



Reducing Attrition in BPO Customer Service

Business process outsourcing (BPO) is experiencing a boom. Fueled by post-pandemic consumer behavior, demand for quality BPO services has skyrocketed in recent years.

In fact, industry analysts predict that the global BPO market will grow by 4 percent (compound annual growth rate (CAGR) by 2024 to reach \$76.9 billion. Within that market, the contact center segment is projected to grow by \$14 billion by 2025 (3 percent CAGR). With that much growth at stake, it should come as no surprise that business leaders are investing heavily in their BPO operations. However, despite the billions spent upgrading systems and software, one area remains stubbornly challenging: employee attrition.

While estimates vary, BPO attrition has historically hovered around the 30 percent range. That means [one in three employees is at risk of turning over](#) at any given time. With an average turnover cost of \$14,113 per employee (according to 2021 Gartner data), organizations can expect to lose more than \$400,000 for every 100 employees hired. That's no small sum.

How then can BPO leaders combat a problem that's so seemingly systemic and persistent? With technology that empowers and engages employees.

BPO employees are needed now more than ever.

Despite advances in self-service artificial intelligence (AI) and automation—along with fears that such technology would ultimately replace humans—live agents aren't going away any time soon. In fact, post-pandemic customer preferences have underscored just how vital human employees are to an organization's customer service operation. According to the Harvard Business Review, the average company saw a [50 percent increase in "difficult" customer service interactions](#) in 2020. While business leaders—particularly within the BPO industry—hoped that this number would shrink as conditions normalized, history proved otherwise. Customers, it seemed, overwhelmingly preferred discussing complex issues with humans over machines.

In fact, nearly 80 percent of customers would rather speak with a live agent for complicated requests according to research by Gartner. A recent Uniphore survey echoed that percentage, adding that 33 percent of callers waited more than 30 minutes to speak with an agent and 72 percent ended the call while waiting. That's bad news for companies trying to build a positive customer experience.

Complexity is driving BPO employee turnover.

At the same time employees are fielding more complex calls on the front end, they're also struggling with overly complicated backend programs and processes. From manual knowledge bases to siloed systems and feedback loops, many of the tools that agents use today haven't changed in years (or even decades). In a Calabrio report on the health of the contact center, 60 percent of agents said they needed better tools to handle increasingly complex customer interactions. But

many aren't getting them. Overwhelmed and underequipped, these unfortunate employees are often the first to turn over.

Technology can slow the BPO attrition cycle.

BPO organizations have invested billions in digital transformation initiatives in recent years. Much of this investment, however, has been reserved for self-service implementations. Easy to deploy with almost immediate cost-savings, these solutions are particularly appealing to organizations racing to keep pace with increasingly digital consumer expectations. As a result, agent assistance and enhancement initiatives are often left on the backburner.

However, the same technology driving today's leading self-service applications can also help [optimize live customer interactions](#). By leveraging advanced conversational AI and interaction analytics, companies can empower agents with a deeper understanding of a customer's sentiment, emotion and intent—all in real-time. Armed with this knowledge—and supplemented with on-call coaching—agents can resolve calls more effectively and empathetically, with fewer friction points and frustrations than before. That eliminates complexity on the front end.

On the back end, automation can significantly reduce complex manual tasks that prolong calls and contribute to employee stress. From transcribing spoken customer data to offering next-best action prompts to sourcing relevant knowledge base information, automation technology can shave minutes off each call, saving organizations time and money and unburdening often overwhelmed BPO employees. Together, these advances can vastly improve employee experience, removing many of the "triggers" that push agents to quit.

Empowered employees perform better—and stay longer.

It should come as no surprise that happy and engaged employees outperform their less engaged peers. In fact, [research shows](#) that engaged agents routinely score higher on key metrics, including:



16 percent higher first-contact resolution (FCR) rates



21 percent fewer instances of making customers repeat information



9 percent greater success in reducing the number of steps toward resolution

And that's without digital assistance. Empowering agents with AI-driven tools increases these—and other BPO benchmarks—significantly:



More than **20 percent** increase in FCR



35 percent reduction in average handle time (AHT)



90 percent reduction in error rates



19 percent increase in agent productivity



More than **95 percent** increase in customer satisfaction

When it comes to employee attrition rates, our research shows that the right tools can decrease agent intent to leave by 25 percent. That's a vast improvement over current trends. And with more remote options available to agents today, creating a winning employee experience can make the difference between retaining top talent and losing skilled workers to the competition.

Want to learn more about BPO agent assistance?

[Download our ebook](#) to learn how conversational AI and automation can transform your BPO operations. In it, you'll discover how today's leading technology can help reduce AHT, after-call work (ACW) and other key cost factors while simultaneously improving call quality and agent performance.

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