

# CONTACT CENTER WFO: HOW TO BALANCE CUSTOMER NEEDS WITH AGENT PRODUCTIVITY

May, 2015

→ **Omer Minkara**, Research Director,  
Contact Center & Customer Experience Management



## Report Highlights

p2

**The #1 goal influencing contact center WFO programs is the pursuit to delight customers.**

p5

**Leading WFO users improve agent productivity year-over-year, whereas competitors experience decrease.**

p8

**Top performing WFO users are 60% more likely to empower agents with customer insights captured across multiple channels.**

p11

**Leading WFO users are 53% more likely to use customer feedback data when gauging WFO activity results.**

Managing customer expectations and building long-lasting, firm bonds with buyers is no easy endeavor. It is even more challenging for contact centers (compared to sales and marketing), since the nature of their customer conversations primarily involves resolving client issues. As such, contact center agents have a direct and substantial impact on helping companies accomplish CEM objectives.

This report highlights the top priorities driving contact center WFO programs. It illustrates how contact centers straddle agent productivity and performance with the ever increasing need to meet and exceed customer expectations.

# 2

**Improving agent productivity & performance by themselves are not enough to achieve top-notch results. Savvy WFO users convert agent performance into a key enabler to delight customers.**

**Definition: Contact Center Workforce Optimization (WFO)**

For the purposes of this research, Aberdeen defines contact center WFO as an organizational program aimed at managing a broad scope of activities (e.g. scheduling, training and performance management) in relation to the contact center workforce.

Individual activities and technologies such as scheduling and eLearning are a part of contact center WFO programs. However, they don't by themselves constitute a contact center WFO program. It is the collective use of all the building blocks to manage agent productivity and performance through a unified platform that creates a formal contact center WFO program.

**What are the Top Priorities Driving Contact Center WFO Programs?**

Aberdeen surveyed executives across numerous businesses across the world between March and May of 2015 to answer the above question, as well as to shed light onto state-of-the-market best practices in contact center workforce optimization (WFO – see sidebar). The findings — illustrated in Table 1 — reveal that tracking and addressing the needs of empowered customers while ensuring operational efficiency, in the form of increased agent performance, productivity and lower costs, are top of mind for customer care executives.

**Table 1: Balancing Customer Needs with Operational Gains is a Top Priority**

Top Objectives (n=65)	All Respondents
Improve customer experience results and consistency	93%
Increase agent performance / productivity	81%
Lower operating costs	80%
Reduce customer effort for issue resolution	75%
Improve brand loyalty	69%

Source: Aberdeen Group: May 2015

**Note: This question was asked as a multi-answer question, meaning that respondents were able to select multiple objectives.**

The ability to meet and exceed buyer needs and ensure consistency in customer messaging was ranked as the top objective for WFO programs. These findings indicate a continuation of the trend observed within Aberdeen's June 2014 *Contact Center Workforce Optimization: Secrets to Unlock Agent Productivity & Performance* study. This study noted a shift of the priorities in contact center WFO executive's agenda. Specifically, businesses were less likely to cite improving agent productivity and performance as a top priority in 2014, compared to 2012 —

## 3

instead, they were more likely to indicate improving customer experiences as a top goal.

Within the May 2014 *Contact Center WFO* study we noted that the above findings don't mean that agent productivity and performance are no longer important. Rather, it means that **companies must manage productivity and performance to ensure that they are aligned and supportive of the CEM objectives.** Hence, the findings in Table 1 validate this assertion by showing that operational efficiency gains are still important, but they must feed into the top goal driving WFO activities: creating happy customers.

Data from our recent survey also showed that contact centers face certain pressures (see sidebar) when trying to accomplish the aforementioned goals. Rising customer expectations for more personalized and timely service is the top reason keeping customer care executives up at night. This is complemented by the changing nature of client interactions, where contact centers must be able to accurately predict customer traffic across multiple channels as well as enable their agents with the tools and processes to be able to easily handle multi-channel conversations.

The good news amidst these challenges is that there is a leading group of businesses that successfully overcome these challenges and create happy customers — all while increasing agent productivity and reducing costs. Let's now take a look at the performance results observed by these firms and how they accomplish them.

### The Profile of Leading WFO Users

Aberdeen used three key performance indicators (KPIs) to gauge organizational success in contact center WFO programs. These KPIs are used by 81% of organizations, and thus are highly

---

#### Top Contact Center WFO Pressures

Findings from our recent survey revealed that contact centers struggle with mitigating the below challenges:

**-Customer demand for better service: 54%**

**-Unpredictable customer traffic resulting in overstaffing or understaffing: 34%**

**-Ability to adapt to deliver seamless customer care across multiple channels: 32%**

---

# 4

“Thanks to our focus on revamping contact center WFO activities we were able to reduce our operating costs significantly while growing employee morale and agent retention rates.”

~VP of Contact Center, Small Financial Services Firm in the US

relevant in illustrating success. The top 50% of the survey respondents across the metrics in Table 2 were named as “Leaders” whereas those that experience worse results and rank at the bottom 50% were named as “Followers.”

**Table 2: Leaders Enjoy Far Superior Results**

Company Performance (n=65)	Leaders	Followers
<b>First contact resolution rate</b>	84%	41%
<b>Year-over-year change in customer satisfaction</b>	5.8%	-3.2%
<b>Year-over-year improvement in average handle time</b>	3.2%	-4.9%

Source: Aberdeen Group: May 2015

**Savvy WFO users are able to balance customer needs with organizational priorities such as cost savings. In other words, they drive customer delight without needing to incur additional unnecessary costs.**

As illustrated above, leading contact center WFO users are able to resolve more than twice as many customer interactions through the first contact, compared to Followers (84% vs. 41%). This means that clients of the poor performing businesses need to repeatedly contact the firm for help with issue resolution. This results in an increase of customer effort and creates unnecessary costs for these firms.

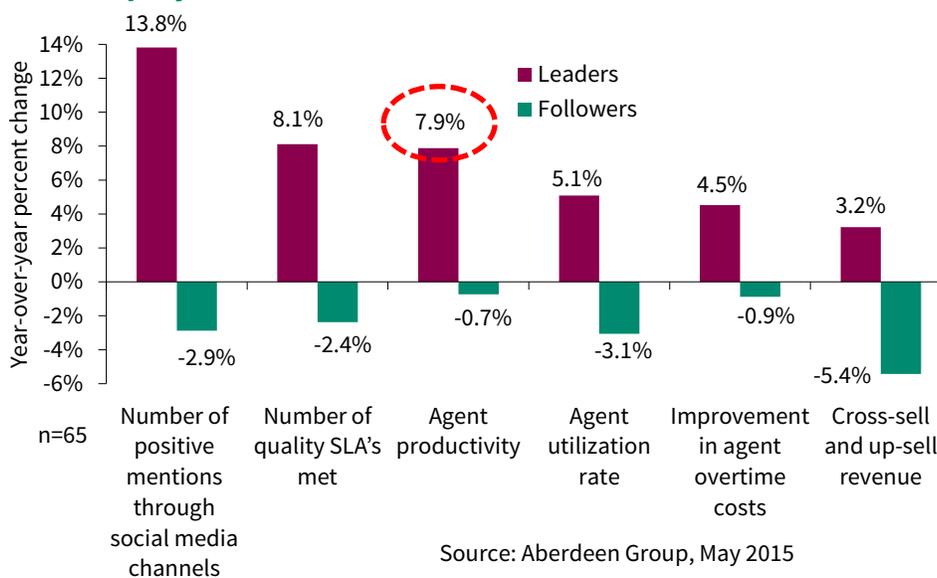
Leaders also enjoy a 5.8% year-over-year increase in customer satisfaction rates, whereas Followers experience a worsening of 3.2% in this vital metric. Success in improving customer satisfaction indicates that the top performing WFO users clearly understand the needs and wants of their buyers and are able to address them in a timely fashion — an attribute Followers should replicate.

In addition to the three metrics used to identify organizational success in WFO programs, leading contact centers outpace their competitors across numerous other performance measures. Figure 1 on the next page shows that they enjoy a 7.9% annual

# 5

increase in agent productivity, compared to a 0.7% decrease by Followers. This finding is particularly important, as it shows that in addition to suffering from less effectiveness in meeting customer expectations, Followers are also incurring productivity losses and unnecessary labor costs resulting from poor utilization of agent time. To this point, while Leaders are able to trim (decrease) agent overtime costs by 4.5% annually, Followers experience an increase of 0.9%.

**Figure 1: Success in Contact Center WFO helps Firms Elevate Brand Equity**



Top performers are not only enjoying reduced costs; they also excel in driving revenue gains for the business. Indeed, they enjoy a 3.2% annual increase in cross-sell and up-sell revenue (see sidebar) whereas Followers observe a 5.4% decline in this important financial metric.

Leading contact center WFO users enjoy the benefits of customer delight through word-of-mouth results. They achieve a 13.8% annual increase in the number of positive social media mentions of their brand, products and/or services, while their counterparts

**Definition: Cross-sell & Up-sell**

For the purposes of this research, Aberdeen uses the term “**cross-sell**” as an activity where a contact center agent or sales representative gets a potential buyer to spend more money by purchasing product(s) other than the one that is recently purchased.

“**Up-sell**” is defined as an activity where a contact center agent or sales representative gets a potential buyer to purchase a more expensive model of a product or receive more services by paying more.

# 6

## Intraday Automation: Answering the “What?” and “Why?”

### What?

For the purposes of this research, Aberdeen defines intraday automation as an organizational program that involves using various business processes and technologies to proactively manage employees (contact center agents and back-office staff) for optimal productivity and performance throughout each day.

These initiatives involve sub-categories such as changing agent schedules to address customer traffic changes or task workload throughout the day, providing alerts to address sudden needs for supervision and quality assurance, as well as assigning additional tasks during idle time.

It’s important to note that for the purposes of this research, intraday automation doesn’t include manual processes, but rather activities automated through technology use.

### Why?

Findings from Aberdeen’s recent Contact Center WFO survey reveals that intraday automation users enjoy 75% greater customer retention rate, compared to non-users. They also decrease customer care costs by 3.5% annually, compared to 4.9% increase by non-users.

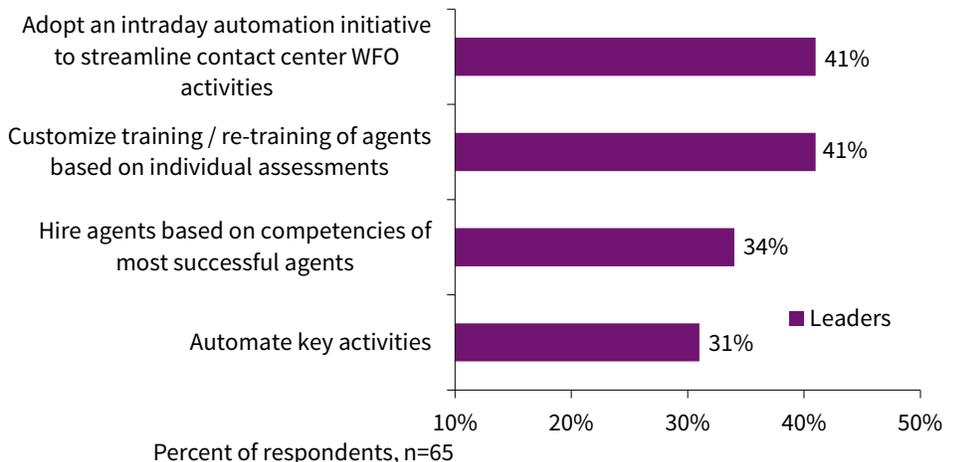
experience a decreasing amount of positive mentions. The ability to drive such social ‘buzz’ is crucial as Aberdeen’s April 2014 *Voice of the Customer: How to Convert Feedback into Better Results* study shows that companies that excel in customer referrals enjoy an 88% greater year-over-year increase in annual company revenue, compared to those that trail in earning customer referrals.

Now, let’s take a look at the key activities and technology enablers that help Leaders accomplish the aforementioned results.

### What’s the Secret behind Leaders’ Success?

Figure 2 shows the top strategies adopted by leading WFO users. For the #1 strategy, companies report a tie between ensuring agent learning and development and utilizing intraday automation (see sidebar) to streamline the day-to-day management of contact center activities.

**Figure 2: Automation & Training Drives Top-Notch Results**



Source: Aberdeen Group, May 2015

Note: This question was asked as a multi-answer question, meaning that respondents were able to select multiple objectives.

## 7

Providing agents with relevant and timely learning and development opportunities is crucial. Customer expectations and behavior rapidly evolves. The technologies buyers prefer to use to get their needs addressed changes over time — not to mention the changes in company products and services. Therefore agents must be empowered with timely and relevant knowledge and technology skills to be able to address these changing expectations.

While ensuring competency skills of contact center agents are up to par is important to meet customer expectations, companies must also excel in managing the day-to-day and strategic processes of the business. The latter also impacts organization's ability to meet buyer expectations and drive operational efficiency. As such, Leaders use intraday automation to manage daily customer traffic and assign agent activities based on fluctuating needs. This helps firms address the challenge of managing customer traffic and needs across multiple channels in a seamless manner.

When executing on the above strategies, top performers use a series of activities that can be grouped in three categories: interaction management, agent experience management and performance management.

### 1. *Interaction Management*

This category refers to an organization's focus on streamlining customer interactions taking place across multiple channels to ensure consistency and personalization of conversations. Findings from Aberdeen's November 2014 *Omni-Channel Contact Center: The Smarter Way to Engage Customers* study shows that fully 100% of all contact centers are using at least two channels to interact with clients. As such, using multiple channels is no longer a key differentiator. Firms must be able to

---

“Through a keen eye on managing our contact center WFO programs we maximized our use of existing in-house agents’ time, hence reduced expenses for outsourced agents.”

~Senior Manager, Global Support Readiness, Mid-size International Software Firm

---



---

**Fully 100% of contact centers are using multiple channels to interact with buyers. This means that companies can no longer rely on using multiple channels as a differentiation tool, but must rather use these channels harmoniously to satisfy customers.**

---

# 8

## Key Technologies to Manage Agent Productivity & Performance

Findings reveal that Leaders support the activities highlighted in Figure 3 through specific technology enablers. These technologies — noted below — help companies enable agents with easy and timely access to data needed to manage buyer conversations across multiple channels.

**-Enterprise social collaboration tools:** Leaders: 76% vs. Followers: 46%

**-Unified agent desktop:** Leaders: 71% vs. Followers: 56%

**-Workforce optimization:** Leaders: 69% vs. Followers: 50%

**-Single-sign on to multiple applications from agent desktop:** Leaders: 69% vs. Followers: 40%

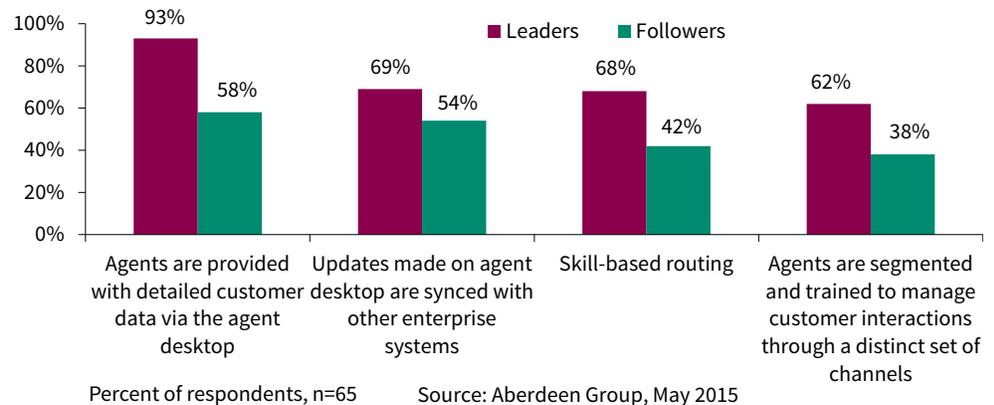
**-Screen capture and sharing:** Leaders: 61% vs. Followers: 46%

**-Knowledge management:** Leaders: 55% vs. Followers: 44%

**-Enterprise Search:** Leaders: 50% vs. Followers: 35%

use multiple channels harmoniously by making sure that customer conversations flow seamlessly across each channel. This requires organizations to **provide agents with detailed insights into customer transactional history through the agent desktop** — a capability adopted 60% more widely by Leaders vs. Followers (93% vs. 58%) — Figure 3. *(See sidebar for a list of technologies Leaders use to streamline the agent experience through ease of access to relevant insights.)*

**Figure 3: Leaders Enable Agents with the Ability to Seamlessly Manage Multi-Channel Conversations**



While enabling agents with relevant multi-channel data is important, the ability to successfully manage customer conversations also requires firms to **ensure that customers interact with agents who are skilled in handling conversations via related channels**. For example, if a customer prefers a live chat interaction that requires agents to not make any typos or handle several chat sessions simultaneously, the firm should not route the client to an agent without these skills. Otherwise, it risks increasing the average handle time, reducing the likelihood of resolution and incurring unnecessary costs due to poor use of agent time (or potentially lost client). Leaders understand the importance of connecting the right customer with the right agent from a channel perspective, and are 63%

# 9

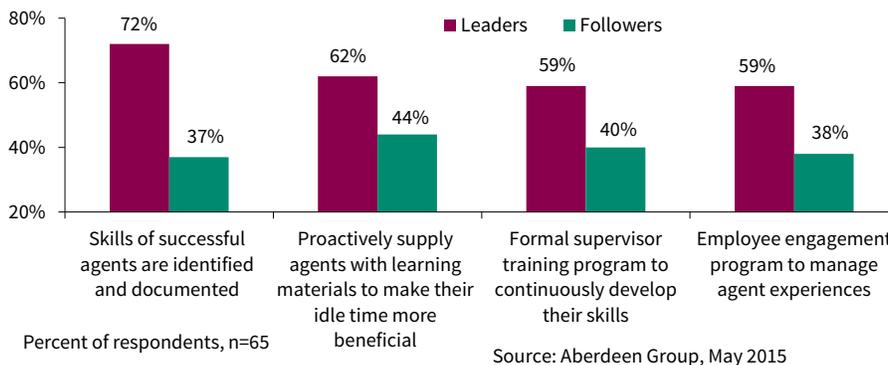
more likely than Followers to have this capability in place (62% vs. 38%).

Also important when considering routing is the alignment between customer issues and agent skills. In addition to identifying agent skills in handling conversations across specific channels and embedding this as part of the routing criteria, companies must **also identify agent skills about resolving certain issues and use that as part of the routing criteria.** Top performers are 62% more likely than Followers to also deploy this activity (68% vs. 42%).

## 2. Agent Experience Management

Figure 4 reveals that approximately three out of four (72%) of the leading WFO users have a formal process to **identify and document the skills of top performing agents.** This activity is well-aligned with building agent competency profiles to optimize customer routing activities. While the latter helps companies ensure that buyers interact with the right agent, the former helps them identify and track the evolving skills agents must have to accomplish the top objective driving WFO programs: meeting customer needs.

**Figure 4: Leaders Regularly Identify the Profile of Top Performing Agents to Guide Training Programs**



### Why Focus on Employee Engagement Helps Leaders Boost Performance Results?

Findings from Aberdeen’s October 2014 *Streamlining the Agent Experience Reduces Unnecessary Costs* study shows that lack of effective technology tools is the top factor influencing contact center agent experience. In fact, the same study revealed that agents are 88% more likely to complain about the lack of effective tools to their jobs, compared to compensation and benefits (47% vs. 25%).

As illustrated in Figure 4, Leaders are 55% more likely to have a formal employee engagement program designed to manage agent experiences and determine gaps (including technology tools), compared to Followers (59% vs. 38%).

## 10

### Which Technologies should You Use to Better Manage Data for WFO Programs?

Findings reveal that Leaders support the activities highlighted in this document through specific technology enablers. These technologies — noted below — help streamline activity execution as well as convert data into actionable insights.

**-Time and attendance management:** Leaders: 83% vs. Followers: 78%

**-Tailored activity dashboards:** Leaders: 83% vs. Followers: 56%

**-Database management:** Leaders: 76% vs. Followers: 28%

**-Business intelligence:** Leaders: 69% vs. Followers: 50%

**-Desktop analytics:** Leaders: 52% vs. Followers: 38%

**-Predictive analytics:** Leaders: 45% vs. Followers: 20%

**-Mobile tools to monitor and manage contact center activities:** Leaders: 41% vs. Followers: 19%

Identifying and updating the competency profile of top performing agents helps organizations assess each agent for gaps against these requirements. As a result, companies **supply each agent with personalized training and coaching to acquire necessary skills during their idle time.**

Data from our recent survey shows that the average agent utilization rate observed by organizations is 68%. Agent utilization refers to the percent of agent time spent on productive tasks such as serving customers or supporting cross-functional (e.g. back-office) work. Leaders understand the importance of minimizing this idle time, and supply agents with tailored learning materials during these times. This helps firms convert idle time into productive time while ensuring that agents acquire the necessary skills they need to do better in their jobs.

It's also important to note another interesting observation from Figure 4. Top performing WFO users replicate their **continuous training approach with contact center supervisors** as well. These firms realize that it's not only the agents who benefit from regularly updating the skills needed to address customer needs, but also supervisors so they can better manage customer care operations and accomplish the desired goals. As a result, Leaders are 48% more likely to also regularly train their internal leaders, compared to Followers (59% vs. 40%).

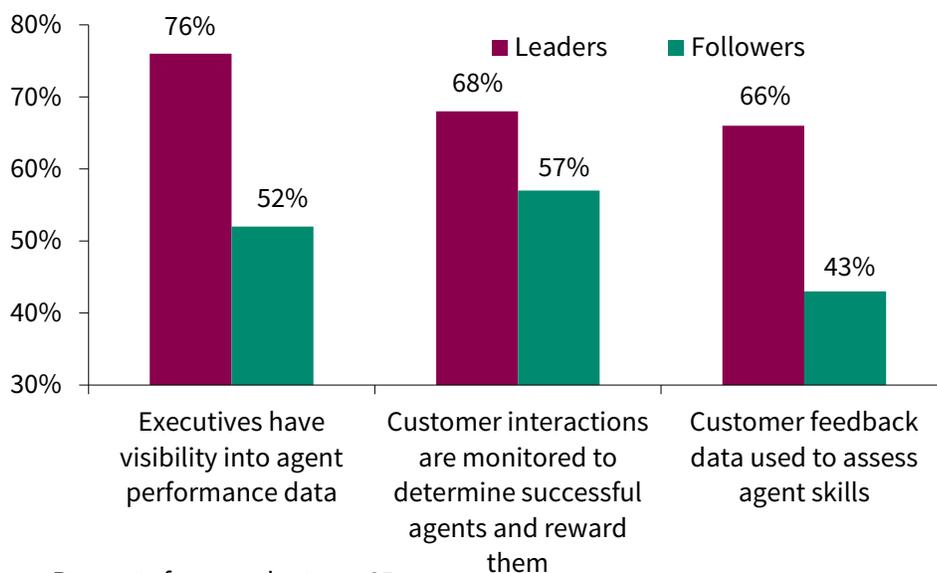
### 3. Performance Management

Once Leaders lay the foundation for success by utilizing the activities noted in the previous two sections, they then focus on performance management to ensure driving optimal results through each activity. For example, agent training to bridge skill gaps is important, but how does the organization know if the training programs work or if agents apply the training received from these activities? Leaders bridge this gap by providing

# 11

executives with visibility into agent performance data. They do so by utilizing numerous technology tools (e.g. dashboards and business intelligence — see sidebar) to **automate the processes to track and measure key performance metrics, and provide these insights to key stakeholders in a timely fashion.** Figure 5 shows that top performing WFO users are 46% more likely to enable their executive team with such insights, compared to Followers (76% vs. 52%).

**Figure 5: Leaders Fine-Tune their Activities through a Keen Eye on Performance Management**



Source: Aberdeen Group, May 2015

The ability to determine organizational strengths and weaknesses through better visibility also enables executives to gauge agent performance in meeting customer needs. Indeed, leading WFO users are 53% more likely than Followers to **capture and use customer feedback and sentiment data to identify how agents fare in meeting buyer needs** (66% vs. 43%). The results of this process shed light on which agents are most successful in helping the firm achieve its top objective of

---

“We set goals for each agent to meet by certain periods after hiring. Use of analytics helps us track their performance against these metrics.

We also capture customer input via email surveys to ensure our activities to ensure quality assurance.”

~Customer Service Manager, Large International Financial Services Firm

---



---

“We adopted a formal WFO program only 6 months ago, and already we’ve observed a 20% improvement (decrease) in customer abandonment rates as well as average wait times.”

~Contact Center Agent, Small Credit Union in the U.S.

---

# 12

creating customer delight, and allows firms to reward those agents through monetary and / or non-monetary means.

## Recommendations

Findings from Aberdeen research revealed that when it comes to WFO programs contact center executives are no longer solely focused on agent productivity and performance. Rather, they use these as key enablers to drive superior customer experiences. However, while companies have caught up with the importance of addressing the needs of empowered customers, they are challenged with keeping up with buyers' rapidly changing expectations — in particular, the demand to receive timely and personalized service across multiple channels.

Through our research, we determined a leading group of businesses that excel in overcoming this challenge and delighting customers while enjoying operational efficiency gains. These organizations focus on four key areas that facilitate their success. We recommend companies to follow the path of the Leaders to replicate their success by adopting the below activities:

- **Optimize existing processes to seamlessly manage multi-channel customer conversations.** Findings from Aberdeen's *CEM Executive's Agenda 2015* study revealed that an average business uses four channels to interact with buyers. This means that customer interactions for these businesses are increasingly getting complex as they must ensure that the context of each interaction carries over across multiple channels in a seamless fashion. This also means that customer interaction processes are tailored to connect the right client with the right agent who not only possesses the right issue resolution knowledge, but also knows how to handle interactions

---

“Our contact center WFO activities are highly manual, thus very tedious to execute and inconsistent in results. Unfortunately we're not able to realize the full benefits of our WFO activities due to lack of automation.”

~Contact Center Manager, Mid-size Telecommunications Services Provider in Africa

---

# 13

across specific channels. If you don't currently have these capabilities in place, we strongly recommend you to adopt the interaction management capabilities noted in this document.

- **Don't ignore agents; empower them with the right tools and information to do their jobs.** Data from our recent survey reveals that agents need to use an average of three applications to access relevant customer data or knowledgebase articles. This means agents must divert their focus from understanding and resolving client needs to accessing relevant data. As a result, the handle times get delayed, agent productivity and utilization metrics are negatively influenced and customers are unsatisfied due to delays in addressing their needs. Leaders understand the importance of agent empowerment with the right information and technology tools, and therefore proactively manage agent experiences by providing agents with better technology as well as relevant training programs. If you don't currently have an agent experience management program that enables such results we highly recommend you to build one — see [related research for more](#).
- **Place strategic emphasis on performance management to continuously fine-tune your activities in line with customer expectations.** The expectations of today's buyers evolve rapidly. Are you able to have your contact center activities as well as agent skills keep up? If not, we recommend you to deploy the performance management activities adopted by Leaders to identify your strengths and build upon them as well as address your weaknesses. In order to succeed in this activity you must track and capture customer feedback, and use

# 14

---

“We have recently invested in a WFO system, and will integrate it with our in-house scheduling system. Upon implementation and integration, we project trimming several hundred thousand dollars — each year — in our customer service costs.”

~Director of Contact Center, Large International Telecommunications Services Firm

---

analytical tools to gauge your activity results based on how they influence client experiences.

- **Weave technology into the very fabric of your WFO program to enable automation and minimize errors and costs associated with manual tasks.** Use of technology helps firms drive automation and minimize errors and costs associated with manually conducting the activities listed in this document. If you’re not currently utilizing the technology tools Leaders incorporate within their WFO activities we highly recommend you to do so as it helps these top performing organizations drive operational gains that come in the form of increased agent productivity, reduced costs and greater revenue. To this point, it’s important to note that the average revenue of both Leaders and Followers is rather close (\$684 million vs. \$627 million). Therefore we’d be able to reasonably indicate that use of these technologies are not dependent on organizational size, but rather savviness in implementing top-notch WFO programs.

## 15

For more information on this or other research topics, please visit [www.aberdeen.com](http://www.aberdeen.com).

### Related Research

*[Voice of the Customer: How to Convert Feedback into Better Results](#)*; April 2015

*[CEM Executive's Agenda 2015: Leading the Customer Journey to Success](#)*; March 2015

*[Co-Browsing: Guide Customers to Grow your Own Success](#)*; February 2015

*[Omni-Channel Contact Center: The Smarter Way to Engage Customers](#)*; November 2014

*[Agent Desktop Optimization: Putting Agents in Charge of the Omni-Channel Customer Experience](#)*; November 2014

*[Key Technologies to Optimize your Agent Desktop](#)*; November 2014

*[How to Fund Speech Analytics and Maximize its Business Value](#)*; November 2014

*[Streamlining the Agent Experience Reduces Unnecessary Costs](#)*; October 2014

*[How to Schedule Agents in a Multi-Channel World](#)*; July 2014

*[How to Get the Most out of Your Contact Center Training Programs](#)*; June 2014

Author: Omer Minkara, Research Director, [Contact Center & Customer Experience Management](#) ([omer.minkara@aberdeen.com](mailto:omer.minkara@aberdeen.com)), [LinkedIn](#), [Twitter](#)

#### About Aberdeen Group

Since 1988, Aberdeen Group has published research that helps businesses worldwide improve their performance. Our analysts derive fact-based, vendor-agnostic insights from a proprietary analytical framework, which identifies Best-in-Class organizations from primary research conducted with industry practitioners. The resulting research content is used by hundreds of thousands of business professionals to drive smarter decision-making and improve business strategy. Aberdeen Group is headquartered in Boston, MA.

This document is the result of primary research performed by Aberdeen Group and represents the best analysis available at the time of publication. Unless otherwise noted, the entire contents of this publication are copyrighted by Aberdeen Group and may not be reproduced, distributed, archived, or transmitted in any form or by any means without prior written consent by Aberdeen Group.