CX WITHOUT SILOS:

BRIDGING FRONT- AND BACK-OFFICE OPERATIONS TO ELEVATE CX

IN PARTNERSHIP WITH: **NiCE**
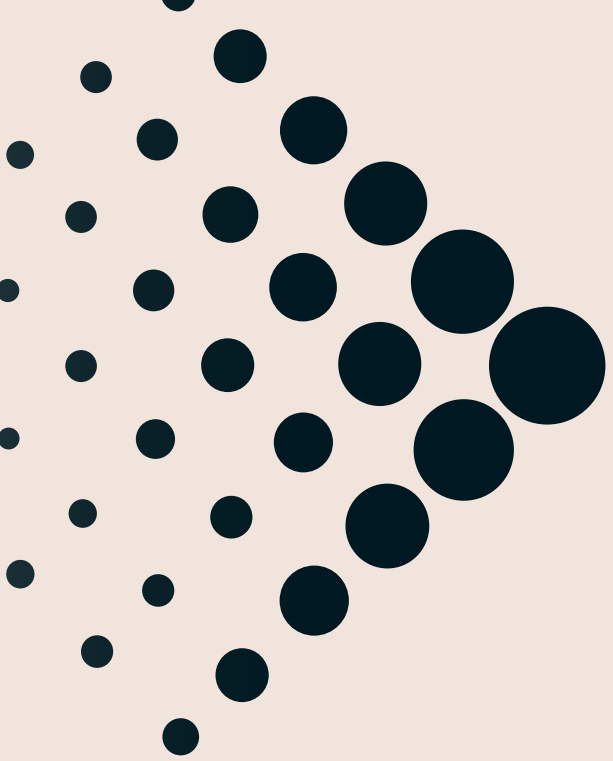
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INTRODUCTION

In many ways, back-office operations form the backbone of the modern customer experience (CX), powering so much of what customers take for granted — including issue resolution escalation, fulfillment, quality assurance (QA), and countless behind-the-scenes processes that ultimately shape customer satisfaction (CSAT). Yet at many organizations, these functions remain siloed and poorly funded, and outcomes are entirely too difficult to measure. Based on insights from nearly 50 CX leaders across a 30+ question survey, this report explores the operational realities, pain points, and opportunities within back-office operations, providing readers a nuanced look into the state of the wider CX journey.

A recurring theme across survey results (as well as post-survey interviews) is the growing disconnect between the value of back-office operations and its visibility within executive decision-making. While customer-facing artificial intelligence (AI) and frontline investments in things like training and tools often receive attention, workflow automation and back-office efficiency often gets overlooked, despite the clear potential for cost savings and service improvements. Siloed data, fragmented platforms, and outdated measurement frameworks continue to obscure return on investment (ROI) and delay modernization efforts. Leadership buy-in often hinges not just on cost reductions, but on the ability to tie back-office performance to CSAT, revenue, and brand equity.

Amid these challenges, forward-thinking organizations are starting to shift their approach. Companies are piloting low-code automation tools, layering modern solutions over legacy systems, and investing in unified data platforms to drive smarter, faster service across channels and across the enterprise. AI is emerging not just as a means of automation, but as an enabler of intelligent guidance and proactive support. Cross-functional collaboration, modular tech stacks, and stronger vendor partnerships are seen as critical levers to elevate back-office operations from cost centers to strategic enablers of exceptional CX.

This report was produced in partnership and collaboration with NiCE, whose expertise was crucial in elevating this research. Be sure to check out "CX is the New Brand Battlefield," an insightful commentary by Omri Hayner, General Manager, Workforce Augmentation at NiCE. In it, Omri shares strategies for tackling some of the most common challenges in the back-office space, all while illustrating why bridging the gap between front- and back-office operations is so vital for customer and business success. Be sure to check it out, starting on page 4.

Also be sure to check out a special commentary from Tracy Acree, Vice President, Business Development & Sales – West at HGS, discussing a holistic approach to back-office operations. You can find it on page 30.

PARTNER COMMENTARY

CX IS THE NEW BRAND BATTLEFIELD

CX has become one of the most powerful differentiators for brands in a crowded, choice-rich market. According to Execs In The Know research, 88% of consumers indicated that it was "Very Likely" or "Somewhat Likely" that a positive customer care experience would increase their loyalty as a customer.* More than ever, CX defines brand perception, drives competitive advantage, and builds long-term loyalty.

The shifting technology landscape of digital and AI is fundamentally reshaping customer expectations and the way service is delivered. Automation, asynchronous channels, self-service, and AI-powered interactions are redefining the boundaries of traditional customer support, making it faster, proactive, and more personalized.

FORGET THE ORG STRUCTURE ... CUSTOMERS ONLY CARE ABOUT THE EXPERIENCE

Customer journeys often span both the front and back office, yet the systems and teams supporting those journeys often remain disconnected or, at best, loosely integrated. Encouragingly, this research, in partnership with Execs In The Know, found that 77% of CX leaders see some alignment between back-office objectives and overall CX goals (page 15), and front- and back-office collaboration is viewed positively on the whole (page 15). Still, the hand-offs and workflows between these teams are not always seamless. The result? Delayed resolutions, fractured visibility, and inconsistent service experiences that can frustrate both customers and employees, especially in organizations still grappling with legacy technology and siloed processes. Another tension is that while front-office capabilities have evolved rapidly, back-office functions, which play a critical role in fulfilling customer needs, don't always evolve at the same speed, which could result in experience gaps.

As the industry adapts to new pressures, one thing is clear: the ability to orchestrate experiences across a broader CX ecosystem (one that includes both front, mid, and back office) is no longer optional. It's a requirement for brands seeking to deliver seamless, scalable, and loyalty-driving experiences in an AI-driven world.

And yet, as McKinsey points out in Putting Customer Experience at the Heart of Next-Generation Operating Models, "If brands focus only on the front-end experience and don't change the back-end operations that support it, the new experience is unlikely to be sustainable."[†] Too often, front-back-office operations remain fragmented, invisible, and hard to measure, leaving experience gaps that undermine even the most well-designed CX strategies.

This report, *CX Without Silos: Bridging Front- and Back-Office Operations to Elevate CX,* explores this very tension, highlighting the current state of back-office operations and its often-underestimated role in the end-to-end customer journey. Sixty-three percent of CX leaders rated their back-office performance as "Good" or "Very Good" (page 14). This suggests that many organizations recognize (and are starting to realize) the strategic value the back office brings. However, that value often comes despite challenges, with 47% of respondents acknowledging underinvestment, and only a third expressing satisfaction with the technology supporting their back-office operations. Other findings also uncover real barriers to integration, data flow, and shared accountability. It's clear that some organizations are forging ahead to close these gaps, while others are still constrained by legacy systems, siloed structures, and budgetary constraints.

THE GREAT CX CONVERGENCE

In today's customer-centric economy, the silos that once separated front- and back-office operations are starting to dissolve. This strategic shift reflects a new reality: delivering exceptional CX is no longer just the responsibility of the front office. It is a shared mission across the entire enterprise.

At NiCE, we value the integrated philosophy of customer service, an approach that is validated in this report. Companies are quickly catching on as results reveal that 75% of CX leaders foresee a future where staff are shared between front and back offices (page 16), a trend driven by the desire for reduced silos, increased consistency, and more seamless customer journeys.

In fact, a NiCE survey from 2024 revealed that one out of three organizations are already blending front- and back-office work in their management of workstream items.**

While most organizations recognize the strategic value of the back office, results in this research highlights critical gaps. Technology stacks are outdated and disconnected, data is siloed, and cross-functional collaboration remains limited. Nearly half of respondents report underinvestment in back-office functions (page 18), even though these functions are seen as crucial to CX success.

IT TAKES A REAL PLATFORM TO BLEND!

A good way to resolve some of the challenges posed by siloed operations across the front and back office is leveraging a unified platform architecture, purpose-built to scale across departments, processes, and customer touch points. Such an open platform can adapt to the broader needs of the enterprise by taking advantage of the following foundational characteristics:

1. UNIFIED DATA AND INTERACTION LAYER
A unified platform architecture centralizes customer data, conversations, and operational intelligence across voice, digital, asynchronous, and back-office channels. This shared data layer ensures that every interaction, whether initiated by a chatbot, an agent, or a workflow, is informed by the full context of the customer journey.

2. OPEN PLATFORM FRAMEWORK
Built with flexibility in mind, a unified, open platform architecture seamlessly integrates with third-party systems, internal tools, and enterprise applications through robust APIs and low-code orchestration. This enables organizations to connect people, processes, and systems without re-architecting their tech stack.

3. PROVEN AI AND AUTOMATION FOUNDATION
With real-world deployments across self-service, workforce augmentation, and workflow optimization, proven AI core models combine generative foundational models with specialized CX models to deliver trusted, proven, and operational AI solutions. Role-specific copilots, proactive automation, and intelligent routing are already delivering measurable results at scale, making it easier to extend those capabilities into back-office and cross-functional teams.

4. EXPERIENCE-DRIVEN DESIGN

A purpose-built unified platform can enrich the employee experience. With native capabilities for performance management, journey orchestration, and proactive engagement, such a platform supports seamless collaboration across front-line agents, mid-office specialists, and back-office specialists, as well as automated systems, helping everyone move in sync toward customer outcomes.

TURNING SILOS INTO SHARED WORKSTREAMS

Today's leading contact center solutions can form a comprehensive platform for orchestrating customer interactions and work across the enterprise. Here's how NiCE's CXone Mpower platform accomplishes this:

CXone Mpower Orchestrator extends its reach beyond the contact center, enabling back- and mid-office expansion with capabilities such as advanced workflow and CX management, AI-powered discovery and mapping of existing processes, real-time task execution to fulfill customer or business intent, and AI-driven analysis and optimization with process intelligence.

Also important is the introduction of an all-in-one specialist workspace that centralizes customer data and connects all teams to move as one. Additionally, NiCE has expanded all Workforce Engagement Management (WEM) capabilities to support ticketing interactions, help the shared work of backlog items, and manage the unique performance needs of CRM-based ticketing interactions.

BRIDGING FRONT & BACK OFFICE FOR SEAMLESS SERVICE

The goal should not be to replace traditional back-office operations, but to instead create shared operational layers between front and back offices that eliminate the customer experience disconnect and contribute to seamless workflows. The best solutions today empower enterprises to share resources, align goals, and unify platforms without disrupting core business systems. This allows companies to preserve specialization while gaining the agility and efficiency of a connected service ecosystem.

The findings in this research, *CX Without Silos: Bridging Front- and Back-Office Operations to Elevate CX,* reinforce our belief that CX transformation is an initiative that must be managed across the enterprise. At NiCE, we're building the tools to make that happen.

For more information about CXone Mpower and Playvox by NiCE, please contact us at CXoneWEM.CXoneWEM@nice.com or scan this QR code using your phone:

*2024 CX Leaders Trends & Insights: Consumer Edition, Execs In The Know, 2024 (https://execsintheknow.com/wp-content/uploads/2024/09/2024-September-ResearchReport-CX-Leaders-Consumer-Edition.pdf)

†Putting Customer Experience at the Heart of Next-Generation Operating Models (https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/putting-customer-experience-at-the-heart-of-next-generation-operating-models#/)

**Managing the Modern Contact Center: Current Employer Trends, NiCE, 2024 (https://resources.nice.com/wp-content/uploads/2024/08/Managing-The-Modern-Contact-Center-Current-Trends-2024.pdf)

Omri Hayner
General Manager, Workforce Augmentation

With over 20 years at NiCE, Omri Hayner has held a variety of R&D and business leadership positions, all focused on driving innovation that improves customer and employee experiences. Today, as General Manager of the Workforce Augmentation Line of Business, he leads the strategy and execution of the NiCE Workforce Augmentation business, helping organizations empower their people through AI and automation innovation. Omri is passionate about turning emerging technologies into meaningful business outcomes.

SURVEY METHODOLOGY AND SURVEY PARTICIPANTS

SURVEY METHODOLOGY

Methodology

This report, *CX Without Silos: Bridging Front- and Back-Office Operations to Elevate CX*, was developed based on results derived from a custom 35-question survey delivered via the SurveyMonkey online platform.
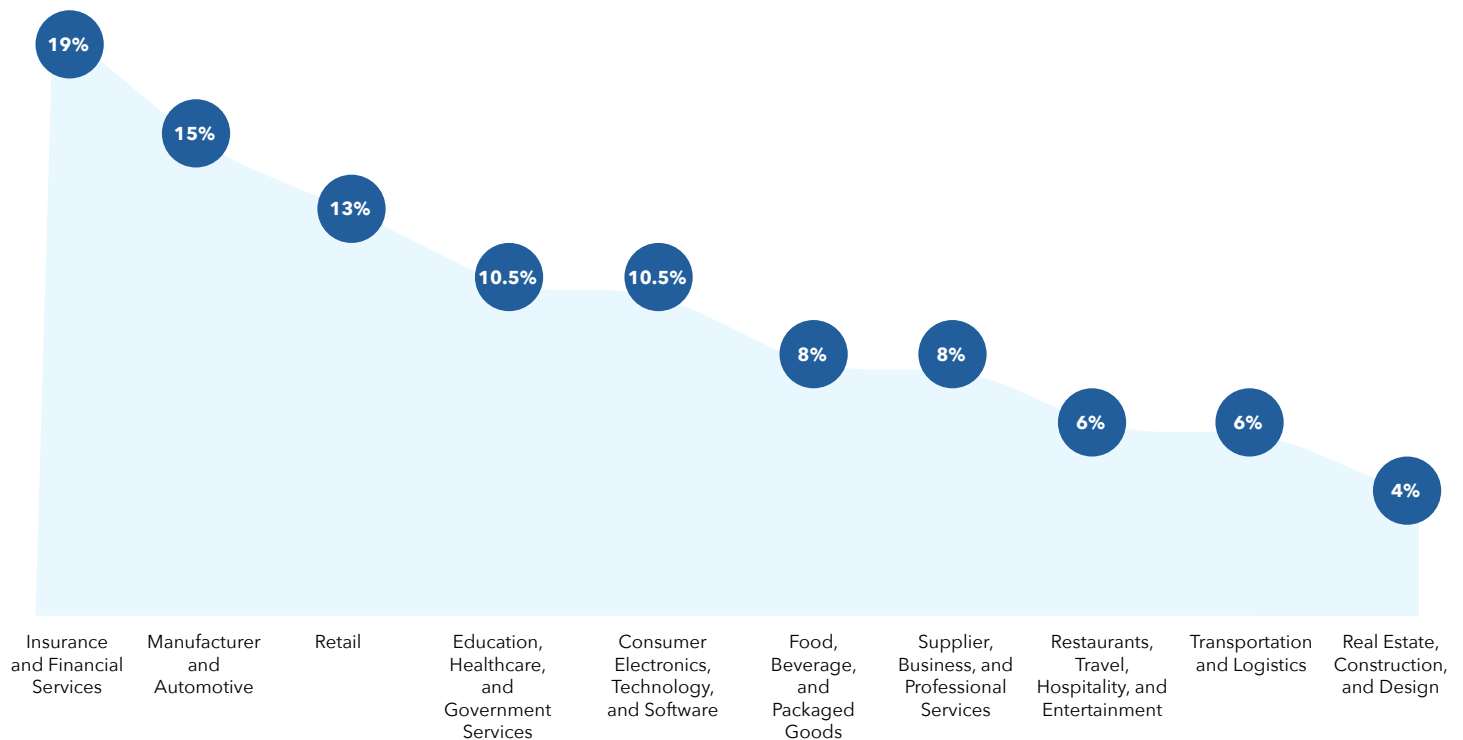
Surveying occurred from May 6 through June 4, 2025. Private invitations to partake in the survey were delivered by email to the Execs In The Know community and via promotion within Execs In The Know's private online community, Know It All. Invitations targeted corporate practitioners responsible for managing the customer experience and customer care programs at their respective organizations, primarily in the United States and Canada. Individuals were screened to focus only on CX leaders with extensive knowledge of their company's back-office operations with eighty-five percent holding a title of Director or above. See page 11 for a detailed breakdown of the industries represented by the survey participants.

SURVEY PARTICIPANTS

The surveying used to build this special back-office-focused report included 48 CX leaders representing a broad range of industries. Insurance/Financial Services, Manufacturing, and Retail represented nearly half (47%) of all survey participants, with the remaining participants spread evenly across seven other industry verticals.

The type of industry a company represents can have a meaningful impact on the scope and types of functions attributable to a specific company's back-office operations. This breakdown of survey participation is worth bearing in mind as readers digest the results throughout this report.

Which vertical does your company best represent?

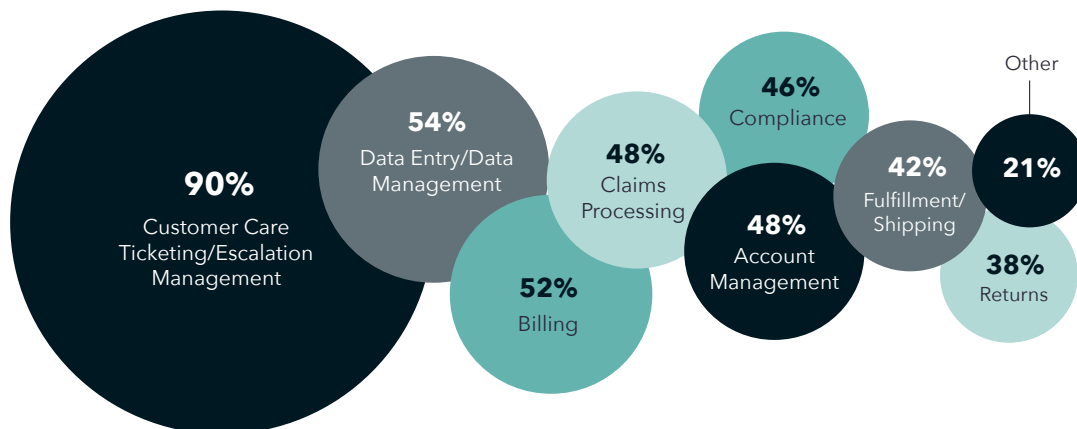| Vertical	Percentage
Insurance and Financial Services	19%
Manufacturer and Automotive	15%
Retail	13%
Education, Healthcare, and Government Services	10.5%
Consumer Electronics, Technology, and Software	10.5%
Food, Beverage, and Packaged Goods	8%
Supplier, Business, and Professional Services	8%
Restaurants, Travel, Hospitality, and Entertainment	6%
Transportation and Logistics	6%
Real Estate, Construction, and Design	4%

SURVEY RESULTS

CURRENT STATE AND FUTURE EXPECTATIONS

OFFERED FUNCTIONS AND CURRENT PERFORMANCE
*Current State and Future Expectations*

Among survey participants (a group inherently focused on care), "Customer Care Ticketing/Escalation Management" was the most common back-office function on offer. This function was universal across all industry types, while functions like "Fulfillment" and "Returns" were far more common among companies representing manufacturers, retail, and packaged goods. Functions in the "Other" bucket included workforce management (WFM), Quality Assurance (QA), legal services, investigations, and vendor management.

Which of the following back-office functions are a part of your overall CX operations? (Select all that apply.)

90% Customer Care Ticketing/Escalation Management

54% Data Entry/Data Management

48% Claims Processing

46% Compliance

52% Billing

48% Account Management

42% Fulfillment/ Shipping
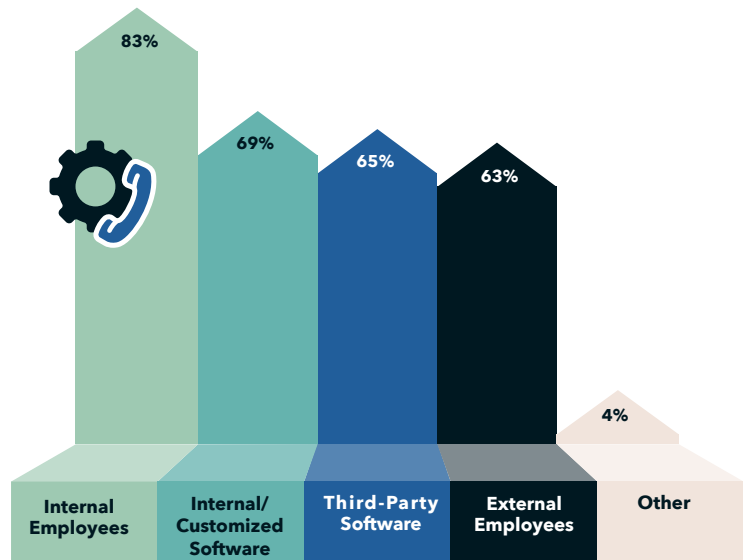
Other
21%

38% Returns

In your opinion, which best describes the performance (efficiency, consistency, quality, outcomes, metrics, etc.) of your current back-office operations?

Only 10% of survey respondents had a negative perception of the performance of their current back-office operations, with 63% indicating the performance of their company's back-office operations was either "Very Good" or "Good." This is consistent with the perceived value that back-office operations provides back into the organization (page 18). Understanding the current perception of back-office operations performance and value among survey respondents is a key consideration in digesting results throughout this report.

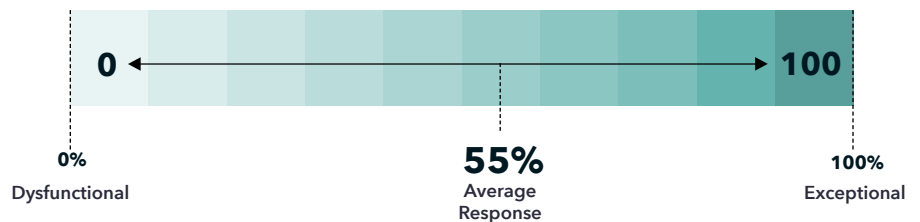| Very Good	Good	Neutral	Poor	Very Poor
13%	50%	27%	6%	4%
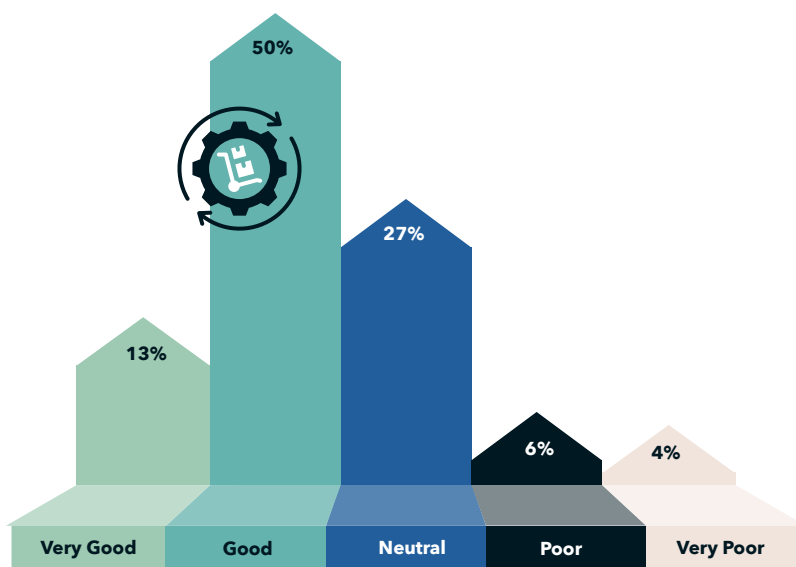
Which of the following are you currently utilizing to support your back-office operations? (Select all that apply.)

Roughly half of all survey respondents indicated that their company's back-office operations utilized both internal and external employees, as well as both internal/customized and third-party software. This indicates that many companies are heavily dependent on providers to help them manage their back-office operations. In fact, only 13% of respondents indicated their companies rely entirely on internal employees and software resources in support of their back-office operations.

Internal Employees	Internal/ Customized Software	Third-Party Software	External Employees	Other
83%	69%	65%	63%	4%

How would you describe the integration and cohesiveness of your front-office operations as they apply to CX and contact center operations?
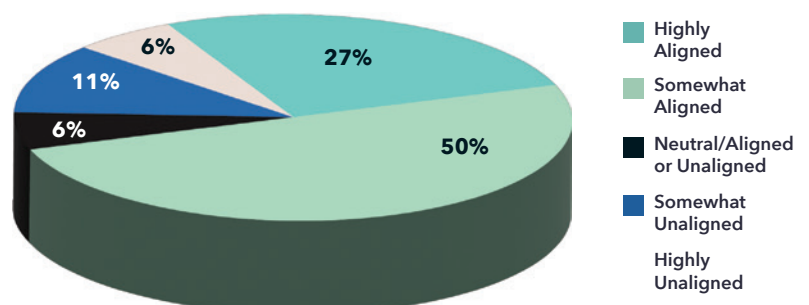
In another question that quantifies current sentiment, survey respondents were asked how well front- and back-office operations play together. Although the responses received were not as positive as the responses received regarding current performance (page 14), the average response leaned slightly positive, at 55.

0 ← → 100

0%
Dysfunctional

55%
Average Response

100%
Exceptional

In your opinion, how aligned are your back-office operations with your wider CX and customer care goals and objectives?

In yet another question exploring the current state of back-office operations, most survey respondents (77%) felt there was some measure of alignment between back-office goals and objectives and those of the organization's wider CX and customer care operations. This is a good thing, as aligned goals and objectives ultimately help back-office operations maximize the value they provide to the wider organization. By aligning with CX goals and objectives, there is also a higher probability that back-office operations will be customer-focused and outcome-oriented.

- 27% — Highly Aligned
- 50% — Somewhat Aligned
- 6% — Neutral/Aligned or Unaligned
- 11% — Somewhat Unaligned
- 6% — Highly Unaligned

When it comes to the ratio of back-office staff in support of frontline workers, there doesn't appear to be a clear consensus among survey respondents, and the industry type of respondent companies provided no correlation regarding how the question was answered. In fact, in at least four organizations, the number of back-office staff outnumbered frontline workers. Furthermore, there appeared to be a strong relationship between performance (page 14) and value (page 18), with companies having a larger ratio (such as 1 for every 12 or 16) typically having better back-office performance and delivering greater value back into the organization.

What is your approximate ratio of back-office staff (both internal and external) in support of your frontline (i.e., customer-facing) workers (both internal and external)?
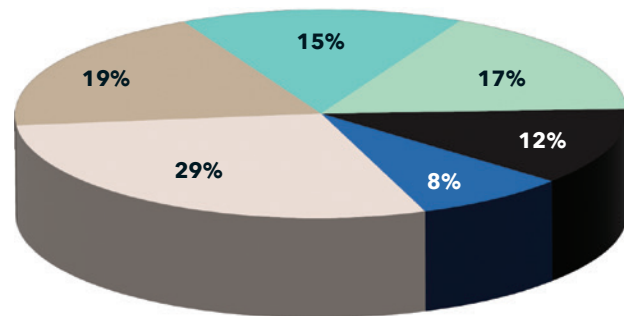
- One (1) back office worker for every four (4) frontline workers
- 1 for every 8
- 1 for every 12
- 1 for every 16
- Don't Know/Decline to Answer
- Other

Three-quarters of survey respondents who provided an answer to the question below (removing "Don't Know" and those who hadn't considered the question) felt the future held the potential for shared human resources between back- and front-office operations. Shared resources offer significant advantages to organizations, including reduced impact from organizational silos, the security of redundancy, greater consistency across the journey, and an improved global understanding of processes and policies.

In the future, do you anticipate having shared human resources (i.e., your workforce) between back- and front-office operations? Is this part of your vision for a "universal agent"?

| 48% Yes | 17% No | 10% Have Never Considered This | 19% Don't Know/ Decline to Answer | 6% Other |
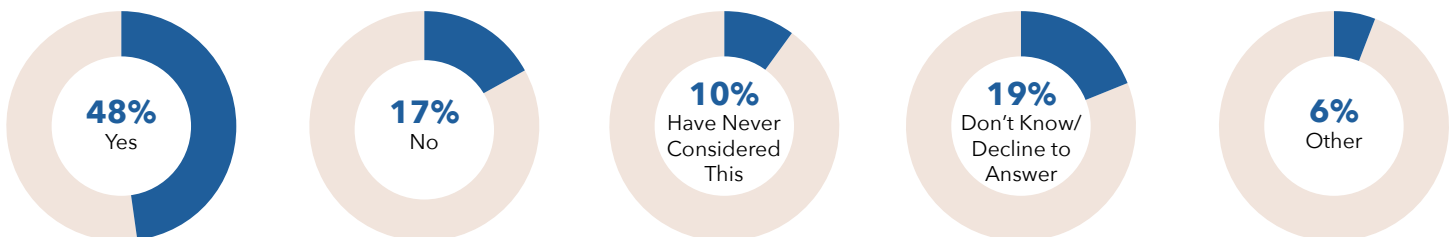
When asked how they felt about the current tech stack in support of back-office operations, those survey respondents with positive comments (33%) barely outnumbered those with negative comments (28%). Based on the verbatim received to the open-ended question below, the technology that supports back-office operations all too often suffers from underinvestment, is outdated, and is either makeshift or driven by manual processes. Undoubtedly, the technology that supports back-office operations is in dire need of innovation and reinvigorated investment.

How do you feel about the tech stack that currently supports your back-office operations?

Very Positive	3%
Positive	30%
Neutral	39%
Negative	21%
Very Negative	7%
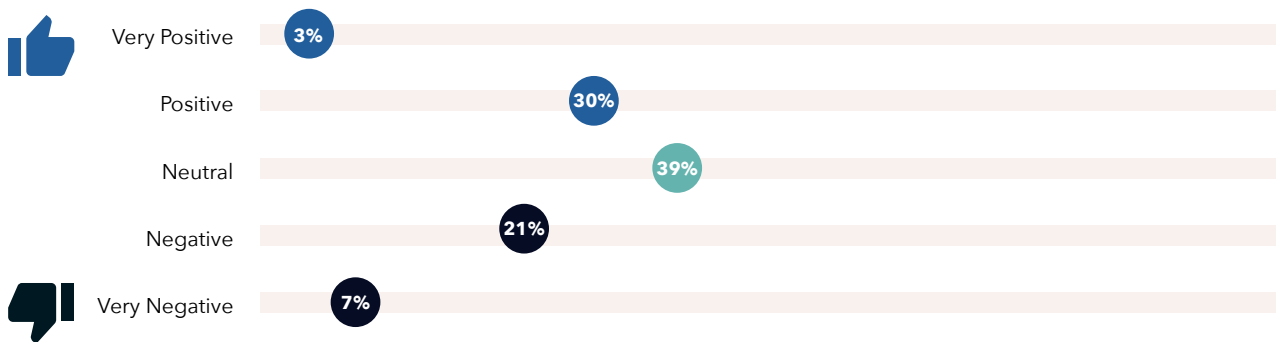
What are the primary drivers responsible for how you answered the previous question (i.e., back-office tech satisfaction)?

In response to the above open-ended question, survey participants cited a range of factors influencing their sentiment with the most common being a lack of integration across systems and a lack of investment. Siloed data was a common challenge, as well as legacy systems that hinder innovation and necessitate manual workarounds. That said, several respondents indicated transformation is either underway or planned, with modernization efforts focused on automation, AI integration, and improved alignment between front- and back-office systems.

Here is a handful of verbatim that inform the above summary:

- "To be an effective agent, you have to have knowledge of 19 systems, of which only three are integrated."

- "Too many systems; too old; not interconnected; no data lake."

- "The back end still functions in a homegrown, green-screen, heavy manual labor environment. There is a lack of innovation."

- "There's been no new investment in new tools.""The IT function is managed globally, so getting back-office support prioritized for a region is impossible."

Just like the perceived performance of back-office operations (page 14), survey respondents had a mostly positive view of the value that back-office operations return to the organization, even in the face of certain challenges, including those posed by the supporting tech stack (page 17) and budget limitations (below). A strong value stream is a boon not only for the wider organization, but especially for the CX and care groups, as back-office operations can heavily influence the overall experience. Ultimately, good value for CX and support often translates into good value for customers.

How would you describe the value current back-office operations provide to the wider organization?

- 0%
- 8%
- 25%
- 29%
- 38%

Legend:
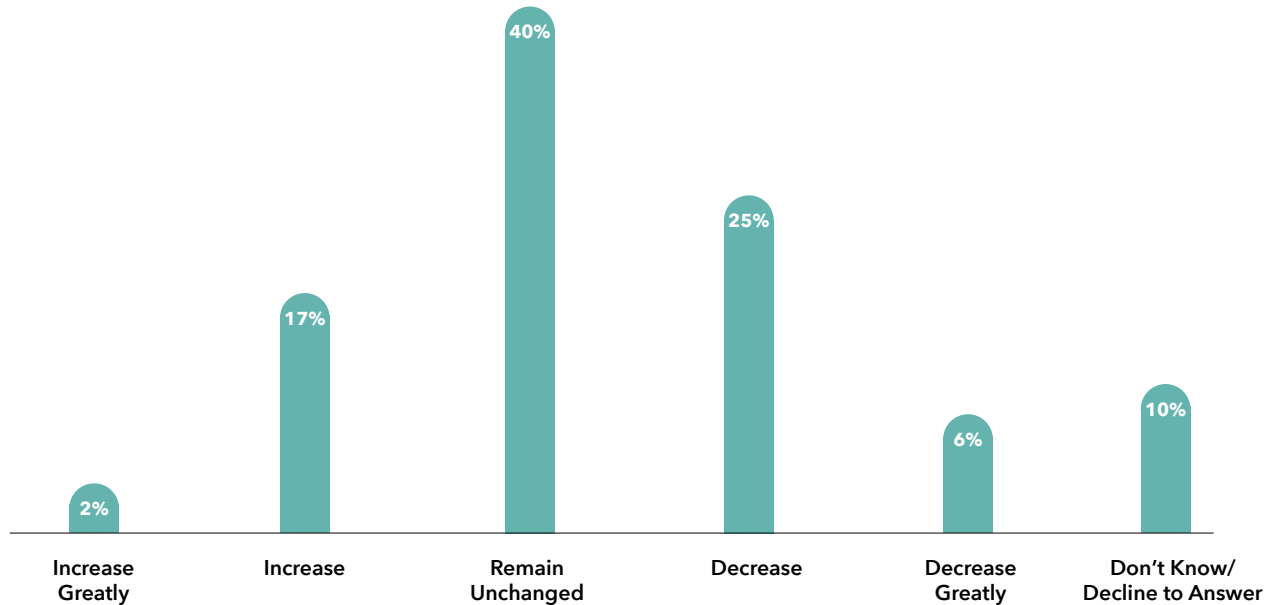- Very High
- High
- As Expected
- Low
- Very Low
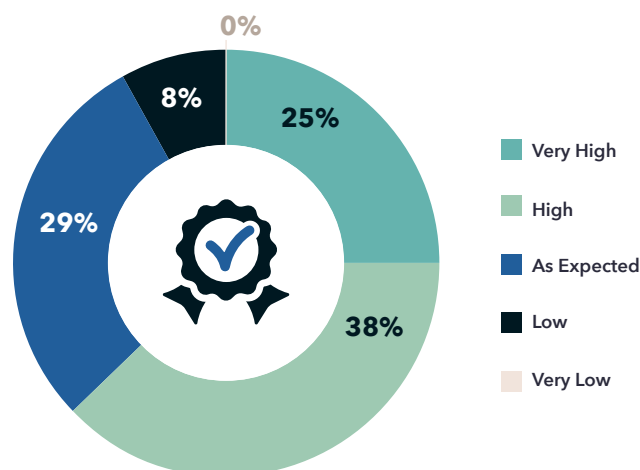
Although opinion is generally positive toward back-office performance and value, a significant portion (47%) indicates underinvestment in the space. This is good news, in that back-office operations are seen as successful even in the face of budgetary challenges. This result also hints at the fact that even a moderate increase in investment could have a strong return on investment (ROI), as it indicates back-office operations have a track record of making the most of the resources made available.

How would you describe your organization's current level of investment (financial, resources, focus, etc.) in its back-office operations?

| Very High	High	As Expected	Low	Very Low
2%	15%	36%	36%	11%
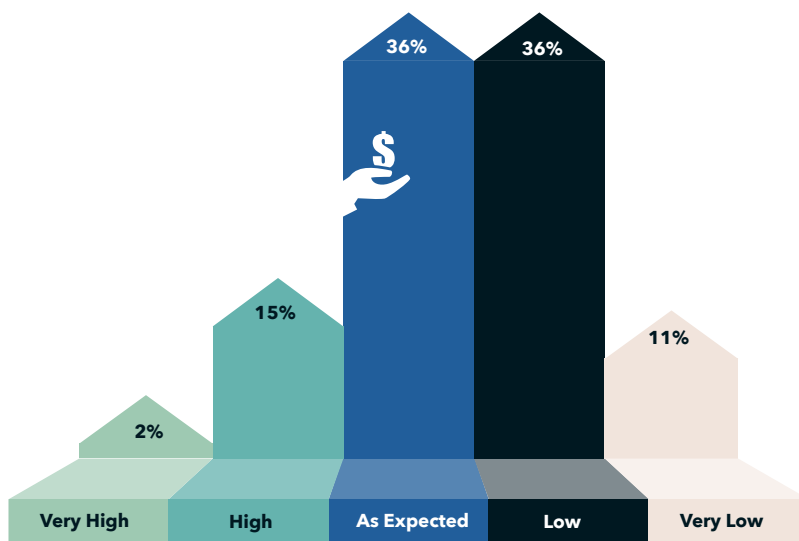
Even with the existing specter of underinvestment (page 18), about a third (31%) of survey respondents expect a decrease in budgets in support of back-office operations in the coming 18 months, while only 19% expect an increase in the same period. This is concerning, especially coming at a time when CX leaders seek greater investment, especially when it comes to technology in support of back-office operations (page 17).

**Do you expect budgets in support of back-office operations
to increase or decrease in the coming 18 months?**

| Increase Greatly	Increase	Remain Unchanged	Decrease	Decrease Greatly	Don't Know/ Decline to Answer
2%	17%	40%	25%	6%	10%

In a result that strongly reflects the current budgetary environment, most survey respondents (69%) are ROI-focused when it comes to new investments in back-office-related platforms. Furthermore, at least a couple of survey respondents indicated they were actively reviewing options in this specific area, indicating at least some level of interest in the concept of a shared platform. A unified platform is a good step toward greater alignment and consistency as customers navigate the wider journey with a brand.

**Would you be willing to invest slightly more in a platform if it was
able to support your front-, back-, and mid-office operations?**

- Yes — 69%
- Depends on the ROI — 6%
- No — 6%
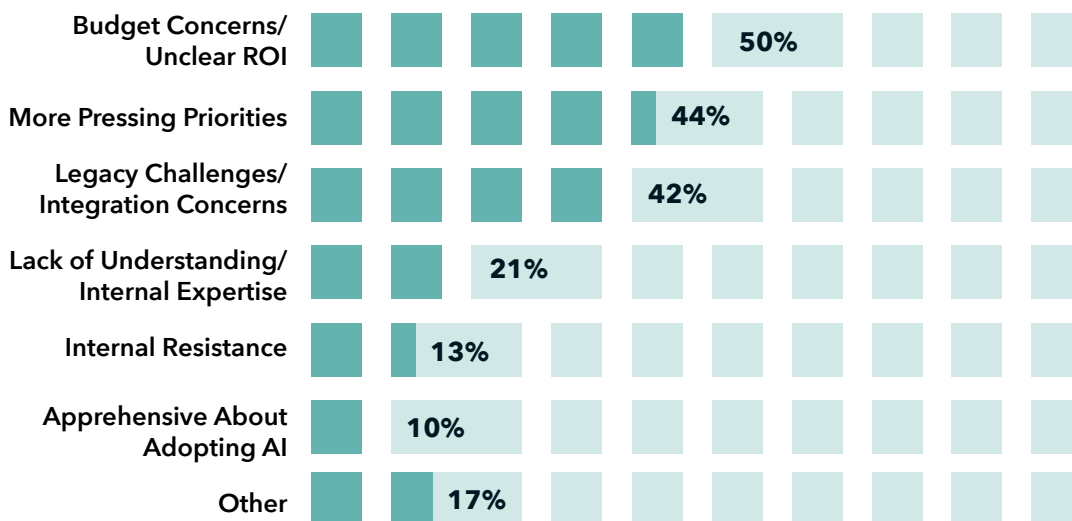- Don't Know/ Decline to Answer — 6%
- Other — 13%
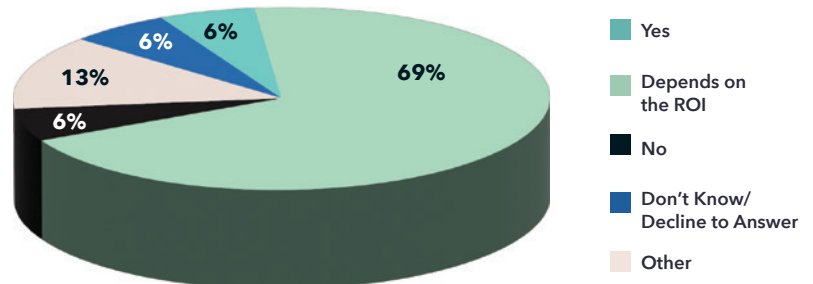
Although budgets may not be as healthy as some might hope or expect (pages 18 and 19), there is a strong readiness among respondent companies when it comes to adopting AI-powered technologies in support of back-office operations. This is likely due to the familiarity built up through customer care operations, which have been leaning into AI for several years. Barriers to greater AI adoption within the back-office space are highlighted below.

How would you describe your organization's readiness to adopt new or additional AI-powered back-office solutions?

- Very High — 23%
- High — 36%
- Neutral — 21%
- Low — 11%
- Very Low — 9%
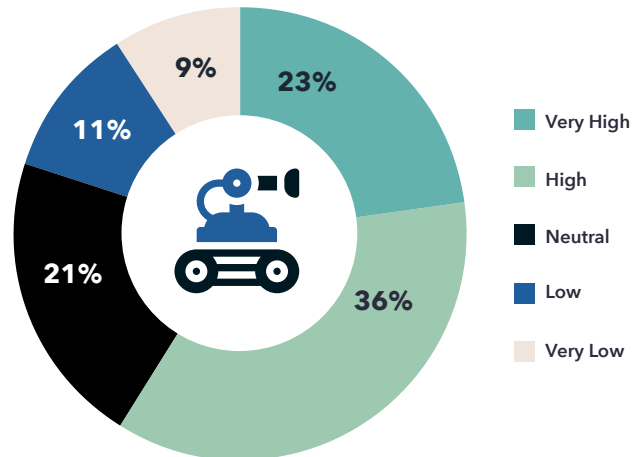
Not surprisingly, budget is the most cited barrier to greater AI adoption in support of back-office operations, indicated by half of all survey participants. Other competing barriers included other priorities and issues with technology (including legacy and integration concerns). Among write-ins as a part of the 17% of respondents who indicated "Other," respondents mentioned concerns with security, misalignment, legal, and compliance.

What are your biggest barriers to adopting new or additional AI-powered back-office solutions? (Select all that apply.)

Barrier	Percentage
Budget Concerns/Unclear ROI	50%
More Pressing Priorities	44%
Legacy Challenges/Integration Concerns	42%
Lack of Understanding/Internal Expertise	21%
Internal Resistance	13%
Apprehensive About Adopting AI	10%
Other	17%

What services, tools, or innovations do you see a need for when it comes to back-office operations?

In response to the above open-ended question, several needs were commonly identified, including greater use of AI and automation (including sentiment analysis, robotic process automation [RPA], and AI-supported decision-making). Another frequently mentioned need was for greater integration across platforms and systems, including CRM, chat, voice, ERP, ticketing, and shipping, the idea being that customer support agents and back-office teams have unified visibility and access to relevant data. Some also expressed their frustration with disjointed, outdated systems highlighting a need for modernization, interconnectivity, and centralized visibility. Other innovation requests included real-time integration, streamlined scheduling, customer communication tracking, and secure, remote access to BPO data.

**Below are select verbatim that supports the above summary:**

- "AI agents to assist with efficiency, a new ticketing system; and we need to use AI in multiple other facets."

- "Anything is better than what we have — we are operating off of Excel and in-house software developed in the late '90s."

- "Seamless connection with tech stack/AI and tools to assist agents in solving customer issues."

- "Our people need visibility into all customer touch points, both online and across channels."

Which priorities or initiatives do you expect to be actioned in the next 18 months to help create the future state of your back-office operations?

When asked about upcoming priorities, also via an open-ended question, respondents overwhelmingly identified AI implementation and automation as the area most likely to see movement in the coming months. Many organizations plan to introduce or expand AI capabilities with the goal of reducing manual tasks, cutting costs, and even replacing some back-office roles. There is also strong interest in streamlining fragmented systems by consolidating customer data, interaction history, and workflow tools into more unified and context-aware platforms. Another notable priority is the improvement of operational visibility, particularly into customer touch points and communication channels. Respondents highlighted the need for better reporting, guided workflows, AI-powered analytics, and platforms that support a complete, omnichannel view of customer interactions. Overall, most organizations appear to be in some stage of AI adoption, automation, system modernization, or data integration.

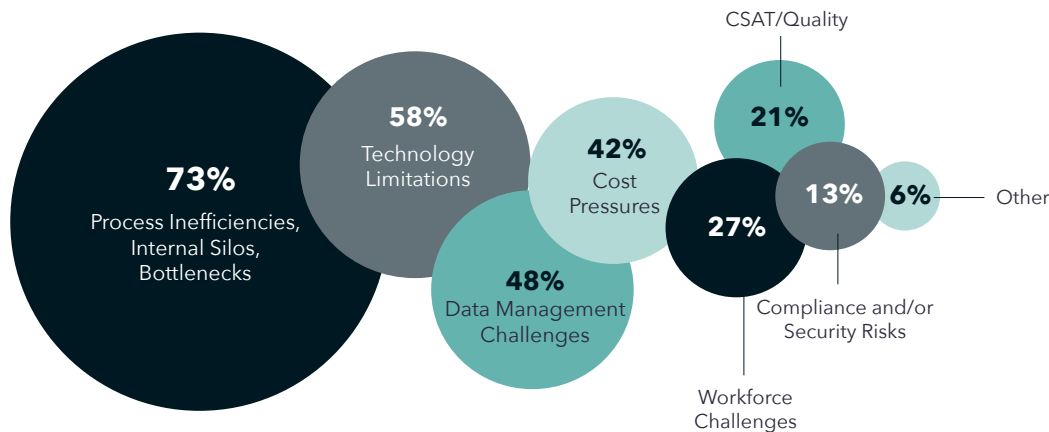**Below are select verbatim from the responses received:**

- "We're looking at AI-powered agent assist and automation."

- "We are building a tiered structure utilizing more AI and RPA."

- "We want to transition from a makeshift, fractured tool to a single platform."

- "We have a project currently being brought forward to alleviate the pain points of a fragmented view of the customer journey and interaction history."

- "Educating the value of back-office operations is a priority for us. We want to tell a more detailed and purposeful customer story."
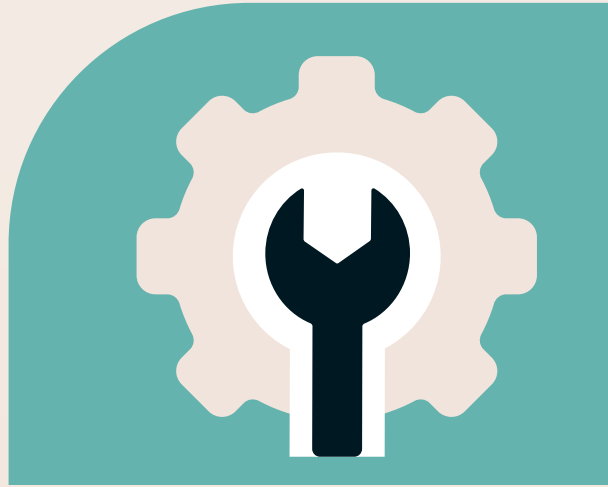
CHALLENGES
AND PAIN POINTS

When asked to specifically name the top challenges plaguing their back-office operations, "Process Inefficiencies, Internal Silos, Bottlenecks" was the top response (73%), edging out "Technology Limitations" (58%) and "Data Management Challenges" (48%). Thankfully, the future initiatives highlighted on page 21 can, if successfully deployed, address multiple challenges simultaneously. Below are some insights into what drives these top challenges.

What are some of your top challenges regarding the back-office functions for your CX and contact center operations? (Select all that apply.)

CSAT/Quality

73%
Process Inefficiencies,
Internal Silos,
Bottlenecks

58%
Technology
Limitations

42%
Cost
Pressures

48%
Data Management
Challenges

21%

27%

13%

6% Other

Compliance and/or
Security Risks

Workforce
Challenges

What are some of the factors driving your top back-office operations challenges?

When asked the above open-ended question, respondents pointed to a complex mix of legacy systems, integration difficulties and data quality issues. A common theme was the burden of outdated or fragile technology, often developed in-house or over decades, making upgrades, automation, and integration both costly and risky. Many noted the difficulty of integrating newer tools, resulting in manual workarounds, fragmented processes, and high error rates. Data accuracy and visibility were also key concerns, with respondents citing challenges in accessing clean, consistent data across siloed platforms. It's clear that many back-office operations are still heavily reliant on manual processes, which can lead to operational friction and employee dissatisfaction. Overall, these responses suggest that without unified systems, better data governance, and stronger cross-functional alignment, back-office teams will remain constrained by inefficiencies and hampered in fully contributing to broader CX transformation goals.

Below are select verbatim from the responses received:

"We have antique enterprise resource planning systems and a fragmented ordering experience — not a consistent, positive CX."

"Integrations are difficult and costly ... we are not open to API connections, which makes integrating almost impossible."

"We have back-office system inefficiencies and duplicate customer accounts. We need a clean database."

"We have a lack of company focus on 'Customer Centricity'."

"It's very difficult to shift to a new technology with such a fragile and intertwined legacy system."

Are there any back-office-related pain points you likely have in common with your competition? If so, what are they?

As expected, respondents touched on many familiar themes in responding to the above open-ended question including legacy systems, manual processes, and slow IT response times, all of which contribute to inefficiencies and potentially poor customer experiences. Tech stack limitations, strategy alignment, and system integration issues were also seen as common hurdles across organizations. Respondents mentioned rising costs, budgeting constraints, and staffing shortages. Several individuals also highlighted fraud (particularly "friendly fraud"), data security, and regulatory compliance as systemic issues that affect entire industries, especially in sectors like financial services and healthcare. Generally, responses suggest organizations across industries face similar struggles with modernization, resource allocation, and operational complexity.

Below are select verbatim from the responses received:

"Legacy processes and legacy back-end systems. Also, back-office silos that are separate from the CX and Contact Centers."

"Forecasting volume, access to necessary tools, and performance reporting."

"Struggle with AI replacing 'human touchpoints' as AI is not there yet in terms of sophistication."

"Staffing challenges, outdated systems, and constantly fighting against pressures to reduce costs."

"Customer data management, manual processing routines that require automation, system slowdowns, slowness in addressing customer technical problems by IT/developers."

If you had no budget restrictions and success was guaranteed, what single issue or pain point would you address within your back-office operations?

In response to the above open-ended question, automation, system integration, and data optimization were named as top targets worth addressing. Several CX leaders pointed to the need for AI-driven process automation, including robotic process automation (RPA), automated decision-making, and streamlined workflows to eliminate manual efforts and reduce friction for both agents and customers. A common goal was to integrate disconnected systems and tools, creating a single, unified environment with the goal of improving efficiency, data accessibility, and customer satisfaction. Several responses highlighted the importance of data governance, including accurate, real-time, and segmented data that enables better insights and performance measurement across front- and back-office functions. In addition, respondents expressed interest in personalization technologies, omnichannel visibility, and cross-departmental collaboration, including better alignment between back office, front office, and field operations.

Below are select verbatim from the responses received:

"I would integrate siloed systems so that the right information is made available to the right person at the right time."

"We would deploy RPA with Gen AI to support communication and create a simplified desktop environment."

"Data governance … to ensure data accuracy, consistency, and accessibility."

"How about streamlined third-party tools to seamlessly work together for one overall staffing/productivity view?"

MEASUREMENT AND CUSTOMER IMPACT

**What KPIs or other metrics do you use to measure the effectiveness
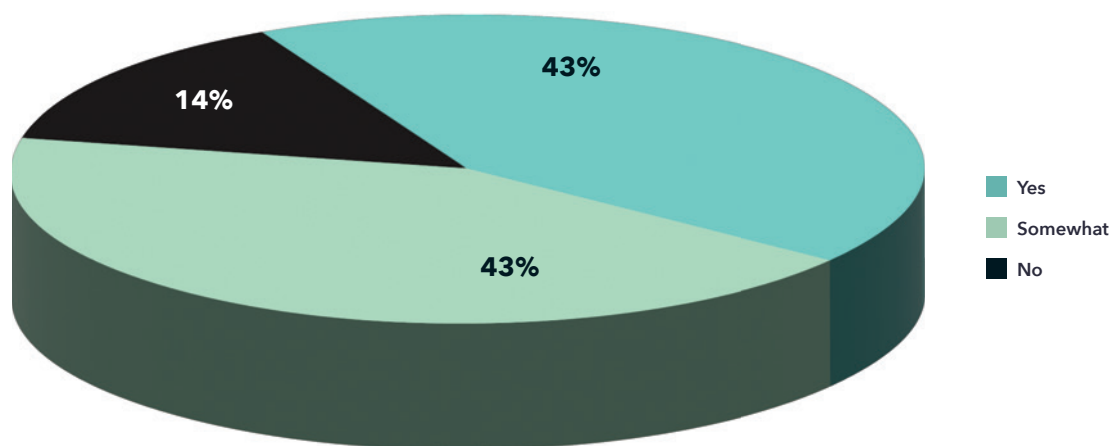and productivity of your back-office operations?**

When it comes to measuring the effectiveness and productivity of back-office operations, responses to the above open-ended question highlighted a diverse set of KPIs with the most common focusing on CSAT/sentiment, operational productivity, and quality. Of the 30+ specific KPIs named, Quality Assurance (QA), CSAT, NPS, FCR, AHT, and SLA topped the list. In addition to these common metrics, many respondents referenced operational KPIs like Accuracy, Time to Close, Wait Times, Escalations, and Abandonment. Several responses indicated use of blended or team-specific metrics, while others acknowledged the difficulty of measuring back-office performance distinctly from front-office activities. Furthermore, several respondents noted they do not track specific KPIs for back-office operations due to a lack of tools or the inability to effectively segment the data. Overall, the responses received suggest a need for more standardized and actionable measurement frameworks in back-office environments that provide a better window into the intersection of productivity, quality, and customer impact.

Top KPIs

| QA | CSAT | NPS | FCR | AHT | SLA |

In a not so surprising result given the KPIs mentioned above, most survey respondents (86%) felt there was at least some alignment between the metrics used to measure, respectively, both back- and front-office effectiveness. Better alignment of such metrics can lead to a more consistent experience, more efficient hand-offs, and shared accountability for the wider customer journey.

**Are the KPIs or other metrics used to measure back-office effectiveness
aligned with those metrics used for your front-line resources?**

- Yes
- Somewhat
- No

Most survey respondents (62%) had a "Very Positive" or "Positive" view of the type of impact back-office operations generally have on the overall customer experience. This result echoes findings on pages 14 and 18 that indicate good performance and strong value back to the organization from back-office operations. In many ways, the overall experience that customers have with a brand is the paramount metric.
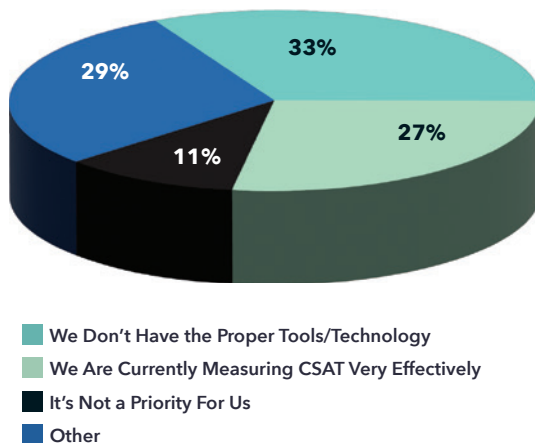
Generally speaking, what impact does your back-office operations have on the overall experience your customers have with your brand?

- 0%
- 8%
- 13%
- 54%
- 25%

Legend:
- Very Positive
- Positive
- Neutral
- Negative
- Very Negative
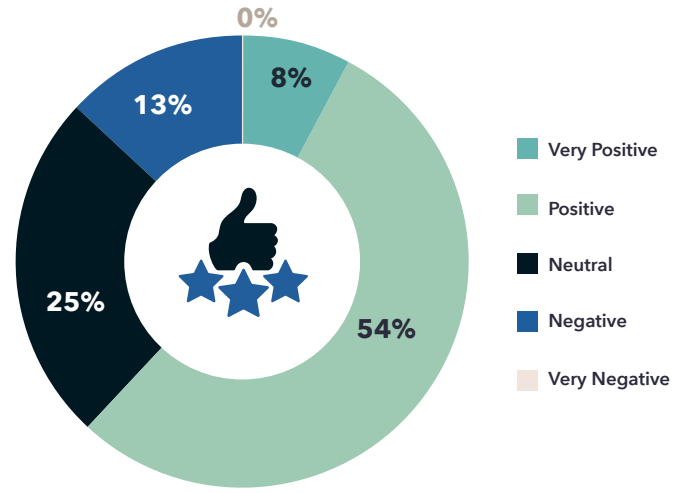
Does your organization measure the impact of your back-office operations on customer satisfaction?

- Yes — 42%
- Somewhat — 42%
- No — 16%
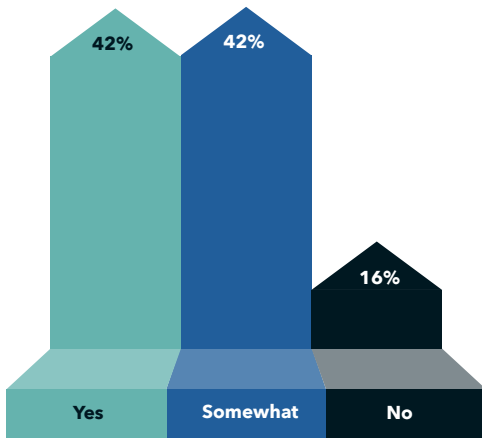
Bearing in mind the importance of CSAT and the overall customer experience, it's a positive to note that almost half of survey respondents (42%) indicated they measure the impact of their back-office operations on CSAT, with another 42% indicating they "Somewhat" measure such an indicator. Measuring the impact on CSAT can help elevate the back office, enable data-driven improvements, and help surface failure points that can negatively impact frontline efforts.

What is preventing you from measuring the impact of your back-office operations on CSAT more effectively?

- 33%
- 29%
- 27%
- 11%

Legend:
- We Don't Have the Proper Tools/Technology
- We Are Currently Measuring CSAT Very Effectively
- It's Not a Priority For Us
- Other

When asked what was preventing companies from more effectively measuring the impact of back-office operations on CSAT, lack of the proper tools/technology was the primary response. Among "Other" responses, common themes included legacy technology, no standardization of the data, internal silos, and lack of direct feedback from the consumer or end user.

Only one in five survey respondents felt their company's leadership team had a good understanding of back-office operations. This result was especially eye-opening, given that more than 30% of survey respondents expect to see decreasing budgets in the future (page 19). In fact, when looking only at the respondents who answered "No" to the question on C-Suite understanding, the percentage of folks who expect budget cuts in the future explodes to 55%. Conversely, when looking only at those answering "Yes," those expecting future budget cuts falls to only 11%.
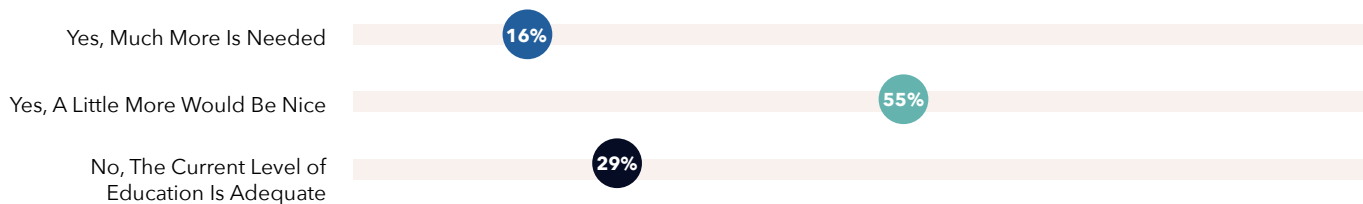
Do you believe your company's C-Suite has a good understanding of back-office operations? This includes current challenges, priorities, and opportunities for improvement.

Yes	Somewhat	No
20%	35%	45%
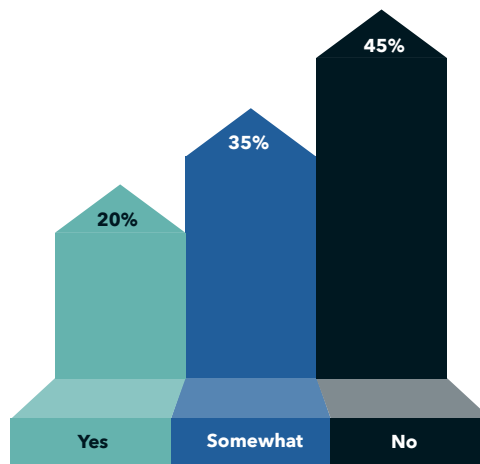
Unlike the C-Suite, those who lead the back office directly seem to have a pretty good handle on operations, though a little more training is needed by most survey respondents. Areas ripe for further education fall within a few categories, including technology (especially how to apply AI), data integration and governance, and ways to create greater alignment and cohesion between back-, mid-, and front-office operations.

Do you believe more education (i.e., training, certification, etc.) is needed for those who manage and lead back-office performance?

Yes, Much More Is Needed	16%
Yes, A Little More Would Be Nice	55%
No, The Current Level of Education Is Adequate	29%

KEY TAKEAWAYS AND CONSIDERATIONS

While back-office operations remain a critical driver of CSAT scoes, many CX organizations are struggling to give it the attention, investment, and innovation it deserves. That said, a majority (77%) of CX leaders say their back-office teams are either highly or somewhat aligned with broader CX and customer care goals (page 15), an encouraging signal that strategic intent exists. If successfully executed, this alignment translates into value, especially where strong third-party partnerships exist, processes are optimized and standardized, and the bold piloting of new technology (such as AI) results measurable positive impact. Trusted BPO relationships, thoughtful automation implementations, and efforts to integrate customer and consumer data are all helping turn back-office operations into a competitive advantage.

By way of illustrating one specific challenge, only 33% of survey respondents feel positive about the current tech that supports their back-office operations, while 28% express negative sentiments (page 17). That leaves a substantial portion of the industry in a state of digital stagnation or uncertainty. Legacy systems, tool sprawl, and fragmented data ecosystems are recurring blockers, especially in environments with limited cross-functional coordination. And while many see the promise of AI, too few are equipped with the frameworks or funding needed to scale intelligent tools in meaningful ways and see the promises fulfilled.

Financial support for back-office operations is equally challenged with 47% of respondents rating their current level of investment in back-office operations as "Low" or "Very Low," while just 17% say it's "High" or "Very High" (page 18). Even more concerning, only 19% of leaders expect increasing budgets in the next 18 months, while nearly one-third (31%) anticipate declines (page 19). This lack of funding is not only slowing innovation, but limiting the ability of organizations to attract and retain talent, quantify performance, and reduce the manual workloads that hinder both CX agents and back-office staff.

For CX leaders, the path forward requires a deliberate reframing of how the back office is viewed and understood. Back-office operations can no longer be viewed as a cost center, but as a value enabler. Key opportunities include modernizing measurement (moving beyond cost-per-contact to impact-based metrics), expanding AI investments into agent-assist and predictive tools, and building stronger connections between CX, IT, and back-office teams. While budgets may remain tight, even incremental improvements (like piloting low-code automation or unifying task data) can unlock tangible returns. Above all, organizations that elevate back-office operations as a strategic priority will be better positioned to deliver seamless, efficient, and brand-consistent experiences across every stage of the customer journey.

BPO PARTNER COMMENTARY

REIMAGINING BACK-OFFICE OPERATIONS:
A Strategic Imperative for the Digital Age

In today's experience-driven economy, back-office operations are undergoing a quiet revolution. Once viewed as cost centers, these functions are increasingly recognized as strategic levers for efficiency, compliance, and customer satisfaction. At the heart of this transformation is the convergence of intelligent automation, data-driven decision-making, and deep operational expertise.

The report in which this commentary appears underscores this shift as 63% of CX leaders rate their back-office performance as "Good" or "Very Good" (page 14), reflecting growing recognition of the back office's strategic value — even as 47% acknowledge persistent underinvestment in technology and resources (page 18). This paradox highlights both the resilience of back-office teams and the untapped potential that modernization can unlock.

The collaboration between NiCE and HGS exemplifies this evolution. By integrating advanced technologies — such as RPA, AI, and workforce management — with decades of process excellence, organizations are unlocking new levels of performance in traditionally complex, high-volume workflows. Notably, 48% of CX leaders foresee a future where staff are shared between front and back offices (page 16), a trend driven by the desire for reduced silos and more seamless customer journeys.

What sets this model apart is its holistic approach. NiCE's automation and analytics capabilities bring precision and transparency to operations, while HGS's global delivery framework ensures consistent execution across geographies and industries. This synergy enables organizations to reduce errors, accelerate turnaround times, and reallocate resources to higher-value activities — ultimately driving better outcomes for both businesses and their customers. In fact, 86% of survey respondents report at least some alignment between the metrics used to measure both back- and front-office effectiveness (page 26), paving the way for more consistent experiences and shared accountability.

SUCCESS IN BACK-OFFICE TRANSFORMATION IS ROOTED IN SEVERAL KEY PILLARS:

- **Cross-Industry Expertise:** With experience spanning healthcare, financial services, insurance, consumer goods, and telecommunications, HGS designs solutions that are both scalable and adaptable — tailored to the unique needs of each sector.

- **Technology-Led Innovation:** Embracing automation and analytics not as add-ons but as core enablers, HGS helps clients gain real-time visibility, reduce manual effort, and improve accuracy across critical processes like claims management, finance and accounting, and data entry. Yet, only a third of CX leaders express satisfaction with their current back-office tech stack (page 17), underscoring the urgent need for innovation.

- **Global Delivery with Local Sensitivity:** Operating across North America, Europe, Asia, and Latin America, HGS combines global reach with strong governance and compliance practices — essential for industries handling sensitive data.

- **People-First Culture:** Behind every successful transformation is a skilled and engaged workforce. HGS invests in training, leadership development, and employee well-being, fostering a culture that consistently delivers high-quality outcomes.

As organizations look to future-proof their operations, the back office can no longer be an afterthought. It must evolve into a strategic asset — one that supports agility, resilience, and customer-centricity. The NiCE-HGS partnership offers a compelling blueprint for how technology and expertise can come together to drive this evolution.

Tracy Acree
Vice President, Business Development & Sales - West

For the past 20 years Tracy Acree has specialized in helping customers achieve better customer service through the implementation of advanced contact center technologies. Tracy has a proven track record of understanding the customer experience needs of small to enterprise-sized businesses globally through continual engagement with end users, resellers, prospects, and analysts. You can reach Tracy at tracy.acree@teamhgs.com.

ABOUT
EXECS IN THE KNOW

Execs In The Know brings together customer experience (CX) leaders from across industries in an effort to advance the conversation and set a new agenda for delivering amazing experiences for consumers. As a global community of the brightest minds in CX, Execs In The Know provides opportunities to learn, share, network, and engage to innovate. Operating under the motto, "Leaders Learning From Leaders," Execs In The Know facilitates many opportunities for community engagement, such as its bi-annual national Customer Response Summit and private, online community, Know It All "KIA." There are also exclusive, laser-focused engagements like industry briefings and executive roundtables. Execs In The Know also guides and informs the industry with a rich tapestry of CX-related content that includes *CX Insight* magazine, industry research, webinars, blogs, and much more.

To learn more about Execs In The Know, visit www.execsintheknow.com.

ABOUT
NiCE

NiCE (NASDAQ: NICE) is transforming the world with AI that puts people first. Our purpose-built AI-powered platforms automate engagements into proactive, safe, intelligent actions, empowering individuals and organizations to innovate and act, from interaction to resolution. Trusted by organizations throughout 150+ countries worldwide, NiCE's platforms are widely adopted across industries connecting people, systems, and workflows to work smarter at scale, elevating performance across the organization, delivering proven measurable outcomes.

To learn more about NiCE, visit www.NiCE.com.
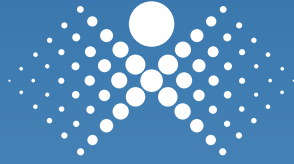
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