

MAKING THE HOSTED TRANSITION: A Financial Services Case Study

A FINANCIAL SERVICES CASE STUDY

Type: Public Company

Industry: Financial Services

Total Assets Under Management: Over \$90,000,000,000

Client Base: In excess of 2,000,000 clients

Monthly Call Volume: 75,000 calls on average

Agents: 130

The Company

The company which features in this case study is a mutual fund subsidiary of a major Canadian wealth management firm, whose group of companies held nearly \$100 billion in fee-earning assets as of September 30, 2010.

The company currently offers its clients a comprehensive portfolio of mutual fund products including over 90 core mutual fund products, a broad range of segregated funds covering all asset classes and investment styles, and managed asset programs. The company also has other alternate investments including deposit notes, labor-sponsored funds, hedge funds, closed-end funds and limited partnerships.

There are a number of channels through which the company's clients and advisors can manage their accounts, including email, fax, internet and phone. Phone and email interactions are serviced by the company's Client Services department. The department can handle over 900,000 phone calls and 70,000 emails per year.

Because of increasing call volumes in the Client Services call center, the company decided in 2000 to integrate their existing phone

environment with a third-party premise-based Computer Telephony Integration (CTI) routing solution. Prior to 2000, the phone solution the company was using provided only basic Automatic Call Distributor (ACD) queuing and reporting. The end result of the CTI integration was a call center whose routing technology could be supported internally.

At the same time the CTI platform lacked significant functionality as a result of limitations of the original architecture. Features such as complete redundancy; a fully integrated Interactive Voice Response (IVR); screen pops; and "cradle-to-grave" reporting, were still issues which the company wanted potential enterprise-wide solutions for.

Over the years, the company would often contemplate changes to their CTI environment. But the cost of such changes inevitably seemed too high: even basic version upgrades to the company's CTI environment were very expensive, as they always required the use of professional services.

The Need for Change

By 2007, the mutual fund subsidiary's CTI routing solution was in need of yet another costly software upgrade. Although the company had already invested in an integrated IVR Voice Portal to augment their CTI Call Routing environment, this upgrade cost provided the impetus to conduct an overall review of their current infrastructure. The company was in need of a solution that could:

- Provide a more cost-effective way to maintain enhanced call control functionality
- Reduce the large overhead associated with maintaining a premise-based call routing solution
- Allow it to easily scale business, accommodating both planned and unplanned call volume
- Lower the cost of changes associated with the overall call routing solution
- Provide a potential multi-site solution without the need for costly multi-site licensing costs

A Hosted Alternative

In 2008, the company chose Telax Hosted Call Center to provide a hosted call routing solution that would replace the CTI call routing platform that had been in place since 2000. In doing so, the company effectively replaced the need for a complex web of applications spread across numerous services within their data center. Telax was able to provide a single web-based call control application with corresponding web-based reporting access that met all of the company's needs.

In a recent conversation, the company's Director of Client Services recounted how smooth the implementation of the Telax solution was compared to company's previous premise-based solution. "While we did need to outline our business structure and requirements to Telax, as we expected, the relative ease by which Telax was able to implement their solution for our business seemed much simpler and easier to use than what we had in place previously."

Costs Based on Volume

Unlike premise-based solutions, which require businesses to provision their solution based on highest projected call volume, hosted solutions are flexible. Telax Hosted Call Center provides the company with the flexibility to lower costs during off-peak times.

For example, the company in this case study has a call volume which is often 80% higher during the months of January and February than it is during off-peak months. Similarly, monthly call volumes can fluctuate by as much as 10% to 15% year over year. Historically, the company has paid for excess capacity, excess licensing and excess support in all but their busiest months.

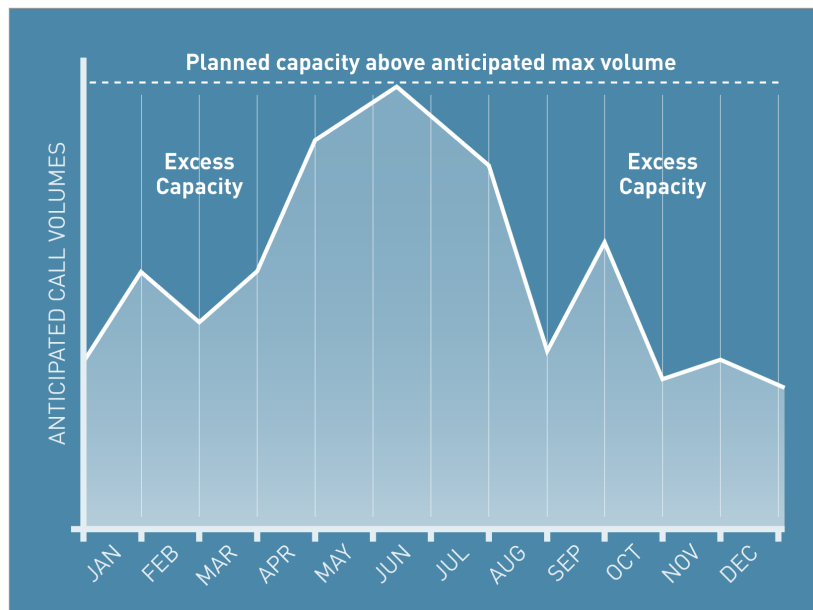
With a hosted solution, the company didn't need to worry about paying year-round for licenses and capacity just to cover their busiest seasons. The company's Director of Client Services points out that "Now we [the company] only need to be concerned about ensuring we can staff appropriately for these peak seasons, rather than about making sure we have enough, or too many, licenses."

Call Routing in the Clouds

The Telax Hosted Call Center solution introduced some important functionality into the company's Client Services call center, namely disaster recovery. Previously, the CTI solution employed by the company would have required costly hardware investments, additional development and increased software licensing to allow the company to plan and prepare for business continuity issues resulting from local emergencies and/or system issues. Because they are based in "the cloud", Telax Hosted Call Center allows for business continuity protection that would otherwise be cost prohibitive.

Costs Considerations for the Company

The company considered a number of cost elements before determining if they should continue with their premise-based routing solution or instead opt for a hosted solution. In assessing the over-



all cost structure of both models it was determined that a premise-based routing solution could only be cost effective in the long term, and only if the following conditions were met:

- The underlying technology did not need to change or evolve in any significant way during the life cycle of the technology
- Additional hardware and/or software changes were not required during the life cycle of the technology
- Professional services would not be required every few years to assist with upgrades
- The support team required within IT did not need to expand to facilitate acceptable support levels
- The business requirements would not change significantly during the typical life cycle of the technology

The Case for Telax

When considering all cost, business and technology issues, the company determined that the Telax solution would:

- Significantly lower (or eliminate) the need for any upfront hardware and software costs
- Provide the company with a very cost-effective and flexible environment
- Offer the possibility of cost-effective customizations as business needs evolve
- Relieve stress about how clients' calls are being routed
- Easily route calls to external locations should the business require it
- New features, functionality, advanced analytics and business intelligence tools
- Provide a cost-per-agent model, eliminating the need for a wasteful solution during off-peak months



FOR MORE INFORMATION

For more information on what hosted solutions can do for your business, contact Telax Hosted Call Center by phone 1 888 80 TELAX or by email info@telax.com