



THE FUTURE OF CONTACT CENTER WORKFORCE PROGRAMS: EMPOWER YOUR TALENT TO DRIVE BETTER BUSINESS RESULTS

October 2022

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This report highlights the evolving role of contact center agents. It discusses the common shortcomings that are synonymous with traditionally-managed workforces. It also illustrates the performance gains enjoyed by firms who have transformed their workforces to make agents feel more seen and treated as strategic talent critical for influencing business results.

It's Time to Change How Contact Centers View Their Workforce

Improving customer experiences (CX) is now a top priority for modern contact center leaders. Yet, many businesses still think of using technologies and business processes as the only ways to improve CX. While technologies and processes both have a crucial impact on enabling CX results, employees also hold a pivotal role in creating happy and loyal customers. Yet, the traditional approach to managing the contact center workforce has been focused on capacity allocation / resource utilization. In other words, contact centers have prioritized balancing agent availability and customer demand as the primary focus when managing their workforce. This needs to change.

Balancing customer demand with agent availability is vital for businesses to ensure meeting client needs on-time. However, those needs must also be met effectively by agents who are talented, empowered, and engaged to succeed in their roles of helping clientele. This is particularly important in today's environment where self-service is increasingly used for simpler and less emotional issues whereas assisted service (provided by agents) is associated with more complex and emotional issues that are high-touch and high-impact on CX. Indeed, Figure 1 shows the top challenges contact center leaders participating in Aberdeen's *Contact Center Trends* survey have reported. It indicates that having (and retaining) skilled agents who can address high customer expectations for better service are among the top roadblocks businesses try to address related to their workforce programs.

Definition: Talent Empowerment Programs

For the purposes of this research, Aberdeen defines 'talent empowerment programs' as the formal programs firms put in place to train and educate agents on ways their role influences company performance. These programs empower agents with relevant tools and knowledge to do their jobs, provide defined career paths, as well as facilitate work environments and processes designed to boost employee morale and productivity.

Figure 1: Top Challenges Affecting Contact Centers



Percent of respondents, n=307, Source: Aberdeen, July 2022

Agents today are presented with more opportunities and choices than they've ever had before. Not only are there more 'gig economy' contact center jobs, but there's been an overall rise in wages (due to inflationary pressures) combined with greater adoption of remote work practices. In fact, according to the [US Department of Labor](#), wages and salaries have increased by 5.1% between September 2021 and September 2022. This compares to 4.5% increase in wages and salaries during the previous 12-month period (September 2020 and September 2021). Together, these statistics validate that the pace of wage and salary growth are on the rise. And that's not only in the US, similar trends are also observed across worldwide economies largely fueled by firms trying to keep-up with changes in cost of living as well as attract scarce talent. To this point, the average agent attrition rate according to Aberdeen's research remains at a staggering 38%. That's because firms stuck with traditional ways of managing their agent workforce risk high attrition rates – in addition to poor CX results from unmotivated or disengaged agents.

The future of contact center workforce programs hinges on seeing and treating agents as critical talent with a direct impact on CX outcomes. Firms that make this shift prioritize talent empowerment programs where they educate agents on their role on influencing overall company results, empower them with the right tools and information, and provide a work environment and processes that motivate employees to operate consistently at high levels of performance.

The Business Case for Managing the Agent Workforce as Strategic Talent

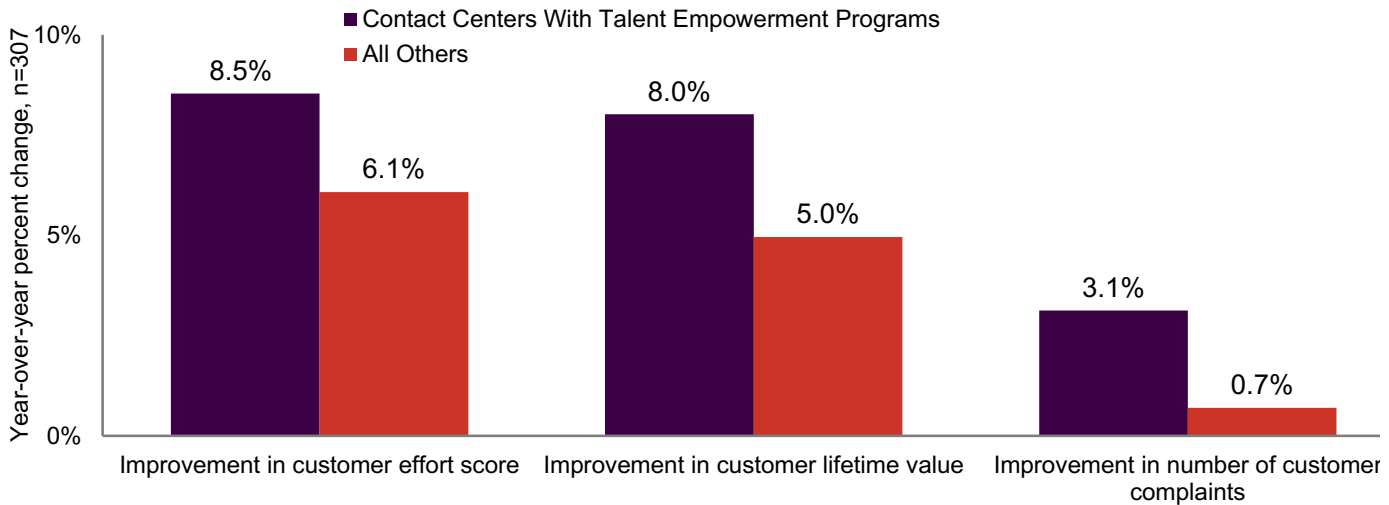
As noted earlier, the traditional approach contact center leaders take when managing their agent workforce is one of capacity management and agent utilization. The primary objective there is to determine agent skills, identify customer demand across all channels, and match this demand with agent availability to address client issues. This has now become table stakes for modern workforce engagement programs. Firms that differentiate themselves from their peers go beyond and invest in talent empowerment programs outlined throughout this report. Figure 2 on the following page shows that these firms enjoy far superior results across several key performance indicators (KPIs) used to measure CX results.

Companies that view their contact center agents as strategic talent are more likely to consider and pursue ways of leveraging this talent to their maximum potential. To that extent, contact centers with talent empowerment programs listen to employee feedback and observe agent activities to determine the tools and knowledge agents need to excel in their roles.

Capacity planning, which is how most contact centers manage their workforce, has now become table stakes.

Modern contact center leaders must differentiate by leveraging their agents as strategic talent empowered to help them achieve their business objectives.

Figure 2: Engaged Talent Drives Better CX Outcomes



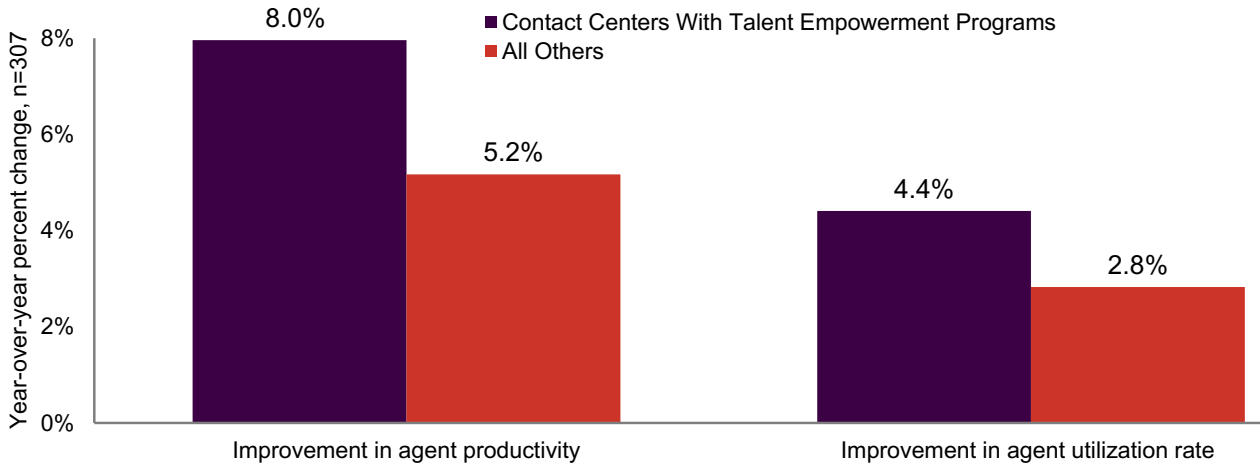
Source: Aberdeen, September 2022

Furthermore, they make it a part of their onboarding and regular training programs to highlight how each agent influences the overall contact center KPIs as well as how their role contributes to the broader company objectives. This is supplemented by providing agents with better work and life integration through capabilities such as the ability to bid for shifts, swap shifts with other agents, selecting split shifts, as well as gamification providing non-financial rewards and incentives. Collectively, these activities boost employee performance and morale which in turn increases agent dedication and success in helping address customer issues. This is validated by findings in Figure 2 showing that companies that manage their contact center workforce as strategic talent enjoy:

- ▶ 39% greater year-over-year (YoY) improvement (decrease) in customer effort scores
- ▶ 4.4x greater YoY improvement (decrease) in number of customer complaints
- ▶ 60% greater YoY increase in customer satisfaction rate

Firms with talent empowerment programs achieve these results because when agents are more engaged and empowered, they can address client issues more efficiently, which, in turn, helps reduce customer effort and complaints. Decrease in customer frustration means firms have increased the overall satisfaction of their clientele which in turn contributes to long-term loyalty and advocacy positioning the contact center a key differentiator of the business. Findings in Figure 3 provide additional perspective and validation of how engaged and empowered agents maximize CX results.

Figure 3: Contact Centers with Talent Management Programs Enjoy Superior Agent Performance



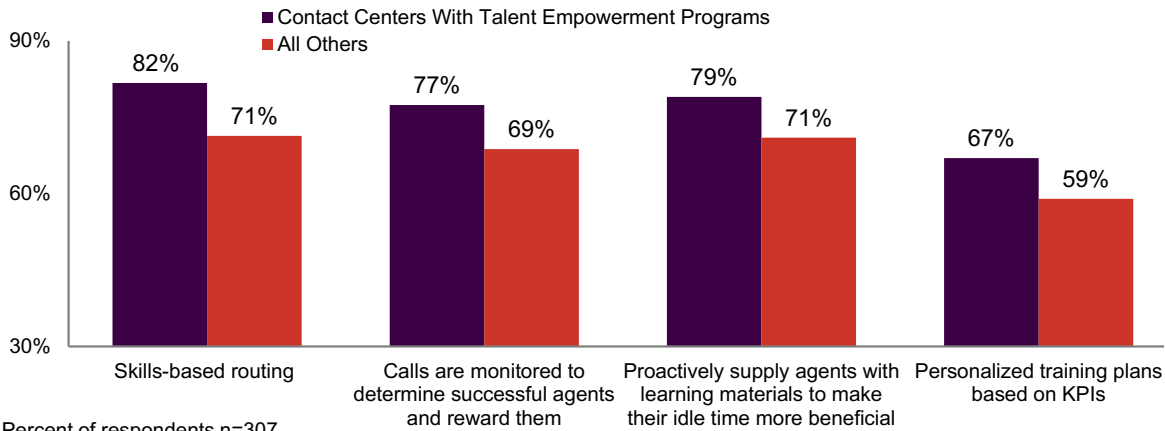
Source: Aberdeen, September 2022

Aberdeen’s research shows that, on average, agents spend 14% of their time looking for information to do their jobs. Furthermore, data also shows that a lack of relevant tools and knowledge is among the top factors influencing agent morale and productivity. As such, it’s no surprise that contact centers with talent empowerment programs improve agent productivity by 54% more YoY, compared to firms that are still stuck with managing their agent workforce primarily from a capacity allocation standpoint (8.0% vs. 5.2%). Productive agents can get more done which, in turn, also helps firms with talent empowerment programs boost agent utilization rates by 57% more (4.4% vs. 2.8%). These results are important as they demonstrate that when companies think beyond capacity allocation and more strategically by empowering their agents as key talent, not only do they enjoy superior CX results, but they also accomplish capacity allocation goals such as increasing agent utilization and productivity rates.

Initiate Your Journey of Workforce Transformation

The first step companies must take when transforming how they manage the contact center workforce is the overall approach used to view the related activities. To reiterate, contact centers that still rely on traditional way of doing business – where the workforce is managed primarily from a capacity allocation standpoint – are destined to fall behind those that view and manage employees as more than available capacity. Rather, those forward-thinking firms see their agents as strategic talent necessary to help them achieve their business goals. When comparing several of the activities deployed by those firms with talent empowerment programs versus others, Aberdeen’s research revealed that firms in the former category have wider adoption of several activities illustrated in Figure 4 on the following page.

Figure 4: Adjust Workforce Programs to Supercharge Your Contact Center Talent Performance



Percent of respondents n=307
Source: Aberdeen, September 2022

Although traditional skills-based routing is about matching agent skills with real-time customer demand, modern activities go beyond that. Traditional skills-based routing used defined agent skills such as ability to manage conversations through specific channels (e.g., phone, chat) but is not updated regularly (if at all) to align with changes in agent skills. This means that even though agents may learn new skills such as managing interactions in a different channel or learning insights about a new product, routing activities are either never updated or rarely updated resulting in agents still doing similar work despite advancing skills to do more or different kinds of work that help them feel accomplished and progressing in their career. Firms with talent empowerment programs are 15% more likely to use skills-based routing (82% vs. 71%). The reason why these firms are far ahead of All Others despite almost similar adoption levels of this capability is because of their aforementioned approach to skills-based routing that views and used employees as strategic talent versus capacity to be managed.

Data in Figure 4 also shows that firms with talent empowerment programs are 14% more likely to use personalized training plans based on individual KPIs (67% vs. 59%) as well as 12% more likely to monitor customer conversations to reward agents based on their performance (77% vs. 69%). Once again, a considerable percentage of firms without talent empowerment programs also use these capabilities but they clearly fall behind those with talent empowerment programs despite having rather similar adoption rates. The reason for this disparity is because firms empowering their talent and viewing them as a strategic asset don't manage these activities as mere processes but spend proper time and effort building and managing individual KPIs, designing unique career paths and tailoring agent performance management activities to boost agent morale and engagement. In fact, data also shows that they are 11% more likely to proactively supply agents with learning materials during agent downtime (79% vs. 71%). Once again, both traditional contact centers and those that manage their workforce as strategic talent have similar adoption rates of this activity. However, those in the latter group typically spend more time reviewing and updating the learning materials available for agents in order to help them continuously improve performance as well as invest in time and tools

Gig Economy

Contact centers are no longer bound to the traditional workforce models where they have to either hire and manage their own agents or outsource activities to a third-party provider. With the rise of the gig economy – and bolstered by remote work – firms can now also use third-party contracts (gig economy workers) who can work during preferred times. This expands the available agent talent pool for firms but also adds additional complexities and factors to consider.

When managing gig economy workers, contact centers must allow them to pick preferred work times and integrate this data seamlessly with existing workforce management (WFM) tools to optimize agent forecasting and scheduling activities. They must also use agent skill data for routing. Meanwhile, firms can uncover hidden talent within their gig economy agent pool that they can try to hire enabling 'testing' the employees before making an offer.

necessary to optimize learning opportunities to facilitate agents feeling a sense of empowerment and learning.

Key Takeaways

Contact centers are going through seismic shifts. The past decade has brought omnichannel, hyper-personalization, self-service, gig economy, remote work, and many other trends as new realities for businesses to incorporate within their activities. Ironically, despite all this change the ways firms are managing their agent workforce have stood rather still. In that, many businesses still manage their employees from the lens of determining and using available agent resource to match customer demand. While this is very much a necessity for contact centers to successfully operate, it has now become table stakes and not enough for firms to differentiate. Enter the new breed of contact centers with talent empowerment programs.

Forward-thinking contact center leaders recognize that agents play a far more crucial role than that of being managed as capacity to address customer demand. They directly impact the quality and consistency of customer experiences. As such, they invest in talent empowerment programs designed to educate and train agents on their role influencing the broader company results, provide relevant tools and information for agents to do their jobs as well as build and foster a work environment conducive to boost employee morale and productivity. In turn, these forward-thinking firms enjoy far superior performance results in key CX and operational measures. In fact, they outperform their peers managing their workforce with a capacity allocation mindset in related metrics such as agent utilization and productivity. The secret behind their success is skilled and engaged agents that firms are more likely to retain and perform at highest levels of performance.

If your contact center workforce programs are still managed with a capacity-centric mindset, Aberdeen highly recommends that you follow the lead of forward-thinking firms and align your activities with that of these organizations. This means implementing and nurturing talent empowerment programs that view and manage employees as strategic talent necessary to accomplish business objectives. Utilizing the business activities highlighted in this report will enable such transformation towards a future-ready and forward-thinking contact center with agents contributing and driving high levels of performance on a continuous basis.

Related Research

- ▶ [*CX Agility: The Path to Customer Loyalty & Profitable Business Growth*](#); October 2021
- ▶ [*Workforce Management for Digital-Savvy Contact Center Leaders*](#); July 2021
- ▶ [*Intelligent Recording: Maximize Productivity, Ensure Compliance, and Create Happy Customers*](#); May 2021
- ▶ [*Flawless Digital Experience Management: How to Build a Progressive Contact Center for the Modern Customer*](#); March 2021

About Aberdeen Strategy & Research

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