

Top Shrinkage “Offenders”

What You Can Do About It

Your agents’ most important job is interacting with your customers – but it’s not their only job. When agents aren’t on the phones resolving customer issues and promoting your brand, they are busy with a whole host of other activities.

It’s called shrinkage and it’s a big, expensive problem.

Some of these activities make them better agents – like training, coaching, and knowledge base reviews – but others are just a fact of life. Let’s face it – they have to take a lunch, breaks and vacation. (And then there’s always tardiness and absenteeism.)

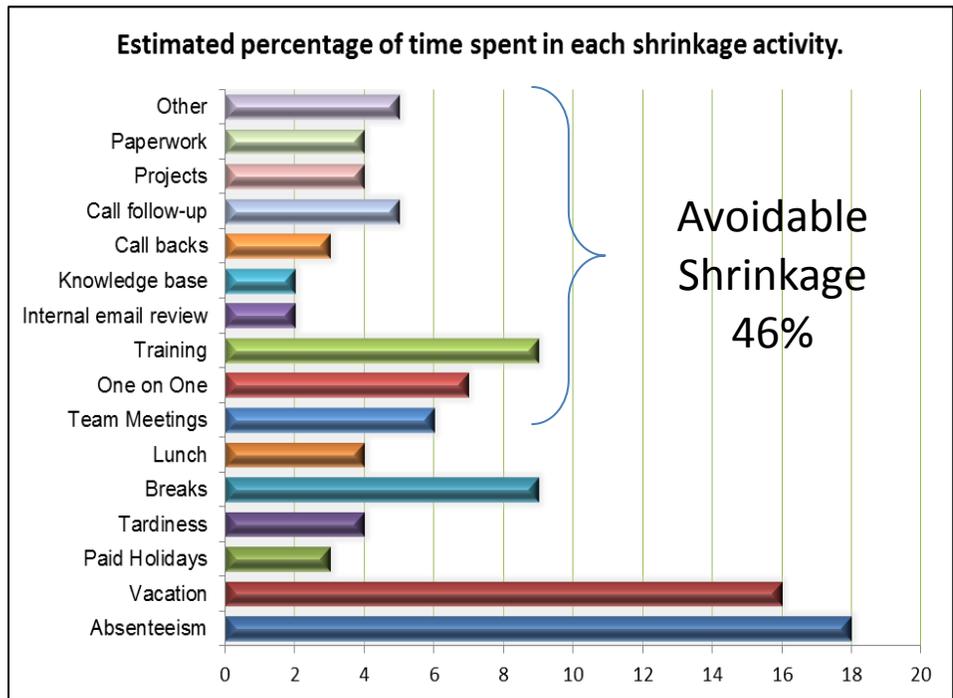
And to further complicate matters, the role of the call center agent continues to expand with the growth of new technologies such as text, chat and social media. All of these activities take time – time spent off the phones and away from your customers – and this translates into a significant expense. When activities are scheduled for agents requiring them to be off the phones, additional agents must be paid to cover the floor.

But what *is* shrinkage, really? When your agents aren’t on the phones, exactly what *are* they doing? What is the effect of all of these activities on customer service? And perhaps most importantly, is there anything you can do about it?

Top Shrinkage “Offenders”

We recently conducted a survey of more than 100 industry leaders – across all types of call centers – to find out what activities make up shrinkage in their centers.

Respondents came from a wide range of industries with centers ranging in size from fewer than 50 agents to more than 3,000. According to the study, the average amount of an agent's time spent in shrinkage is around 24%, or roughly *one fourth of the work day*.



Source: Contact Center Shrinkage Survey, Figure 5

By types of calls handled, collections agents spend the highest percentage of their time in shrinkage at 26%, while technical support agents had the lowest at 21%. By industry, outsourcers reported the lowest percentage of agent time spent in shrinkage at just under 20%.

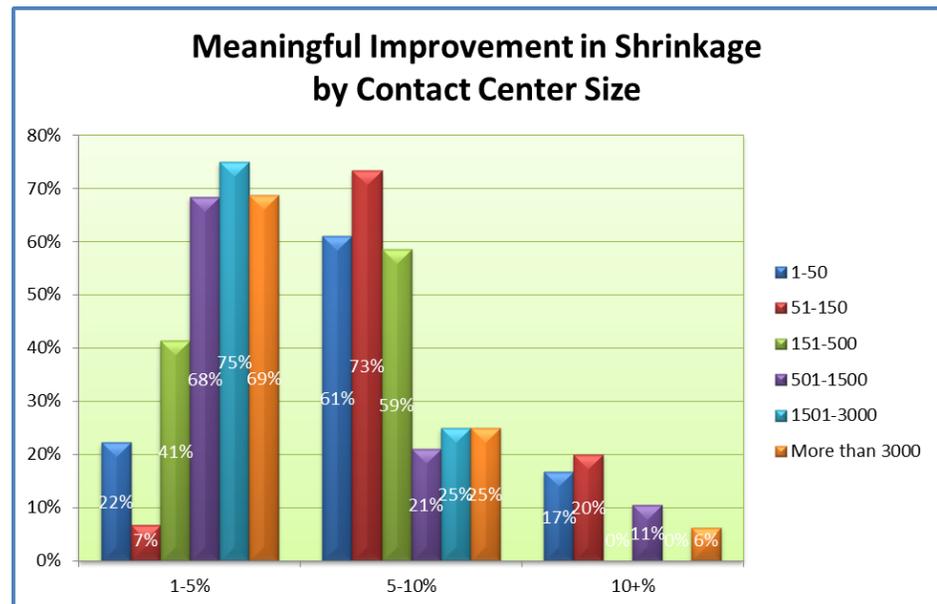
When asked which activities contributed most to shrinkage (not counting unavoidable shrinkage, which is largely outside of the center's control such as absenteeism, vacation, paid holidays, tardiness, breaks and lunch), the biggest contributors were **training, after-call work, team meetings, one-on-one coaching** and **projects**.

Other of these avoidable shrinkage contributors cited included paperwork, research, knowledge base reviews, internal e-mail reviews and call backs.

Contribution to shrinkage also varied by industry. According to the survey, outsourcers deal with more absenteeism (37%) than other industries, while retail and telecom have more call follow-up, for example. Financial services and healthcare have more projects that contribute to shrinkage, where call backs are most frequent in telecom. Knowledge base reviews are higher than average for financial services, but lower than average for healthcare.

There were a few differences in the breakdown of shrinkage activities among centers handling different types of contacts. Training comprises a larger portion of shrinkage for collections centers at 12%. For centers with sales, 16% of shrinkage is spent in call follow-up and research. Paperwork is more time-consuming for sales and tech support, at 13% and 12% respectively. While collections handles the least amount of paperwork at 7%, these centers also have a higher percentage of call backs (10%), as might be expected given the nature of the work.

But despite these variations, the top “offenders” when it comes to shrinkage are largely the same. When agents are off the phones, they are mostly involved in activities related to training, coaching, team meetings, after-call work and projects. The good news is that because these areas are more easily controlled, they are ripe for efficiency!



Source: Contact Center Shrinkage Survey, Figure 20

What can you do about shrinkage?

When we asked our survey respondents what they would consider a meaningful improvement in shrinkage, the vast majority (89%) said they would be happy with an improvement anywhere between 1% and 10%.

And make no mistake – small improvements could mean big bucks. Based on industry average calculations, reducing avoidable shrinkage by just 2% could equate to a \$600,000 savings for a 1,000 agent organization.

There will always be activities agents must complete that take time away from handling customer interactions. Many activities are beyond control because they must occur at specific times such as lunch, breaks and vacation. But many other activities – including those most cited in our study – can take place during natural idle times if centers are able to dynamically respond to call volume.

Finding natural idle time for agents to complete these avoidable activities makes them more productive. The result is increased productivity of the entire agent workforce and, ultimately, fewer agents needed on the floor.

“ Reducing avoidable shrinkage by just 2% could equate to a \$600,000 savings for a 1,000 agent organization. ”

Where to find the time

Intelligent workflow technology can fill idle time with any activity, by integrating with any application. In order to make use of this time, it is essential to identify and aggregate the small pockets of wait time across the center for agents to complete any activity they are currently being asked to do off the phones.

These activities can include anything from online training sessions to knowledge base reviews or even 10 minutes a day to read e-mails. If it can be completed at the agent desktop, the activity is a prime candidate.

How does Knowlagent shrink shrinkage?

Training

Whether for very specific product training or simply enhancing soft skills, Knowlagent finds lulls in call volume for agents to complete training between calls, directing them to the appropriate system to complete the assigned activity.

Coaching

When coaching needs are identified, Knowlagent finds time to address those needs by using collective idle time for agents and coaches to sit together one-on-one or for directing agents to other forms of coaching activities including call reviews in your call monitoring system or scorecards for reviewing key performance indicators.

After Call Work

Many times, agents must schedule time to follow-up on various customer records. Knowlagent finds time between calls for agents to complete this task rather than scheduling time to do this. A prompt is sent to the agent that indicates a session has been scheduled to address after call work and the agent is then directed to the CRM system to work through any outstanding action items.

Projects

Projects can range from participating in a focus group to asking agents to research a specific customer issue. Some projects are largely comprised of administrative tasks, while others are more focused on driving business results, but all take agents off the phone and require time to complete. And typically, it is the higher performing agents that are asked to participate. Knowlagent finds idle times for agents to complete project work between calls.

Rerouting Shrinkage Activities

With this kind of flexibility, you can redirect your avoidable shrinkage activities. Off-phone tasks that normally need to be scheduled can be shifted for completion during idle time, while agents sit at their desks and wait for the next call.

Employee productivity is improved, and idle time is transformed into *Active Wait Time* for agents – all without compromising service levels,

because Knowlagent dynamically responds to real-time call volume to end these tasks if volume increases.

Now that you know what your agents are doing when they aren't on the phones, what will *you* do to take control of *your* shrinkage?

About Knowlagent

Knowlagent provides the only call center software that increases agent utilization by delivering shrinkage activities during idle time. Knowlagent creates active wait time through dynamically delivered sessions for common shrinkage activities between customer interactions. Knowlagent's solutions are on-demand, easy to use and require no capital expenditures. Over 300,000 agents and managers around the world use Knowlagent's solutions every day. For more information, call 888-566-9457 or visit us online at www.knowlagent.com.