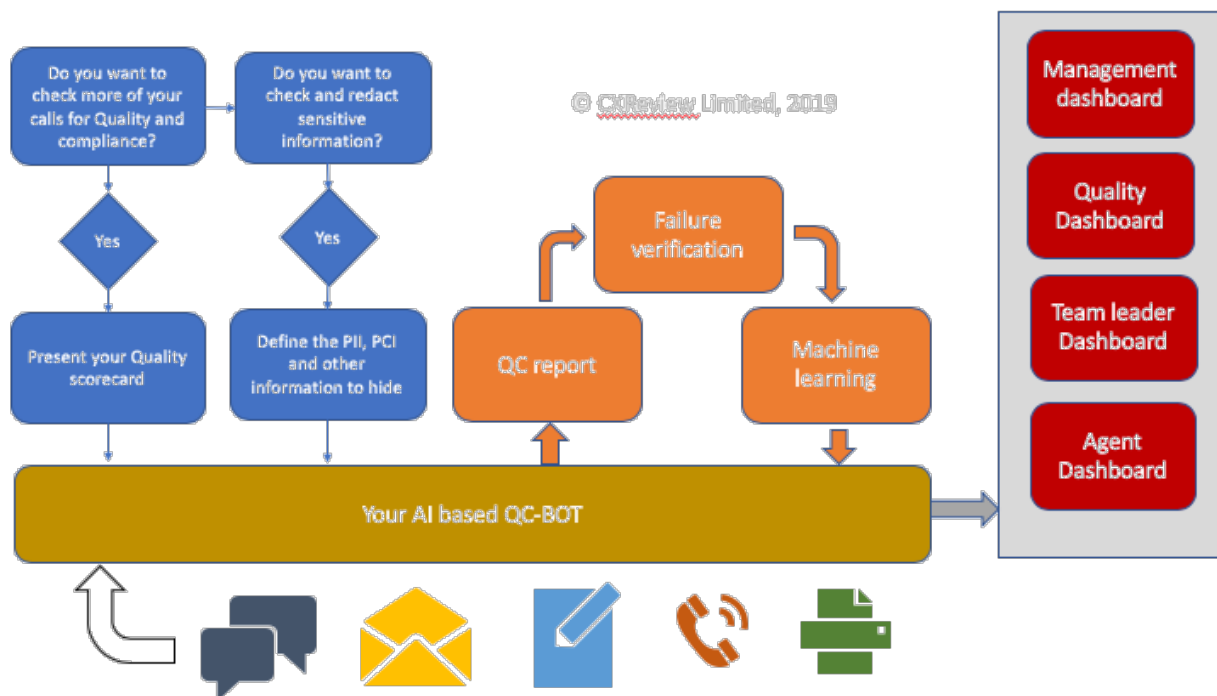
Quality and compliance checking is the ideal function for the use of AI because it eliminates mundane tasks from human actions, reducing the risk of errors and allowing humans to focus on what they do best.

Implementation of AI for Quality and Compliance

There is an increasing use of self-service robots in the contact centre to reduce the need for customers to speak to agents. Many of these robots are being developed for direct customer communications, using chat (chatbots) and voice (voicebots).

Until recently, there has been little attention given to vital back office processes such as quality and compliance. Now new technologies, such as CXReview's Quality and Compliance Robot (QC-BOT), can be deployed in the contact centre today using Artificial Intelligence by the following methods:

1. Map your quality and compliance checking requirements to the QC-BOT platform. Most AI platforms will allow you the way to present these guidelines.
2. You may want the QC-BOT to automatically suppress sensitive personal and card information from agents. Identify the sections of the transcript you wish to suppress.
3. Connect the QC-Bot to the channel conversations you wish to check.
4. Configure the QC-BOT to present the QC failures for the human quality checker to verify.
5. Read errors for correction and to apply to machine learning.
6. Present the information to the business.



USING QC-BOT TO CHECK ALL CONVERSATIONS

Changing the role of Quality Checkers to Quality Improvers

It is important to note that the machine is only as good as the inputs provided by human experts. Whilst AI platforms have some built-in intelligence, this can never cover all the eventualities encountered by the business.

With all the training and scripting offered to contact centre agents, you would expect failure rates to be relatively low at less than 15%. In a quality framework it is largely wasted effort to verify good or acceptable interactions when much more effort and insight are required to analyse the interactions that both fail or even significantly exceed compliance and quality standards.

This should be the new role of the current quality checkers – transition them to be quality improvers, using technology, and track the real impact on quality, compliance and customer experience.

Selection & Implementation Checklist

Be aware of choosing the right vendor. There is a wide range of contact centre AI solutions offered by new vendors.

- Ensure that your current technology can support the introduction of an AI solution.
- Secure management buy-in to your requirements. It may be tempting to see the forecasted Return on Investment and commence implementation, but the solution may have impacts beyond the contact centre or your department.
- Check that there is a credible speech analytics engine. There is a wide margin in performance between good and bad. Choosing the cheapest may simply deliver inaccurate data that will harm the business.
- Understand the setup costs. The majority of vendors will have a setup cost to configure the AI platform to work with your business processes. Ensure that the costs cover all your requirements and any future re-work costs are tied down.
- Setup a pilot phase with carefully selected data sets, to ensure that the AI platform delivers acceptable results, before it is rolled out to the wider business.
 - Ensure buy-in from your staff. AI can be seen as a means to take away people's jobs, but there is a need in AI to use human experts to continuously improve its accuracy.
- Consider the re-training costs to change the role of existing staff.

Conclusion

It's easy to see why it no longer makes sense for contact centres to rely on the traditional manual checking of customer conversations.

Toughened rules around personal data security mean that regulators are taking an unprecedented hard line on data breaches caused by lax security. Whether the breaches result from loss, damage or theft, the onus is placed squarely on businesses to protect all the personal data that they hold.

Alongside this, customers' expectations over the quality and consistency of the service they receive are increasing. Should these expectations not be satisfied, many customers will abandon a brand and take their business elsewhere.

Such significant and growing risks to business can never be eliminated when less than 5% of customer calls are checked, and reporting back can take days or even weeks. Unchecked non-compliant behaviour by agents can cost business dearly.

The way ahead is clear. Automated 100% 24/7 checking across all channels for Quality and Compliance using Artificial Intelligence can provide far greater security with a more comprehensive, faster, cost-effective and 'always on' solution.

Indeed, it is likely that regulators will ultimately require 100% checks as a base level for service to be maintained.

Eliminating monotonous, repetitious tasks from human actions reduces the risk of error. Liberating quality and compliance agents from these mundane tasks can release them to handle customers requiring human diagnosis and empathy, adding real value to the business.

But quality management should be a more dynamic process than just checking customer conversations. It should reflect regulatory and business objectives in the training, coaching and rewards of all customer-facing staff.

Now is the time for contact centre management to think beyond the confines of the current quality management paradigm and reinvent their quality management approach to meet increasingly tough regulatory and customer service demands.

If they don't, traditional quality management will be condemned to irrelevance.

About the Authors



Jay Patel is a technologist with 10 years of experience of running a contact centre operation in the UK. He is a contact centre AI specialist working closely with leading technologies over the past 2 years. He is passionate about customer experience and in the practical use of innovation that would make a significant impact on delivering outstanding customer service. Jay founded CXReview (www.cxreview.net) which is committed to education and support services to help contact centre professionals develop their roles in working with new technologies. Get in touch with Jay at Jay@cxreview.net



Steve Sullivan, has 20 years' experience of solution design and delivery in customer experience and contact centres. This has included working with variety of brands including as American Express, Ageas, Abel & Cole, Burberry, Land Rover, Marks & Spencer, Richemont, The Guardian and Now TV (Sky), as well as their technology and service providers.

Steve is the founder of customer engagement consultancy, Channel Doctors (www.channeldoctors.co.uk/cx). As Deputy Chair of the UK Data & Marketing Association (www.dma.org.uk)'s Contact Centre Council and lead for its Regulation Hub, Steve has developed a detailed, pragmatic understanding of current and future regulation in the customer management space. Steve is a Data Protection and Privacy course lecturer for the Institute of Data & Marketing (www.theidm.com) and a Companion Member of the Institute of Customer Service (www.instituteofcustomerservice.com). Get in touch with Steve at hello@channeldoctors.co.uk

About CXReview

CXReview helps companies to achieve cutting edge customer experience by providing smart insights from customer conversations.

CXReview's superior quality monitoring service uses conversation hub software built on Natural Language Processing (NLP) technology. We are UK distributors for a market-leading software platform successfully used by 3 of the world's leading virtual voice assistants and recognised by Gartner as 'Best of Breed'. We are supported by over 1200 expert developers and analysts.

To take your contact centre quality and compliance operation to a dynamic new level, please contact jay@cxreview.net for an online demo or call 020 7993 9029.

UK Government personnel can find us on the G-Cloud 11 Digital Marketplace

Appendix I – Quality survey report



Survey report on the importance of Quality monitoring in delivering better customer experience

CXReview undertook a recent poll to assess companies' views on the importance of quality and compliance checking in their businesses. It is well established that positive customer experience is a major factor in companies' success, but how important is the role of quality checking to this success?

As businesses strive to deliver more personalised services, they need to hold more customer data which has led to many high-profile security breaches and, in some instances, inappropriate use of personal information to target sales opportunities.

Regulators are stepping in to protect the customer with a greater onus on compliance

This report is a synopsis of the responses we received on the importance of Quality and Compliance functions to their business. We had a very good response to the survey carried out in May and June 2019. The results of the survey are summarised against the questions asked.

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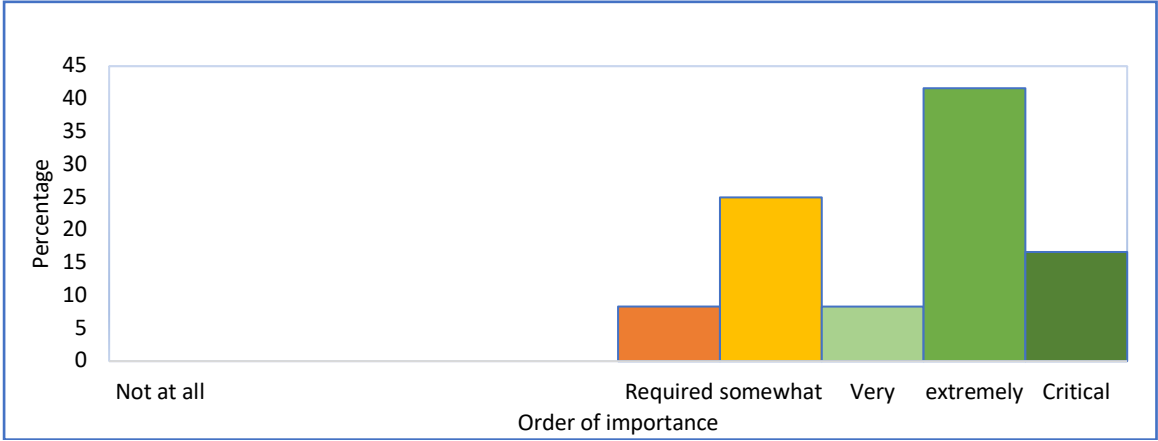
Do you have responsibility or influence for Quality Assurance?



30% of the respondents not directly responsible for Quality Assurance were senior managers with business responsibilities

02

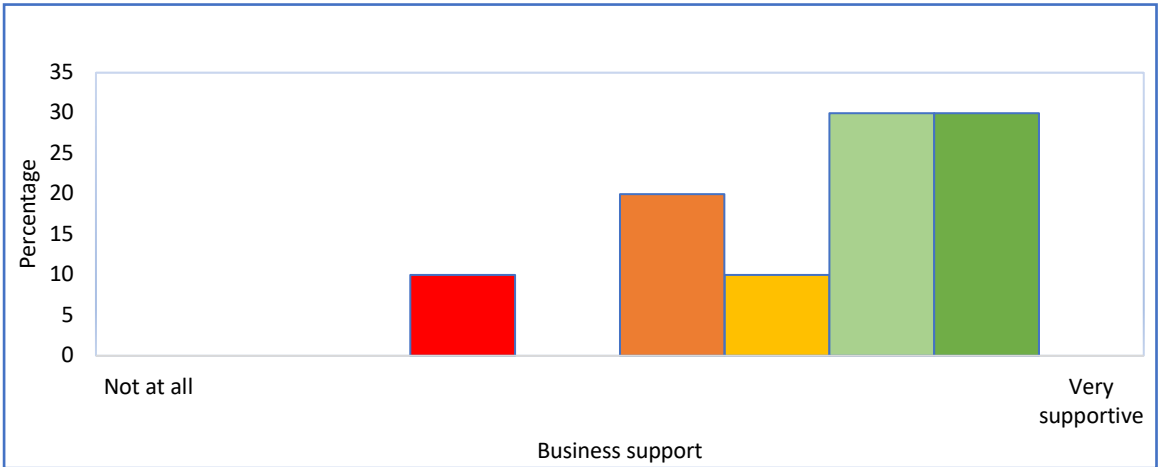
To what extent does your business value Quality Assurance?



All of the respondents highlighted the need for Quality Assurance activities, with over 50% marking it as extremely important or critical to the business.

03

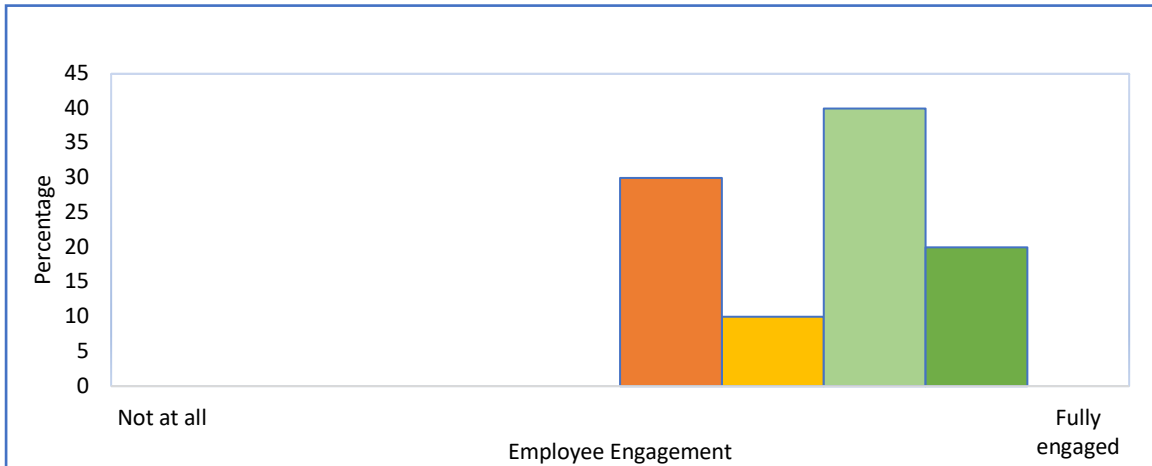
How supportive is the business to the Quality Assurance function?



Respondents that are directly involved quality and compliance checking service indicated the senior management are becoming more engaged in QC.

04

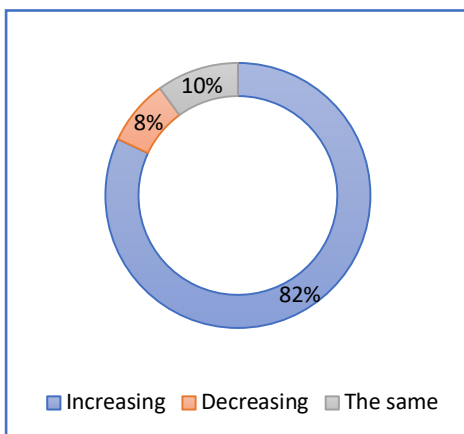
How engaged are the employees with the Quality Assurance function?



We saw a wider spread of opinions to this question showing that although employees understand the need for the function, they are not always appreciative

05

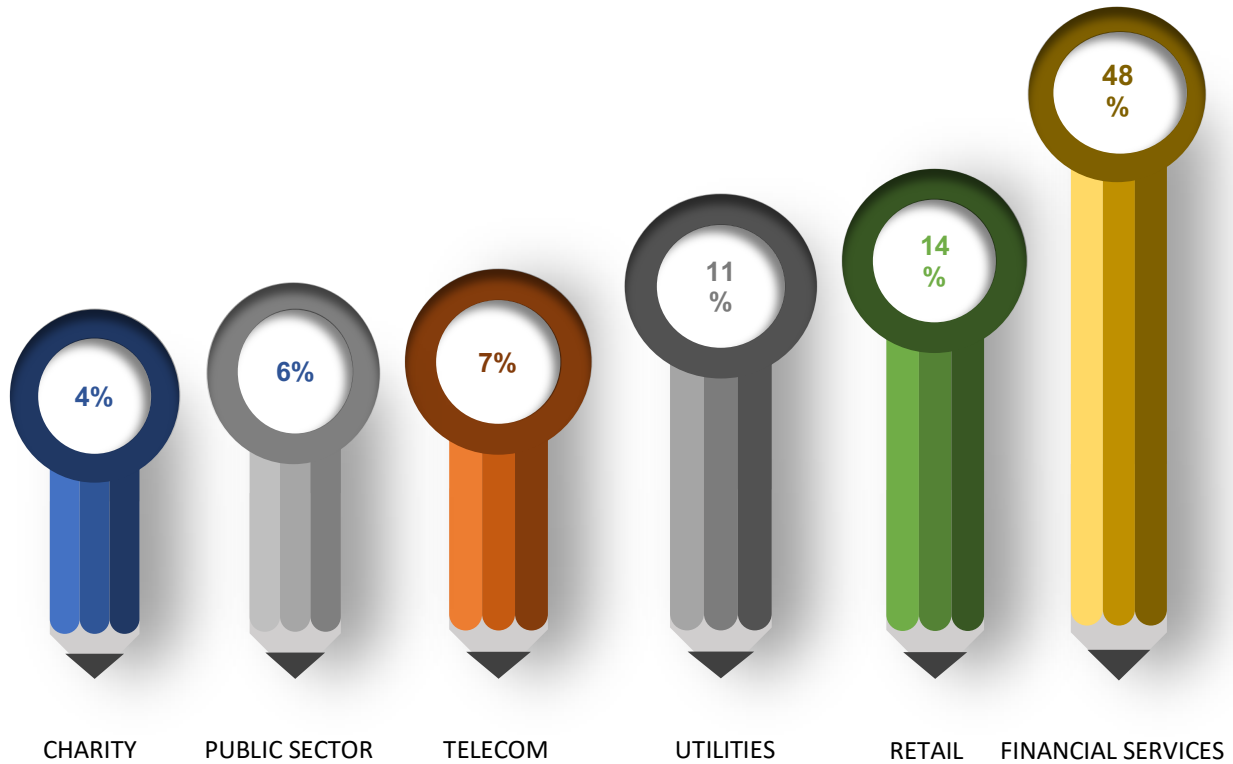
Do you feel that pressures around compliance are increasing or decreasing



Most of the respondents also believed that they will require more support to track the changes to regulations.

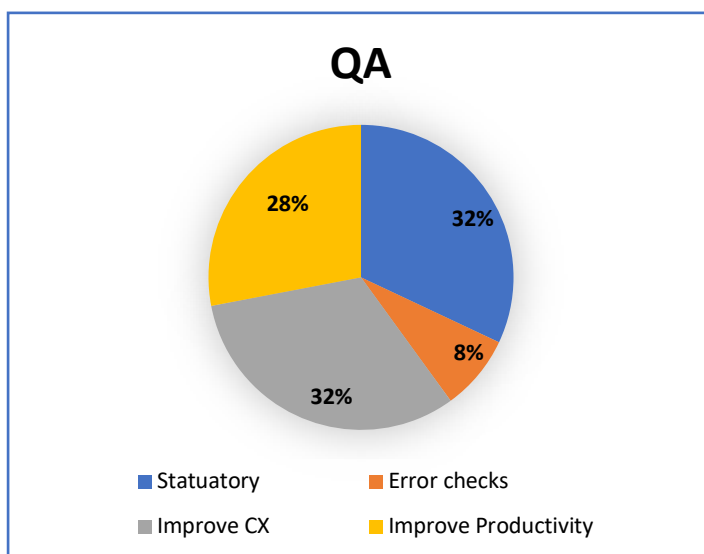
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In which business sector do you operate?



07

Why do you use Quality Assurance?

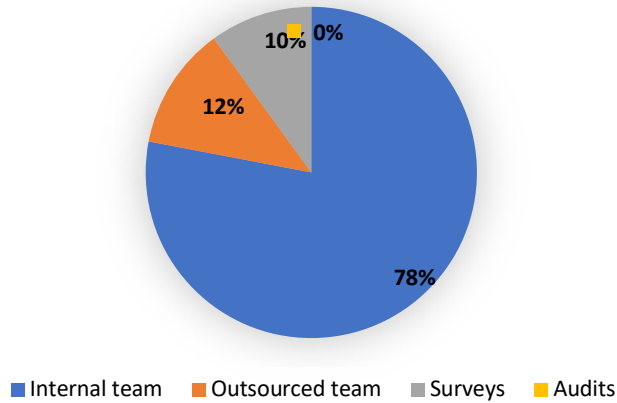


Almost all respondents were clear that quality checks were not intended to monitor agent performance.

08

How do you measure Quality Assurance?

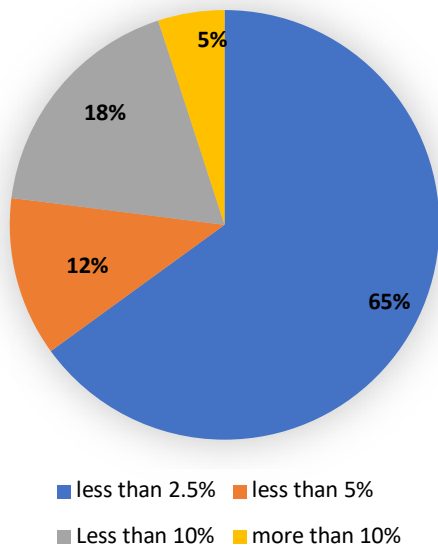
Measurement



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What percentage of conversations are you monitoring?

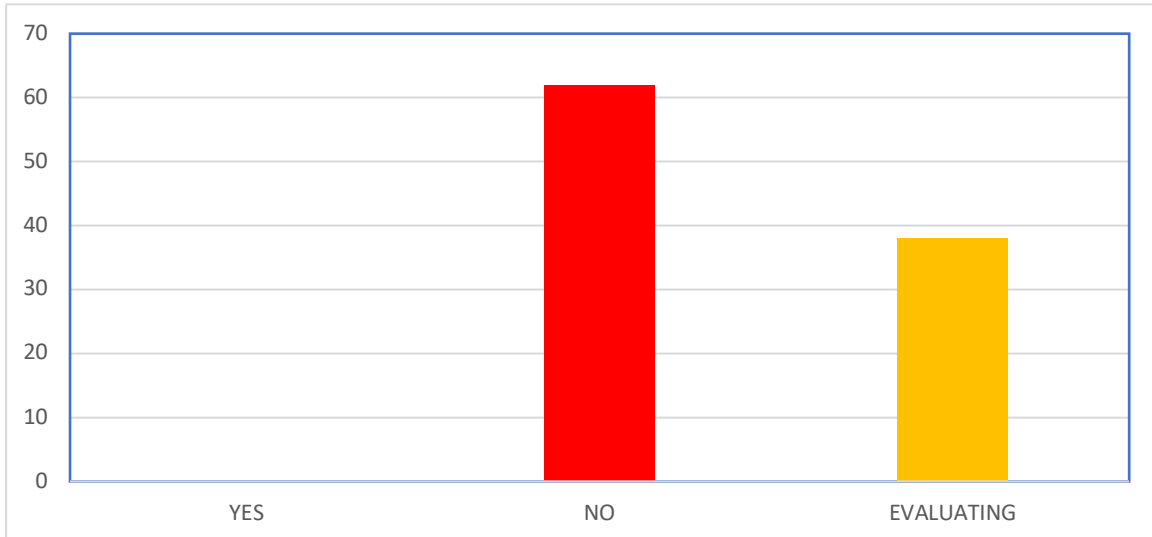
Monitoring



All the respondents highlighted their desire to check more conversations, but this was not possible because of cost and time pressures.

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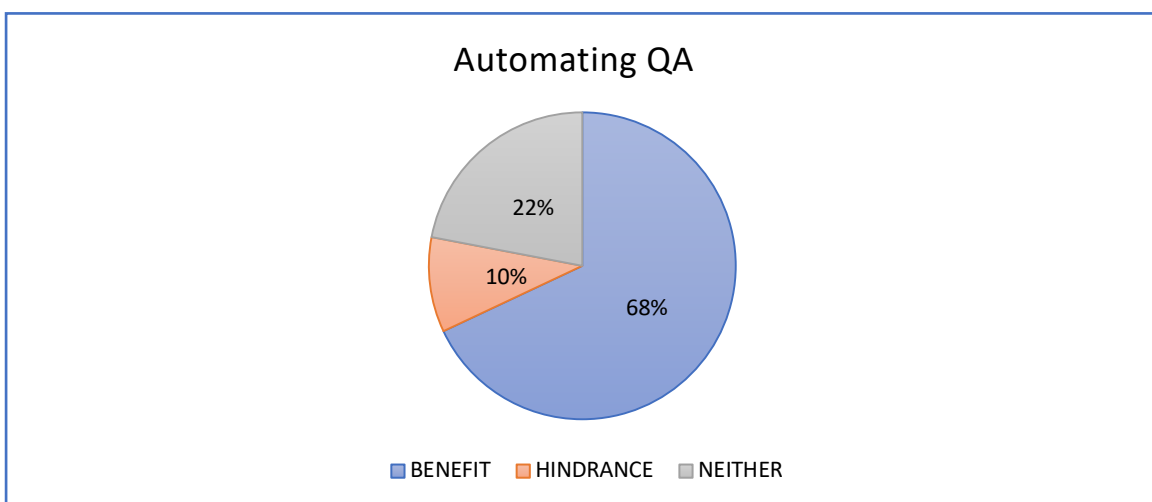
Are you using new technology (like AI) to support your Quality Assurance process?



None of the respondents were using new technology to support their QA function

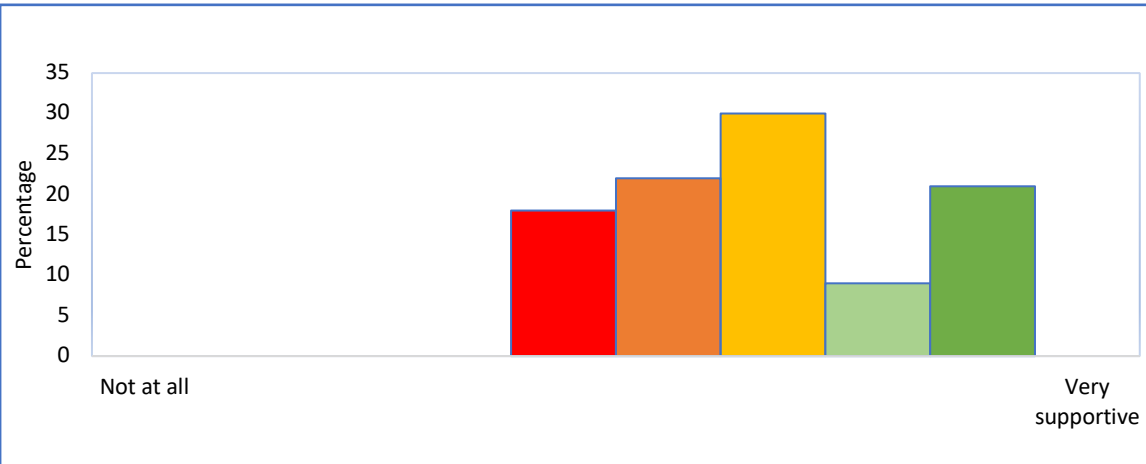
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Do you consider automating Quality Assurance a benefit or a hindrance?



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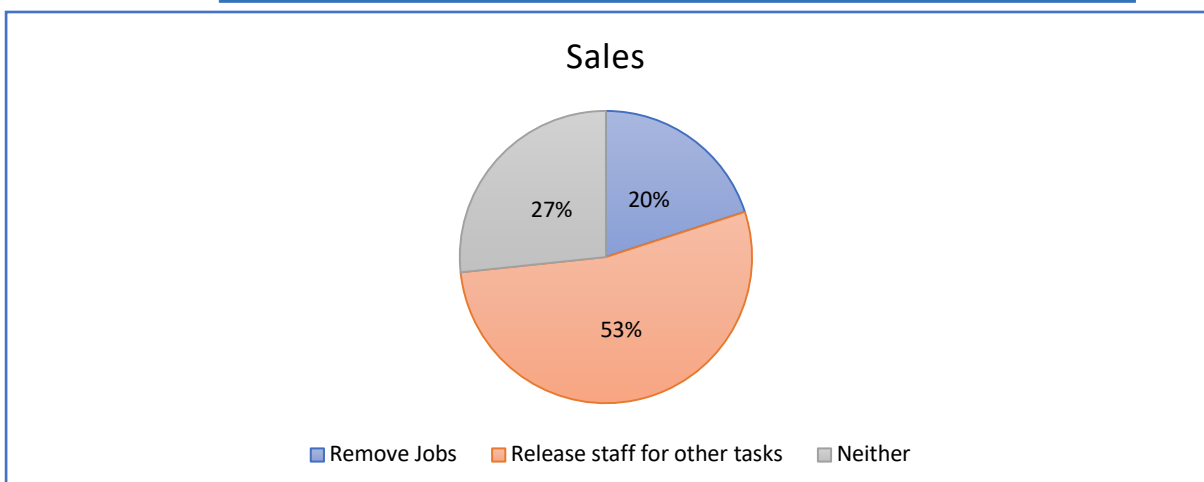
How willing is your business to adopt automated Quality Assurance?



Most of the respondents indicated that whilst management were willing to invest, there was not enough knowledge in the business to move forward.

13

Do you think automated Quality Assurance will remove jobs or release relevant staff for higher value tasks?



Survey conclusions

It was clear from the survey that quality and compliance checks are becoming increasingly important to businesses and that there is more focus on this function from senior management.

Changes in customer behaviour over recent years have put greater emphasis on the need for business to deliver a consistently good service, adding additional pressures to QA.

We found that all the businesses use traditional QA methods to check conversations for quality and compliance. Whilst we sense a strong willingness to adopt new technologies, there was very little knowledge of solutions available in the market and how they could be deployed to assist current processes.

CXReview would like to thank all the companies that participated in the survey. As a result, we will be planning a series of workshops on the implementation of new technologies to support Quality Assurance in contact centres.

Appendix II – Artificial Intelligence (AI)

AI is a growing part of the technology industry focused on developing intelligent machines that are able to interrogate vast amounts of data very quickly to problem solve and deliver factual responses.

There are 4 major developments that have allowed AI to develop:

- Computer processing power that is able to handle vast processing tasks on a single machine - tasks that required a whole bank of computers only a few years ago.
- Storage availability and cost. The ability for businesses to hold lots of data has opened up opportunities for AI.
- Big Data. This is the way that businesses organise vast amount of information on computers so they can be interrogated to identify valuable data useful to the business.
- Neural networks and algorithms that perform complex tasks using vast data within seconds.

A branch of AI called conversational AI has evolved to support the needs of the customer service industry.

Conversational AI refers to speech-based and messaging assistants that interface directly to communication channels like the phone or webchat systems. These AI platforms consist of two main components:

“Natural Language Understanding” (NLU), which reads the communication in different languages. This is not only the understanding of international languages but also industry-specific language, where common terms may have more than one meaning.

“Machine Learning” (ML), which is continuously learning from mistakes and continuously improving. This offers the scope of developing considerable intelligence, not just about the words being spoken but how they are used.

Appendix III – Contact centre AI in the news

Analysts predict a big increase in the use of Artificial Intelligence (AI) in contact centres.

“Research firm Gartner predicts that by 2020, 85% of questions will be answered by virtual assistants.”

“Consultancy Accenture says 81% of executives it interviewed think that within two years AI will be working next to humans in their organisation as "a co-worker, collaborator and trusted adviser".

Gartner predicts that chatbots will power 85 percent of all customer service interactions by the year 2020. – April 2018

We are seeing the signs :

M&S to replace call centre staff with AI that understands human speech.

– The telegraph , August 2018

Citigroup CEO Predicts A.I. Will Replace Tens of Thousands of U.S. Call Center Jobs

– 19th Feb 2019