Callfinder®

Powering Change:

How Speech Analytics Helps the U.S. Utilities Industry Improve the Customer Experience and Create a Resilient Power Grid

I. Executive Summary – State of the Utilities Industry

From small rural cooperatives to large regional transmission operators, utilities in the United States face a number of overlapping challenges, from changing customer expectations to a changing fuel mix. Utility companies are committed to developing a more resilient power grid, but are working within constraints that include aging infrastructure, increasing cybersecurity threats, and intensifying storms. And while digital advances like connected home services and distributed energy resources (DERs) are helping utilities design that modern grid, they also introduce enormous complexity into the existing business model. Added to that complexity is a wide range of differing city, regional, and state policies, changing federal regulations and oversight, and rapidly growing customer demand for more convenience and control over how they manage their electricity costs.

Because that customer demand is a driving force behind many of these changes, the utilities industry is placing greater emphasis on customer satisfaction (CSAT) scores than ever before. J.D. Power recently described the need to increase customer satisfaction and engagement while lowering operating costs as integral to a utility's long-term strategy.[1]

The good news is that utility companies already have access to powerful CSAT and engagement data in the form of customer calls in the contact center – interactions that most utilities already record as part of their compliance activities. By employing speech analytics to summarize what was said in a call, utility companies can identify pain points and emerging issues across their organizations, while learning directly from customers which technologies and services are most valuable to them.

As a result, utilities can derive the insights they need to create a clear blueprint for the grid of the future. In fact, McKinsey reports that advanced analytics can not only improve safety and increase customer and employee satisfaction, but also boost profitability for utilities by five to 10 percent.[2]

That may explain why 75 percent of businesses and 80 percent of contact centers list customer experience as the largest driver of investment in two recent surveys – and why U.S. utilities plan to spend $20 billion on customer analytics through 2021. [3,4,5]

This whitepaper details how speech analytics, along with the right technology partner, can help utilities leverage their call centers to listen to the voice of the customer, improve agent performance, and successfully meet the challenges of providing reliable power in a changing world.
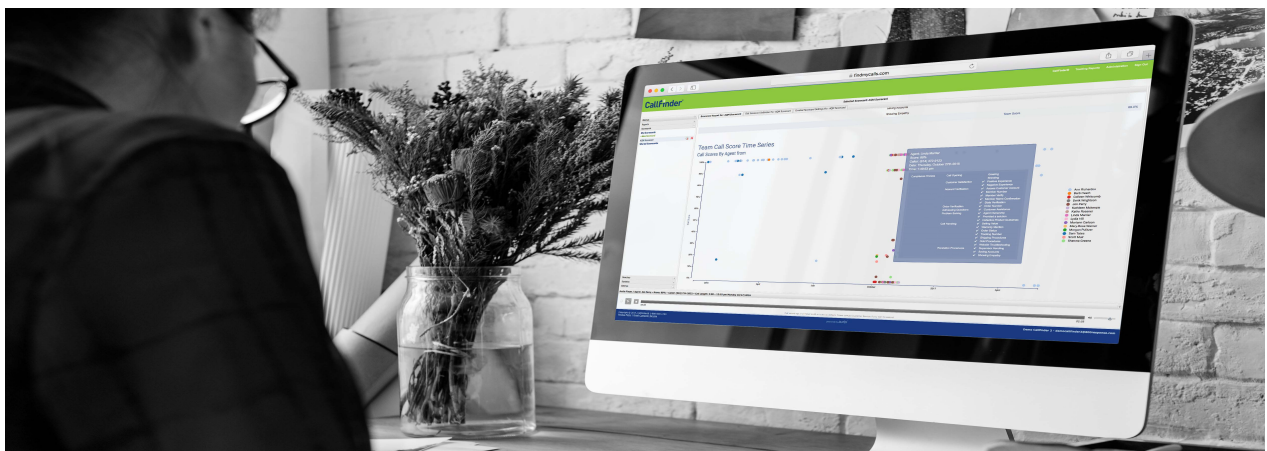
II. Challenges in Providing Power

Utility businesses comply with a massive array of regulations and energy policies. They also face the same demands confronting every other industry: the pressure to digitally transform their business models to better adapt to change and to provide the same level of customer service offered by consumer-focused companies like Zappos and JetBlue.

Meeting Compliance Responsibilities in the Contact Center

Depending on their ownership model, U.S. utilities are regulated by different levels of government. Investor-owned utilities are primarily regulated by state public service commissions (PSCs) or public utility commissions (PUCs), which oversee planning, investments, operations, and customer rates. Publicly-owned utilities, such as rural electric cooperatives, municipal utilities, and large power authorities, are overseen by co-op boards, municipal authorities, and federal agencies. City and state policy makers also typically impose their own energy savings targets and efficiency standards on utilities; in 2017, twenty-six states had such policies in place. [6,7]

On the national level, the Federal Energy Regulatory Commission (FERC) regulates wholesale power sales and transmission across state lines through the Public Utilities Regulatory Policies Act (PURPA). FERC can investigate complaints and impose civil penalties on utilities that engage in market manipulation or unfair pricing.

Other regulating agencies include the Department of Energy (DOE), the Environmental Protection Agency (EPA), and federal agencies that protect federal lands, historical sites, and endangered species. Because utilities must provide access to electric poles for wireless, fiber and broadband lines, they are also regulated by the Federal Communications Commission (FCC).[8]

Multiple regulations also govern the way utilities use their call centers, particularly when agents are contacting customers about past-due bills. In particular, utilities must comply with the Fair Debt Collection Practices Act (FDCPA), enforced by the Federal Trade Commission (FTC) and the Consumer Financial Protection Bureau (CFPB). The FDCPA is designed to eliminate abusive, deceptive, and unfair debt collection practices and places strict limits on what agents must and must not say in conversations with debtors.[9]

Call centers must also abide by the Fair Credit Reporting Act (FCRA), which includes the way debt collection efforts appear on credit reports, as well as the Telephone Consumer Protections Act (TCPA), which requires prior consent for autodialed or pre-recorded calls to mobile numbers and specifies what information must be included in those recordings.[10]

If credit card data is recorded on a billing or collections call, it falls under the Payment Card Industry Data Security Standard (PCI-DSS), which protects customers against identify theft and data center breaches. For contact centers, this means that certain portions of sensitive cardholder information cannot be stored, even in the most secured fashion.

Finally, most states also have laws about debt collection practices and encourage customers to file complaints or civil suits against call centers that violate them. As a result, call centers that fail to comply with federal and state regulations face exposure to significant fines and penalties as well as civil liability, damages, and legal fees.[11]

Maintaining compliance under the FDCPA requires a high level of professionalism and consistency from agents, and the need to use specific phrases and terms has led many organizations to require the use of "Mini Miranda" scripts (for example: "This is an attempt to collect a debt, and any information obtained will be used for that purpose.") Monitoring and enforcing script compliance in calls poses an enormous and ongoing challenge for call centers – as reflected in the CFPB Annual Complaint Report, which lists 84,500 complaints for 2017.[12, 13]

Focusing on Customer Care

J.D. Power customer satisfaction scores have become the defining metric for the utilities industry. The company's yearly survey rates utilities by examining six factors: power quality and reliability; price, billing, and payment; corporate citizenship; communications; and customer service.[1] To score well, utilities must demonstrate to customers that they've moved beyond simply keeping the lights on – and past old stereotypes of poor service, including impersonal and bureaucratic call centers, impenetrable websites, and a focus on policies over people.

Instead, customer expectations are pushing utilities to provide up-to-the-minute outage communications; easy online and mobile bill pay; new ways to monitor their power consumption; to participate in energy efficiency programs; and to use smart appliances and renewable energy like solar and wind. Similarly, commercial customers want help improving Energy Star building ratings and meeting city, state, and federal energy benchmarking and transparency policies.[14]

Optimizing Agent Performance

The service level, training, and professionalism of call center agents play a major role in successfully improving customer satisfaction and loyalty. Agent-customer interactions may determine whether a customer leaves or stays with a utility company and how that customer rates the utility in J.D. Power surveys and on social media.

To measure those interactions, both in-house and contracted call centers monitor for call quality and performance. However, the sheer volume of interactions agents handle makes it impossible, or at least highly impractical, to manually listen in on every call. For example, if average call length is four minutes, one agent on a six-hour shift can handle 90 calls a day or 1,800 calls per month.

As a result, managers who manually monitor calls most often rely on random sampling to catch emerging problems and identify opportunities for coaching and training. Even so, this approach can be overwhelming and expensive. A manager in charge of 20 agents who scores 10 calls per agent each month would still need to listen to 200 calls, or about 13 hours of calls each month. That task can include scrubbing through audio multiple times for clarity as well as the time needed to score performance, pushing the supervisor's time commitment well over 13 hours.

Human error and subjectivity are factors here as well. Supervisors can miss issues on the calls they do hear, and different supervisors may interpret the same issue differently. Furthermore, if those supervisors are only listening in on 10 or so calls per agent, they may catch that agent on a particularly good or bad call and develop a skewed understanding of that person's performance and approach.

Because of these limitations, manual monitoring is ineffective and hard to scale, particularly when utilities rely on different call centers to handle different areas of the business. What's more, failing to catch emerging issues may lead to other costs, including high agent turnover and the risk of having to pay fines or damages in the wake of customer complaints.

Improving Agent Skills with Training Programs
Companies that provide power to residential and commercial customers also face the challenge of training their call center agents to interact with those customers. Compliance issues in the call center range from consistently using scripts and protecting privacy to informing customers about incentive programs and handling customer complaints. Training must also address professional behavior, such as maintaining a respectful tone, using language that's appropriate and on-brand, and not calling too frequently – a major factor behind those complaints.[15]

III. Benefits of Implementing Speech Analytics in the Contact Center
By automatically searching, categorizing, and scoring every agent conversation, speech analytics makes it possible for call centers not only to talk with utility customers, but also to listen to and understand them. As a result, utilities gain a deeper understanding of both successful and unsuccessful interactions, enabling them to create more effective training and procedures that keep customers happy and agents in full compliance.

Enforcing Compliance
Automated call monitoring and reporting can dramatically improve regulatory and script compliance while lowering the risk of fines and damages. Speech analytics can identify collections calls in which agents have not used a Mini Miranda script, have called outside of specified hours, or have used abusive language. They can also point to gaps in meeting energy efficiency policies and standards, or even help flag potential safety hazards.

Recording and categorizing every call helps managers create responsive, data-driven training that addresses real-life issues as they emerge on the call center floor, helping agents learn how to handle new or particularly challenging situations.

Recorded and archived calls can also help resolve or settle disputes in legal proceedings and regulatory compliance hearings. Call recording data is an invaluable asset in these situations and helps to reduce time and expenses.

Improving Agent Performance and Outcomes for an Outstanding Customer Experience
Identifying and categorizing specific phrases can also help call centers identify and address sources of customer frustration using root cause analysis. They can then focus on the performance metrics associated with the issue and use them to flag relevant calls, adjust agent scripts, and improve training. This kind of adjustment also provides a valuable service to utility companies by helping them retain customers and improve billing and collections procedures.

Speech analytics can help identify opportunities to offer customers the information and services they value most. According to the J.D. Power 2018 Electric Utility Residential Customer Satisfaction Study, customer satisfaction has improved for a seventh consecutive year, in large part because utilities are offering customers timely power outage alerts and restoration estimates, and providing better information about costs and billing. J.D. Power research also shows that CSAT scores improve from 587 to 646 points on average as customers learn about engaging with a utility's services and incentive programs.[1,16]

Speech analytics also helps call centers monitor for specific terms within the utilities industry. For example, searches can monitor for customer frustration over disconnecting, reconnecting, or transferring services. Searches can also measure the customer effort required to learn about new services or incentive programs by scanning recorded audio for key phrases – on the agent or customer side – that are shown to trigger conversations about additional services and promotional programs.

Automated monitoring can also show whether agents provide accurate balances and due dates to customers during billing and collections calls, and score conversation quality based on factors such as word separation, clarity, pacing, and volume. Call centers can even search for phrases such as, "I'd like to speak to your supervisor," which is an indicator that a call is not going well. The results can be used not only to improve agent knowledge and performance, but also to unify performance across multiple call centers working for the same utility company.

Enhancing Agent Training and Coaching

Speech analytics is often applied to streamline call center operations. Automated monitoring and scoring makes it possible to evaluate agent performance consistently and objectively while reducing effort and costs. In other words, busy managers can spend less time listening to calls and more time talking with agents and helping them succeed.

The solution can produce automated quality scorecards that show detailed metrics on individual agents as well as performance across teams. This process removes subjectivity and enforces a consistent approach to training. The scorecards empower managers to offer agents precise, meaningful feedback on their work. They can also set up the conditions for positive reinforcement and friendly competition between individuals and teams, as well as pinpoint precisely where agents should focus on improving.

A speech analytics solution can also help identify individual agents who would benefit from additional coaching and pinpoint areas where multiple agents are struggling. And by using the insights derived from automated reports, managers can make sure that training helps to effectively address and resolve these common issues. Conversely, it can also help managers identify and share best practices from high-performing agents who are doing well.

As a result of these efforts, agents may be more willing to stay with call centers rather than quitting in frustration when they don't understand how and where to improve. This, in turn, helps call centers maximize their return on hiring, onboarding, and training those employees. It may also affect the bottom line: one recent survey found that companies who invest in the employee experience have 4.2 times the average profit and 2.1 times the average revenue.[17]

Understanding the Big Picture

Sharing data that is captured and extracted with a speech analytics and call scoring solution across the business opens up a range of benefits to sales, marketing, human resources, legal, and other departments. With this data, the organization can identify patterns, trends, and connections, and leverage those insights to make operational improvements that move the business forward while mitigating business risk. For instance, the call center could search for keywords related to marketing campaigns, promotions, or other key messaging, or for insight into where services could be improved.

These insights can benefit client organizations as well. For example, learning that a particular utility provider's customers frequently call with the same billing question not only helps the call center reduce inbound calls and boost first-call resolution – but it also help identify confusing billing procedures. Analyzing call data can also measure the level of interest in technology like smart thermostats and appliances, which can in turn inspire new services that offer customers more control over their monthly bill. Conversely, it could also show that customers aren't aware of existing programs, prompting an enrollment campaign that leads to higher customer satisfaction.

## IV. Choosing the Right Speech Analytics Solution for your Business

Speech analytics works by structuring audio so it can be indexed to easily search for keywords or phrases that utility call centers identify as important to their success. The technology aggregates data into designated categories and generates automated reports that show what customers are saying and how agents are performing. Here we highlight some features to look for when researching a speech analytics solution:

Monitoring and Categorizing

A speech analytics solution scans through hours of spoken content in seconds to search for and identify specific words and phrases and sort them into customized categories. For companies and contact centers in the utilities market, these categories may include anything from phrases that indicate service outage issues, billing issues, appointment requests, and more. The technology can also identify off-script agents, signs of customer frustration, and areas of the agent-customer conversations that can be improved to increase their satisfaction scores.

Delivery Options

A speech analytics solutions provider can work with the utility market and their call center partners in several ways. The most effective way is for the business or call center to send pre-recorded calls and metadata to the provider for processing in batches. A provider that is also a registered telecom can also carry and record the call traffic for near real-time analysis. In either case, the calls will be automatically categorized based on search definitions and the results will be made available through a secure online dashboard.
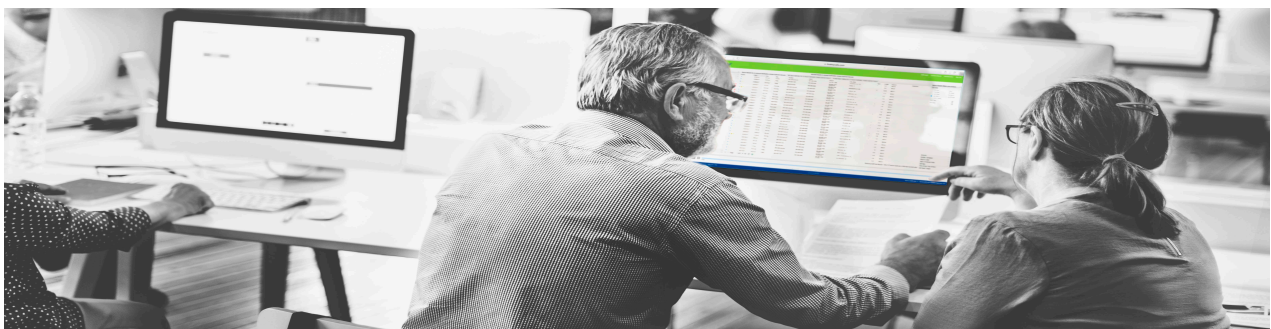
Call Scoring

At this point, managers can use dashboard to create automated scorecard reports to measure agent performance and offer a more data-driven understanding of call outcomes. Key metrics may include script compliance as well as more traditional metrics used by utilities, including:

- AHT – Average Handle Time
- CSAT – Customer Satisfaction scores
- FCR – First Call Resolution rates
- CCR - Call Conversion Rates
- NPS – Net Promoter Scores
- Customer Effort

Support

Crucial to developing these insights is good implementation and training along with ongoing support from the analytics provider. Utilities-focused call centers should look for a partner who is willing to learn their business model and understand their priorities. Ideally, a provider will engage the call center in an initial discovery stage, during which a specialist can review recordings to identify trends and patterns that can help determine useful categories. That specialist is responsible for building initial searches designed to ensure agents consistently follow a script.

This support should continue through the implementation, as the provider assists in building and refining call categories and search phrases, and then trains clients – often call center operations managers – to use the interface to create and interpret searches on their own. Without that level of service, agencies may need to invest in the expense of hiring an outside technology consultant to learn the system, analyze results, and tweak search configurations in order to achieve actionable results.

Cloud-based Solutions

Contact centers may also wish to consider cloud-based speech analytics solutions so they can take advantage of the speed, flexibility, and affordibility of software offered as-a-service (SaaS). Cloud-based solutions enable a company to begin with a small engagement and scale as they add new clients or call centers. These solutions also cost dramatically less to implement than custom solutions and do not burden companies with the need to purchase, maintain, and update software or hardware. In terms of ROI, DMG Consulting reports that a cloud-based speech analytics investment can pay for itself in three to nine months.[18]

Security and Privacy Considerations

Cloud-based speech analytics providers should utilize a secure SOC/SSAE16-accredited data center along with other application- and user-level protections. The solution should include data redaction to remove any sensitive authentication data (SAD) shared by customers and restrict access to PII in call metadata. The solution should also assist in PCI compliance by scrubbing calls to remove any information such as credit card data, inserting silence in its place.

V. Best Practices for Implementing Speech Analytics Technology

Call centers and their clients in the utilities industry can benefit enormously from speech analytics technology. However, simply purchasing and using this technology in isolation is unlikely to provide these outcomes. Instead, analytics solutions should be thoughtfully implemented as part of a larger strategic initiative – one that has buy-in from leadership and employees and is backed with ongoing training and support from the solutions partner.

Before signing on with a speech analytics partner, there are important business factors for call centers to question and consider:

Strategic Alignment

What are the strategic goals of the organization, and how can speech analytics help achieve them? If the business is focused on building a partnership with a key client such as a large regional power authority, can the call center provide insights into that client's customer base, such as frustration with outage communications or interest in energy efficiency programs? What are the organization's biggest pain points? Determining these priorities will show the call center where to focus.

Design Meaningful Metrics

Based on those priorities, the call center will identify relevant searches for collecting data, as well as appropriate metrics. That initial dataset will provide a good baseline against which to measure progress once managers begin making changes. Starting small, perhaps with a few targeted searches or initial metrics, will make it easier to refine searches as well as achieve a few early wins and show progress.

Build Trust and Buy-in

Call centers should choose metrics that utilities organizations will understand and value, and that make the ROI on the investment clear. Regularly sharing results with leadership and with employees will build trust and provide the context people need to support and participate in the program.

Setting up searches to highlight good agent performance is another way to build trust: when managers catch their agents doing something right, they also create the opportunity to get agents on board in support of the tools.

Manage the Implementation

Call centers should dedicate appropriate internal resources to the project. That team will work with the provider to create the schedule for rolling out the implementation and training schedule. They can also spearhead communication with other departments and manage expectations around the time it may take to fine-tune searches and align categories and scorecards to business goals.

Onboarding and Training

Contact centers should choose a technology partner who can help implement the technology and train managers to use it and how to interpret the results. This support should be ongoing, helping businesses refine their searches to get actionable data, create new initiatives, and troubleshoot problems. A valuable speech analytics partner should be part of the client team, working to help achieve business goals and objectives – specifically, by providing one-on-one training and support that enables the business to derive actionable information from the speech analytics and call scoring solutions. Speech analytics technology will also reveal opportunities for improving agent training, and businesses should be prepared to make this investment as well.

Expect and Manage Change

A speech analytics solution highlights patterns and trends that may prompt utilities to implement new initiatives that will improve service and increase customer satisfaction. Sharing data regularly with senior leadership will help identify those trends and help pave the way for addressing them.

VI. Summary

Given the rapid and intensifying changes U.S. utility companies face on every front, the drive toward grid resilience is smart and necessary – as well as remarkably complex. Fortunately, the power sector has a reliable guide for navigating this shifting terrain: the voice of the customer.

Speech analytics and call scoring solutions offer utility call centers the tools to move into a collaborative and positive relationship with customers to provide powerful insights into how they can best reshape the nation's power supply. Using this intelligence, the power sector can develop a sophisticated new model that incorporates renewables and smart technologies, is both affordable and profitable, and offers customers greater choices and more control over their energy use.

VII. About CallFinder

CallFinder® is a leading provider of cloud-based speech analytics technology that is powerful, affordable, and easy to use. It enables small and medium size businesses to improve agent performance, automate quality monitoring, and provide a superior customer experience. We deliver our highly scalable technology across a wide range of industries including retail, wholesale, finance and banking, insurance, collections, manufacturing, utilities, and more.

CallFinder® indexes and categorizes 100% of your customer-agent interactions in near real-time, transforming the unstructured, unleveraged data contained within conversations into actionable business intelligence, so you can improve agent performance and positively impact the customer experience.

All CallFinder® clients receive MyAnalyst client support, a service that dedicates a speech analytics specialist to ensure that businesses optimize the value delivered with CallFinder through each stage of the implementation and training process. Visit **www.mycallfinder.com** to learn more today.

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