

# MICROSOFT DYNAMICS 365 NETWORK CONTACTS

ANALYST

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## THE BOTTOM LINE

**Network Contacts deployed Microsoft Dynamics 365 to streamline its service delivery and save money for its clients.**

Nucleus found that Network Contacts was able to improve and tailor its customer service in Dynamics 365, using Unified Service Desk to provide agents with all the tools they need from a within a single application, including a single knowledge source and all relevant customer data. The company also leveraged Microsoft Dynamics 365 for sales and marketing, including social capabilities, and automated processes to increase employee productivity.

ROI: **234%**

Payback: **5 months**

Average annual benefit: **€103,849**

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## THE COMPANY

Network Contacts is a leading business process outsourcing (BPO) services company based in Italy. It functions as an extension of client operations by delivering call center support primarily for enterprise customers in the finance, utility, and telecommunications industries. Network Contacts provides customer service to its clients with 3,000 agents dedicated to improving end customer experience.

## THE CHALLENGE

Prior to implementing Dynamics 365, Network Contacts delivered its support services via various different customer relationship management (CRM) solutions deployed by its customers. As a result, Network Contacts had no unified CRM system through which it could manage staffing call centers with its 3,000 agents, and had no centralized information hub to track its performance and productivity.

**Cost : Benefit Ratio | 1 : 3.5**

## THE STRATEGY

Network Contacts needed a system that it could tailor to meet each of its clients' needs. As a result, its CRM solution had to be flexible enough to handle customers across many industries, from telecommunications to utilities to banking and finance. Network Contacts selected Microsoft Dynamics 365 for a number of reasons including:

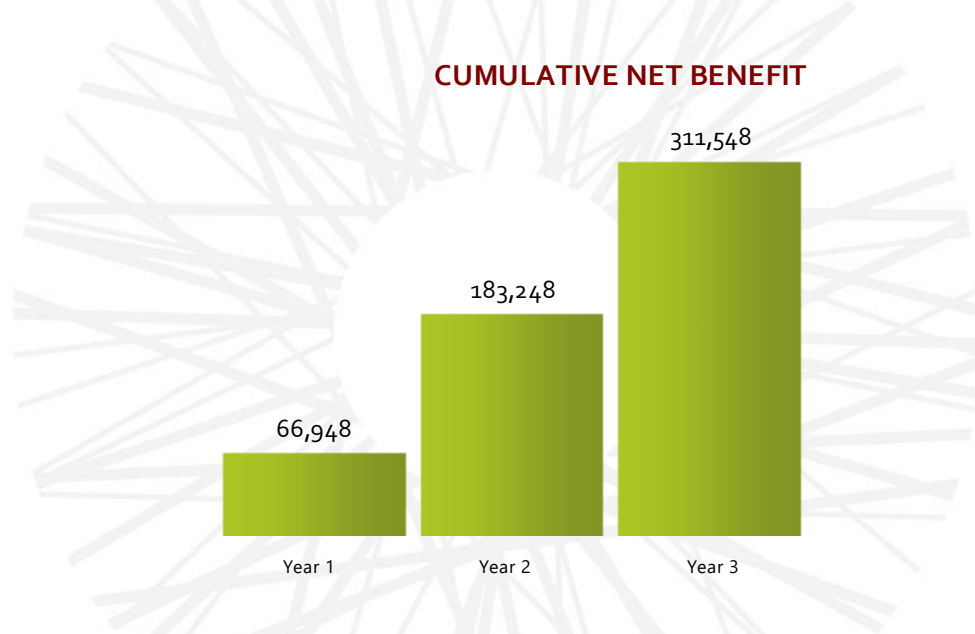
- Network Contacts could set up a separate database with which to manage each of its customers' data, while still on a unified platform.
- Agents would have a centralized view of customer data using the Unified Service Desk.
- Dynamics 365 offered the scalability and flexibility that Network Contacts needed to adjust the solution to the size and needs of each customer.
- Deploying a cloud-based solution would enable Network Contacts to avoid costly hardware and additional personnel costs associated with managing its CRM system.
- Network Contacts would be able to integrate its CRM solution with other Microsoft technologies including: Microsoft Office 365, Microsoft Power BI, Skype for Business, and Microsoft Social Engagement.

### TYPES OF BENEFITS



After Network Contacts decided on Dynamics 365, it enlisted the services of Microsoft partner React Consulting to help with the deployment. As a result, Network Contacts needed only a few internal staff to work on the deployment for each customer use-case. For example, with one client, each member of the three-person team devoted just 40 hours to implementing Dynamics 365.

Network Contacts retained a consultant on an ongoing basis to tailor the solution to each customer use case. As a result, Network Contacts needed almost no internal personnel hours devoted to managing the solution. One business unit leader devoted just over 3 hours per month to managing the solution for a client that required 100 agents to support its customers. The small amount of time unit leaders spent managing the system means they could spend more time helping agents support customers.



## KEY BENEFIT AREAS

Deploying Microsoft Dynamics 365 enabled Network Contacts to deliver tailored solutions to its customers. Using Dynamics CRM’s Unified Service Desk, agents were able to deliver customer support services to clients more efficiently. Key benefits of the project include:

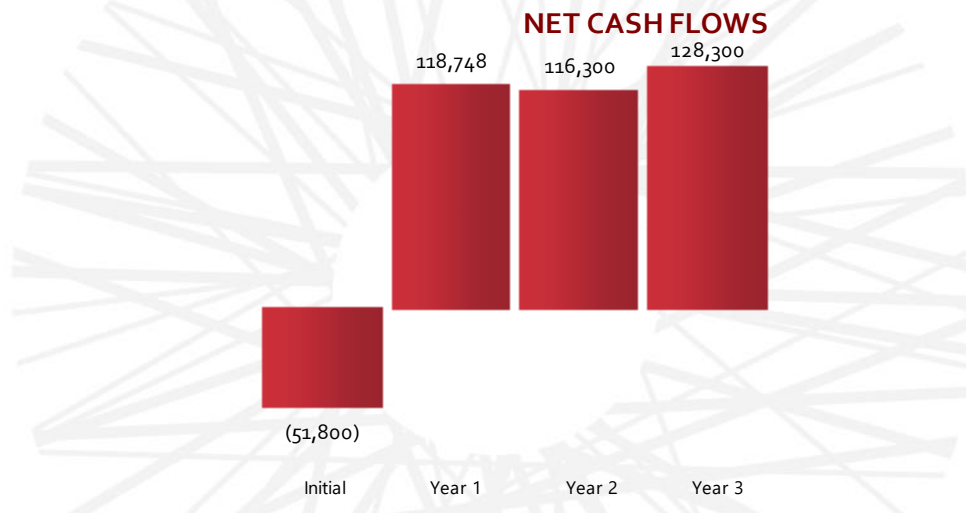
- A unified knowledgebase for each customer.
- A solution configured to the unique service needs of each customer.
- Reduced training time.

- Increased productivity through automated processes.

The deployment also produced other benefits such as lower annual subscription costs relative to comparable cloud solutions. Network Contacts also benefited from automated processes that increased accuracy of data and agent actions, resulting in better service and faster resolution.

## KEY COST AREAS

The primary costs of the deployment initially included consulting fees along with personnel time. Other costs included ongoing annual software subscription costs, consulting fees for continued maintenance, personnel time to support the deployment, and employee training time.



## BEST PRACTICES

Network Contacts call center agents can make changes and additions to the knowledgebase of a customer by leveraging Dynamics 365. As a result, agents can develop best practices that increase the efficiency with which they handle service calls. Agents are given real-time information and updates on customer records to ensure accuracy when fielding support calls.

Additionally, Network Contacts was able to achieve significant improvements over both front office and back office solutions. It reduced the amount of time agents needed to spend on each front office call by effectively automating the necessary processes, increasing the number of calls an agent can resolve each day. It also completely automated some repetitive back office processes, such as updating a

customer's record details after a call. By automating processes, Network Contacts has saved time, increased agent productivity, reduced human errors and data entry mistakes, and improved data quality.

## CALCULATING THE ROI

Nucleus quantified the annual software subscription costs, consulting fees incurred during deployment and ongoing maintenance, personnel time to implement and support the deployment, and employee training time to calculate the total investment in Microsoft Dynamics 365.

Indirect benefits quantified include increased agent productivity through automated processes and the time saved with fewer hours spent training users. The value of added productivity of employees was based on an agent's fully loaded cost with a correction factor. Not quantified was the value of fewer errors and higher quality data as a result of data-entry processes that were automated rather than manually performed.



# FINANCIAL ANALYSIS

## Microsoft Dynamics 365 - Network Contacts

Annual ROI: 234%

Payback period: 0.4 years

BENEFITS	Pre-start	Year 1	Year 2	Year 3
Direct	0	0	0	0
Indirect	0	153,148	140,700	140,700
<b>Total per period</b>	0	153,148	140,700	140,700

COSTS - CAPITALIZED ASSETS	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
<b>Total per period</b>	0	0	0	0

COSTS - DEPRECIATION SCHEDULE	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
<b>Total per period</b>	0	0	0	0

COSTS - EXPENSED	Pre-start	Year 1	Year 2	Year 3
Software	12,000	12,000	12,000	0
Hardware	0	0	0	0
Consulting	35,000	10,800	10,800	10,800
Personnel	4,800	1,600	1,600	1,600
Training	0	10,000	0	0
Other	0	0	0	0
<b>Total per period</b>	51,800	34,400	24,400	12,400

FINANCIAL ANALYSIS	Results	Year 1	Year 2	Year 3
All government taxes	45%			
Cost of capital	7.0%			
Net cash flow before taxes	(51,800)	118,748	116,300	128,300
Net cash flow after taxes	(28,490)	65,312	63,965	70,565
<b>Annual ROI - direct and indirect benefits</b>				<b>234%</b>
Annual ROI - direct benefits only				-46%
Net Present Value (NPV)				146,020
<b>Payback period</b>				<b>0.4 years</b>
Average Annual Cost of Ownership				41,000
3-Year IRR				223%

All calculations are based on Nucleus Research's independent analysis of the expected costs and benefits associated with the solution.