

Call Accounting

A.K.A
Call Tracking
Telephone Billing
Telephone Tracking
Call Detail Reporting
Telephone Management

Draft

A white paper by
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Call Accounting Systems by Brian Wepler

What is a call accounting system?

Regardless of their size, most telephone systems output Call Detail Records (CDR). Generally, these records are created at the end of a call, when you hang-up. This data is output from the phone system by a serial or network link known as the Station Message Detail Recording (SMDR) Port. Some of the detail included in your Call Records are: Date and Time of Call; Duration; Phone Number; Caller ID Name; Extension Number; Line/trunk used; and Account Code.

A Call Accounting System logs this CDR data about each telephone call, organizes that information, and generates reports that can be used to gain a better understanding of how your phone system is being used, and how your business works.

This information is VERY POWERFUL!

In addition to keeping track of a company's telecom expenses, a good call accounting system can help you analyze those expenses and tell you how much you're spending, so you can establish budgets and allocate costs more precisely.

Call Accounting should assist a business with; human resources; scheduling; budgeting; tracking; equipment / facilities management; fraud control; traffic analysis; client / project bill-back and legal / security issues to name just a few.

Call accounting does not get the attention of Voice mail. Call Accounting is not an “in-your-face” product like Auto-Attendants that confront callers. People learn about these products by being exposed to them every day. On the other hand, a caller never knows that Call Accounting is collecting information about their call. Information that may be of great importance to them at a later date.

Educating yourself about Call Accounting

Because Call Accounting benefits different businesses in different ways, I will present some business types that Call Accounting is ideal for:

Legal / Accounting / Consulting:

Many businesses bill (or should bill) clients for time spent on the telephone on their behalf. Billing for these expenses is quick and easy with Call Accounting. Call Accounting will automatically process and increase these billings. Let Call Accounting track each call and apply a price to it based on phone rates YOU set. For example, the business may be paying 5 cents per minute for long distance, but they can charge their clients 10 cents per minute. This is not unreasonable since the 10 cents per minute would include; recovery of the cost of long distance; the cost of telephone equipment; the cost of tracking and record keeping; and of course some profit. Some Call Accounting software can also calculate a fixed cost per minute for each call to assist in billing for

time spent on the phone by the employee. Lets say a consultant charges \$120 per hour. Call Accounting can apply a \$2.00 per minute charge for each call tracked. At the end of the month (or whenever you want), ask the Call Accounting System for a listing of calls made and received on behalf of that client or project. By allowing the customer to charge more for long distance than they paid, and also charge for every minute their employee spent on the telephone, the Call Accounting System will pay for itself in the first month.

Architect / Engineering Firm / Research Firm / Polling Firm / Property Management:

If the business is project oriented or is required to account for "Project Expenses", then Call Accounting will automatically track and log this information, allocating each call to the appropriate project. For an Architect or Engineering firm, they need to know what the cost of time on the phone for each project was in order to fully account for the costs involved. A property management firm may need to track the cost of managing each property. A research or polling firm will need to verify that they did actually make the calls they were contracted to make.

Sales / Telemarketing:

Many businesses today have a telemarketing group, even if it is just 2 or 3 sales people working the telephones. Let Call Accounting track every incoming and outgoing call to evaluate the telemarketers. Do you give them a list of 50 calls to make each day? If so, let Call Accounting tell you if they made 50 or not! See what the average time on the phone was. Compare one sales person to another. When it comes to employee evaluation, have "hard" proof of the facts. Getting rid of a poor sales agent early, can pay for your Call Accounting System alone.

Recruiters and Placement Agencies:

Recruitment Agencies depend heavily on a steady phone calling routine. Call Accounting provides a powerful set of management tools. Call Accounting helps recruitment agencies to; track incoming and outgoing calls of recruiters; track incoming calls from clients to ensure that quick and reliable follow-up occurred; associate an account code for specific clients and track all calls for that client within the company; monitor call traffic by group, recruiter or client ; and improve recruiter productivity by drawing attention to inefficient phone practices. Without proper tools and reliable data, managers find it very difficult to identify the areas where improvement is required.

Collection Agency:

Collection agencies need to account for each call placed in order to recover a debt. They need to verify the appropriate calls were made at appropriate times. If a complaint is lodged, Call Accounting can instantly prove that they were NOT harassing the customer with "calls-at-all-hours" as was alleged. This can save countless headache and costs, again immediately paying for the Call Accounting System.

Financial Institutions / Catalogue Sales:

For any business with an inbound call center Call Accounting allows the business to track the number of times a call was transferred, how long the customer spent on hold, and the duration of every call. Within a few months of deployment, this feature can reveal that

the receptionist is struggling to keep up with call volumes, prompting the business to change how calls are routed. The result, enhanced customer satisfaction, with complaints dropping. Better customer satisfaction translates into more sales.

Schools / Daycare facilities / Collages / Universities :

Any institution or business that is responsible for the welfare of its students, needs Call Accounting. Call Accounting provides universities, school districts and schools with a powerful set of tools to improve security and allocate phone expenses. With the increased need for security within our educational institutions, Call Accounting comes to the fore as a timely and necessary infrastructure element. Schools are improving security by tracking all calls. Call Accounting allows them to; trace prank calls both outbound and inbound; maintain records of all calls from parents, students and outside parties; identify where emergency calls are originating from within the campus; bill back employees for any personal long distance calls and improve planning & budgeting just to name a few. With Call Accounting, a call log can be produced showing all calls made and received with date, time, and length of call. If the school has special needs children, then this tracking of calls become a must, legally and ethically!

Advertising:

When a company does advertising – either national or local, how do they know how effective it is? With Call Accounting you can compare call volume of this month vs. last month. With Call Accounting you can find out how many calls came from BC vs. Alberta vs. Ontario, etc. This information is powerful! If a company knows where its business is coming from, then they may wish to advertise more in that area only, or maybe advertise only in the areas of weak sales. Call Accounting does not tell you how to run your business, it gives you the information **you** need to run it better.

Auto Dealer:

Call Accounting provides auto dealerships with a powerful set of tools that can help in improving call productivity and managing operations. Call Accounting is used by auto dealerships to; determine call accountability -> Who & how many were not called back; avoid phone abuse; adjust schedules by tracking call volumes during the business day to improve customer satisfaction; track effectiveness of marketing campaigns and ad spending; monitor other customer touch programs that depend heavily on calling customers which will reinforce message of interest in a long term relationship for the life of the vehicle by communicating critical service needs proactively.

Security:

Security firms / alarm companies and many other businesses need to have a “hard copy” to verify if a call was made or received. Let say an alarm monitoring company receives a call from a residential alarm system. They may have a policy that they need to call the home within 2 minutes. Call Accounting can prove that they did call on time, possibly avoiding a lawsuit or other nasty business. What would happen if you got a call from the police saying an obscene phone call was placed from your business? Would you have any way of knowing where it came from? With Call Accounting tracking all calls, simply ask the system who called the number in question, and you have your answer.

Retirement homes / Condominiums / Hospitals:

Many businesses provide a telephone to a client for a long term, or on a temporary basis. In these cases, the telephone becomes a revenue center. By installing a central PBX equipped with Call Accounting, and providing the client an extension instead of a phone line, the institution can resell telephone service and generate income. The institution may pay 5 cents per minute for a long distance, and bill the client 10 or even 25 cents per minute depending on the circumstances. Call Accounting, can also bill a nominal fee for local calls if required, some will even bill a fixed fee each month for the telephone itself, and any other special services. Call Accounting will track and log all calls for easy trouble free billing. We can see that Call Accounting would pay for itself in a matter of weeks.

Executive Suites:

Call Accounting provides executive suites with a powerful set of phone expense accounting and bill back tools. Executive Suites have similar requirements as Condominiums above. Executive suites need to consolidate and distribute phone expenses among various tenants and this is easily and reliably done by using Call Accounting. Rates can be marked up and reported in various levels of detail. Custom rate tables and different types of calls are easily handled.

Real Estate:

Many companies such as Re/Max bill their agents for there desk, telephone and other services. With Call Accounting, the Re/Max office can easily track and bill each agent for their portion of the telephone usage and equipment expense.

Repeated studies have shown that Call Accounting Systems typically reduce a companies phone expenses by 10% to 30 % !

Here are some Benefits applicable to ALL BUSINESSES

Waste:

Are some of your telephone lines never used? Maybe you were over sold by your telephone company? If your company does not have enough traffic to make use of all the lines, then you can save money by disconnecting these lines. If you are paying for 20 phone lines when 15 would do, you can save at least \$250 per month.

What about a seasonal business. With Call Accounting you can track when the busy months are, and when the slow months are. It may make sense to have some lines disconnected in the slow months and then reconnected when it get busy again. How would you know without Call Accounting to track each call and provide the required information?

Abuse:

Years ago, long distance was expensive, and businesses wanted to reduce / eliminate personal calls (or at least charge employees for them) in order to save money. Now, long distance is very inexpensive, but the goal is the same. Employee time spent on personal calls is time lost to a business. How many dollars each year do businesses lose because an employee talks to a supplier for 15 minutes when 5 would do? Or the employee who spends an hour each day talking to his girl friend? What about company moral, when co-workers see others not doing their jobs? With Call Accounting, a business has hard proof of the problem, and can address the issue before they lose more money, and risk creating a problem with employees.

Staffing:

Most businesses do not know exactly when your busy times are? If they do, they do not know exactly home many people they will need to handle the business. Call Accounting can tell a business when their busy times are, and even more, can help them decide how many people they will need to cover the telephones adequately. Saving a few hours here and a few hours there, or having enough people to handle your call volume, all add to your bottom line. The information Call Accounting provides will make this job much easier, and pay for a Call Accounting System in just a few weeks.

Toll Fraud:

Toll Fraud costs businesses billions of dollars per year. Repeated incoming call attempts over a trunk can indicate hacker attempts to gain access to your equipment in order to loop back through it for outgoing call purposes. By using Call Accounting, you can identify suspicious calling patterns such as surges in phone use, calls after business hours, etc. Some systems will even send out an email if this type of activity is detected.

Internal Phone Abuse:

Internal Phone Abuse can be detected and prevented. Monitor 411 and Directory assistance calls; check for abuse of incoming 800 calls from employees' friends and relatives; track illegal or suspicious destinations to the station originating them; monitor production time spent on the phone. Legal departments can track employees suspected of revealing confidential information to competitors, the news media, or headhunters.

Trace Calls:

True story: Every third or fourth Friday afternoon a large factory received bomb threats. They'd clear and search the factory and not find anything. By the time they'd checked, it was too late to start up production. One day, by checking their call accounting records, they discovered that the calls were coming from a phone on the factory floor. The whole thing had been a ruse to get the afternoon off.

Tracing calls can be important when legal documentation is needed to prove a call took place, or to find the extension that a 911 call came from, etc.

Verification for Legal Matters:

Call Verification for Legal Issues identifies special cases of telephone abuse which can be monitored in real time, providing instant facts so that immediate action can be taken. These include obscene or sexual harassment calls, bomb threats, 911 calls, calls from your employee to competitors. Call accounting systems provide proof that a call took place.

Call accounting as a Security Tool:

In this day and age of corporate espionage, the importance of tracking the source of a call, and detecting internal or external toll fraud has escalated in priority for many CEOs in today's heightened security-conscious climate. According to a study by the American Society for Industrial Security, industrial espionage could account for potential losses for all American industry of as much as \$63 billion. Industrial "spies" employ a variety of methods to steal a company's secrets, or collect information. Studies have shown that the enemy most often lies within - approximately 85 percent of espionage crimes are perpetrated by employees. Your telephone system - along with your corporate assets, trade secrets and other proprietary information - are vulnerable to the degree that you do not have call accounting software in place to track suspicious call activity. The first step in security is having a safe base of operation.

Telecom Cost Containment:

This year, US businesses will spend an estimated \$403 billion on local and long distance phone service and equipment, up from \$274 billion in 1998, according to the Telecom Industry Association. Call Accounting software can routinely cut telecom costs by detecting billing errors in your phone bill, and getting a refund as well as detecting inefficient long distance contracts which are not right for your business. What if most of your incoming calls to an 800 number were 15 seconds long, but the phone company billed in 30 second increments. How much money is being wasting on each call?

Experts say companies spend 5% to 35% more than they need to, because they pay for services they don't use. Or they fail to find the cheapest calling plans. They miss billing mistakes. And employees make calls they're not supposed to.

Allocate telephone calling costs among departments and divisions:

Telephones (and the people who man them) are some of your biggest expenses. They're a cost that should be allocated to the products you are making, or the departments and divisions in your company. Telephone costs can determine which product is profitable. Which isn't. A software company recently dropped one of its three "big" software packages because phone calls for support for that package got too expensive.

Motivate sales pe ople:

Knowing that their call activity is being monitored is a great incentive to not only sales people, but all employees. For sales people of course the more phone calls they make, the more they sell. Of other employees, being monitored means keeping phone calls short and concise, saving the business time and money.

Long Distance Bill Verification:

Was the bill from your chosen long distance phone company accurate? Mostly, it isn't. Using a call accounting system to check your long distance gives you some peace of mind - and documentation to back up your request for a refund of overpayments you may have made.

Network Optimization:

Two fancy words for figuring which is the best combination of local and long distance services. And which is the best combination of all the various services each offer. A rule of thumb: there is a 20 fold difference in per minute telephone calling costs between any two major cities. And you won't hear any difference in quality despite the huge difference in price. It's amazing.

Phone System Diagnostics:

Is the phone system working as well as it should be? Are all the lines working? Are all the circuit cards working? Call accounting systems can tell you which lines you are getting no traffic on. Or which line carried the 48 hour call to Germany. Either way, you can figure quickly which lines and trunks are working, overloaded, not working, etc.