

## A telecom tool that improves business and protects your company

Growing your business requires you to continually explore and implement new processes and policies that improve operations and promote greater customer satisfaction. It also requires protecting your company from the high cost of non-compliance with state and federal regulations.

Fortunately there's a feature you can easily add to your telecom system that can help -- recording telephone conversations.

How often have you been on hold and heard the recorded message saying, "This call may be monitored or recorded for quality assurance purposes"? It's most often heard when you're calling businesses to place an order, to get customer service or for support. Those, however, are not the only reasons why it's smart and cost effective to monitor phone conversations.

### Reasons for recording calls

The benefits of recording calls in your business generally fall into three categories:

#### **1. Improving sales, customer service, and customer loyalty.**

Often, the only communication a customer has with your organization is via the telephone. If your company has a team of individuals whose primary purpose is to sell or to support customers over the phone, recording calls provides huge benefits. Recordings give you all the information you need to help make those calls more effective.

- **Representative Training:** By letting new hires hear how experienced and successful employees handle calls, they can more quickly learn the sales methods that work best for your customers, your products and your services. Being able to hear their own performance is also an effective way to help newcomers understand how they sound and self-monitor their own improvement.

It may be that one particular team member has a better closing ratio or is better at up-selling than the others. It may be that one team member has better empathy with customer complaints and therefore convinces that customer to stay or even buy more as a result of being satisfied. By recording calls and sharing successful calls with your entire team, you boost everyone's performance.

- **Performance Reviews:** Recordings allow supervisors to review representatives' calls and evaluate their performance. Supervisors can then offer assistance and advice to help improve that performance. Because representatives typically receive commissions, monitoring and reviews not only result in higher sales but create happier and more productive employees.
- **Quality Control:** Supervisors monitoring calls can quickly catch and correct errors being made by employees. This can not only improve performance, but it can help prevent the loss of customers.
- **Conducting Business:** With today's virtual business environment, more and more intercompany meetings and initial employee interviews are conducted by telephone. What takes place on these calls may need to be shared or reviewed at a later time. Recording calls makes this easy and convenient.



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## 2. Reducing risk and protecting your company.

Protecting your business's bottom line includes helping prevent the costly damage in time and money that can result from disagreements about what transpired in phone conversations with customers, partners and vendors. Recording calls can significantly reduce your business's risk and easily resolve "he said, she said" situations.

- **Dispute Resolution:** Every company has experienced calls from customers or others saying that the product or service they got is not what they had requested. When that communication was made by telephone, only a recording can resolve the issue. Recordings let you quickly replay the original request. If your organization was in the wrong, you need to know and sort out the cause before it happens again. If you were right, you simply need to prove you have performed as requested and avoid expensive compensation and damage to your company's reputation.

## 3. Meeting state and federal recording regulations.

A growing number of industries are mandated to record phone conversations, such as investment brokers, providers of professional advice, insurance providers, medical professionals and many others. This protects customers from misrepresentation and fraud. They include:

- **Telemarketing:** The Telemarketing Sales Rule (TSR) requires telemarketers who are operating across state lines to disclose and prevent untruthful claims. The Fair Debt Collection Practices Act (FDCPA) provides guidelines for collection agencies seeking to collect legitimate debts.
- **Healthcare and Insurance:** The Portability and Accountability Act (HIPAA) Privacy Rule assures that individuals' health information is protected. The Medicare Improvements for Patients and Providers Act (MIPPA) was designed to protect Medicare recipients from deceptive or high-pressure marketing tactics.
- **Financial:** Efforts to protect the security of investors' transactions, private information and full disclosures include the Sarbanes-Oxley Act of 2002, the Gramm-Leach-Bliley Act (GLBA), the PCI Data Security Standard and the Truth in Lending Act (TILA).

## 4. Four options for recording calls

Adding a recording feature to your telephone system can be done one of four ways. This allows you to choose the option that fits your type of business operation and your budget.

### 1. Digital phone extension recorders -- most affordable

Digital phone extension recorders, in combination with compatible software, can be connected to your desktop PC to provide recording capabilities. This can record an unlimited number of calls and starts as low as \$500. It's a perfect solution for small offices and uses a simple Plug 'n' Play installation.

### 2. Server connected to phone system -- most expensive

Server-based call recorders add the cost of an additional server, training time for this more complex solution and the cost of yearly maintenance.



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### 3. **Cloud-based, hosted call recording -- subscription-based**

Just as many other services today are available via the Web cloud, so is call recording. Each provider is different, but once an account is configured, users can push a button to initiate recording on any call and pause recording during the call. Using an online interface, recorded calls can be searched, played back and managed.

### 4. **Built into the telephone system**

Integrated call recording is an inexpensive option on many telephony platforms available today, but not all. So be sure to know what you're getting before you buy. Features include "on demand" recording or "record all calls" with choices being initiated on a user-by-user basis.

## **Follow state and federal laws when recording calls.**

In the United States, call recording is regulated at both the federal and state levels.

As of this date, Wikipedia reports that "Under United States federal law and most state laws there is nothing illegal about one of the parties to a telephone call recording the conversation, or giving permission for calls to be recorded . . . However, several states (i.e., California, Connecticut, Florida, Illinois, Maryland, Massachusetts, Montana, Nevada, New Hampshire, Pennsylvania and Washington) require that all parties consent when one party wants to record a telephone conversation.

The Telephone recording laws in some U.S. states require only one party to be aware of the recording, while other states require both parties to be aware. It is considered better practice to announce at the beginning of a call that the conversation is being recorded.

Federal law requires that at least one party taking part in the call must be notified of the recording (18 U.S.C. §2511(2)(d)). For example, it would be illegal to record the phone calls of people who come into one's place of business and ask to use the phone, unless they are notified."

Where law requires recording the conversation, as it does for financial transactions, callers need not be notified that the call is being recorded.

Requirements vary on a state-by-state basis. It's important that you research and follow the latest regulations that are in place in your state rules before you begin recording calls at your business.



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