



Protect and
promote your
brand with every
interaction:

The Complete Guide to Outsourcing

Outsourcing is a business initiative often reserved for noncritical services, but when it comes to a strategic business task, such as providing exceptional customer service, the contact center is anything but noncritical. Because of the importance of delivering outstanding customer experiences, many financial institutions are often hesitant to outsource the contact center, even though the positives can far outweigh the negatives.

Many institutions do not even consider outsourcing, often for a variety of important reasons; either they feel they're managing it well enough on their own, or they believe the account holder touchpoint is too precious to entrust to an outsider.

But what if your institution began thinking about outsourcing differently? Outsourcing can prove especially valuable when institutions need extra staffing and expertise, for example, during or after online and mobile banking conversions or other high volume, inbound events. During these times, call volumes and handle times can double, putting an extra burden on your contact center team. What's really needed is the flexibility to quickly scale up or ramp down and manage spikes in activity, without having to hire a large number of people for a small window of time — and without sacrificing the quality service that your account holders expect. Outsourcing (when done right!) can accomplish this ... and more.



WHY

Financial Institutions Need to Outsource

As more and more financial institutions use outsourcing to manage strategic functions within the organization, service providers are being evaluated on their ability to deliver on the account holder journey and add value to the customer experience overall. Strategic outsourcing can drive transformational change and help your financial institution grow and retain account holders because a strong outsourcing supplier can provide benefits beyond just staffing, such as:

- **Project planning and management support**, to ensure rapid deployment, operational efficiency and go-live success
- **Quick issue resolution and customer satisfaction** with an experienced and dedicated frontline team that can anticipate account holder questions
- **Ongoing quality assurance** to ensure best practices are being followed and key learnings are continuously incorporated to meet performance standards

In addition to the above “tactical” benefits, outsourcing can also be a huge boom for the business overall, often producing:

Greater Customer Engagement - You know the adage: “There’s no substitute for a live human.” Gallup confirms this in their report; one of the most powerful drivers of customer engagement is contact center interaction with a live person, second only to an in-person branch visit. More than 80 percent of companies that prioritize customer experience are reporting an increase in revenue. When customers discover a delightful customer

experience, it’s likely they will want to return to it again.¹

Better Strategic Alignment Within the

Organization - Requiring in-house staff to make outbound calls — or having them handle an influx of inbound calls due to a conversion, for example — can result in frustration and subpar service. It isn’t what your internal staff normally do or what they’re used to. While your team may handle the excess load for the short term, performance and morale ultimately may suffer.

By using an outsourced resource, financial institutions benefit from focus that delivers the best opportunity for success, and allows staff to focus on what they do best. Outsourcing helps improve internal efficiency and uses resources more strategically, allowing the institution to focus on core competencies. It also provides access to specialized expertise that typically isn’t available in-house.

Competitive Advantage - As the role of the contact center evolves and becomes more sophisticated, outsourcing becomes a competitive advantage. More than a short-term staffing fix (not that there’s anything wrong with that!) using an outside contact center resource becomes an extension of an institution’s business and brand.

At times, outsourcing can be more art than science. Fortunately, when it comes to the contact center, the guide below will define strategic, measurable steps to implement. Simply put: it all comes down to clearly defining the “when” and “how” of your outsourcing objectives.

¹ Fontanella, Clint, “10 Customer Experience Statistics & Trends to Watch in 2019,” HubSpot.com, Feb 27, 2019.

WHEN

to Outsource

Consistent Customer Service During Inbound Events

The world of financial services is ever-changing thanks to regulatory developments, technology disruptions, and rising consumer expectations for speed, convenience and personalization. Due to these myriad opportunities, financial institutions often undergo business transitions that necessitate the need for staffing the contact center so they can deliver the best customer service when account holders need it the most.

Online banking and mobile conversions.

Upgrading or migrating technology often requires account holders to take specific steps online. Having a knowledgeable, patient voice guiding them through the process can mean the difference between a pleasant and unpleasant customer experience (which, in turn, can determine whether the conversion was a success or failure for your institution).

Mergers and acquisitions. Whether it's a policy change, new card activation or account transition, ensuring account holders have access to their funds is essential. It is imperative the institution be available by phone to ensure a stable transition with uninterrupted service.

Regulatory changes. Anytime your account holders have to do something — opt-in, create a password or acknowledge receipt of information — contact center agents can prompt action, smooth the way and answer questions.

Branch expansion or closing. Introducing a new branch is a great opportunity for account holder engagement and branch personnel simply don't have the time to lay the groundwork. A personal call to welcome account holders and prospects who are in close proximity to the new branch establishes a warm relationship from the start.

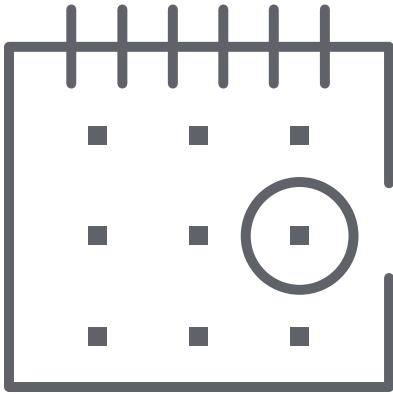
Business continuity and crisis communication.

An unanticipated influx of calls can be spurred by any number of unplanned events — a security breach, a public relations problem or even implementation of a new fee. Having those calls answered promptly by knowledgeable representatives goes a long way toward easing anxiety or annoyance. Are you ready to respond if your institution or account holders are impacted? Your account holders need to know what to do and what not to do. When it's not business as usual, fast, effective communication is imperative.

Your Typical Service Standards: Met and Exceeded

Outsourcing the contact center isn't just for big changes in the business; it can also be an effective strategic measure to support account holders during their day-to-day activities, or used as a business growth initiative. What if your contact center was the key to growth?

One obvious way to generate growth for your financial institution is to use the contact center for outbound campaigns. But there's bigger opportunity than just bringing in new deposits and loans.



Engaging your account holders, meeting their needs, and decreasing negative customer experiences can have a measurable impact on the bottom line, too.

But how does engagement equal growth? Account holders who feel satisfied and fully engaged with their financial institution are more likely to open new accounts, consider cross-sell opportunities, recommend their financial institution to friends and family, and sign up for additional products and services. All of these can bring increased growth, providing both short- and long-term financial benefits to your institution and offsetting any costs associated with outsourcing to a third party.

Consider leveraging an outsourced contact center for the two initiatives below:

Improve Service Levels. The contact center is a personal touchpoint in today's digital world and an important part of any customer engagement strategy. Augmenting staff with support from a third-party supplier, positions your financial institution to consistently deliver on account holder expectations, reinforce brand trust and create a positive customer experience that lasts.

Outbound Communications. Outbound calling is an extremely effective way to connect with account holders. They enjoy hearing from their financial institutions, whether it's to share good news, provide updates or communicate changes. Nothing kicks off a new relationship, for example, like a welcome call to a new account holder.

Unfortunately, most financial institutions lack the internal resources to conduct outbound calls.

Branch associates are busy taking care of existing account holders, and you wouldn't want to compromise in-branch service by pulling them away to make outbound calls. Professional contact center resources provide specialists whose only job is to reach out to your account holders or prospects with a defined, consistent message.

At the same time, they provide regular and accurate reporting on your campaigns so you can measure the impact and disposition of each call. Working with an external resource makes good business sense — whether on a small, quick campaign or a long-term project — whenever your institution needs an efficient, professional team uniquely skilled to conduct outbound calls.

HOW to Outsource

Of the three questions, “when,” “why,” and “how,” how to outsource is the most important. When done well outsourced suppliers are an extension of your brand. Done incorrectly, outsourcing backfires on your brand and annoys account holders who may want to take their business elsewhere.

According to McKinsey², of the 50 largest global banks, three out of four now pledge themselves to some form of customer-experience transformation. A seamless customer experience can be worth at least as much as a superior product or efficient process — building customer loyalty, reducing costs, making employees happier, and boosting revenues significantly.

When assessing a contact center resource, the benefits below are the most important to keep in mind — account holder satisfaction depends on it!

Quick reaction time. You need an organization that can help your institution communicate with account holders fast. These nimble capabilities make an enormous difference, for example, when getting a program up and running quickly. Account holders feel appreciated when they receive accurate information in a timely manner. You keep their trust by keeping them informed.

Short-term, flexible staffing. Another benefit to being nimble is being able to staff up and down quickly to accommodate fluctuating needs. Some vendors may not be interested in accommodating

short-term scenarios. The right vendor will be capable of changing staffing requirements and tailoring the program to the unique needs of your financial institution without sacrificing quality.

Positive account holder experience. The right contact center resource will be available, knowledgeable and professional, and will model its own process after the brand interaction your financial institution worked hard to build and maintain. This reinforces a positive experience, which helps encourage loyalty among your account holders.

Customized messaging. The goal should be to protect and promote your brand with *every interaction*. Your contact center resource should be willing to do the hard work up front to produce customized programs to your exact specifications and needs. This includes customized training, verbiage and scripts, IVR messaging and quality assurance. Also, be sure that your resource is capable of adapting, finessing and reworking scripts and responses as circumstances change — mid-program, if necessary.

Focused attention. Working with a right-sized resource puts you at the top of the priority list. Look for a highly specialized team of contact center representatives to work on your project. This allows the contact specialists to mirror your philosophy, presentation and professionalism, and to meet your customer service standards.

Industry experience. Obviously, you want to work with an experienced call center resource. But what kind of experience should you look for? When it comes to financial services, industry experience is essential. Choose a vendor that is specialized and focused on your industry, one that understands its unique challenges and can apply relevant knowledge. This ensures your outsourced team will be fluent in the language you use, in the issues your financial institution is facing and the best practices for addressing them.

Tip from Harland Clarke: The resource you choose should also be an expert in contact centers, staying current with industry trends and changes, and willing to share best practices and offer guidance. Partnering with a knowledgeable vendor will give you confidence that your business — and account holders — are in capable hands.

Meticulous execution. Look for a resource with a proven track record but doesn't make assumptions about your project or program. Be sure it is committed to the fundamentals — listening to your goals, following a thorough process and meeting your specific needs.

Indeed, despite the rapid growth in the use of web-based services, customers still find voice the most convenient, flexible and quickest communication channel, especially for highly-complex, high-emotion, or high-urgency inquiries.³

So, when communication really matters, contact center agents can make or break your brand.

Frequently Asked Questions about Outsourcing — Answers by Harland Clarke Vice President of ContactCenterCX Terri Panhans

Q: Why would I incur the extra cost of outsourcing when I have resources in house?

TP: This is a great question, and at its core reflects the real fear about turning over the brand to non-employees. The answer comes down to two things: time and focus. Your in-house teams, whether they are your own contact center employees or your branch personnel, are already fully occupied with their day-to-day jobs. Trying to make outbound calls — or handling an influx of inbound calls due to a conversion, for example — results in frustration and subpar service.

Contracting with an outside resource allows your in-house personnel to focus on what they do best. More and more, we're seeing our clients moving various types of transactions to us — specifically, outreach that aligns with their strategic growth initiatives. By using an outsourced resource, you benefit from focus that delivers the best opportunity for success.

³ "The 2019-2020 US Customer Experience Decision-Makers' Guide," ContactBabel, 2019-2020, 2nd edition.

Q: Won't it be expensive?

TP: A contact center is a cost for your business. You can also attempt a conversion without a contact center supplier, but we wouldn't advise it.

On average, 30 percent of online banking users call during a conversion event, potentially doubling call volume⁴ — and handle time — leaving your current contact center overwhelmed and understaffed. Scarier still, it can take customers up to 12 positive interactions to make up for just one negative experience with an underprepared call center. With 59 percent of customers willing to change brands after a negative customer service experience,⁵ it isn't so much a question of whether or not your contact center provides a return on investment, so much as ensuring your customer's needs are met through the provider you choose so you don't lose business.

Q: How can you, a third-party contact center supplier, accurately and consistently represent my brand?

TP: If you choose a supplier with a long history in managing the way financial institutions do business and market to customers, there won't be any messaging problems. Additionally, by utilizing a short-term custom solution, which adds scalable contact center capacity for as long as you need it, your organization gets a solution designed to seamlessly integrate into the way your brand is currently interacting with customers.

Q: What security services should an outsourcer be able to offer?

TP: I think making sure the outsourcer possesses knowledge and expertise around, pays attention to, and is investing in information and physical security is important. As well as making sure they have a keen awareness around the regulatory considerations that we all need to be aware of and are able to deploy solutions around that. Their solutions should, at the very least, meet and in a lot of cases exceed, those of your own.

Some things to think about from a physical security perspective: are they in a paperless and pen-less environment, free of mobile and digital devices, to protect sensitive information? Do they have cameras? If they do, where is the location of the cameras? What are their badge in and out procedures? From an info-security perspective, do they have lockdown access to printers for their agents who are on the floor or to other external internet sites that should not be accessed? Do they have blockers so that things like cell phones and personal belongings can be secured so they're not taken onto the floor? From a regulatory perspective, do they stay up-to-date on things like do not call and all of the regulations that need to be taken into account so that everything, whatever program it is, stays compliant throughout?

⁴ Harland Clarke data, 2018

⁵ McGinnis, Devon, "40 Customer Service Statistics to Move Your Business Forward," Salesforce Blog, May 1, 2019



Q: Is it difficult to onboard a contact center supplier?

TP: Yes, which is why it is important to choose wisely! To decrease difficulty and the time it takes to onboard, take the time to find a supplier with both a deep understanding of financial services and proven experience in helping other brands create successful online conversions. Flexibility is also important when making a solid contact center selection; consider augmenting your contact center staff rather than outsourcing the entire business process to a new supplier with new staff, systems, and solutions.

Q: Is outsourcing risky given the provider has access to account holder information?

TP: This goes back to our first point about choosing a reputable contact center supplier from the outset, one that understands your business and shares the same sensitivity around customer data.

Harland Clarke offers two big advantages when it comes to securing customer data. First, because of Harland Clark's deep background in serving financial institutions, we are fluent in security protocols and especially sensitive to the needs of a financial institution when it comes to data security. Second, augmenting instead of outsourcing keeps security in line as your institution is still in charge of the day-to-day of the contact center itself.

Why Harland Clarke ContactCenterCX for Your Financial Institution

Do a quick Google® search and you'll easily find the negative impact of poor customer service:

- Businesses lose \$75 billion each year due to poor customer service.⁶
- 33% of consumers will take their business elsewhere after just one bad experience.⁷

The reasons listed above are just skimming the surface of how important it is to have the right contact center supplier at your side. But how can you ensure your supplier is one that will grow your business?

Harland Clarke ContactCenterCX has everything in an outsourced, contact center supplier: dedicated, highly trained specialists; state-of-the-art facilities; strict security protocols; and flexible, scalable support.

We handle more than 22 million financial service calls per year and offer valuable insight and proven strategies that come from years of experience. We augment capacity and enhance capabilities for short-term events or for ongoing inbound and outbound marketing programs.

With Harland Clarke, you receive the support you need, when you need it, while your account holders receive a best-in-class customer experience.

With the statistics listed in this paper, ask yourself, do you really want to risk not having the right outsourced supplier in place?

⁶ Hyken, Shep, "Businesses Lose \$75 Billion Due To Poor Customer Service," Forbes, May 17, 2018

⁷ PwC, Experience is Everything., Get It Right, 2018



Find out more about how Harland Clarke ContactCenterCX can help your financial institution engage and delight your account holders.

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