

# The true cost of freeware

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Smaller or new call centres are often lured by the promise of free call centre software that can be downloaded and cobbled together by an "IT professional", thus reducing their initial capex investment.

Usually, this works for a short time. But there is no such thing as a one-size-fits-all free call centre solution. Over time, as new functionalities have to be added or updates need to be made, costs start to accumulate and the vulnerability and dependency on one IT professional begins to show.

There are hidden costs to consider too. Yes, the actual call centre product (that allows an agent to pick up a ringing phone and transfer the call) is free, but the management, reporting and analytics tools that are required to keep the business running efficiently are not. And there are numerous risks associated with that too.

Let's say that a freeware package is installed and a freelance IT person is contracted to amend or upgrade the software for your business. Then, in a few months, a new report has to be added to the system. The IT person who originally put the software together is the only one who can make the change. That means that your IP is in danger of walking out the door and never returning - and it happens often.

## Software is only part of any given system

You might install freeware and find that it crashes after a few weeks for no apparent reason. Who is your point of call to get it fixed? Usually only an e-mail address on the freeware site. If a product is bought from a reputable local specialist company, chances are there is a dedicated team of engineers appointed to provide support.

It's not that freeware never works. However, you have to remember that software is only part of any given system. There are hardware and LAN considerations, operational differences and fluctuating requirements as the team grows. The natural progression of any call centre that is increasing its maturity is that of optimisation - adding more technology to keep up with the growing demand and complexity of your business.

You might get away with using a freeware solution for a short time, but often it doesn't have resilience, redundancy or the ability to scale. More often than not, you will either outgrow your free solution or lose money over the long-term, as you need to keep adding developers to your team to keep up with the increasing change control issues.

## You need accurate reporting

There is also a lack of accurate reporting with these free packages. They might reflect your call volume, but fail to analyse who's doing what, when and why. This means that you might not have an accurate reflection of what's going on and could end up with idle agents or an understaffed contact centre. You have to have an accurate reflection of what your staff is doing so that you can eliminate unnecessary costs acquired through staff abusing the system and incentivise the team members that are doing a good job.

At one call centre, we found that staff members were making calls from the contact centre, transferring them to their personal cell phones and having lengthy conversations at the company's expense. The contact centre's phone bill had virtually doubled - but without reporting, they could not trace the source.

Contact centre tech accounts for only about 10% of the overall costs, whereas staff costs make up about 70% of the budget. It's better to invest in reputable software that reduces staff costs through more effective performance management than to cut corners with bargain shopping.

Freeware may seem tempting at first glance, but the risks far outweigh the benefits. Do not fall into the trap of thinking that free software will lead to a cost savings - chances is that it will not. Always consider the real cost.

## ABOUT BRUCE VON MALTITZ

Bruce von Maltitz is currently the MD of 1Stream, a cloud-based contact centre technology provider. He has over 20 years experience in the service industry focusing specifically on contact centres for the last twelve years. He has a detailed understanding of how to design, build and operate contact centres having worked in the industry in SA, Africa and abroad.

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