

THE IMPACT OF RETENTION

DECREASING CHURN THROUGH AGENT ENGAGEMENT



< 20% decrease
in agent in churn



\$164K per annum
saved per 100 agents



>11% increase
in CSAT



>20% increase
in customer retention
& sales

SMOKE
CUSTOMER INTELLIGENCE

EXECUTIVE SUMMARY

Often your contact centre is the single biggest customer touchpoint within your organisation and thus carries a huge responsibility in terms of customer service and experience delivery.

A daily challenge faced by contact centres is agent turnover. High levels of churn create ongoing change, training needs and increased costs due to recruitment and onboarding. This is a pervasive issue, with operations across industries, reporting an annual 1 in 4 churn within their front-line agents. These high levels of churn have a tremendous negative impact on business performance, top-line and bottom-line, not to mention the intangible impacts on the business and long-term sustainability.

When focusing on improving agent engagement, Smoke CI has seen marked improvements in both agent retention and customer experience scores. Within a leading client we saw a decrease in annual churn of more than 20% within twenty-four months, together with an improvements to other metrics such as a 10% increase in customer satisfaction and a 21% increase in sales closing and retention

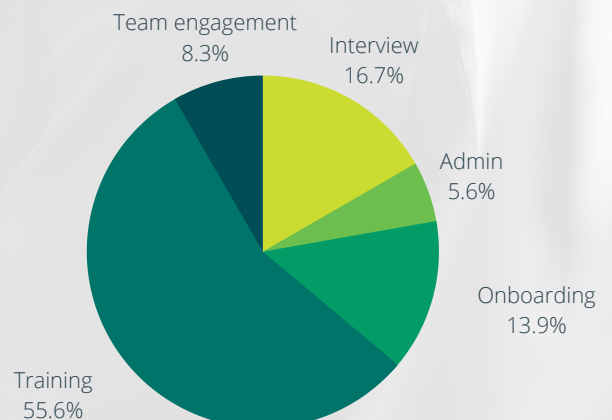
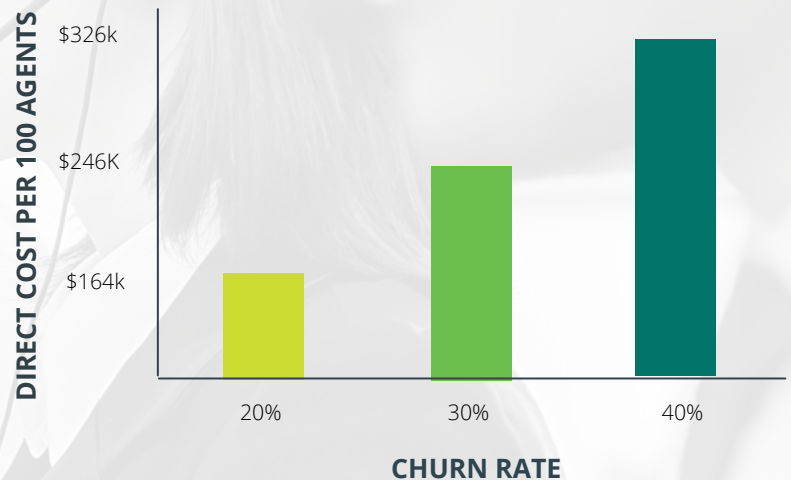
THE COST OF CHURN

Direct costs are easier to calculate and include both costs of recruitment and training for a new agent. The industry average cost for recruiting and training a new agent is USD \$8 200.

An organisation with 100 agents, with average churn of 20% incur costs of around \$164 000 annually (without taking into account the cost of management interviewing and training new staff throughout the year)

Unlike financial impact, indirect impact is harder to measure. Items such as the loss of institutional knowledge, reduction in team moral, the stress of an unpredictable environment and ongoing reliance on leadership teams to upskill and train new hires all impact overall agent performance and thus company performance, whether you are in a sales or servicing centre.

Each new hire requires an approximate management time investment of 72 hours. For an environment with 100 agents, a churn rate of 25% equates to 1800 management hours per annum



EACH NEW AGENT PLACED REQUIRES APPROX 72 MANAGEMENT HOURS

THE CHALLENGE



Telecommunications giant with 17.83 mil subscribers



130 agents in high-net worth client team



CSAT 15% below company average



40% agent churn per annum

To service high net worth clients, a leading telecommunications company in Africa established a focused team of approximately 130 agents to provide superior service levels to clients through omni-channel service interactions. The organisation invested heavily in both recruitment and training fees at the inception of the team.

Despite this, the team experienced a churn of almost 40% within a calendar year. In terms of metrics, the team was lagging company averages from both an operational and CX point of view. The team consistent received customer satisfaction ratings of 15% less than the organisational average, and approximately 4.2 repeat calls were made per query.

While costs within the team spiraled - thanks to ongoing recruitment, training and cost to serve; the primary concern became the potential negative impact of the team. Management within the organisation were concerned that the lacklustre team performance would impact the organisations' ability to retain high-net worth clients and that their negative sentiment would begin to influence other teams operating within the same environment.

A solution was needed, and the company found just what they needed through partnering with Smoke CI to understand the Voice of the Agent.

THE SOLUTION



Deep dive benchmark study to uncover themes impacting agent engagement



Regular pulse surveys to measure real-time engagement

At the outset of the project, Smoke CI recommended that agent retention and customer experience should be addressed through two separate workstreams, with a focus on immediate impact and long-term benefit.

In order to proactively and rapidly address the high levels of agent churn, it became apparent that the organisation did not fully understand the agent experience within this important team. A thorough agent engagement study was conducted with the purpose of gaining a benchmark into agent satisfaction, as well as to understand themes impacting the employee experience.

The study immediately paid dividends, highlighting tools and processes causing agent frustration, as well as a strong desire among the team for additional training. It also uncovered that these factors were the primary cause of agent attrition, and the organisation was able to implement initiatives that resulted in some quick wins against the highlighted issues.

To enable the business to continuously understand and manage agent engagement, a pulse survey solution was implemented that delivers regular (weekly) surveys to agents. These surveys serve as an ongoing “check-in” with the team and highlight any changes in specific areas of engagement that could result in future negative impact on retention.

In order to better understand the customer experience that was driving the relatively high-level of repeat calls, a post call survey was implemented to highlight calls that were not resolved after the first call. Any such calls were routed to priority agents in order to proactively expedite the enquiry resolution. This process led to a noticeable decrease in repeat calls.

[More on the customer satisfaction and first call resolution solution can be found here](#)



ENGAGED AGENTS **DELIVER VALUE**

The immediate impact after the initial agent engagement study was that the agents reported feeling more “heard”, which directly impacted their sense of belonging and value within the organisations. Further, the leadership team experienced an increase in open and honest day-to-day conversations about the environment, thanks to employees understanding that their feedback was valued and sought-after. From an employee metric point of view, an immediate short-term reduction in agent churn was noticed within the first 2 months after the initial study.

The long-term pulse survey resulted in two main outcomes. Firstly, the organisation implemented wide ranging initiatives on an operational level to improve process and systems, resulting in streamlined ‘ways of work’ and efficiencies.

Secondly, in terms of agent retention, the organisation saw a steady decline in churn. On the customer experience side, overall experience metrics saw a steady increase, thanks in part to agents increasing in experience and knowledge overtime. First call resolution increased by 8%, which lead to further cost benefit.



12% reduction in churn the first 12 months, with further 8% decline the following year



\$213 200 direct cost saving and estimated 1800 management hours saved



>11% increase in customer satisfaction scores from the team



>20% increase in customer retention and sales