

Pharmaceutical Contact Center Benchmark Report



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Introduction

Today's pharmaceutical contact centers are marked by unprecedented pressure to increase efficiency and improve the customer's experience, while at the same time, uphold the imperative of regulatory compliance. The *Pharmaceutical Contact Center Benchmark Report* builds on 2005 benchmarking (link to www.CenterFirst.net/2005 Benchmarking Report) and is designed to provide contact center leaders with unbiased, relevant information for use in assessing operations and setting strategic direction.

Method/Survey Tool

For this survey, a pharmaceutical contact center was defined as a center with the primary responsibility of provisioning medical information to healthcare providers, patients, and caregivers through alternative communications channels (e.g., phone, web, email, fax). Contact center leaders from 30 large and mid-size pharmaceutical companies were invited to participate in a one-on-one phone interview or to complete an online survey. The survey included 51 questions in four areas of interest to leaders of these regulated contact centers. These four areas included:

- **Organizational Design and Outsourcing** – staffing, services, outsourcing, off-shoring
- **Globalization** – computer systems, inquiries, agents and languages
- **Operations** – hours of operation, metrics, quality monitoring and call recording, audits
- **Technology** – system applications, validation, compliance, customization, integration

The survey took approximately 30 – 45 minutes to complete. Participant confidentiality was maintained. The survey period began in December 2008 and ended in January 2009.

Sixteen (16) pharmaceutical companies elected to participate, including 11 of the top 20 companies and 13 of the top 50 companies as listed by Pharmaceutical Executive (May 2008).

Following each area of survey data is a section entitled "CenterFirst Insights". These insights are from analyses, observations, and opinions of the authors with the intent to provide additional value to the benchmark data.

Organizational Design and Outsourcing

A majority of the contact centers (62.5%) in this survey reported to the medical organization, most often Medical Affairs. Three contact centers (18.8%) reported to Commercial/Marketing. One center reported to both Medical Affairs and Marketing as a shared service. Two participants (12.5%) reported to other organizations within their companies. These responses were consistent with results from the 2005 Pharmaceutical Benchmark Survey.

Staffing - All participants employed pharmacists in the contact center; 13 companies (81.2%) also employed nurses, and 1 company (6.3%) also employed medical doctors. Survey participants noted several reasons for employing medical professionals: These reasons include:

93.8%:	<i>"some calls best handled by medical professionals"</i>
50%:	<i>"this is required by company policy"</i>
18.8%:	<i>"this is required by regulation"</i>
12.5%:	<i>"product labeling specifies that a medical professional is available"</i>

Services – In addition to providing medical information to callers, pharmaceutical contact centers provided services for other internal functions as well. These services and the corresponding number of companies providing the services are shown in Figure 1.

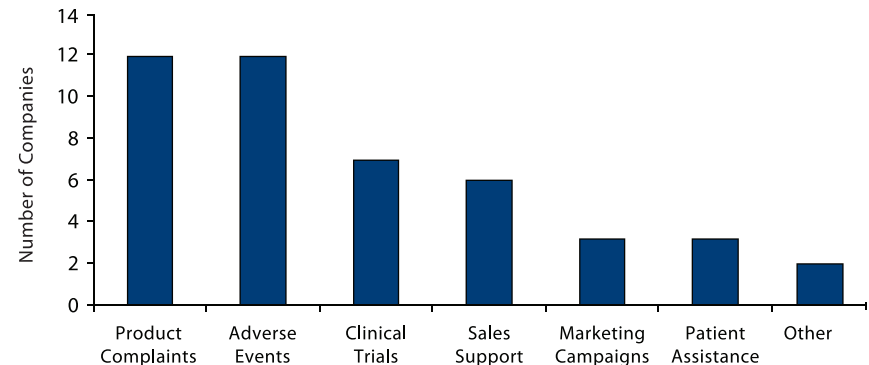


Figure 1

Outsourcing – The strong majority of survey participants (75%, 12/16) outsourced at least some contact center function. Participating companies provided comments describing the nature of the services provided by their contact center outsourcing partner:

- “Consumer customer care, email support, all marketing programs (direct to consumer, tele-detailing)”
- “IT support for field sales and medical personnel”
- “2008: after hours support, business continuity planning, disaster recovery. 2009: outsourced agents will reside on site (at the client location); fulfillment”
- “Partial outsourcing based upon product, not function”
- “Front line medical information questions and adverse events”
- “Weekends”
- “Marketing programs that require opting into a program and patient assistance. In-house contact center is used primarily as a triage center for these programs.”
- “The primary contact center is an outsourced group. Their main function is to respond to medical inquiries.”
- “Calls are from consumers related to assistance with devices for prescription pharmaceuticals.”

Surveyed companies also provided input on the business drivers (reasons) for outsourcing some or all of the contact center functions.

The drivers for outsourcing are shown in Figure 2.

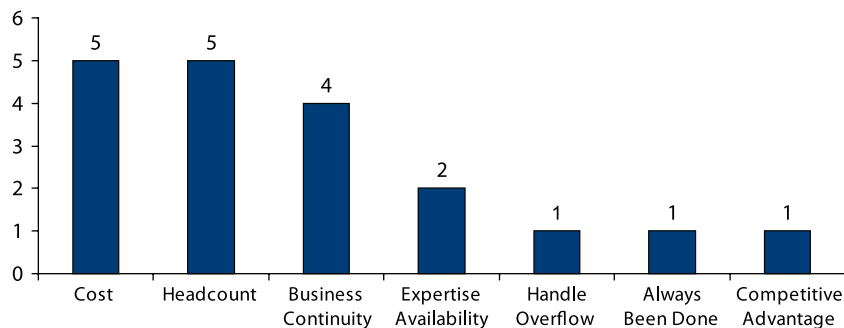


Figure 2 - Drivers for Outsourcing

Participant comments on business drivers for outsourcing:

- “Although cost was a driver, it (outsourcing) had to do primarily with where we wanted to focus our internal headcount”
- “(We have used outsourcing as a way) to give our in-house specialist more time to work on other responsibilities and projects within the department with other internal groups.”
- “Outsourcing provides flexibility with headcount to (manage) work load fluctuations”

Figure 3 depicts the key challenges survey participants encountered in managing outsourced operations.

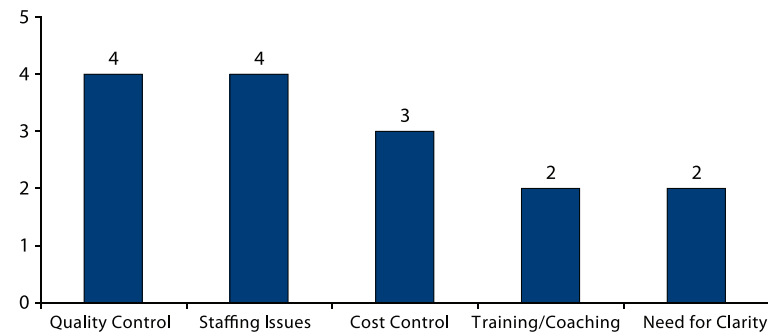


Figure 3 - Outsourcing Challenges

Participant comments on the nature of the quality control challenges:

- “Not a vendor issue, but due to complexity of products and constant changes”
- “Difficult to verify what outsource (partner) is saying or doing”
- “The one minor challenge is the need for things to always be clear cut when there are situations in which there may not be one best answer.”

Off-Shoring - Off-shoring refers to the transfer of a business function from one country to another, often with the goal of reducing the cost of business. Two of 16 companies (12.5%) contracted with an outsourced center that was off-shore. One company's off-shore center provided medical information while the other off-shore center provided consumer affairs assistance including product complaints, adverse event reporting, and general product related questions. The greatest challenges in managing off-shore centers, for these companies, were quality control, training, and agent performance.

CenterFirst Insights - Organizational Design & Outsourcing

CenterFirst has found that decisions on organizational design, staffing, and outsourcing or off-shoring are most successful when they follow decisions on the desired customer experience. Knowing what is valuable and important to the customer and deciding what is valuable and important to the organization helps to design, staff, and source the contact center in order to achieve performance goals.

Globalization

Although nearly all participants indicated that globalization was a key priority in the coming periods, few participants had a clear strategic or operational path for implementation. The area of globalization remained an area viewed with great opportunity but also with considerable uncertainty.

Computer Systems - Two companies (12.5%) indicated that their contact center systems were used in countries outside the US. While this percentage was relatively low, many companies indicated that they were interested in utilizing systems to support globalization.

Inquiries - A majority of the companies (81.3%) received contacts from countries outside of the US into their US contact center. Two of the companies responded to these callers directly. Ten of the companies (62.5%) referred these callers to the appropriate country affiliate.

Agents and Languages - Half of the companies (50%) used multilingual agents in their US contact center. Nine companies (56.3%)

used translation services. One company had plans to implement translation services in 2009, but indicated that this was a low priority initiative. On average, only 2% of all calls required use of multilingual agents, and fewer than 2% of all calls required translation service. Three companies (18.8%) reported that their system supported multiple languages. One company (6.3%) used or planned to use this capability within one year.

CenterFirst Insights - Globalization

Although the benefits of a global contact center organization that shares medical, scientific, and customer information as well as a common technology platform seem apparent, the implementation details of globalization are much less clear. However, this does not mean that the vision of globalization should be abandoned. Globalization is not an end goal, but a means of delivering a desired customer experience that is consistent, compliant, and efficient across all customer contact center interactions.

Operations

Hours of Operation - Seven companies (43.8%) were open for standard business hours (8:00 - 5:00, 9:00 - 5:00, etc.). Four survey participants (25%) were open for extended hours with full service for 12 hours Monday through Friday. Fifteen of 16 companies (93.8%) offered some form of after-hours access to an agent of the company. Six companies (37.5%) instructed callers to call 911 for emergencies in addition to offering the option to reach an on-call representative. One company offered voice mail only, with no access to an agent of the company after hours.

Metrics (Service Level and Abandonment Rate) - Service level refers to the percentage of calls that a contact center attempts to answer within a targeted number of seconds. There is no "right" service level for all pharmaceutical contact centers. Rather, the goals of the contact center will drive what service level is the best fit. Survey participants reported staffing and managing to the service level targets shown in Figure 4. Three companies were not tracking service levels, although one of those companies indicated it was planning to begin.

Abandonment rate is the number of callers exiting the call queue prior to speaking with an agent. Abandonment rate is a function of factors including caller interest, service level, product or service characteristics, and others.

Four companies (25%) targeted an abandoned call rate of less than three percent. Seven companies (46.7%) have a targeted abandoned call rate of between three and five percent. One company reported a targeted abandoned call rate of seven percent.

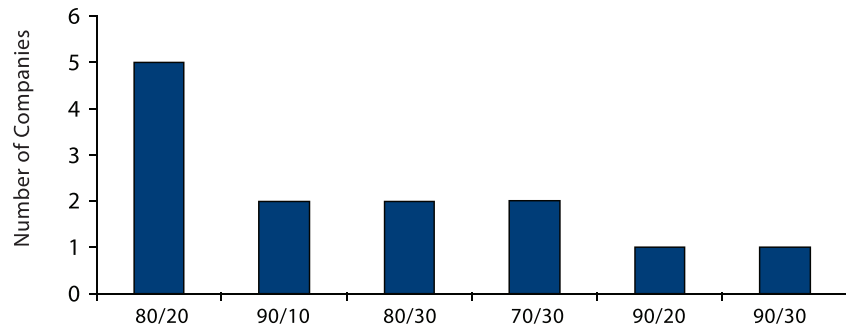


Figure 4 - Service Level and Abandonment Rate

Quality Monitoring and Call Recording - Agents responsible for handling medical information requests are responsible for understanding an extensive amount of medical and product data as well as processes for handling customer inquiries, concerns, and reports. Call monitoring helps managers and training personnel identify areas of agent proficiency and development. In this survey, more than half the respondents (68.8%) had established a formal, documented call monitoring process. Six companies (37.5%) monitored agent calls weekly; six companies monitored agent calls monthly.

A majority of survey participants (75% or 12/16) recorded incoming calls. Eight companies (50%) recorded all calls. Three companies (18.8%) recorded a random number of calls. Additional comments in this area were insightful:

- *"We can record by selecting which agents we want recorded. It's not all or none."*
- *"We have the ability to conduct 'Service Observation', which is not recorded. But there are plans for 'Call Recording' in 2009"*

- *"New employees are monitored weekly for about 6-8 weeks and other agents mostly quarterly, but based on Quality Scores, could be monthly or yearly."*

Audits - While this survey did not delve into the types of audits conducted, nearly all participants (93.8%) responded that they self-audit. It was also noted that all participants govern themselves with SOPs. Corporate audits were performed at 13 of the 16 companies (81.3%).

Internal audits can also help prepare companies for the possibility of being audited by a regulatory agency. Survey participants were familiar with external audits as well. A majority of respondents (68.8%) had been involved in an inspection or audit by a regulatory agency.

CenterFirst Insights - Operations

Pharmaceutical company contact center operations have lagged behind the operations of other consumer oriented, regulated industries (e.g., financial services, consumer packaged goods). In recent years, however, pharmaceutical contact center leaders have deployed many of the same metrics, technology, and training that have been in place for years in other industries. These actions have resulted in significant operational improvements for pharmaceutical contact centers.

Self auditing is a best practice that can be incorporated into the management of a contact center. The type, frequency, and authority of audits can be defined and documented in an approved standard operating procedure (SOP).

Privacy and the protection of consumer personal information are critically important in contact center operations and sometimes overlooked from a training perspective. Although all survey participants acknowledged that they have a privacy policy, only 68% of respondents provide training on the policy.

Technology

Effective use of technology is a critical component in achieving the efficiency and customer experience goals within the pharmaceutical contact center. The survey included questions about the computer system applications in use to handle customer contacts, and whether those applications were integrated with other internal systems or functional areas.

Three companies (18.8%) used a custom-developed, in-house system. These companies had been using their system for three or more years. Survey participants who were not using their own internally developed application used a commercially available application. A majority of the companies (62.5%) surveyed were using Oracle Siebel Customer Relationship Management (CRM). Nine of these companies had been using this system for three or more years. Three companies (18.8%) were using Information Request Management System (IRMS) from Online Business Applications.

System changes were in store for two survey participants in 2009. One company was switching to IRMS and one was moving to Siebel.

A majority of survey respondents - 9 companies (56.3%) - were satisfied with overall system performance. Nine companies also reported that their system was user friendly and intuitive from an agent perspective.

Two companies (12.5%) were dissatisfied with system performance. One of these companies went on to say:

- *“(We) struggle with reporting capabilities for 2 reasons: (1) a separate application (is) required for reporting... (2) (the) system (is) used throughout company so (we) need to define reporting in a collaborative way among groups.”*

Additional survey responses related to contact center technology are summarized in Table 1.

Table 1

Topic	Survey Results
Validation	<ul style="list-style-type: none"> • 12 companies (75%) indicated that the system was validated in accordance with FDA regulations
Part 11 Compliance	<ul style="list-style-type: none"> • 9 companies (56.3%) indicated that the system was compliant with FDA’s Code of Federal Regulations for electronic records and signatures (21 CFR Part 11)
Customization Configuration	<ul style="list-style-type: none"> • All companies had the ability to customize or configure their system <ul style="list-style-type: none"> • 14 companies (87.5%) needed IT support to customize or configure • 7 companies (43.8%) required vendor support • 5 companies (31.3%) indicated that they need no support to make certain types of changes
Systems Integrations	<ul style="list-style-type: none"> • 7 contact center systems (43.8%) integrated with the Drug/ Product Safety - Toxicology systems • 6 contact center systems (37.5%) integrated with Product Quality Complaints - Quality Assurance
Maintenance	<ul style="list-style-type: none"> • 7 companies (43.8%) indicated that routine maintenance requires some level of IT support. • 12 companies (75%) indicate that maintenance requires some minimum level of vendor support.
Remote Access Ability	<ul style="list-style-type: none"> • All systems offered remote access ability, which allowed agents/staff to work from home. • 11 companies (68.8%) used or planned to use this capability within one year.

CenterFirst Insights - Technology

In recent years contact center leaders have realized the importance of validating their Customer Relationship Management (CRM) system. This may be due to the increasing trend of FDA inspections of contact centers specifically related to the capture of adverse events (AEs). The FDA expects the system that captures AEs and product quality complaints to be validated. Seventy-five percent of the survey participants have validated systems.

Survey responses revealed a potential vulnerability for contact centers in the area of compliance with FDA's Code of Federal Regulations for Electronic Records and Electronic Signatures (Title 21 CFR Part 11). Although 60% of the survey participants responded that they are compliant with Part 11, several were unsure. Organizations often incorrectly conclude that if the system is validated, it is compliant with Part 11.

Validation and 21 CFR Part 11 are two different regulations, with important differences. Validation is the process of demonstrating integrity and reproducibility of the system via pre-approved test protocols and pre-determined acceptance criteria. The documentation of the validation process provides evidence to the regulatory agency. Title 21 CFR Part 11 includes system validation as a check point, but the validation of the system does not necessarily address all requirements of Part 11.

- While most survey participants have outsourced some contact center functions, only a small number utilized contact centers that were also off-shore.
- Survey participants were proactively conducting self-audits to ensure an ongoing state of regulatory inspection readiness. Most participants were also performing quality monitoring and call recording.
- Survey participants have standardized primarily around two commercially available applications to support the contact center. A small number of companies use in-house custom developed systems.
- The differences between computer system validation and Title 21 CFR Part 11 compliance remain an area requiring greater education and clarity.

Today's pharmaceutical contact centers must continually add and show value to the overall organization. The *Pharmaceutical Contact Center Benchmark Report* provides a snapshot of key areas within leading pharmaceutical contact centers. This information is presented as a resource for contact center leaders as they develop and refine strategies for managing in today's challenging environment.

For more information, please contact us at 1-800-291-3379.

Summary

In compiling the *Pharmaceutical Contact Center Benchmark Report*, key trends among survey participants emerged:

- All survey participants continued to employ medical professionals in their contact centers, primarily because respondents felt certain calls were best handled by medical professionals. A few companies also believed that company policy, regulations, or product labeling required them to employ medical professionals.