
CAUSES FOR LOW EMPLOYEE RETENTION RATES IN INTERNATIONAL CALL CENTERS

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ABSTRACT

High employee turnover is a common problem in the contact centre sector. According to research conducted by QATC (Quality Assurance & Training Connection), the typical yearly turnover rate for contact centre representatives is between 30% and 45%. Some call centres ultimately have a turnover rate of over 100% at the end of the year. A company suffers a significant loss not just due to the upfront costs of finding and employing replacements, but also due to the opportunity costs of wasted time spent training new agents and the additional hours worked by the surviving staff to keep the firm afloat. The customer service experience suffers as a result, since clients want knowledgeable representatives who are familiar with all aspects of the product.

Key words: Contact center industry, turnover rates, benchmarks, attrition, direct costs, recruitment, unproductive training, overtime, customer experience.

Cite this Article: Kirti Mittal, Causes for low employee retention rates in international call centers, International Journal of Management (IJM), 2019, 10(5), pp. 391-399.

DOI: <https://doi.org/10.17605/OSF.IO/ES5GN>

<https://iaeme.com/Home/issue/IJM?Volume=10&Issue=5>

1. Introduction

If a company with 30,000 workers has turnover rates of 13%, cutting attrition by only 1% would result in an annual savings of \$32.9m, according to a research by Deloitte (2018). Glassdoor, on the other hand, predicts a cost of \$4,000 per recruit and 24 days for human resources and onboarding in 2019. Management may learn through departure interviews what causes agents to leave, identify trends in the reasons they go, classify attrition rates, and develop plans to prevent future losses. Agents leaving a contact centre is just one source of turnover; poor performance on the part of a large number of agents may necessitate mass

layoffs. The incorrect individuals might be hired if there is a trend, which could suggest a flaw in the recruiting process. To begin, Super Agents are the latest craze thanks to the widespread availability of machine learning and AI-based solutions. This necessitates staff members versed in call centre infrastructure. It's important to evaluate the candidate's character and determine whether or not they can connect with the company or its offerings.

This means that the agents need to be up-to-date on market demands, technological advances, and forthcoming developments. Once such talent has been engaged, their qualities should be recognised so that fruitful career routes may be established.

Different departments (sales, support, refunds, etc.) may direct calls and inquiries to your contact centre. It's important to remember that not all talks are created equal. If you see a high rate of turnover among agents who handle a certain category or subset of interactions, it's time to examine how to standardise procedures and give your agents more authority.

There is pressure in every job. However, contact centre workers face an entirely other kind of stress due to their job conditions (extended hours, dissatisfied clients, objectives to hit, etc.). It's just a matter of time until agents leave a contact centre that doesn't provide outlets for stress relief and doesn't provide them with the resources they need to accomplish their jobs effectively. Correctly using agents' talents is another factor to think about. Some people are great at persuading others (making them ideal for sales), while others have remarkable patience (making them excellent customer service representatives). Stress may be reduced by adjusting performance expectations and allocating additional resources to the call group that seems to have the more difficult responsibilities. Keep in mind that 60% of agents say they aren't given the resources they need by their employer to succeed. When agents are overworked and exhausted, they become more likely to give up on the job.

Agents won't feel inept regardless of the call type if they are given with reliable integrations that allow them to swiftly obtain client information, Smart IVR processes that ensure connecting callers to the best-fit agent, and BI tools that increase their productivity.

Team turnover Based on “Boss” Performance: It's important to consider all of the possible outcomes in your call centre. Calculations showing a persistently high turnover rate for one team or department almost certainly point to management issues.

It's possible that the agents are departing not because of pay or working conditions, but rather because of problems with their superiors. To foster a positive relationship between supervisors and agents, managers should be educated on how to set a good example and organise productive team-building activities.

One common error made by organisations is placing a higher value on managers than on frontline workers. Agents may be the first point of contact with customers, but they are really the unsung heroes behind the scenes who make the call centre tick. It's only reasonable that people give up on the work and their duties when they're underappreciated. Establish what it is you want to accomplish, whether it better customer service or more revenue, and recognise that your agents are probably your best bet for achieving those objectives.

Evaluation of the Call Center Turnover Rate Training: Using Training as a Motivating Factor

Agents who don't feel like they fit in with the company's culture, product, or service and who lack the necessary skills are more likely to start seeking for employment elsewhere. Agents may be kept current and engaged with your procedures via training. What makes for ideal onboarding training include the following:

- a) Tools for managing customer interactions
- b) Persona del cliente
- c) Details on the Product
- d) Organisational norms and customs
- e) Departmental cooperation

However, many companies overlook the need of consistent training for their employees. In these classes, you may learn about:

- a) Improvements to call centre infrastructure and technology
- b) Upgraded versions of existing products
- c) Constant sore spots for the clientele
- d) Training in softer skills
- e) New developments
- f) Successful Methods

Don't be shy about keeping tabs on your agents' output and tailoring training initiatives to meet their unique needs.

Contact center turnover rate by salary: According to Glassdoor, the national average compensation for a contact centre representative is \$31,056 per year. It's easy to see why agents could be dissatisfied with their work when weighed against the pressures they face. Paying your agents even a little amount more than the going rate can set you apart from the typical contact centres, where many employees feel underappreciated for their work.

Various incentives, such as financial or otherwise, may be provided to workers. A worldwide BPO RDI, for instance, offers a solution to improve the health of its employees and provide its agents a reason to stay with the company. Hundreds of agents connect via monthly virtual fitness contests.

Losing good employees is an issue for companies of all sizes and in all industries. The emergence of hybrid work and shifts in employee expectations brought on by the epidemic further exacerbate the situation. Attrition is another problem in call centres; turnover is twice as high in this field as in any other. While this number may raise red flags, understanding

what drives employee turnover in the contact centre may provide useful information for company executives.

Attrition Types and Calculating Attrition Rate: Attrition refers to the rate at which employees leave a company. Agents leave the organisation for a variety of reasons, some of which may be voluntary.

Types of Attrition: The most common types of call center attrition are as follows:

- i. Attrition that happens through no fault of the employee is called "involuntary," and it often occurs when a corporation fires an employee for poor performance, misbehaviour, or a shift in staffing priorities.
- ii. Employees who leave the company voluntarily account for what is known as "voluntary attrition," and this phenomenon occurs at all levels of employment duration. It's the most difficult and expensive kind of turnover to deal with.
- iii. Demographic attrition is difficult to detect without first collecting and analysing relevant data. It shows whether any demographic or group exits the company at a greater rate than usual.
- iv. Attrition due to retirement happens when agents have worked the required number of years and are eligible for retirement.

Calculating Attrition Rate: The attrition rate in a call centre is determined by dividing the annualised number of agent departures by the annualised number of agents. To convert the amount to a percentage, just multiply it by 100.

The attrition rate would amount to 13.33% if 52 agents left in a year out of an average of 390 workers.

52 agents lost out on an average of 390, for an attrition rate of 13.33%.

Over the years, the average attrition rate in contact centres has been between 30% and 45%, much above the norm for all other occupations. Attrition rates are high for a number of reasons, the most prominent being high stress levels, increased customer demands, and the difficulty of dealing with high call volumes.

While industry standards may serve as a guide, a company's internal procedures are where the real answers to employee turnover (and how to address them) can be found.

Reasons for Attrition of Employees at Cell Centres: Call centre turnover may be reduced if management takes the time to figure out why so many employees are leaving. The most typical causes in the contact centre business are listed below.

1. **Poor Training and Onboarding:** Customer service representatives face challenging situations every day, including resolving customer complaints and learning to use innovative CX tools. Ineffective onboarding processes and inadequate training result in high turnover rates since new agents are ill-equipped to perform their duties.

2. Failure to properly vet candidates based on qualifications rather than appearance alone. High turnover rates may be traced back to the unfortunate practise of employing unsuitable people. The best way to avoid this is for talent acquisition teams to carefully evaluate prospective employees to see whether they are a good fit with the company's values and atmosphere.
3. According to a poll of human resources executives, 50% or more of yearly turnover rates in major organisations may be attributed to employee burnout. When your agents' mental and emotional reserves are depleted, burnout is inevitable. When workers hit this breaking point, they stop caring about their work and eventually quit, whether willingly or because they are fired.
4. Poor Technology: Despite the significance of education and experience, these factors sometimes give only partial relief. Employees won't be able to meet critical goals without the necessary tools to accommodate rising call volumes from a growing client base.

In order to take advantage of the most cutting-edge tools and personnel in the contact centre sector, some businesses choose to contract out their operations to reputable third-party firms like ROI CX Solutions.

2. Reducing the Threat of Attrition

1. The training programme plays a pivotal part in equipping the agents and helping them feel more confident in their responsibilities; thus, it is essential that the onboarding and training processes be enhanced. That's why it's important to always follow through with a training programme that's interesting, useful, and all-encompassing. Make sure your agents are well-trained on your CX platforms and that they also get training in soft skills.

2. Provide Them with Appropriate Resources: G2 found that 62% of workers feel software mismatch prevents them from realising their full potential on the job. Because of this worry, 24% had contemplated going elsewhere for employment. Employee morale and output both benefit from the use of suitable technological tools. Investing in tools that provide agents feedback on their performance and have intuitive dashboards to encourage them to utilise them is a great way to back up your frontline workers.

3. Develop Future Career Paths for Employees: A lack of future career growth is a major factor in employee turnover, according to a research by Global Talent Monitor. Give your workers a defined route forward in the company to keep them engaged. Give them a clear picture of the ways in which they might advance in their careers. This also allows supervisors to evaluate workers' efforts and provide suggestions for improvement.

Partner with ROI CX Solutions for World Class Call Center Services: Attrition at the contact centre is a major problem that must be managed. Allow us to help lighten your load. ROI CX Solutions' cutting-edge contact centre solutions help businesses save money and improve their customers' experiences using cutting-edge technology.

The five main drivers of employee retention are

- i. effective management,
 - ii. constant iteration,
 - iii. Including Acknowledgement,
 - iv. prospects for success,
 - v. favourable work-life balance and competitive pay packages. These five drivers should be considered while developing a retention strategy.
- i. The Great Resignation and the subsequent trend of "silent resigning" have been linked to toxic work environments and ineffective leadership. According to Gallup's 25-year survey, an employee's view of the workplace is tied to the actions and behaviours of management between 50 and 70 percent of the time, making the relationship with one's direct boss the most important factor in determining one's longevity. Effective leaders steer their teams, exhibit company values that inspire followers to emulate them, and keep their workplaces from becoming toxic. A worker's chance of sticking around at a job is directly related to the quality of their day-to-day contacts with management. An important part of any successful retention strategy is ensuring that leaders at all levels of the organisation are serving as role models for the organization's basic values and building relationships of trust with their workers. Besides improving retention rates, succession planning is aided when hiring is based on a candidate's cultural fit. If you've hired for cultural fit, you may have a strong internal pool of candidates for available managerial roles. To prevent the loss of the company's cultural DNA due to turnover, it is important to provide workers with the professional advice and career development opportunities they need to stay with the company.
 - ii. One of the main causes of employee turnover is a failure to provide enough feedback and acknowledgement on a regular basis. To improve in their roles and increase the level of engagement necessary to keep employees, businesses must provide frequent feedback. In addition to clearing up any confusion about their roles, it also encourages workers to adopt a growth mentality and boosts their self-assurance. To be most efficient, however, there must be two-way communication between management and staff. Employees are given a platform to share their opinions and gain confidence in the company's leadership, both of which contribute to a more loyal workforce. Employees are more likely to stay put if they get consistent, positive reinforcement in the form of feedback and regular, individualised acknowledgement of their accomplishments from leadership. Organisational cultures that value feedback give frequent, constructive input to employees from their managers and encourage workers to provide constructive feedback to their peers and superiors. Andrew Freedman, author and contributor to Business Leadership Today, suggests that before providing workers with feedback, clear expectations should be established. The purpose of providing constructive criticism is to help an individual develop by encouraging them to strive towards higher standards. Employees flourish when they are recognised for their efforts, thus leaders

should always include acknowledgment as part of their feedback. The failure to appreciate their efforts may cause them to look elsewhere for employment. Because it satisfies a fundamental psychological need, recognition is a potent instrument for boosting employee engagement. An effective motivator is praise. Praise and recognition are often undervalued by corporate executives, despite the many advantages they provide to businesses and their staffs. According to the field of psychology known as behaviour modification towards a more desirable outcome, praise is one of the most effective forms of positive reinforcement. Leaders may encourage and motivate their teams by praising their good work.

- iii. Progression: Many workers who left their positions during The Great Resignation claimed a lack of promotion chances as a major reason in their choice to leave the company. Talented workers need assurances that they will advance in the company and that their executives care about them as individuals in order to stay put. Staff members must feel that they are advancing professionally and gaining new knowledge and talents. When workers believe they have room to advance in their positions, they are more invested in what they do and are more likely to remain with the company. Employers can increase employee retention by providing professional development opportunities such as in-person or online training, tuition reimbursement, leadership development, and assistance in plotting a career path through mentoring and coaching. Everyone in the organisation, not just the leaders, should have the chance to learn new skills and enhance their careers. Besides being an excellent tactic for the company's future growth, this is crucial for keeping current staff members on board. If you want to keep important institutional knowledge and cultural DNA inside your company, you should enable your staff grow so they can assume leadership responsibilities.
- iv. Salary and benefit packages are still seen as a major element in employee turnover, despite the fact that other variables are undoubtedly playing a role in the current upward trend. Many businesses still struggle to pay their employees fairly. The "old-school, patriarchal organisations that find themselves on the wrong side of many workers' lines in the sand," write Business Leadership Today authors Mark S. Babbitt and S. Chris Edmonds, aren't the only ones to blame. Only about a quarter of the major companies in the United States have conducted studies on the gender wage gap. Fewer than one in twenty businesses, by some estimates, has conducted a pay gap study by any other demographic factor (race, religion, region, etc.). If a company is unable to provide its employees with a fair wage and benefits package, it will have a hard time attracting and retaining skilled workers. If the wage doesn't rise with inflation, workers are less likely to remain with the company and more likely to look for work elsewhere, where they may earn more money and have better perks. It's possible that businesses may assume they can't afford to provide their employees with fair and equal pay. However, if an organisation is unable to attract and retain talented workers, it will struggle to maintain a healthy bottom line, since the expenses associated with turnover are high and low pay is a major factor in why people leave their jobs. In addition to fair compensation, companies may gain an edge in the market by providing perks that appeal to their

employees and solve the problems that are prompting them to leave. Employees are more inclined to remain with a company if their needs are being satisfied. Employees are more motivated to perform a good job and are more loyal to their employer when they get fair compensation in the form of wages, benefits, and other employee incentives.

- v. The work/life balance that companies provide is another major retention motivator that has been lacking, leading to high turnover rates. Remote and hybrid workplaces became more common after the outbreak. Early estimates of the pandemic's duration were optimistic. Some businesses are beginning to summon staff back to work now that the epidemic seems to be slowing down.

Many workers who have had the option to work from home for the last two years are upset at the prospect of losing it and the positive impact it has had on their lives. It would benefit both parties if employers listened to them on this. Workers who are given the option to do their job from the comfort of their own homes are better equipped to prioritise their personal and family lives over the time-consuming travel to and from the workplace.

When feasible, allowing employees to choose their own work schedules is a great way to boost engagement and retention by giving them more control over their job. Better work-life balance is achieved as a result of this increased freedom, and the stress associated with lengthy commutes and negative office settings is reduced.

3. Conclusion

Finding the answers to questions about call centre operations may be aided by determining the employee turnover rate for agents. It will serve as a leading indication of the health of the firm and the driving force behind many other metrics. Here is the equation that QATC uses:

Annual turnover rate = new hires / current staff size.

By dividing the total number of departing agents (43) by the mean amount of agents (75.33), we can infer a turnover rate of 57% for the year shown in the table below.

When an employee departs a firm, it may have a negative impact on the team chemistry and even the organisation's reputation as an employer. When a firm has a history of high turnover, for instance, it might be challenging to locate new staff, according to recruiters. Others in their office will be negatively impacted by their leaving. The result is often adding more work for already overburdened team members. Furthermore, their departure may have a negative impact on worker morale, stress, and burnout, and ultimately on the company's bottom line.

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