

CALABRIO™

FOR AGENTS | FOR BRANDS | FOR SUCCESS

STATE OF THE
CONTACT CENTRE 2023

Activating the Agent of the Future



Activating the Agent of the Future

Contact centres are at the forefront of remote-based work and Artificial Intelligence—modernisations that are here to stay. AI is changing, not replacing, the role of the agent, and capitalising on these innovations takes more than technical training. If you're not keeping your agents engaged and giving them the skills to continuously adapt, learn, and hone their critical-thinking abilities, you're already falling behind.



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Introduction



Contact centres have experienced sustained change over the past several years. Nearly two-thirds of managers (64%) say they oversee a hybrid workplace, meaning they must juggle the demands of supervising employees who are at home as well as those in a physical contact centre. Such flexibility is a bonus for employees and prospective workers who expect a higher level of scheduling flexibility than ever before, according to customers we interviewed for this report. It also presents some challenges when it comes to helping agents be as successful and productive as they can be: Fewer than half (49%) of managers surveyed felt that remote work was meeting expectations for productivity.

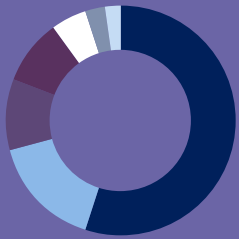
And that is just one area where AI can help. Artificial intelligence is increasingly useful when it comes to balancing agent schedules, providing the analytics to evaluate customer service and call times, giving agents on-demand resources to help with customer requests, and more. AI and other new technology are bringing continual innovations to the customer service industry, making effective, ongoing training even more critical. Today, that training could be better, according to more than a third of managers who responded to our State of the Contact Centre 2023 survey.

Despite concerns that AI will replace human workers, most contact centre managers we surveyed (70%) believe AI will mean more agents in the next 10 years, not fewer. They also felt AI was most effective as a tool to help agents rather than customers, with the potential to improve agent and manager productivity.

This year we scrutinised the continuing and evolving changes to determine what skills agents have today and what skills they will need in the future. Both evolutions—remote working and AI—are tools that managers are using to respond to a very tight job or employment market. We found that training is crucial to ensure agents have the technical know-how to handle customer requests. Keeping agents engaged is also a top priority—and the customers we interviewed for this report agreed based on their years of experience in the industry. The two proficiencies that contact centre managers said are most important for preparing agents for the future are adaptability/continuous learning (22%) and critical thinking skills (23%)—both of which are crucial to keeping agents productive, prepared and engaged.

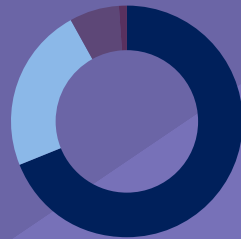
Survey Audience

The 2023 State of the Contact Centre survey was conducted with 400 contact centre managers from six industries, four age groups and ten countries: U.S., U.K., Germany, Austria, Switzerland, Denmark, Norway, Sweden, New Zealand and Australia.



JOB TITLE

- Head of call centre: 54%
- Manager: 16%
- Operations manager: 10%
- Customer Services Director: 9%
- Team leader: 5%
- Quality manager: 2%
- Reporting and/or analytics manager: 2%

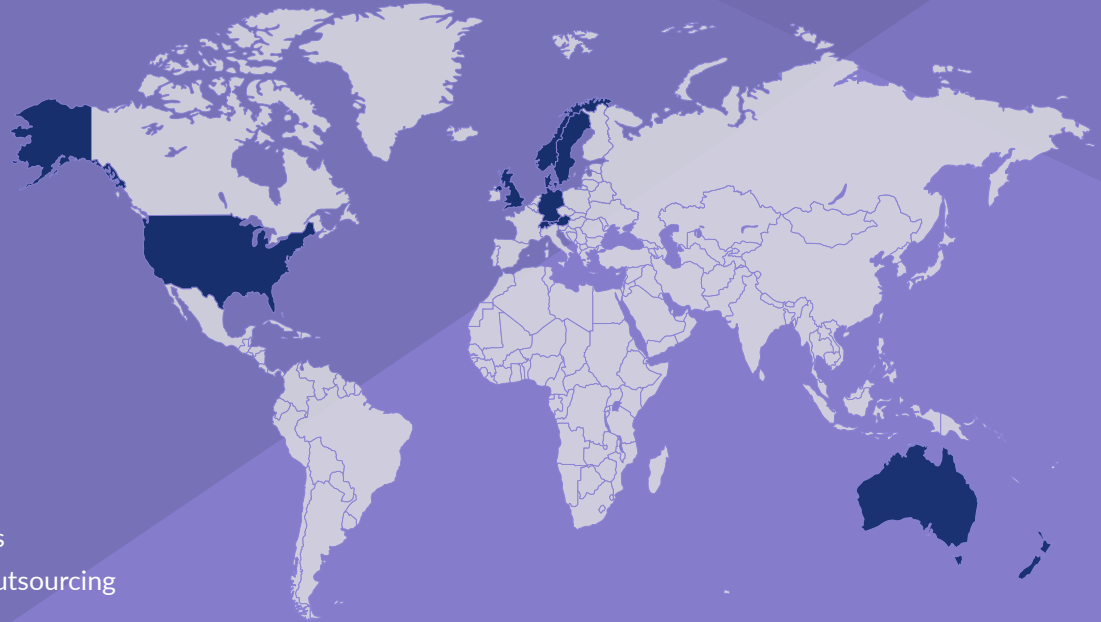


AGE

- Millennial: 69%
- Gen X: 23%
- Gen Z: 7%
- Boomer: 1%

INDUSTRY

- Telecommunications
- Business Process Outsourcing
- Retail/Apparel
- Financial Services
- Healthcare
- Government/Public Sector



KEY INSIGHT #1

AI's greatest promise is its ability to make agents' jobs easier and more productive—but it won't take the place of those jobs.

Artificial Intelligence can encompass many things, but when it comes to applications in contact centres, managers believe AI's greatest impact will be its potential to help agents and managers rather than as a consumer-facing technology. Of course, if AI can help make customer calls more efficient and productive, that benefits the customer too. Our survey found the top benefit of AI for the future workforce would be in increasing agent and manager productivity (25%), followed by its ability to optimise forecasting and scheduling (20%), measure and understand contact centre productivity (20%), predict consumer actions and behaviours (20%), and chatbot service to customers (20%).

That is consistent with our findings from 2020, when 44% of contact centre managers said they were using predictive analytics and automation to enhance interaction evaluations. Contact centre managers felt there are likely limits to AI, however. When asked what areas spark concern or scepticism about applying AI, they cited its ability to track and address mental health (29%), identify a need for training (27%), predict customer actions and behaviours (27%) and enhance agents' desire for flexibility (25%).

WHERE WILL AI HELP THE FUTURE WORKFORCE THE MOST?

When ranked 1-3



"The future agent will be used to help design customer experiences."

—Tom Davis, Director of Tools and Planning at TravelPerk

KEY INSIGHT #2

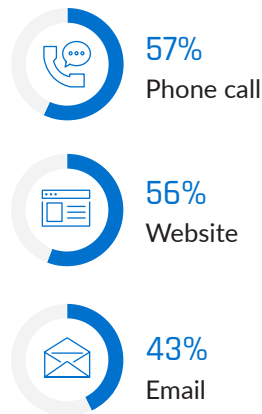
70% of contact centre managers believe AI will mean there will be more agents in the next 10 years—not fewer—BUT their roles are likely to evolve.

In 2022, there were nearly 2.9 million people working in contact centres in the United States, an increase from about 2.5 million in 2014, despite increasing automation in the industry.¹ The majority of contact centre managers surveyed felt this trend was going to continue, with agents becoming even more important brand guardians given the increasing complexity of customer challenges.

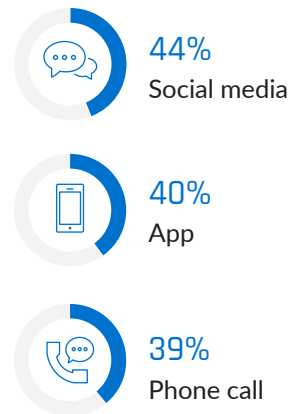
As contact centres change, the role of the agent is changing, too. Agents are becoming not just the voice of the brand but are also helping to enable and improve the role of AI. Whatever happens, nearly all managers agree that the landscape is changing because of AI: Only 3% saw no change in the next 10 years.

In our 2022 survey, consumers and managers agreed that multiple agent channels are important when it comes to brand perception—though they were divided on which channel was most important. Managers saw the role of agents changing faster than consumers did, ranking social media highest in importance.

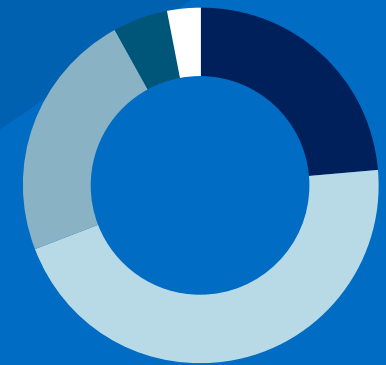
CONSUMERS



MANAGERS



WILL AI MEAN MORE OR FEWER AGENTS IN THE FUTURE?



- More agents in 1-5 years (24%)
- More agents in 5-10 years (46%)
- Fewer agents in 1-5 years (23%)
- Fewer agents in 5-10 years (5%)
- No effect (3%)



VOICE OF THE CUSTOMER

TravelPerk

As AI and automation increase, the role of the agent will become more integrated with technology—and in many ways more demanding and valuable, said Tom Davis, Director of Tools and Planning at TravelPerk, a corporate travel management company.

How do you see contact centres changing in the next several years?

I think the future of the contact centre is that the agents will be a value-add instead of just plugging gaps in the platform. We're going to come through a curve of "automate everything," and then look at the customer journey and say, "Where would a human add value now?" For us, it's obvious where a customer will want to speak to a human: If you're stuck in an airport, or you forgot your passport, or your booking is cancelled last-minute.

Do you think adaptability and critical thinking are key traits for contact centre agents, as we found in this survey?

Yes, we update processes probably 20 times a week, so agents need to turn up in the morning, read for 15 minutes, ingest what's changed since the last time they worked and adapt their approach. The best agents are the ones who can cognitively deal with that and stay on top of the latest and the greatest of what's going on in the business.

How do you see the role of the agent changing?

We have a programme where agents are encouraged to give feedback and ideas—it's part of their job and we have incentivised them to do it. Being good at that can even help with their career progression; we call them product operations associates. The engineering team wants people who have been close to the customers on their team, so when they're designing things for the customers, they can ask, "Oh, what do you think about this?" The agents can be the voice of the customer in the engineering. In this way, the future agent will be used to help design customer experiences. Another new role we need now is to train bots. I've got like five different use cases in TravelPerk where we need someone to see what an AI is doing and intervene and improve it."

KEY INSIGHT #3

Critical thinking and adaptability/continuous learning are the top agent skills of the future—and the most lacking today.

As AI and automation become more successful at handling simple customer service requests, agents need to be able to think on their feet to handle the more complex cases that are directed their way. So, it's no surprise that more than 60% of managers cited critical thinking (the ability to troubleshoot and solve problems) and adaptability (continuously learning and growing) as top skills needed by the agents in the future. They are also the skills that were most frequently cited as lacking.

Additional coaching and training to ensure that agents have the tools they need to handle their jobs—and that they know how to use them—will be invaluable. When looking at geographic differences, managers in the U.S., U.K. and German region agreed with the majority, while Nordic and Australian managers cited softer skills such as strong interpersonal communication and empathy as most important. Somewhat surprisingly, agent engagement was the trait named least often (6%) as the No.1 most important.

WHAT SKILLS OR TRAITS DO YOU CONSIDER MOST IMPORTANT FOR AGENT PRODUCTIVITY?

When ranked 1-3

63% Critical thinking skills like problem-solving and troubleshooting

62% Adaptability and continuous learning

61% Strong interpersonal communication

47% Empathy and emotional intelligence

WHAT SKILLS OR TRAITS DO YOU CONSIDER LACKING IN AGENTS TODAY?

Respondents could pick all that apply

50% Adaptability and continuous learning

47% Critical thinking skills like problem-solving and troubleshooting

47% Empathy and emotional intelligence

45% Strong interpersonal communication



KEY INSIGHT #4

Keeping agents calm and engaged is about more than retention: top-valued skills are the first to suffer when they're not.

Studies show that disengaged employees have lower productivity and are more likely to leave their jobs or miss days of work.² Contact centre managers said agents who are disengaged or stressed are also likely to experience setbacks when it comes to the key skills necessary for their jobs. Managers must prioritise ways to guarantee their agents are engaged, prepared for the challenges of their job, and not burning out.

There are self-service tools that can help improve engagement, performance, and satisfaction. Managers says the top three ways these tools can help agents are to:



Request training

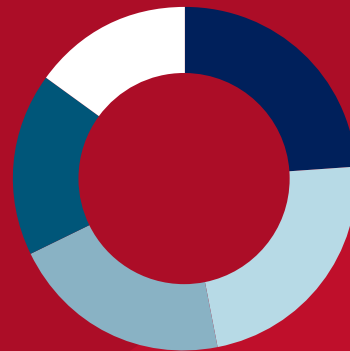


Select breaks and lunches



Request time off or overtime

WHAT IS THE TOP SKILL TO SUFFER WHEN AGENTS ARE STRESSED OR STRUGGLING WITH DISENGAGEMENT?



- Critical thinking (24%)
- Adaptability and continuous learning (23%)
- Strong interpersonal communication (21%)
- Self-management and time management (17%)
- Empathy and emotional intelligence (15%)

“Today’s employees are thinking of themselves differently and they want that flexibility; they want to be able to work when they want to work.”

—Alison Rodney, Director of Workforce Management for AMN Healthcare



VOICE OF THE CUSTOMER

AMN Healthcare

Alison Rodney is Director of Workforce Management for AMN Healthcare. She manages forecasting, staffing and scheduling for 3,000 interpreters all over the world who work remotely to provide on-demand support to doctors and hospitals nationwide.

What is a key challenge you're seeing in the industry today?

The biggest thing that I'm seeing is scheduling flexibility; it has been an ongoing challenge for us, and other contact centres are also trying to figure it out. Today's employees are thinking of themselves differently and they want that flexibility; they want to be able to work when they want to work. We have people who are employees, but we also have contract interpreters who are also contractors with other school districts or court systems or whatever the case may be, so they need to have that flexibility.

Do your agents use AI at all?

No, we don't have any of the chats or artificial intelligence. Our agents have to be live people, because they're often in emergency situations: It could be a matter of life and death. Our interpreters must be able to react very quickly, to get the context and the feeling and all the emotions that go into it. They have to be able to think fast in every single situation, on every single call.

How important do you think critical-thinking skills, adaptability and continuous learning are for your agents to evolve and do their jobs effectively?

Very important. Our interpreters have to be able to think on their feet, to react, to do whatever they need to. And when you're talking about a remote learning environment, they need to take it upon themselves to do the training material. Our supervisors rely on the agents to make sure they are focused and taking opportunities to learn and grow. We do have an advantage because our interpreters have a little bit more experience, a little bit more education than your typical contact centre employees, so they usually have that drive. They also must take a certain number of hours each year of learning activities to stay up to date on their credentialing.

KEY INSIGHT #5

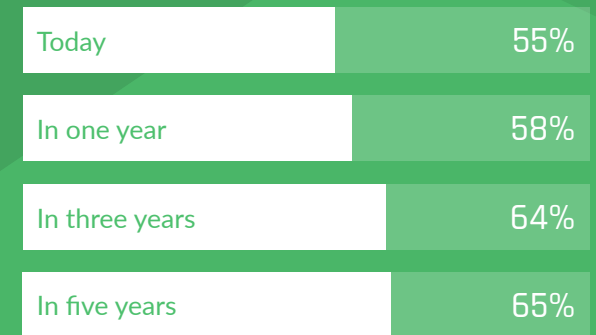
Nearly 50% of agents don't have the skills they need—But managers can't agree what kind of training is needed most

Nearly half of contact centre managers (45%) say their agents today don't have all the skills they need to become the best possible agents of the future—though more were confident they would in five years. At the same time, more than a third of managers recognise the need to make training more of a priority.

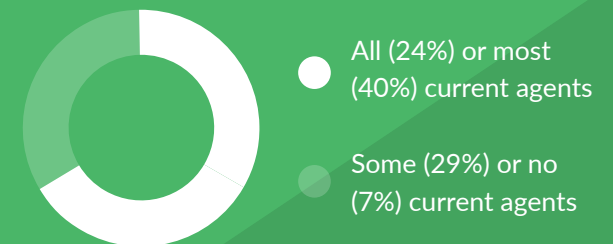
Managers are optimistic that their agents can develop the skills they need. They also agree that more training is needed to develop agents of the future. However, they were all over the place about what kind of training. Areas managers say need improvement:

Onboarding and training agents on work aptitude skills to best meet customer demands	37%
Increasing employee satisfaction with training opportunities	35%
Measuring impact of engagement on productivity	35%
Measuring effectiveness of training on productivity	33%
Onboarding and training agents on emotional intelligence and social interaction skills	33%
Determining appropriate timing and frequency of training	30%
Identifying areas for agent training	26%

DO OR WILL YOUR AGENTS HAVE ALL THE SKILLS NEEDED TO BE PRODUCTIVE IN THE FUTURE?



HOW MANY OF YOUR AGENTS CAN DEVELOP THE SKILLS NEEDED TO BECOME PRODUCTIVE FUTURE WORKERS?



KEY INSIGHT #6

Only 49% of managers believe that remote workers are meeting productivity expectations—24 percentage points lower than in 2020.

The results of this survey show a drop in the level of satisfaction managers have with their remote workers' productivity. In 2020, 73% of managers said they were satisfied with such productivity. This year, only 49% of managers said remote workers were meeting productivity expectations.

Offering remote or hybrid work may be necessary to attract new employees, but managers are also juggling how to measure at-home engagement and productivity while maintaining employee satisfaction. A vendor offering innovative AI can help ensure that remote workers are staying engaged and productive. It can provide on-demand metrics to help determine what is working and what is not. A vendor can also ensure seamless scheduling for the agents and their managers while incorporating time for training and breaks.

MANAGERS WHO OVERSEE A REMOTE WORKPLACE WERE LEAST SATISFIED WITH:

PRODUCTIVITY

No or somewhat 51%

HIRING THE MOST QUALIFIED

No or somewhat 47%

AGENT SATISFACTION

No or somewhat 46%



KEY INSIGHT #7

All answers point to training as the key. Ongoing, effective training will improve hiring and retention, job engagement and satisfaction, and the future of customer interactions.

Most managers felt their environment provided enough (71%) or somewhat enough (26%) opportunities for the appropriate level of training. However, fewer than half of all managers were pursuing various types of agent training, including work on aptitude skills and emotional intelligence (38%), or determining the best timing for training (37%).

“I think agents are going to have to be a lot more experienced—and in different ways.”

—Brian Bunderson, Member Contact Centre Manager at Idaho Central Credit Union

WHAT ENGAGEMENT STRATEGIES ARE YOU USING TODAY FOR YOUR AGENTS?

Respondents could name all that apply

43% Increasing employee satisfaction with training opportunities

40% Onboarding and training agents on work aptitude skills to best meet customer demands

38% Measuring impact of engagement on productivity

38% Onboarding and training agents on emotional intelligence and social interaction skills

37% Determining appropriate timing and frequency of training

35% Identifying high-performing agents for advancement

33% Identifying areas for agent training

KEY INSIGHT #7

The benefit of effective training is not just improved productivity and work performance. A 2020 survey by Cornell University found that workers who had more training hours had lower stress levels—especially when that training was in-person rather than via computer. Contact centre workers who experienced high stress were more likely to say they often fielded calls their training hadn't prepared them for (60%), compared to those who reported lower levels of stress (36%).³

Along with training and skills development (35%), managers named recognition or rewards (36%), increasing wages (35%), and scheduling flexibility (34%) as key strategies to attract and retain employees today. But recognition and rewards fall away when it comes to future success: increasing wages moves to the top, likely spurred by recent inflation and financial instability, along with more long-term agent development and efforts to improve agent autonomy.

TOP FOUR STRATEGIES NEEDED TO ATTRACT AND RETAIN EMPLOYEES WITH THE SKILLSET NEEDED FOR CURRENT SUCCESS:

- 1 Recognition or rewards
- 2 Training and skills development
- 3 Increasing wages
- 4 Scheduling self-service and flexibility- time and/or location

TOP FOUR STRATEGIES NEEDED TO ATTRACT AND RETAIN EMPLOYEES WITH THE SKILLSET NEEDED FOR FUTURE SUCCESS:

- 1 Increasing wages
- 2 Training and skills development
- 3 Gathering agent feedback through Voice of the Agent surveys or other
- 4 Scheduling self-service and flexibility- time and/or location



VOICE OF THE CUSTOMER

Idaho Central Credit Union

Brian Bunderson, Member Contact Centre Manager at Idaho Central Credit Union, said that when people think of AI and its application in customer service, chatbots are often the first thing that comes to mind. But he said AI and machine learning are also giving contact centre managers powerful new tools to evaluate calls quickly and efficiently.

How are you using predictive analytics in your contact centre today?

We can look at different insights from our calls, and if there is a problem they're facing, I can quickly identify it and let our executive team know, 'Hey, we've received 700 calls on this in the last three hours.' We can analyse calls using whatever algorithms or search parameters are needed at the time.

What is a challenge you're seeing at Idaho Central Credit Union?

Every year there has been a survey for best place to work in Idaho, and we've been named one of the best places to work for the last 10 years or so. But in the last year and a half, it's been tougher to recruit, and people want to work different schedules. It's been hard trying to figure out scheduling that works for everyone. Scheduling has been a lot more challenging than it ever has.

Many of the managers we surveyed cited a need for more training to handle changes in the industry. Do you agree?

Yes, and it needs to be effective training. I think agents are going to have to be a lot more experienced—and in different ways. There are still going to be those situations where AI is not going to know what to do. So how do we still provide a good personal touch with those members and make sure we care for them and show them we care for them? We want to make it right for the member; that's a big part of what we do.

KEY INSIGHT #8

Measuring agent engagement is the best way to judge the ability to meet customer demands—and technology makes that possible.

One major area where technology and machine learning can help contact centres is in evaluating agent engagement—and other metrics that can mean the difference between an effective call centre and one that fails to deliver on customer needs. 80% or more of managers felt the following metrics were “somewhat important” or “very important” when judging the ability to meet customer demands:

- Agent engagement scores
- Well-being scores
- Occupancy rates
- Customer effort score
- Average handle time
- Performance assessment
- Wait time/service level

Top strategies that contact centre managers cited for improving agent engagement, by region:

- **UK:** Voice of the agent surveys
- **DACH:** Internal messaging between employees
- **Nordics:** Hybrid schedule
- **ANZ:** Training
- **US:** Internal messaging between employees



A Final Call to Action

FOCUS ON TARGETED, PROACTIVE TRAINING

Onboarding isn't enough. You need to give your agents the tools and resources to succeed in a changing environment. Identify where your need is greatest and start your training initiatives there—small, incremental steps can lead to big change.

KEEP YOUR AGENTS ENGAGED AND GIVE THEM THE TOOLS TO HANDLE STRESS

When employees don't feel engaged and in control, they're less productive, less effective and more likely to leave. This is true for agents who are working in the office or remotely.

EMPHASISE ADAPTABILITY AND CRITICAL THINKING

Agents are more likely to handle challenging situations if they feel prepared for any contingency. Again, training and coaching are key.

Don't admire the problem, work with your vendor to create an action plan. Calabrio will help you get there.

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Calabrio is a trusted ally to leading brands. The digital foundation of a customer-centric contact center, the Calabrio ONE workforce performance suite helps enrich and understand human interactions, empowering your contact center as a brand guardian. We maximize agent performance, exceed customer expectations, and boost workforce efficiency using connected data, AI-fueled analytics, automated workforce management, and personalized coaching. Only Calabrio ONE unites workforce optimization (WFO), agent engagement, and business intelligence solutions into a true-cloud, fully integrated suite that adapts to your business.

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