

# CONTACT CENTER WORKFORCE OPTIMIZATION: PRODUCTIVE AGENTS, HAPPY CUSTOMERS AND REDUCED COSTS

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## Report Highlights

p2

The #1 priority influencing WFO programs has changed, from agent productivity to customer experience management.

p4

The ability to deliver omni-channel conversations is a challenge influencing WFO programs.

p7

The Best-in-Class are 89% more likely to use a WFO platform.

p12

The Best-in-Class are 47% more likely to empower their executives with real-time views into WFO performance data.

This report will provide an overview of the top goals and challenges impacting contact center WFO programs in 2017 and beyond. Specifically, we'll illustrate how Best-in-Class organizations maximize agent productivity, reduce costs and create happy customers. We'll do so by taking a close look at the top strategies used by leading performers, as well as supporting capabilities and technologies.

# 2

What's the benefit of maximizing agent productivity or agent utilization if customer needs are unmet?

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

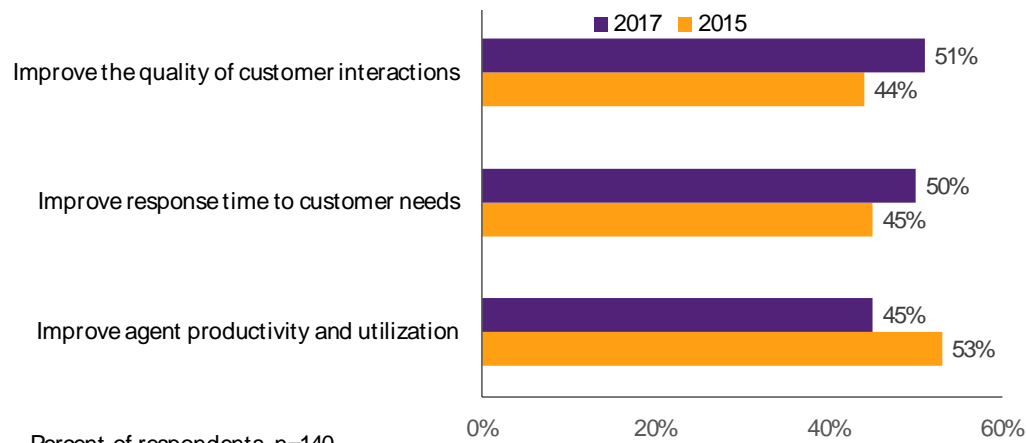
For the purposes of this research, Aberdeen defines contact center WFO as an organizational program aimed at managing a broad scope of activities (e.g. scheduling, training and performance management) in relation to the contact center workforce.

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 Drives Contact Center WFO Programs in 2017 (and Beyond)?

Between March and April of 2017, Aberdeen surveyed 140 organizations regarding the top trends and activities influencing their contact center workforce optimization (WFO) programs (see sidebar). Respondents were asked to rank the top objectives influencing their WFO programs (Figure 1).

Figure 1: Customer Satisfaction Surpassed Agent Productivity as the #1 Goal



Percent of respondents, n=140

Source: Aberdeen Group, April 2017

Note: Respondents to the survey could pick multiple choices for their goals. Therefore, they might have pursued one or more of the above goals simultaneously.

Trend analysis between related Aberdeen surveys (conducted in 2017 and 2015) reveals interesting insights on the top goals impacting WFO programs. First, companies today are 16% more likely to cite improving the quality of customer conversations as a top objective, compared to 2015 (51% vs. 44%). Second, the percentage of organizations citing improvements in agent productivity and performance as the top objective has decreased between 2015 and 2017.

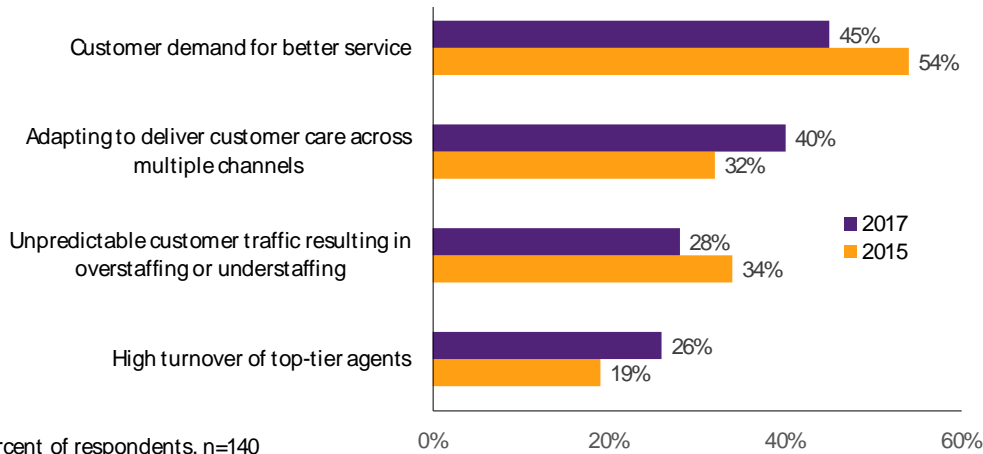
Collectively, the findings reveal that **the priorities influencing WFO programs have changed**. While driving efficiency by improving agent productivity and performance remain important,

# 3

companies must ensure that these activities ultimately meet (and exceed) customer expectations. Otherwise, what’s the benefit of maximizing measures – such as agent productivity or agent utilization – if customer needs are unmet? Respondents to the survey were then asked to indicate the top challenges impacting their ability to accomplish these goals.

Below, Figure 2 shows that keeping up with customer expectations for better service is the top challenge impacting WFO programs in 2017. This is followed by the ability to deliver seamless customer conversations across multiple channels.

**Figure 2: Managing Conversations Across Multiple Channels is a Growing Challenge**



Percent of respondents, n=140

Source: Aberdeen Group, April 2017

Note: Respondents to the survey could pick multiple choices for their goals. Therefore, they might have pursued one or more of the above goals simultaneously.

Trend analysis between Aberdeen’s 2017 and 2015 WFO surveys reveals that the top challenge companies are aiming to alleviate have remained consistent. However, the percentage of companies that cite “meeting customer demand for better service” as a struggle has decreased. In contrast, we observe a 25% increase in the percentage of firms indicating that managing WFO programs to handle customer conversations is a challenge across multiple

# 4

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## Definition: Omni-channel

For the purposes of this research, Aberdeen defines 'omni-channel' as a capability that enables organizations to deliver consistent and personalized customer messages across multiple channels, such as phone, IVR, email, social media and live chat.

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The average agent retention rate across contact centers in 2017 is 68%.

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channels (40% vs. 32%). Put together, these findings mean that companies understand the importance of delivering better service through WFO, and are aiming to do so by delivering omni-channel customer interactions (see sidebar).

Aberdeen's February 2017 [CEM Executive's Agenda 2017: Data-Driven Approach to Delight Customers](#) study, shows that 55% of businesses use at least 10 channels to interact with customers. In a world where use of multiple channels has become the 'new normal,' simply adding more channels is not enough to outpace competitors. Companies that surge ahead of their peers do so by using all channels in a synchronous way. The increase in the percentage of companies not meeting this challenge, however, is a positive signal. It reflects that organizations are maturing by focusing on the key areas that will help meet customer demand for better service.

A noteworthy statistic in Figure 2 is that 26% of firms reported talent retention as a top challenge. Also cited in this figure is that companies are 37% more likely to cite turnover (of top-tier agents) as a roadblock in 2017, compared to 2015 (26% vs. 19%). This increase is important, as customer experiences don't happen in a vacuum. Hiring and retaining top-tier agents is a necessity for companies to accomplish their WFO goals.

Now that we've observed what keeps contact center executives up at night, let's take a look at what helps them sleep comfortably. We'll do so by observing how a leading group of contact centers alleviate their challenges and accomplish superior results.

## How Do Best-in-Class Firms Get Ahead of Others?

Participants in Aberdeen's WFO survey were asked to share insights across a number of key performance indicators (KPIs) commonly used to gauge contact center activity results. Aberdeen

# 5

used the four measures in Table 1 to determine organizations that build and manage Best-in-Class (see sidebar) WFO programs.

**Table 1: It Pays to Use the Right Strategy**

Company Performance (n=140)	Best-in-Class	All Others
<b>First contact resolution rate</b>	86%	51%
<b>Average agent utilization rate</b>	69%	39%
<b>Year-over-year improvement in customer satisfaction</b>	20.3%	3.3%
<b>Year-over-year improvement (decrease) in average handle time</b>	5.9%	-1.8%

Source: Aberdeen Group, April 2017

The Aberdeen maturity class framework places companies in one of three categories based on their self-reported performance across key metrics:

- **Best-in-Class:** Top 20% of respondents based on performance
- **Industry Average:** Middle 50% of respondents
- **Laggard:** Bottom 30% of respondents

Sometimes we refer to a fourth category, **All Others**, which combines Industry Average and Laggard organizations.

Earlier, we observed that the top objectives driving WFO programs in 2017 were improving customer experiences and increasing agent productivity and performance, all while being more responsive to client needs. Since the Best-in-Class enjoy a 6.2-times greater annual increase in customer satisfaction than All Others, we can deduce that these firms are indeed enhancing the quality of customer interactions (20.3% vs. 3.3%).

Similarly, the performance differences in agent utilization and first contact resolution rates (depicted in Table 1) reveal that the top performers also improve agent productivity and performance. They also drive efficiency gains by decreasing handle times – a metric indicating an organization’s ability to rapidly respond to and resolve client issues. In other words, **the Best-in-Class have laid the foundation needed to attain the top objectives driving modern WFO programs.**

Top performers maximize their success through a mix of strategy, business processes and technologies. (See sidebar for the top WFO strategies used in 2017 and 2015.) It’s important to note that a strategy, by itself, is not enough to achieve desired results. Companies must execute on their strategies by determining and

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## Top Strategies

Trend analysis – between Aberdeen’s 2015 and 2017 contact center WFO surveys – reveals that the top strategies used by the Best-in-Class are:

**-Customize agent training based on individual assessments:** 2017 - 52% vs. 2015: 41%

**-Increase the frequency of agent training activities:** 2017 - 39% vs. 2015 - 24%

**-Hire agents based on competencies of most successful agents:** 2017 - 39% vs. 2015 - 34%

**-Automate key activities:** 2017 - 35% vs. 2015 - 31%

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using the relevant process and technology capabilities to carry them out. Let’s now take a look at the four categories of capabilities that Best-in-Class firms use to succeed in WFO.

## Four Categories You Must Excel in to Succeed in Contact Center WFO

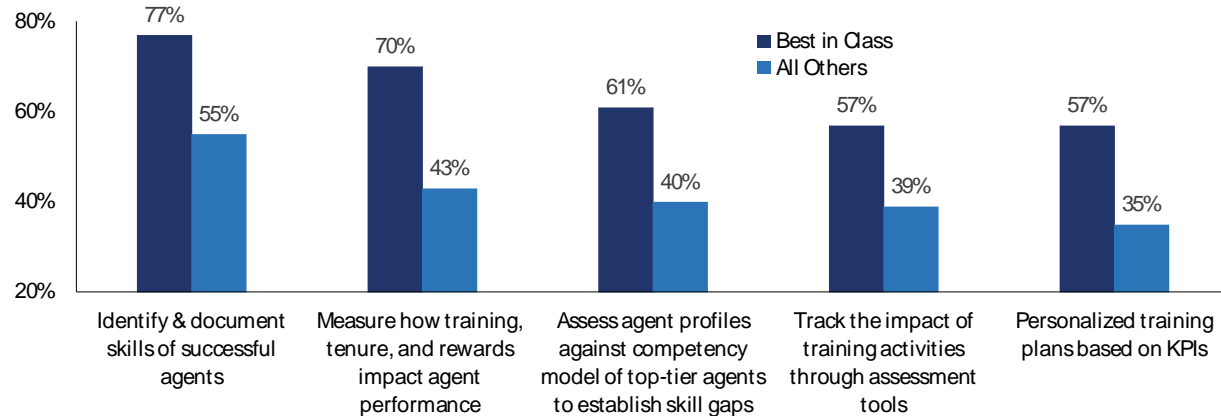
### 1. *Agent Hiring, Training and Development*

The journey to create happy customers starts with employees (agents, supervisors and other team members). It’s ultimately these employees who are responsible for handling customer issues across many channels, such as phone, email and chat. In fact, even self-service interactions (where customers are enabled to solve their own issues), are influenced by employee activities. If employees – who are designing and managing a self-service site – don’t do their jobs well, then this will result in poor self-service experiences and unhappy customers. Figure 3 on the next page shows the activities Best-in-Class firms use to hire, train and develop the right talent to satisfy customers.

Top performers track and measure the performance of each agent against a set of relevant KPIs. These metrics will vary across businesses, and should be based on the goals of the contact center. For example, if addressing customer issues with minimal repeat contact is a priority, then first-contact resolution rates would be among the KPIs used to gauge agent performance. If increasing customer spend is an objective, cross-sell and up-sell revenue might be used.



**Figure 3: Optimize Hiring, Training and Development to Meet Customer Needs**



Percent of respondents, n=140  
Source: Aberdeen Group, April 2017

### Which Technologies are the Best-in-Class Using to Hire, Train and Manage Agents?

Top performers utilize a rich set of technology capabilities to manage their agent workforce. Technologies include:

**-Workforce optimization:** Best-in-Class: 70% vs. All Others: 37%

**-Pre-hire assessments:** Best-in-Class: 68% vs. All Others: 43%

**-Automated agent routing:** 65% vs. All Others: 38%

**-Intraday management:** Best-in-Class: 61% vs. All Others: 37%

**-Predictive analytics:** Best-in-Class: 57% vs. All Others: 34%

**-Automated agent scheduling:** Best-in-Class: 57% vs. All Others: 26%

Analyzing and identifying top-tier agents is enabled when companies determine their goals and the metrics for success, and gauge agent performance against these KPIs. This information helps firms unlock numerous additional insights. For example, companies can analyze the most common skills shared among top-tier agents to identify the most important skills for agent success. This insight would then be used to build and manage ideal candidate profiles for hiring new agents. Supervisors can also use these insights to assess the skills of each agent against the skills of top-tier employees. These assessments help provide personalized training and coaching. Figure 3 shows that Best-in-Class firms are 53% more likely to have this capability in place, compared to All Others (61% vs. 40%).

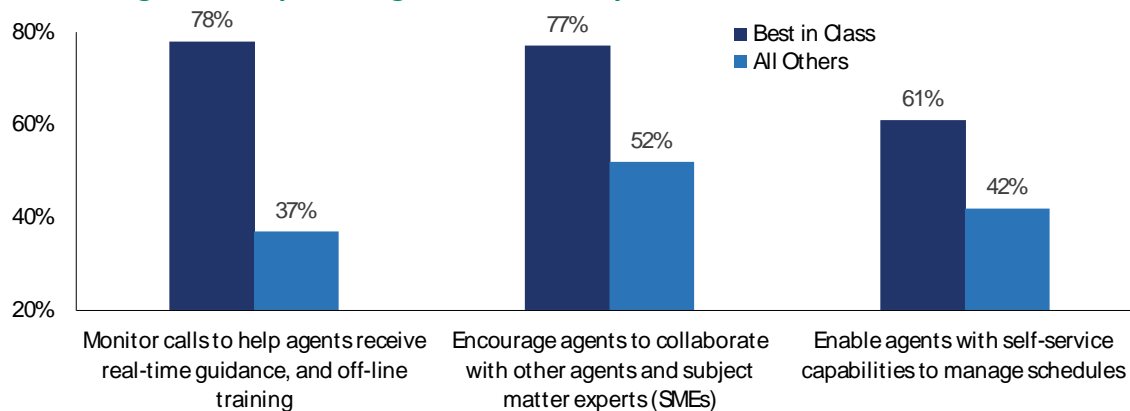
While the actions (described above) help companies determine training needs, how do organizations ensure that their activities (e.g., coaching, training and rewards) impact performance? For this, companies must analyze agents' performance before and after completing any, or all, of these activities. They must also capture employee feedback to learn if these programs address their needs. The same process can be followed to gauge the

effectiveness of financial and [non-financial rewards](#) aimed at driving specific outcomes. These include improved customer satisfaction rates, or increase in cross-sell and up-sell revenue.

## 2. Agent Empowerment

Hiring and training go only so far in helping companies deliver superior customer experiences. Findings from the 2017 WFO survey reveal that on average, contact center agents use three applications to find and access information – such as account data and knowledgebase articles – to help customers. The [CEM Executive's Agenda 2017](#) study reveals that employees are spending 15% of their time, on average, looking for information to do their job—helping customers. Figure 4 shows several activities Best-in-Class firms use to empower their agents and alleviate the stress involved in this challenge.

Figure 4: Empower Agents with Timely Information and Guidance



Percent of respondents, n=140

Source: Aberdeen Group, April 2017

Top performers regularly monitor agent conversations, such as phone calls and chat sessions, to provide real-time guidance if and when it's needed. For phone calls, this is done through the use of speech analytics. The software analyzes the call in real-time and determines if a particular word is used by a customer. If so, then a



# 9

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## **Which Technologies are the Best-in-Class Using?**

**-Workflow management:** Best-in-Class: 87% vs. All Others: 39%

**-ACD:** Best-in-Class: 78% vs. All Others: 32%

**-CRM:** 87% vs. All Others: 39%

**-Knowledge management:** Best-in-Class: 73% vs. All Others: 41%

**-Call recording:** Best-in-Class: 65% vs. All Others: 47%

**-Single sign-on to multiple applications from agent desktop:** Best-in-Class: 65% vs. All Others: 39%

**-Enterprise collaboration tools:** Best-in-Class: 64% vs. All Others: 28%

**-Screen capture & sharing:** Best-in-Class: 61% vs. All Others: 40%

**-Enterprise search:** Best-in-Class: 55% vs. All Others: 24%

**-Contact center & CRM integration:** Best-in-Class: 52% vs. All Others: 29%

**-Unified agent desktop:** Best-in-Class: 87% vs. All Others: 39%

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supervisor is automatically prompted to listen to the conversation. This enables the supervisor to guide the agent, or chime in to help when necessary.

Similarly, if the software determines that a call or chat session has taken longer than a pre-set amount of time (e.g. 10 minutes), then a supervisor would be once again prompted to guide the agent, or chime in to help the customer. In addition, the monitoring of calls provides insights on ways to improve agent performance through training or additional development.

Another way the Best-in-Class empower their agents is through encouraging and facilitating internal communications. Specifically, by making it easier for agents to find subject-matter experts (SMEs) for issue resolution. This also means enabling agents to easily communicate and collaborate with colleagues across different departments. For example, if a customer had an invoice question, a contact center agent (enabled with this capability) would be able to work easily with a billing department colleague to resolve the issue.

In addition to the training and coaching programs that guide agents on the importance of communication and collaboration, there are other ways they can be helped. For example, the use of enterprise communications tools, such as instant messaging, email, video, etc., can help agents with the technologies needed (to access the information) to do their jobs.

**Finding skilled agents is hard. But retaining top performers is even harder.** Data shows that providing agents with a sense of empowerment, and the technologies needed to do their jobs, are among the top three factors improving agent experiences. Figure 4 shows that Best-in-Class firms understand this, as they are 45% more likely to enable agents with self-service capabilities to

# 10

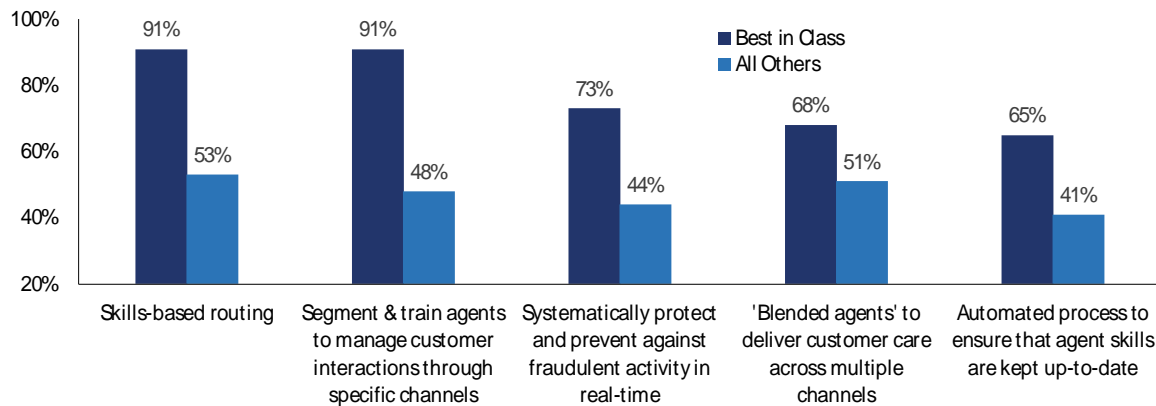
Top performers are 66% more likely to incorporate fraud prevention within their WFO programs. This helps them ensure compliance and maximize customer trust.

manage their schedules than All Others. The data shows this capability as an important factor influencing agent experiences (61% vs. 42%).

### 3. Process Optimization

Once companies hire and train the right employees and empower them with the right knowledge, they must next optimize WFO processes to reap the benefits. This refers to connecting the right customer with the right agent. Figure 5 shows several activities that top performers use to accomplish this goal.

Figure 5: Manage Your Workforce with an Eye on Customer Needs



Percent of respondents, n=140  
Source: Aberdeen Group, April 2017

As highlighted above, skills-based routing is used by 91% of the top performers, and hence are an important characteristic of these firms. This activity means identifying the skills of each agent, such as the ability to manage conversations through social media (vs. phone), and the ability to convey product and service knowledge. The data in Figure 5 also shows that top performers are 59% more likely to have an automated process of monitoring agent skills and keeping up-to-date records to facilitate skills-based routing (65% vs. 41%). Additionally, we see that the Best-in-Class are more likely to have a formal process of using both 'specialist' and 'blended' agents. The former refers to segmenting

# 11

## 'Specialist' vs. 'Blended' Agents

The decision to use either category of agent, must be based on the skills of the current workforce. For example, if agents aren't adept at handling customer conversations across *all* channels, then the company would segment each agent, so they are managing conversations only across *certain* channels. These workers would be categorized as "**specialist**" agents. The other agents (*who can manage across all channels*) would be put into the "**blended**" category.

However, lack of relevant skills among the existing workforce (*like not being able to handle conversations across all channels*) isn't entirely a limiting factor. Companies that need to use **blended** agents, can hire new ones with these skills to serve customers. Similarly, existing **specialist** agents can be trained to manage interactions across new channels, so they ultimately become blended agents too.

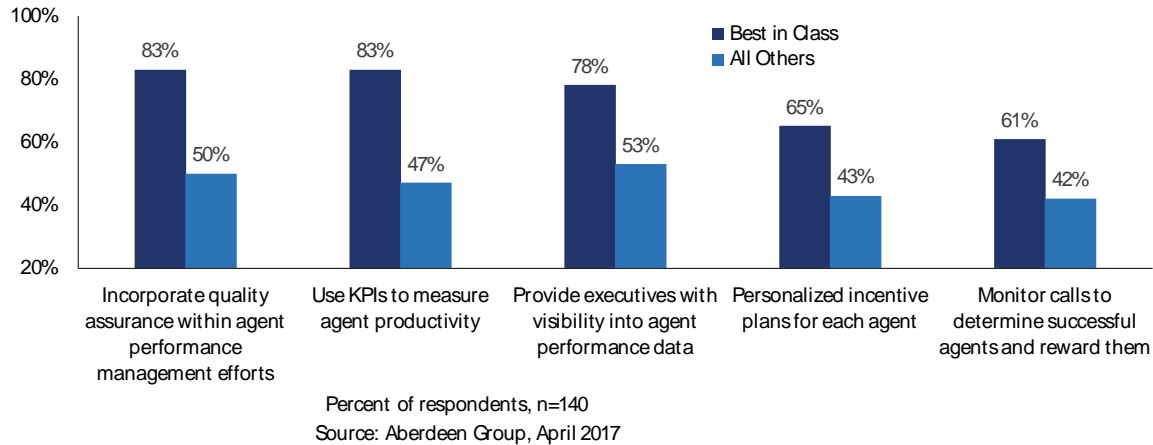
Companies can effectively use **specialist and blended** models simultaneously. In this scenario, some agents would handle multi-level communications, while others would be assigned to conversations across specific channels.

and training agents to handle interactions through a specific set of channels, whereas the latter refers to hiring and training agents that can handle conversations across all channels (see sidebar). Once companies determine the agent skills, this then allows routing customer issues to relevant agents. Insights on customer issues are captured through systems such as interactive voice response (IVR), where a client can indicate the nature of the issue. The company would then use automated call distribution (ACD), or contextual-routing systems, to distribute the customer contacts to relevant agents.

## 4. Performance Management

The final, but equally important, element of Best-in-Class WFO programs, is performance management. Activities in this category help contact centers regularly monitor and measure agent performance across a defined set of KPIs. These metrics should ultimately be aligned with the overall business goals. Regular tracking of how each agent contributes toward outcomes, such as customer satisfaction or improved first contact resolution rates, helps companies determine their strengths. It also allows taking timely corrective action to address any weaknesses. Figure 6 shows that the Best-in-Class are 77% more likely to have this capability, compared to All Others (83% vs. 47%). Data here also reveals that Best-in-Class companies incorporate quality assurance within their agent performance management efforts. This means tracking measures such as attainment of service-level agreements (SLAs) and how each agent influences these results. Executives across these top-performing businesses are provided with visibility into these KPIs, allowing them to manage the contact center activities in a more timely and accurate fashion.

Figure 6: Regularly Measure Performance for Continuous Improvements



Visibility into agent performance is a vital step in ensuring that the business addresses the top challenge we observed earlier: *increased customer demand for better service*. As customer expectations for service changes, it is imperative that companies monitor *if* and *how* agent activities evolve accordingly. This will help firms stay ahead of competitors in creating happy customers.

### Recommendations

Contact center WFO programs have evolved significantly from the days when agent productivity and performance were the focal points. Although traditional efficiency-oriented goals such as improving agent productivity are important, today’s customer care leaders see beyond these capabilities. They view WFO as both a strategic enabler (*to improve customer experiences*) and as a requirement (*to survive and thrive in the era of the empowered customers*).

Companies must continue to excel in WFO to reduce customer care costs, boost client retention rates, increase customer spend, and enhance agent productivity. Here’s what the Best-in-Class do to achieve these goals, in four steps:

# 13

- Optimize agent hiring, training, and development to meet customer needs.
- Empower agents with timely information and guidance.
- Manage your workforce with an eye on customer needs.
- Regularly measure performance for continuous improvements.

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

## Related Research

[Speech Analytics: Convert Voice of the Customer into Business Success](#); November 2016

[Agent Productivity & Performance Management: A Look into Best-in-Class WFO Strategies](#); November 2016

[The Intelligent Contact Center: Master Low-Cost & High-Impact Customer Interactions](#); August 2016

[Gamification in the Contact Center: A Cost-Effective Approach for Better Results](#); May 2016

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### 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 Waltham, MA.

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