

Chapter 6

Contact Centers: Tool for Effective E-Business

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ABSTRACT

Often, small and medium enterprises consider the possibility of creating their own contact centre as a tool to improve the customer service. They pose some important questions about business and technical aspects: Why should we use a contact center solution? Which technologies, architectures, and solutions are available? Which key issues should be analyzed? The chapter provides specific information and practical guidelines about Contact Centers based on a literature review and interviews made to contact center business consultants specialized in the small and medium enterprises sector. The goal is to help top management and Information Technology responsible in making the best technological choices and methodological approaches.

INTRODUCTION

Most organizations, in all sectors of industry, commerce and government, are fundamentally dependent upon information systems (IS). Consequently, organizations have assumed that advances in information technology (IT) infrastructure and e-business systems will not only provide economic returns, but are an important element of business definition and competitive strategy (Bharadwaj,

2000; Johnston & Carrico, 1998; Santhanam & Hartono, 2003). However, two decades of IT performance research has shown that the link between IT investment and improved organizational performance is still elusive (Chan, 2000).

For example, ‘productivity paradox’ proponents claim that despite the massive investment in IT, these systems have not produced significant improvements in industrial productivity (Brynjolfsson, 1993; Thurow, 1991).

More recent reviews of IT productivity have produced encouraging results. Brynjolfsson and

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Hitt (1998) conclude that IT is valuable, even though its extent and dimension varies across organizations. The idea on IT business value can thus be summarized as follows: if the right IT is applied in the right way, improved business performance will result, conditional upon appropriate complementary investments in workplace practices and organizational structures and shaped by the competitive environment (Melville, Kraemer, & Gurbaxani, 2004; Varajão, 2002). IT and e-business are directly related. The e-business, is the use of electronic media, to review the business model, to redesign and to reposition the company and to obtain competitive advantages (Shankar, Urban, & Sultan, 2002).

Advances in e-business applications and technologies present many opportunities for contemporary businesses to redefine their strategic objectives and enhance or transform products, services, markets, work processes and business communication (Coltman, Devinney, & Midgley, 2007).

The Contact Centers are important tools that use electronic infra-structure and allow this business reformulation. A contact center covers a wide range of an organization's material and human resources with the aim to provide one or more services to users through a channel such as telephone, e-mail or the Web (Gans, Koole, & Mandelbaum, 2003; Koole & Mandelbaum, 2002).

The contact center formally appeared in the eighties (Cardoso, 2000; Gaballa & Pearce, 1979; Hawkins, Meier, Nainis, & James, 2001). At that time, the investment to start a contact center operation was only accessible to the large companies. However this situation changed. Due to its importance, contact centers play, currently, a central and decisive role for the small and medium enterprises (SME). Its growth in recent years makes them economically and socially relevant, being significant employers in several countries (Barros & Brandão, 2006; Holman, Batt, & Holtgrewe, 2007).

A contact center allows an organization to reduce costs either by reducing the need of a local presence either by improving the quality of the service. They are also a decisive tool to increase the profit by establishing a continued business relation with customers (Peppers & Rogers, 1999, 2004) in a process denominated customer relationship management (CRM).

They are considered "services factories" in a multidisciplinary area that crosses Marketing, Operational Research, Psychology, Sociology and Information Systems, among others (Gans et al., 2003). Therefore Contact Center's Information Systems projects are complex, involving a multiple kind of actors and interests.

Despite the efforts made in recent decades, information and communication technologies projects' still have modest success levels (Demarco, 1997; Ewusi-Mensah, 2003; Jones, 2004; Kappelman, McKeeman, & Zhang, 2006; Standish Group, 1996, 1998; Yetton, Martin, Sharma, & Johnston, 2000).

Thus, by its strategic, economic and social relevance, Contact Center's projects become the primary purpose of this chapter.

The main goals of the chapter are to provide insight for the top management and IT responsible in the following questions: Why should an organization use a contact center solution? Which technologies, architectures, and open-source solutions are available? Which key issues should be analyzed?

The remainder of this chapter is structured as follows: the next section gives some fundamental background for the Contact Centers and CRM understanding. The section "technologies and architectures" introduces three architectural types used in Contact Centers and emergent associated technologies. The subsequent section presents key issues that must be considered when developing a contact centre solution for a SME. The Chapter ends with considerations about issues, problems and future research directions.

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