

BEFORE AI BECOMES THE NEXT IVR

How contact center leaders can implement AI properly.



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HOW CONTACT CENTER LEADERS CAN IMPLEMENT AI PROPERLY.

Contact centers have been through major technology promises before. IVR, chat, omnichannel platforms, workforce optimization (WFO) tools, knowledge bases, automation, and now AI have all arrived promising greater efficiency, lower costs, and a better customer experience (CX).

The difference was rarely the technology alone. It was how thoughtfully leaders implemented it, communicated the purpose, prepared employees, and understood the effect on customer effort and employee trust.

AI may be the most powerful tool contact centers have seen in decades. But if leaders treat it primarily as a cost-cutting shortcut instead of a performance and experience enabler, they risk repeating old mistakes faster, louder, and with greater consequences.

THE PROMISE AND PRESSURE OF AI

AI is entering contact centers when leaders are under pressure to reduce cost, improve service levels, increase speed, and do more with fewer resources.

The danger is that AI is too often positioned as a replacement strategy rather than an enablement strategy.

When frontline employees hear, "This tool is here to replace you," they understandably lose trust in its adoption. When they believe automation is being done *to* them instead of *with* them, they are far less likely to embrace and improve it or help make it successful.



AI should instead be positioned as a power tool, *not* as a replacement crew. One that helps skilled people work faster and reduce strain, but does not replace the human judgment, care, and adaptability required to do the job well.

AI can remove friction and handle routine work. But complex, emotional, and trust-sensitive moments still depend on people.

Part of the challenge is that the public narrative around AI has focused heavily on replacement. Some outside the contact center industry have predicted major customer service headcount reductions, often based on the misconception that most customer service work is routine.

Here's the reality. Password resets, basic knowledge questions, and simple transactions may be easier to automate. But contact centers live in the exceptions. Every product launch, marketing campaign, policy change, or system update can create issues the organization did not anticipate.

For example, Mike has seen a marketing launch generate two weeks of upset contacts before the FAQ even reached agents. Agentic AI can only catch up once the answers *actually exist*.

The bigger gap is emotional, *not* procedural. Even when AI communicates convincingly, customers may trust the answers less, even when they are accurate.

When customers are upset, they may need more than information. They may seek reassurance, accountability, judgment, empathy, or simply the confidence that a human being understands the problem.

AI can become a powerful agent-enablement tool and valuable service channel. But when it is introduced primarily as a cost-cutting measure, that framing shapes how it is implemented, how employees receive it, and how customers experience it.

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WHEN HEADCOUNT SAVINGS TAKE PRIORITY

Adam saw this lesson play out some years ago in a large national utility contact center where he was brought in to help stabilize the operation after an IVR rollout missed the mark.

The center was entering its predictable summer call volume spike of roughly 40%, driven by families moving while children were out of school. Because the utility's systems, regulations, and processes were complex, new hire training took six weeks. Spring was always the ramp-up period.

That year, IVR vendors claimed their systems could deflect a large percentage of calls through self-service. The call center director saw an opportunity to modernize and reduce staffing costs. He bought the IVR, assigned strong people to the implementation project, and cancelled the spring training classes.

Then summer arrived.

When the first wave of calls hit, the IVR failed under the pressure. Customers bypassed the system, queues backed up, and hold times spiked. By the time customers reached an agent, many had already been through a frustrating self-service experience and waited far too long to handle a basic request.

The frontline absorbed the failure. Agents were overwhelmed by customers who were angry before the conversations even began.

Team leaders, supervisors, quality assurance (QA) staff, trainers, and managers jumped on the phones. But this left agents with less support when they needed it most. One-on-ones, team meetings, QA coaching, and town halls were cancelled because everyone was focused on surviving the queues.

The damage moved beyond service levels.

- Mandatory overtime increased.
- Stress rose across the center.
- Customer and employee satisfaction dropped.
- Rumors spread because normal communication channels had been abandoned.
- Employees questioned the stability of the operation, and some left for less stressful jobs.

The IVR failure triggered the crisis. The bigger mistake had happened months earlier, when staffing plans were built around projected call deflection before the technology had proven it could handle the volume.

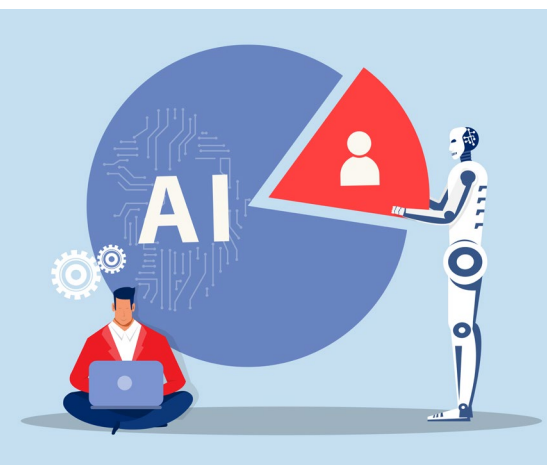
A tool expected to reduce customer effort increased it instead, creating more stress, less support, weaker communication, and greater attrition risk.

That is the cautionary lesson for AI.

When leaders assume technology can replace the hard work of staffing, training, process clarity, knowledge management, communication, and frontline support, the costs do not disappear. They move: showing up in longer queues, repeat contacts, frustrated customers, burned-out employees, and lost trust.

WHEN AUTOMATION MOVES THE WORK

Customer effort is one of the clearest places poor implementations show up. When automation gives the wrong answer, sets the wrong expectation, or sends a customer down the wrong path, the contact center has multiplied the interaction.



Mike experienced a consumer version of this when a vacation rental chatbot could not solve a reservation issue, refused to transfer him to a human, and turned what should have been a simple resolution into two extra hours of effort.

That is the real cost behind words like “deflection” and “containment.”

- When the intention is to help customers resolve issues quickly, AI can be a wonderful thing.
- When the intention is to keep customers away from the most expensive channel (human agents) that intention shows up in how the system is built and the customer pays for it in effort.

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WHAT BROKEN AUTOMATION DOES TO FRONTLINE EMPLOYEES

Customers are not the only ones who absorb the cost of poor implementation. Frontline employees do too. When automation fails, agents inherit the angry customers, broken process, inaccurate knowledge, and pressure to recover the experience.

That creates several hidden costs.

- Increased emotional load because the interaction often begins with frustration.
- Weakened trust in leadership when agents feel decisions were made far away from the realities of the floor.

- Increased resistance to future change because employees handed broken tools become skeptical of the next “improvement.”
- Higher burnout and attrition when high-performing agents spend their days apologizing for systems they did not design, cannot fix, and are still expected to defend.

Mike saw this after ordering from a major home hardware company. The company sent an automated form letter with details that did not match his order.

When he called customer service, the agent explained that the letter was automatically generated, outdated, and wrong. She resolved the concern, but sounded resigned, as if everyone already knew the letter was wrong, knew it was driving unnecessary volume, and knew nothing was likely to change.

That kind of resignation is dangerous. It discourages agents who want to do a great job.

It also points to a major AI readiness issue: AI can only work from the knowledge and processes it is given.

If veteran agents have sticky notes on their monitors with the newest and most accurate information, that may be where the *real* knowledge base lives. Meanwhile, your agentic AI is pulling from the outdated database, not from the correct answers taped to the side of your best agent's screen.

Every broken technology rollout has a human cost. It shows up in frustration, disengagement, absenteeism, turnover, and the loss of discretionary effort.

BUILD THE FOUNDATION BEFORE YOU SCALE THE TECHNOLOGY

The better path is not to slow AI adoption out of fear. The better path is to implement AI with the same discipline leaders would use for any major operational change.

That starts with clarity. Leaders need to be clear about what AI is intended to do, what it is *not* intended to do, and how frontline employees will be involved.

Silence creates uncertainty, and uncertainty creates fear. When leaders do not communicate clearly, employees fill in the blanks with the worst possible interpretations.

Leaders also need to involve frontline employees early. Agents know where customers struggle. They know which processes are broken, which knowledge articles are outdated, which policies create repeat contacts, and which customer issues require human judgment.

Skill development matters as well. As AI handles more routine work, agents may increasingly handle more complex, emotional, and exception-based interactions.

AI, then, does not make agents less important. Instead, it makes their skills *more* important.

AI is only as useful as the knowledge, processes, and data it draws from. If the knowledge base is inconsistent, outdated, or fragmented across departments, AI will distribute the confusion faster.

This requires more than simply loading content into the AI platform. Leaders need a clear, ongoing governance process for:

- What information is approved.
- Which department/team owns it.
- How often it is reviewed.
- How frontline feedback is used to catch inaccurate, biased, or hallucinated responses before they scale across CX.

Leaders can use AI-driven QA, customer sentiment measurement, and speech analytics to identify where processes are broken and what needs to change.

Nothing exposes gaps in processes and knowledge bases faster than rolling out AI without changing anything else. The key is to build those fixes into the rollout itself, rather than treating them as clean-up work after the damage is done.

Finally, leaders need to treat culture as part of the implementation plan. Adoption depends on trust. Trust depends on communication, involvement, consistency, and follow-through.



AI works best when it is part of a broader operating system for performance, not when it is treated as a shortcut around leadership, training, process improvement, and employee engagement.

PRACTICAL QUESTIONS FOR CONTACT CENTER LEADERS

Before implementing or expanding AI, leaders should ask:

- Have we clearly communicated the purpose of AI to our employees?
- Have we involved frontline employees in identifying the best use cases?
- Have we cleaned up our knowledge base, SOPs, and process inconsistencies?

- What is our actual goal in implementing AI: cost containment, customer satisfaction, or agent engagement and retention?
- Where can AI help our human agents the most, not just our customers?
- Have we created feedback loops so agents can flag where AI is helping, hurting, or creating new friction?

The organizations that get AI right will not be the ones that simply automate the most. They will use AI to remove friction, elevate frontline performance, reduce customer effort, and strengthen the relationships between employees, customers, and the business.

AI, THEN, DOES NOT MAKE AGENTS LESS IMPORTANT. INSTEAD, IT MAKES THEIR SKILLS MORE IMPORTANT.

AI may be new, but the leadership lesson is not. Technology performs best when people are prepared, involved, and supported.



The last technology rollout should have taught us that. AI gives contact centers another chance to get it right.🔗



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