

CONTACT CENTERS - FROM ATTRITION TO RETENTION

2022 NICE WEM GLOBAL SURVEY

Make experiences *flow*

With NICE (Nasdaq: NICE), it's never been easier for organizations of all sizes around the globe to create extraordinary customer experiences while meeting key business metrics. Featuring the world's #1 cloud native customer experience platform, CXone, NICE is a worldwide leader in AI-powered self-service and agent-assisted CX software for the contact center—and beyond. Over 25,000 organizations in more than 150 countries, including over 85 of the Fortune 100 companies, partner with NICE to transform—and elevate—every customer interaction.

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INTRODUCTION AND KEY FINDINGS

Introductions & Methodology

According to the [Harvard Business Review](#), a record-breaking 10.9 million jobs were left open at the end of July 2021. The great resignation is hard to miss right now, with retention a seriously hot topic. But how has this trend manifested in the contact center space? How big is the Problem in the industry, and what can organizations do to reduce attrition?

In order to gain greater insight into the solutions for today's contact center managers, we created this survey to voice the contact center employee's perspective and bring their satisfaction rates and growth drivers into the spotlight.

When it comes to workforce Engagement Management, we looked at how organizations are spending their budget, how engaged today's contact center staff really are, and critically- the percentage who are already looking elsewhere. We asked agents how many of them feel they have the professional development and career growth trajectory that they want, and share what would keep them loyal and committed to their roles.

The results shine a light on the true state of contact centers post covid-19, the stark differences between contact centers and other industries, and the essential steps organizations need to take to ensure their workforce remains engaged.

METHODOLOGY

To explore these issues, we sponsored a survey conducted December 2021, by a panel of 10 highly-qualified B2B market researchers, led by independent survey firm, Global surveys. We spoke to 400 agent and agent managers in contact centers in the USA and the UK, over 12 industry verticals. The respondents were recruited through a global B2B research panel, and invited via email to complete the survey. The average amount of time spent on the survey was 6 minutes and 25 seconds. The answers to the majority of the non-numerical questions were randomized, in order to prevent order bias in the answers.

Key Findings

1

The contact center attrition rate in 2021 was 42%

Customer service managers reported average attrition rates of 42% in 2021, in the region of what we've seen pre-pandemic. While it doesn't appear that this industry has been severely impacted by the "Great Resignation" – this number equates to millions of dollars in losses. We found that the larger the company, the more of a problem they have retention, and that business process outsourcers (BPOs) experience higher than average rates. Companies with up to 1,000 agents have a 34% attrition rate, while this number grows to 50 % when companies have 5,000 agents or more.

2

Right now, almost a third the agents are actively looking for a new job

31 % of customer service agents and managers are looking for a new job right now, and of that 31%, only 60% are looking for another contact center role. The remaining 40% are disengaged with industry, and are looking for something new altogether. When asked why agents left their previous roles, almost half (45%) reported leaving of their own accord, lining up with the attrition rate reported by managers. It's essential that organizations find ways to engage their existing agents to enhance loyalty and retention.

3

38% of organizations are investing little or no effort in retention

Despite the high rate of attrition, 36% sat that their organization is investing either no effort, or very little in retention. In contrast, just 30% of our respondents say that they are going out of their way to invest in retention. To reduce resignations, companies are focused mostly on team-building initiatives, while what makes the highest impact to the agent is better pay, a clear plan for career growth, and more flexible scheduling options.

4

Three out of four agents call flexible scheduling a requirement

All types of flexible scheduling came up as important to agents, with the most essential requirement flex breaks and lunch times, followed by split shift options at 78%. However, while 78% of managers do offer flexible scheduling, they don't provide these most desired options. Instead, they focus on real-time notifications of overtime and shift swaps and trade capabilities. This implies a disconnect between what agents need, and what is being offered by the business. It's also essential to recognize that almost a quarter of companies (22%) aren't offering flexible scheduling at all. The percentage of laggard companies is similar across all company sizes.

5

The majority of agents feel they get very little from their company's coaching sessions

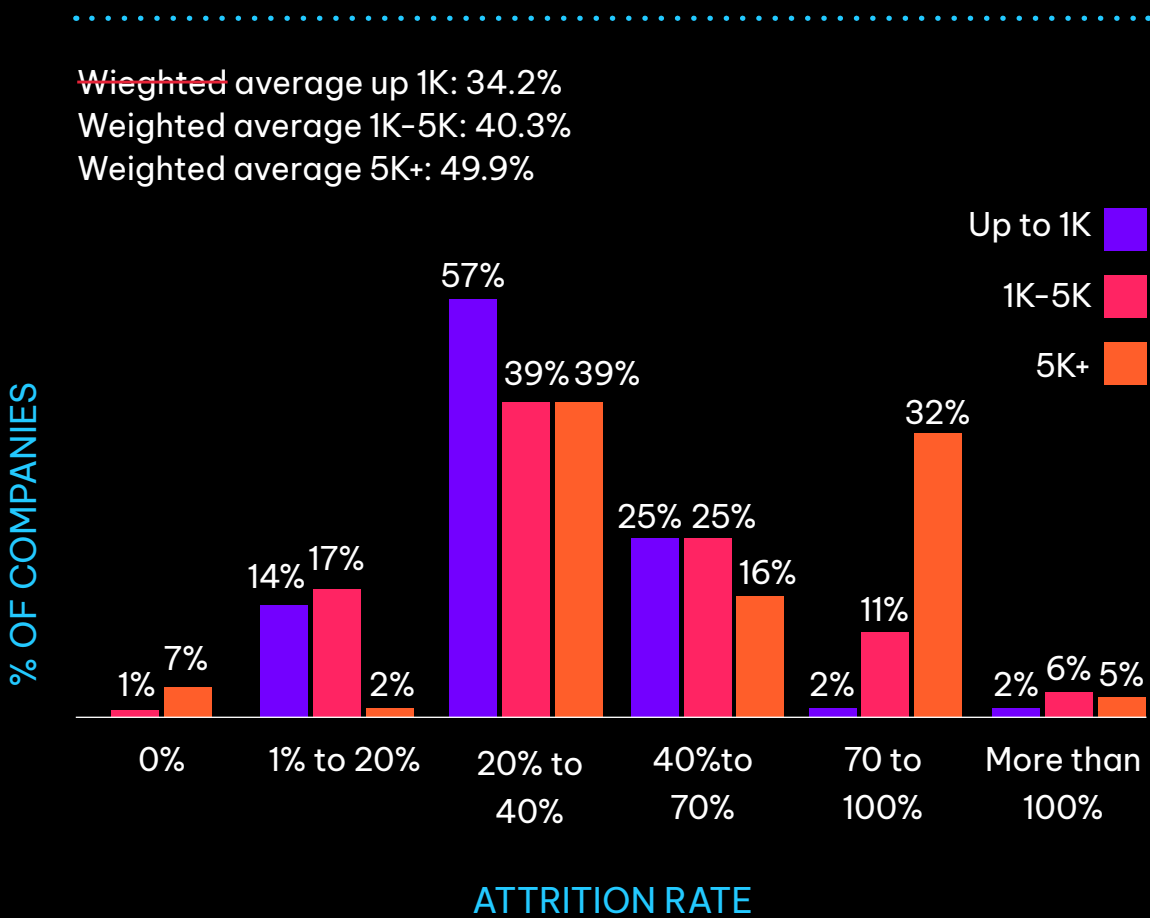
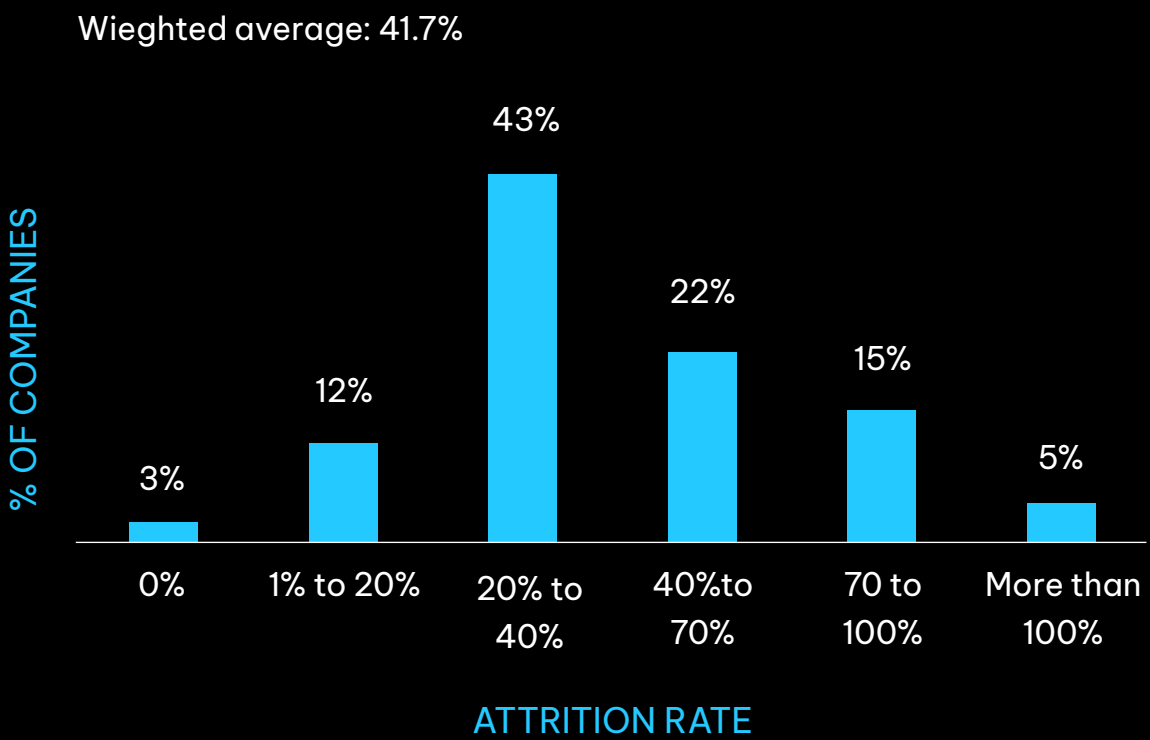
58% of agents say they get very little out of the coaching that their contact center offers. As 49% of agents say a clear career growth path has a high impact on whether they stay at an organization or not, this is a troubling statistic. If agents aren't learning, they simply aren't going to be engaged. However, we are seeing one important shift since the pandemic, as 49% of managers indicate they are now focusing on training for soft skills as well as hard skills, which are increasingly important in customer service.

WEM GLOBAL SURVEY REPORT

Quantifying Attrition Rates in 2021

According to customer service managers, attrition rates were high in 2021 at a weighted average of 42% (figure 1). This is similar to our understanding of pre-COVID-19 rates, which suggests that the Great Resignation isn't heavily impacting this industry. Of course, 42% is still high, will often correlate to millions of dollars , and shows significant room for improvement!

When comparing the 2021 attrition rates by the size of the customer service department (number of agents), we see the bigger the company, the higher the attrition rate becomes, Companies of up to 1,000 service agents report an attrition rate of 34%, which grows to 50% for companies of over 5,000 agents (figure 2). in companies with over 5,000 agents, 32% see an attrition rate between 70% and 100%. Perhaps in a larger company agents feel that their work is less pivotal, leading to higher attrition rates. In contrast, in smaller companies agents may find greater meaning in their work.



Efforts Invested by Organizations to Retain Agents

Only 30% of organizations feel their organizations are investing a lot in retention, and 38% say they are investing very little effort, or none whatsoever. Although this industry isn't being heavily impacted by the Great Resignation, there is still a high attrition rate and more should be done to support greater retention. This represents a huge opportunity for today's decision makers to do better.

Interestingly, both agents and supervisors reported a similar understanding and alignment over the situation, showing a fair perspective from both sides, and proving that visibility into these issues is strong.

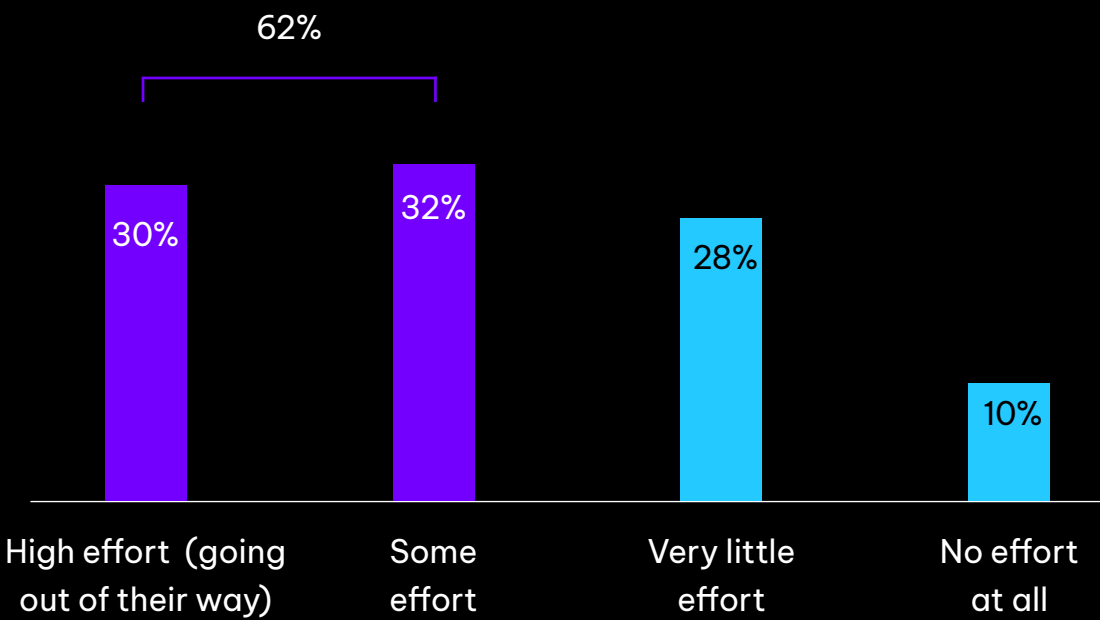


Figure 3- Efforts Invested by Organizations to Retain Agents

Why Agents Leave their Companies, and Expected Resignations

We asked experienced customer service agents that have been working 2 or less years in their current company, what caused them to leave their previous job and to consider their future plans.

Almost half (45%) voluntarily left their previous jobs, and 31 % are currently open to a new job. This lines up well with what we saw previously on the attrition rates in the industry.

Of the 31% looking for a new job, 40% are thinking about changing industries altogether, while only 60% want to stay working in contact centers. This suggests that if we could make the role more enjoyable or appealing for agents, and provide greater opportunities for professional development, they may not want to leave the industry.

Today, the occupation of the agent is transforming, and as required skills and talent become increasingly scarce, we can expect organizations to start fighting over top talent. This could lead to higher compensation for the role.

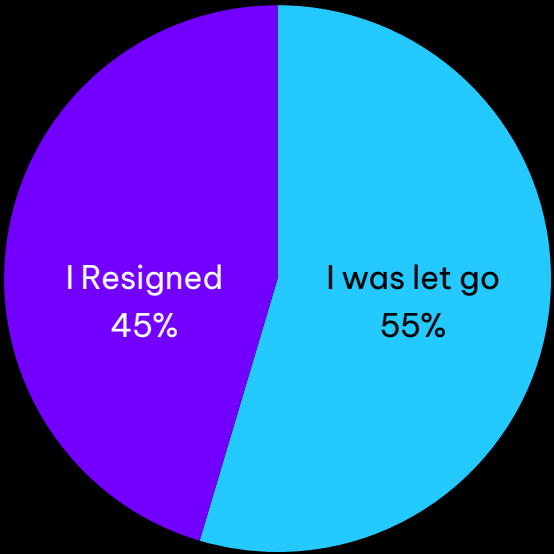


Figure 4- Reason for leaving Previous Company

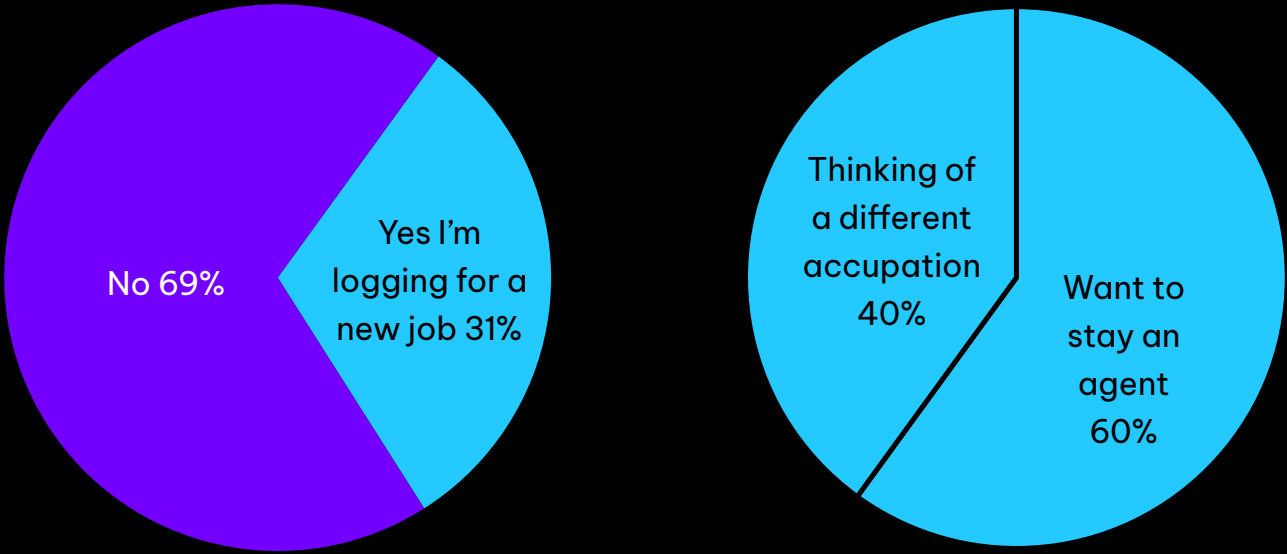


Figure 5- Actively Looking for a job

Factors Affecting the Decision to Keep a Position

In line with our estimations above on the rise of a more highly-skilled and in-demand agent, 72% of customer service agents report that better pay has the highest impact to them in whether they stay at their job (figure 6). Other major considerations include a clear career growth path (49%), and flexible schedule options (47%). Interestingly, remote working is only fourth on the list of factors, showing that this isn't a priority for call center agents. Working on-premises at contact centers is known to be a lot of fun and have a unique vibe that could be lost when working from home. As organizations get bigger, having opportunities for remote working becomes more impactful, likely because that community vibe reduces as well, and perhaps because of personal safety reasons.

Other interesting findings include that having a career growth path is critical for 80% in BPO, compared to 45% in all other industries. (figure 7)

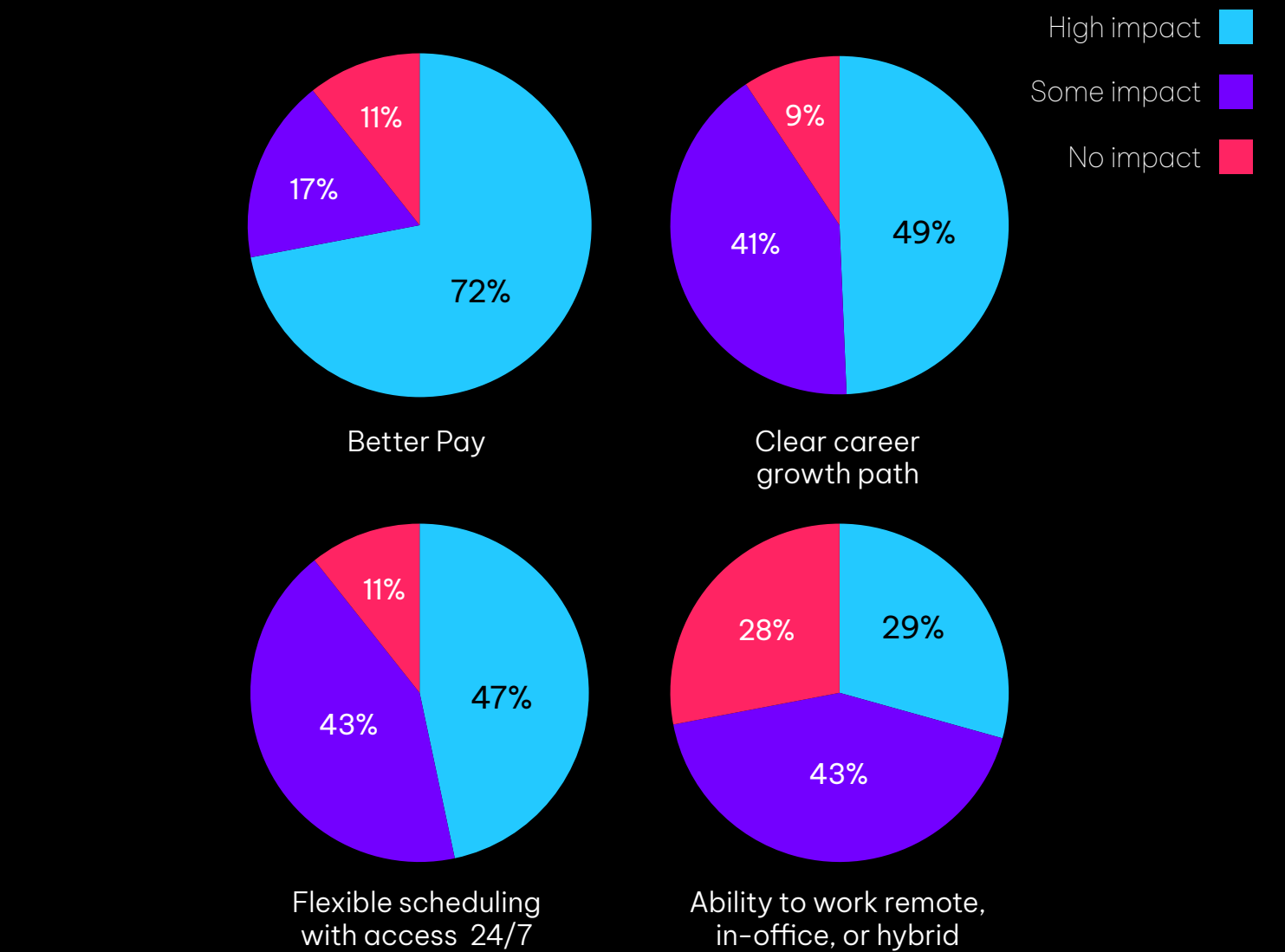


Figure 6- Factors that Affect the Decision to keep Position

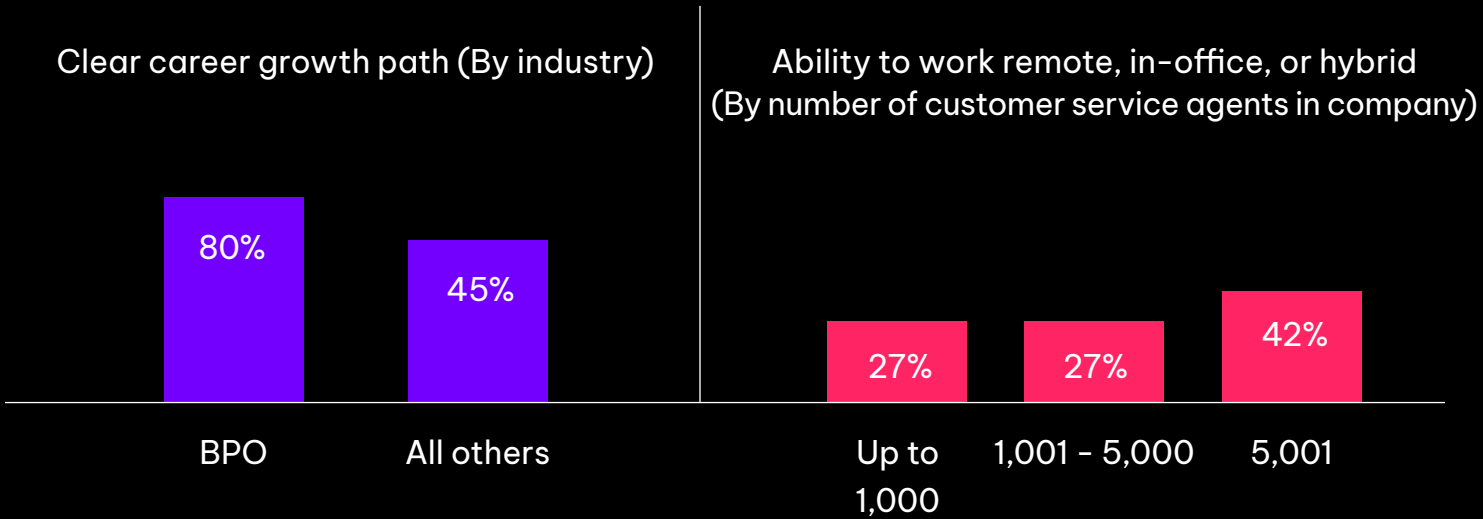


Figure 7- Selected High impact Factors by industry & Number of Customer Service Agents in the Company

Most Important Aspect of Flexible Scheduling

All aspects of flexible scheduling were perceived as important, each ranking in importance between 71 % and 78%. Flex breaks and lunches and split shift options were the most important (both at 78%), followed by pre-approved extra hours (75%).

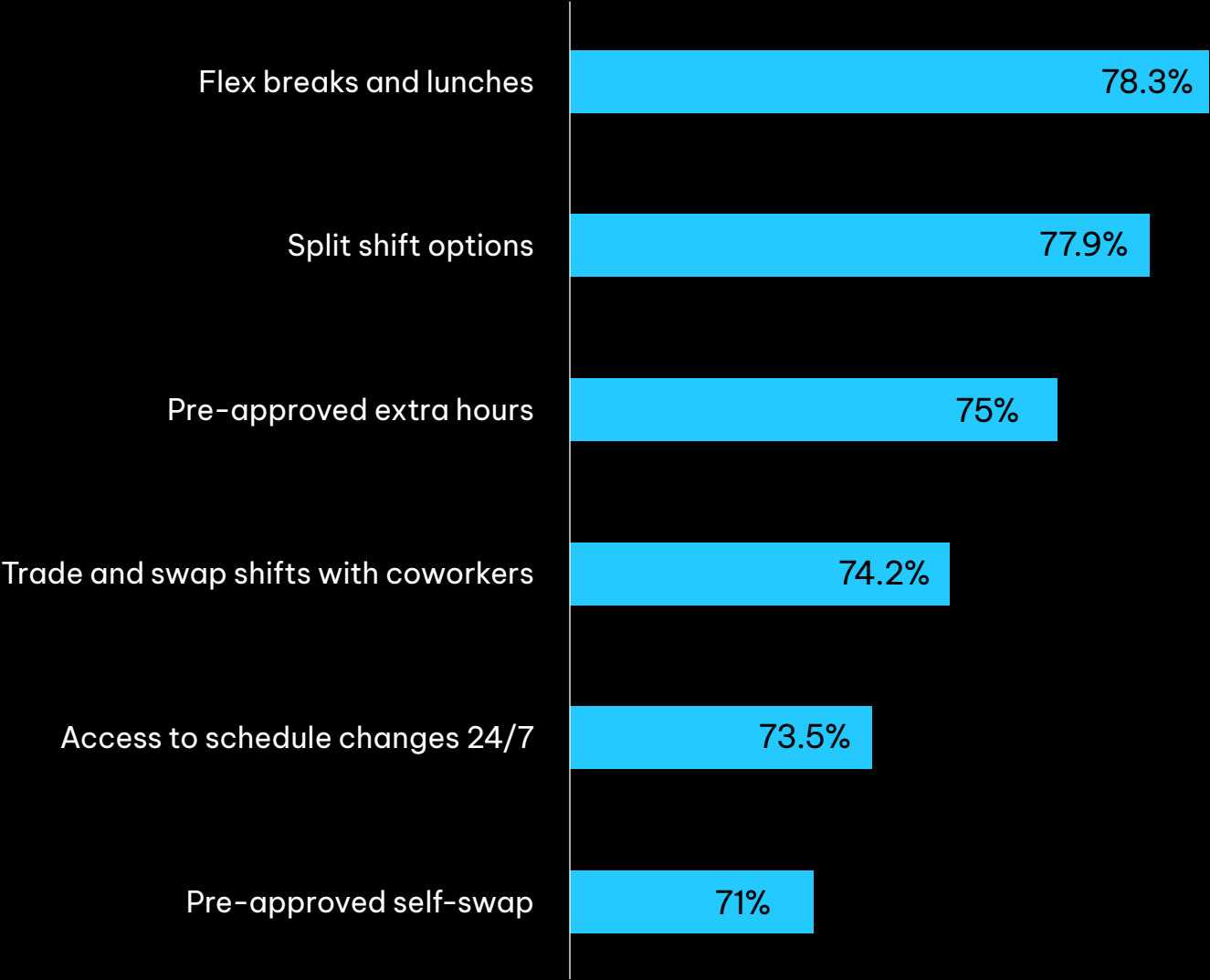


Figure 8- Most Important Aspects of Flexible Scheduling

*Percentages on figure 8 add up to more than 100% as this question allowed more than one answer

Flexible Scheduling’ Offering Used in the Organization

78% of companies have flexible scheduling offerings for their customer service agents.

The top options offered are real-time notifications of overtime based on preferences (49%), and

shift swaps/trade capabilities to enable better work-life balance (47%).

If you look at the previous slide, there is clearly a disconnect between what call center agents are looking for and what companies are offering their staff.

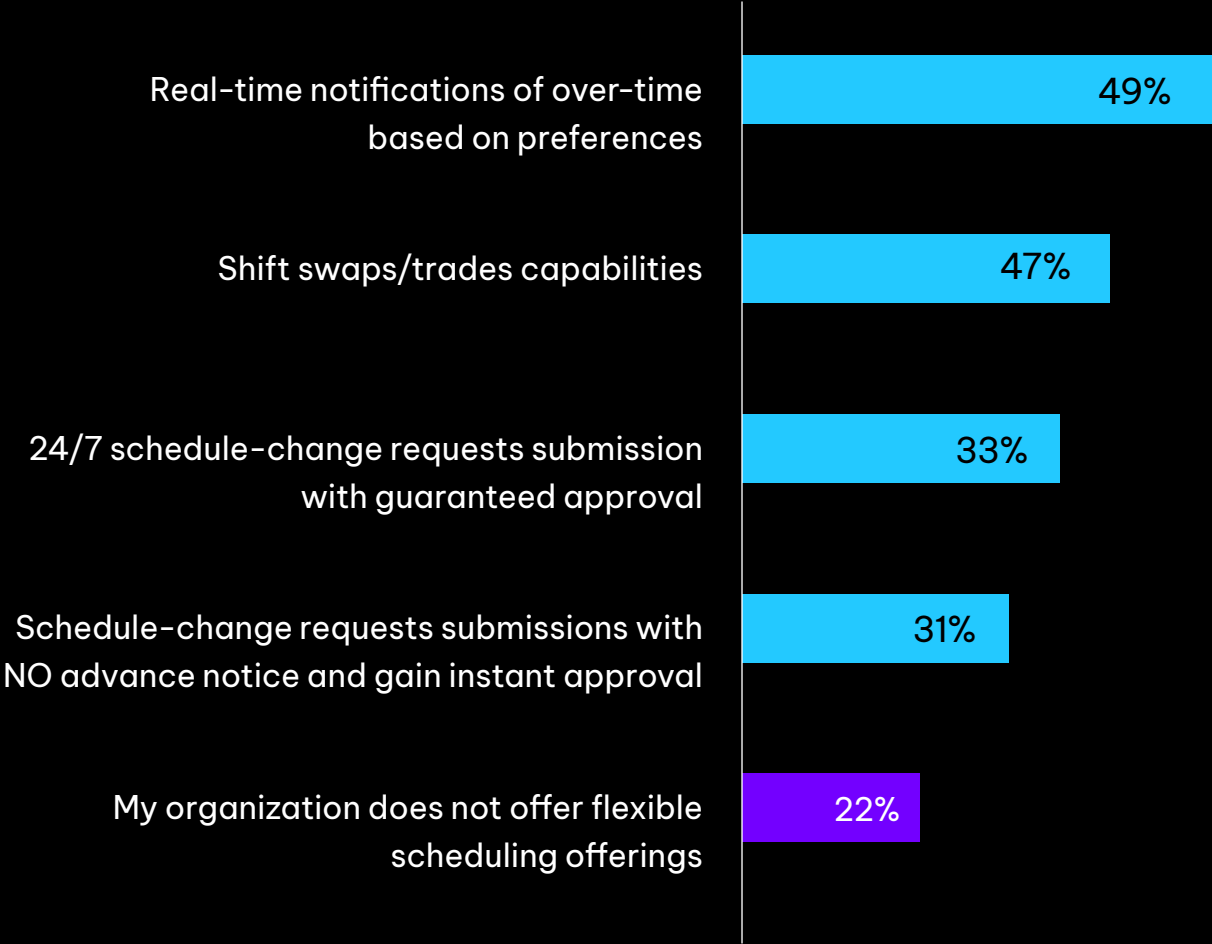


Figure 9- Flexible Scheduling Offerings used in the organization

*These questions allowed more than one answer and as result, percentages will add up to more than 100%

Contact Center Workforce Management Software Capabilities in Use

When we spoke to only customer service *managers*, 72% of companies have the ability to handle flexible scheduling, which we saw previously is highly in demand. The top capabilities they include are AI and machine learning technology that assist with calls, emails and digital channel interaction (50%), and a self- service mobile app with 24/7 access (43%).

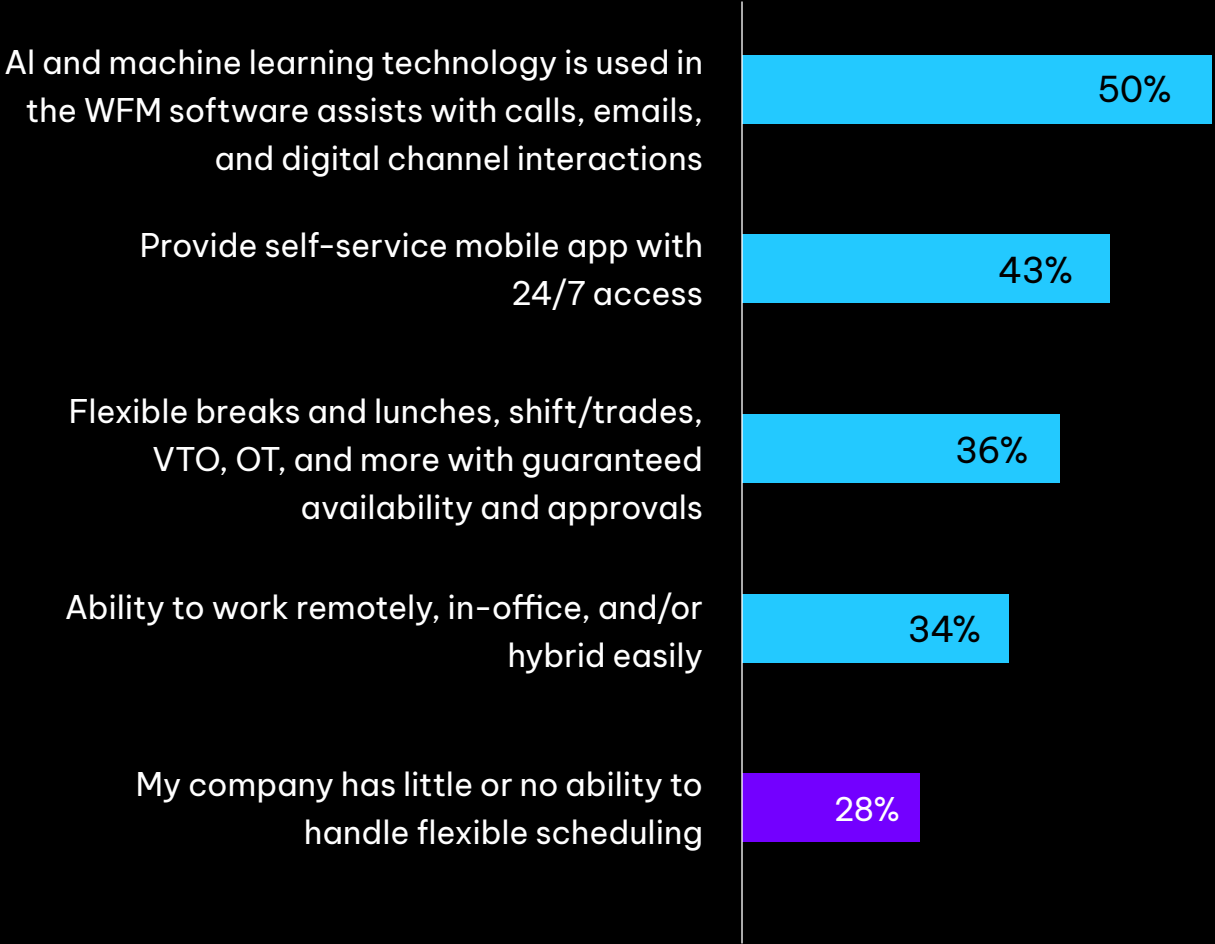


Figure 10- Contact Center Workforce Management Software Capabilities in Use, According to Managers

*These questions allowed more than one answer and as result, percentages will add up to more than 100%

Benefits of Automates Self-Service Scheduling Technology

According to customer service agents, the top benefits of automated self-service scheduling technology are flex breaks and lunches (29%), guaranteed approval for time off, swapping time and trading shifts (23%) and the ability to swap trade shifts with other agents (22%). Agents want a lot of flexibility, but they aren't seeing it in practice.

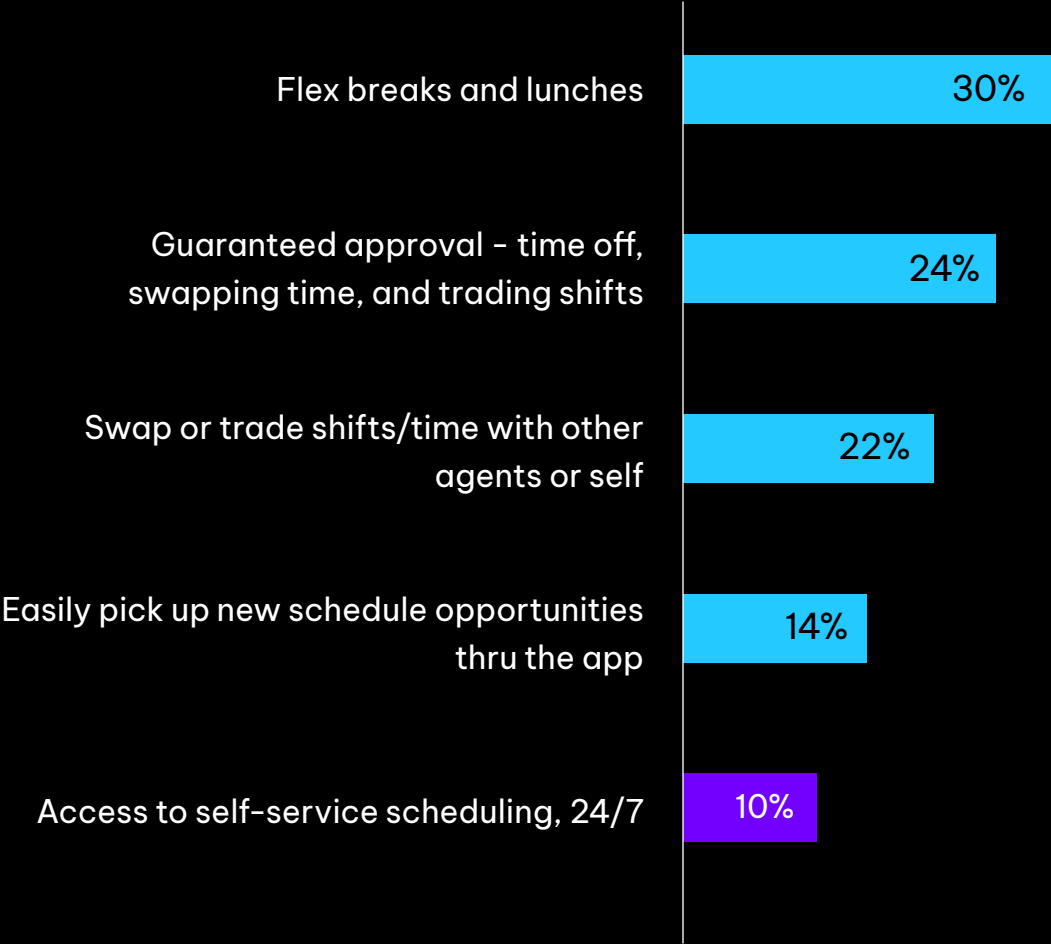


Figure 11- Benefits of Automated Self-Service Scheduling Technology, According to Customer Service Agents

Reducing Resignations - What are Companies Doing?

We asked survey respondents for the top activities their company is doing that may help reduce resignations.

98% reported their companies are taking various measures and activities to reduce resignations.

The top activities indicated were team building (42%), flexible scheduling (40%) and offering a clear career growth path (37%). This should help make agents feel more connected and invested in the company.



Figure 12- What are Companies doing to
Reduce Resignations

*These questions allowed more than one answer and as result, percentages will add up to more than 100%

Top Challenges of Remote Work

20 months into the pandemic, the biggest challenges when it comes to remote work are agents being able to compare themselves to their peers (44%), missing the social aspects of coming into the office (38%), and a lack of coaching and guidance (36%).

Reflection of performance against others is clearly important, as well as the social element of working in a call center. Agents find it harder to feel motivated and enjoy work when they can't see their performance against the rest of their colleagues.

Contact centers are known for group activities, leaderboards, happy hours – a community feel.

Organizations should look for ways to add transparency, collaboration, and data to remote working technology so that agents can feel more engaged.

*These questions allowed more than one answer and as result, percentages will add up to more than 100%

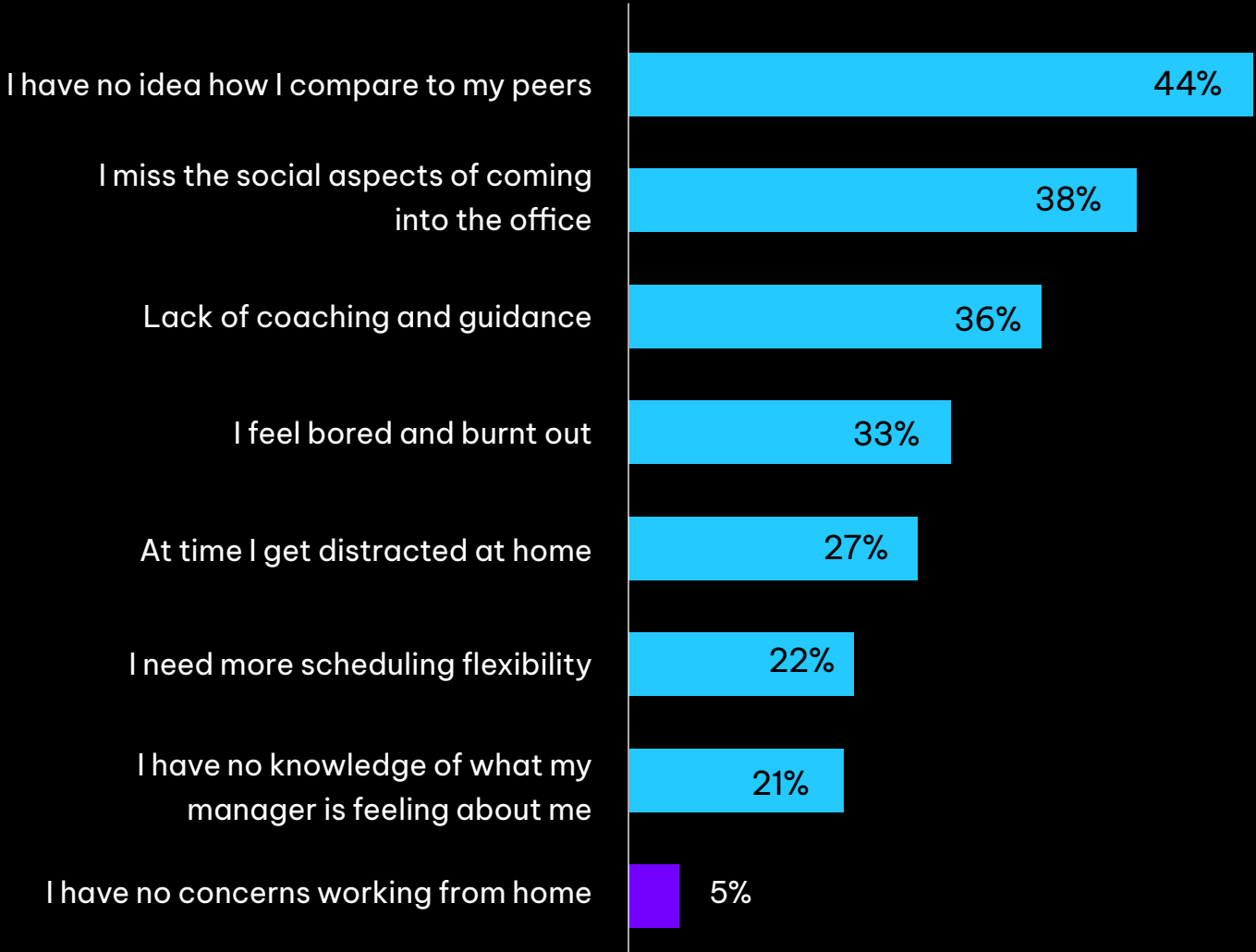


Figure 13- Top Challenges of Remote Work

Coaching and Changes in Methodology Due to the Pandemic

Most of the agents (58%) feel they get very little from their company’s coaching sessions (figure 14). This is a worrying statistic for today’s organizations, both in terms of wasted money and also agent morale and growth.

We asked survey respondents if their company’s coaching methodology changed due to the pandemic (figure 15). 42% said they are doing less coaching overall, an alarming statistic.

However, 49% indicated they are focusing on soft skills in addition to hard skills which is an essential shift. How agents deal with customers is critical and the personal touch is increasingly important. It’s easy to get lost in training on technology and forget to teach communication, active listening, and building a rapport on multiple channels.

61% are unable to offer personalized training, which means they are relying on a one-size-fits-all solution. In addition, agents can’t trigger their own learning in 76% of cases, leaving them tied to the trainer’s schedule.

*These questions allowed more than one answer and as result, percentages will add up to more than 100%



Figure 14- Coaching in the Organization

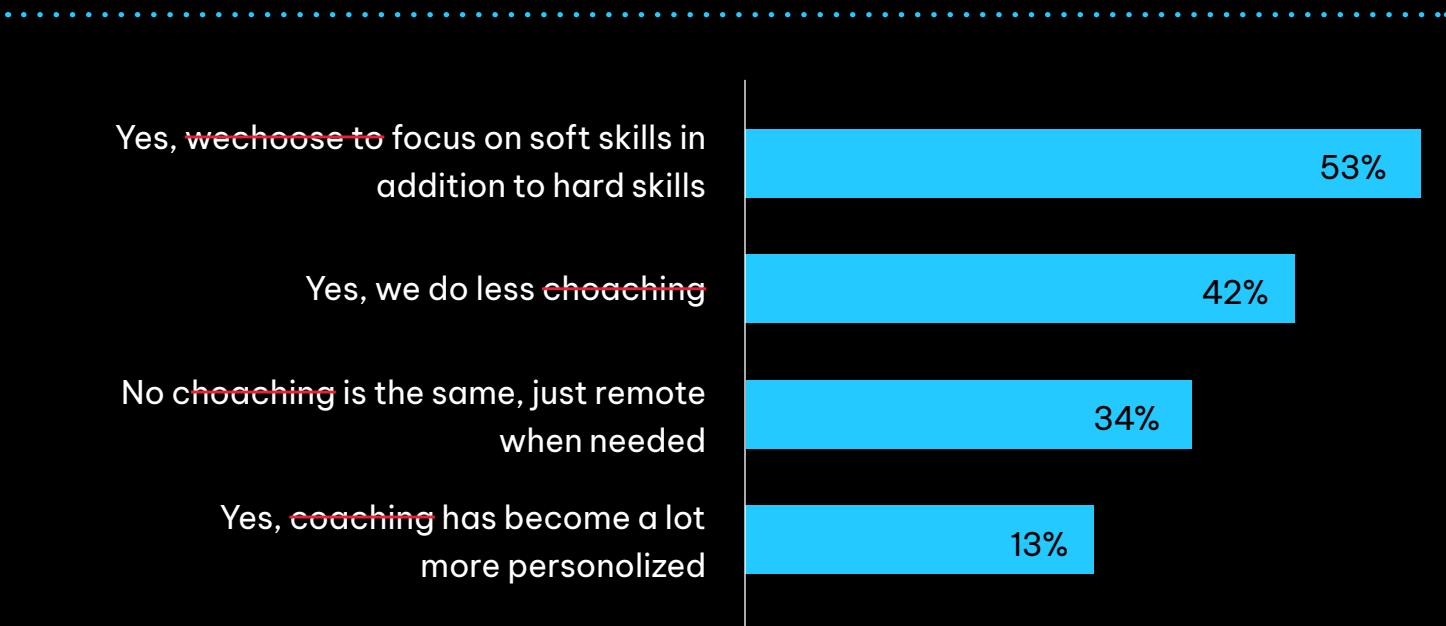


Figure 15- Changes in Methodology Due to the Pandemic

Gamification Impact on Employees

Does gamification help to encourage and reward employees? According to 57% of managers, gamification helps to improve performance, and also increased overall happiness and engagement. If you aren't thinking about gamification yet – it's worth a look.

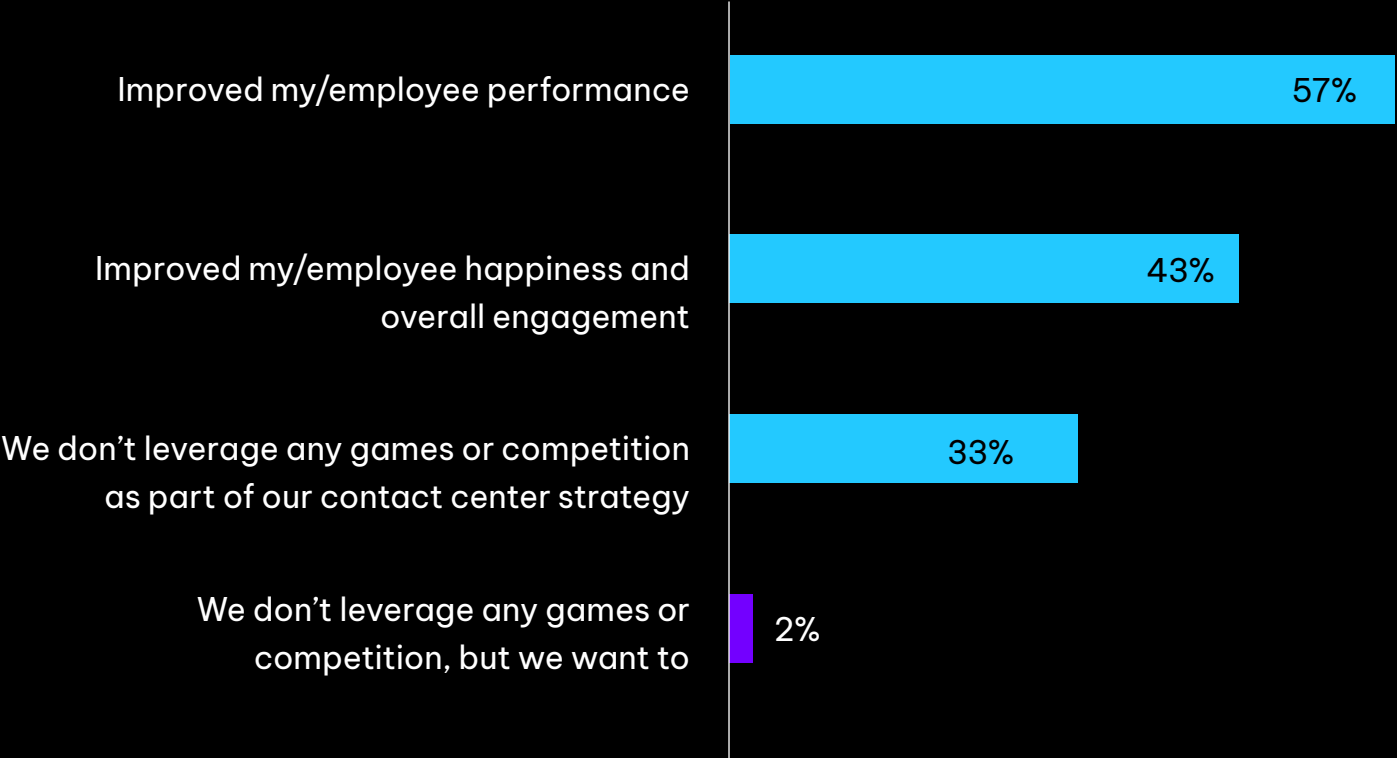


Figure 16- Gamification Impact on Employees, According to Managers

*This question allowed more than one answer and as result, percentages will add up to more than 100%

DEMOGRAPHICS

Country of Residence

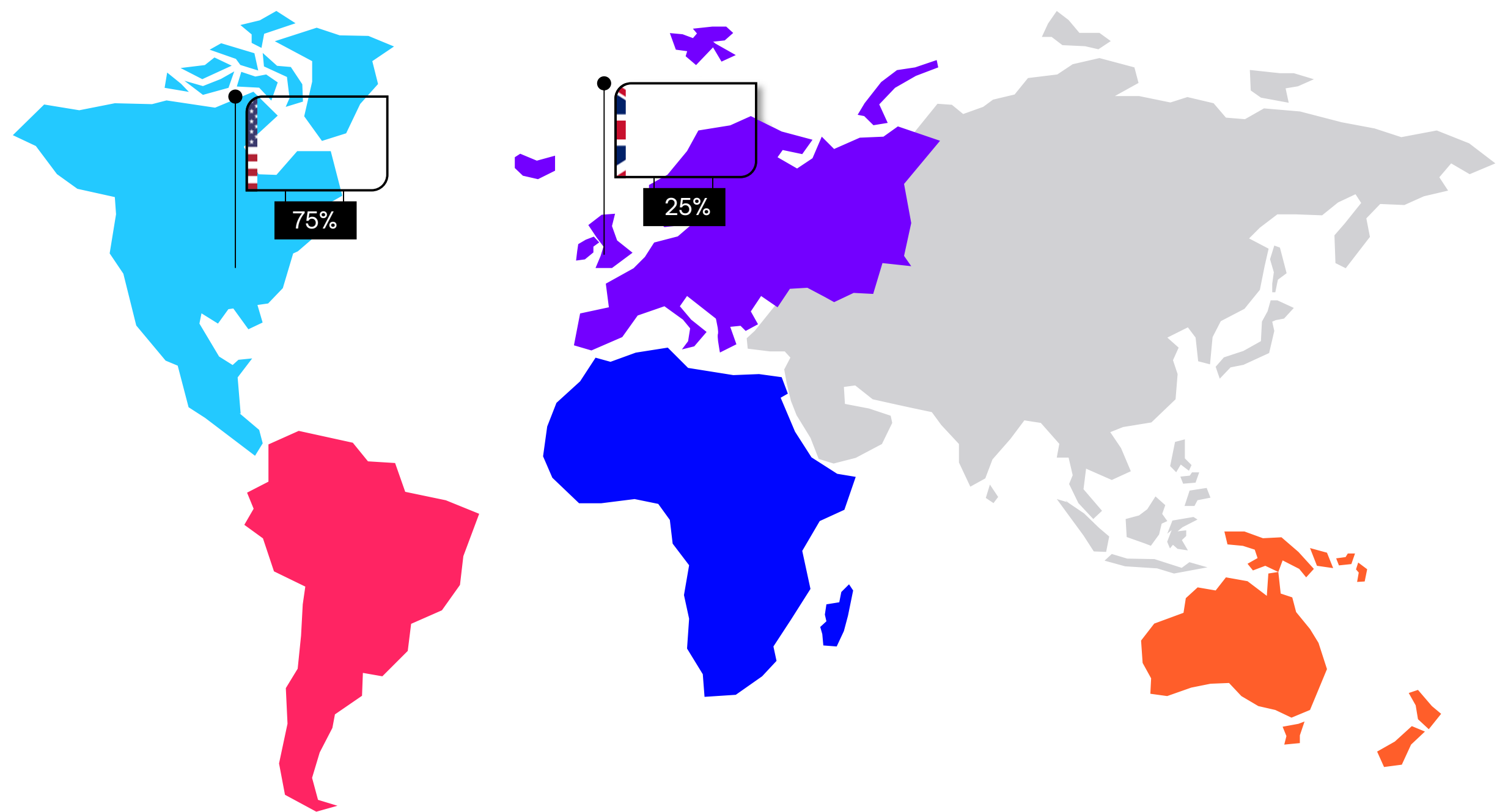


Figure 17- Country of Residence

Employment Status, Roles, Industry and More

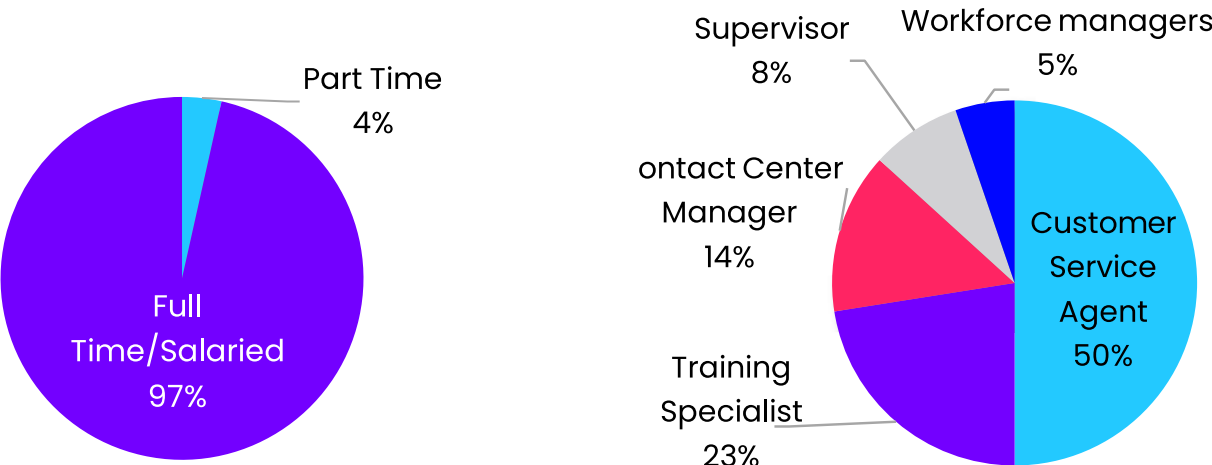


Figure 18- Employment Statues

Figure 19- Role

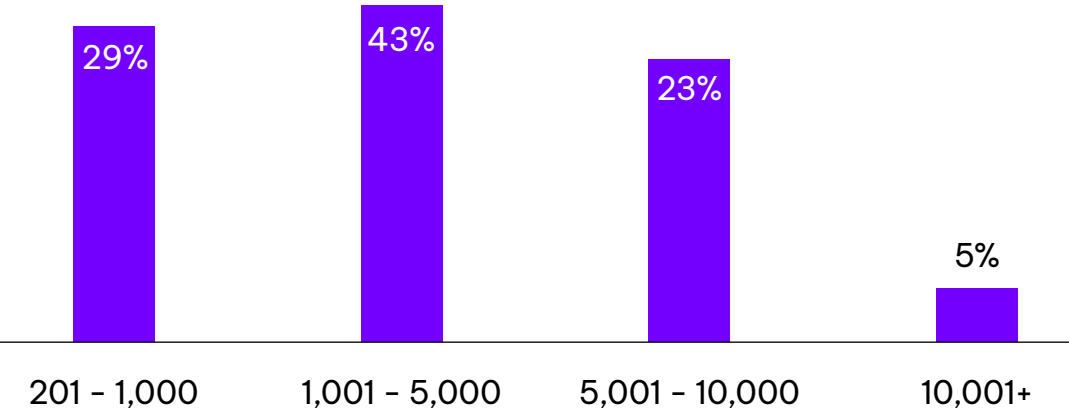


Figure 20- Customer Service Agents in the Company

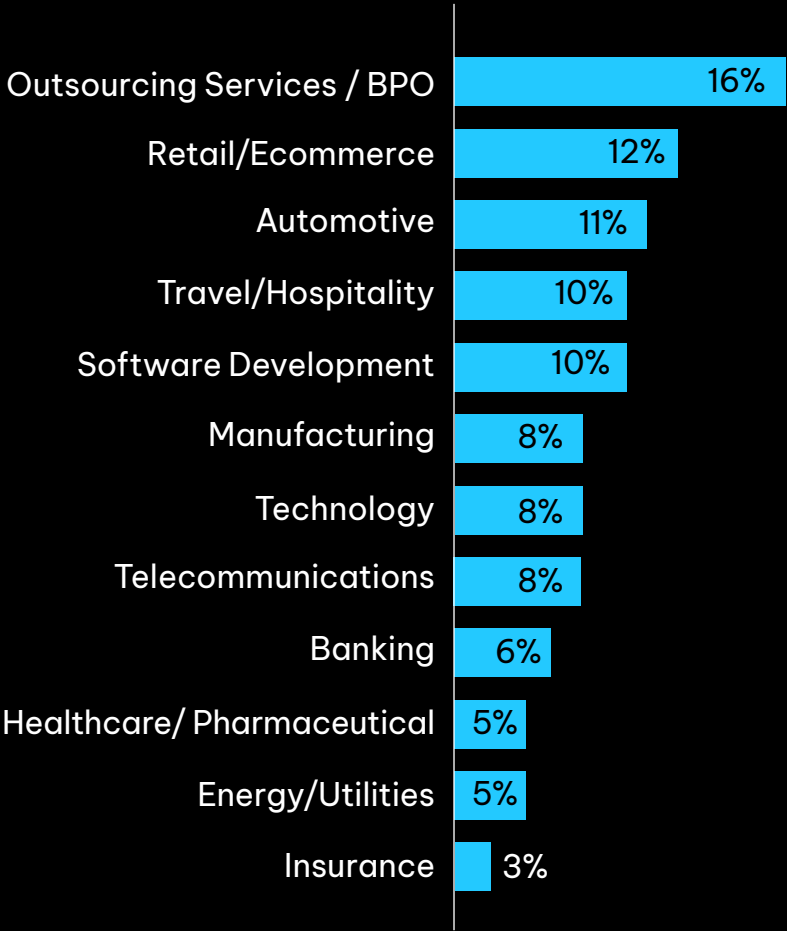


Figure 21- Industry

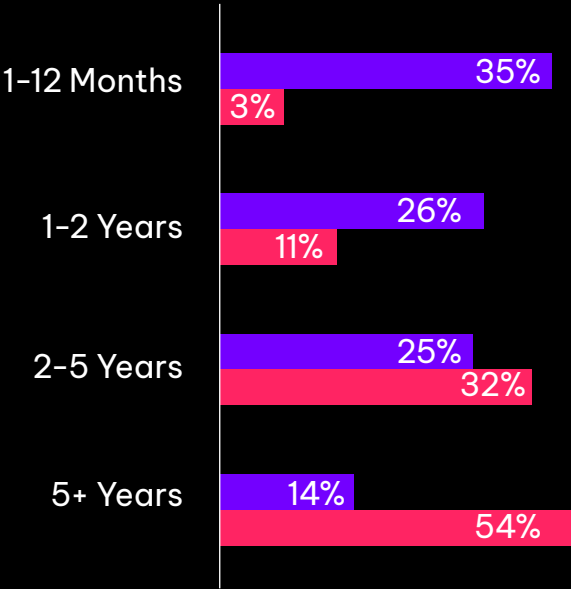


Figure 22- Experienced Customer Service Agent

Current employer ■
In total (all companies) ■

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