Disengaged agents are one of the top issues that impact contact center performance and customer experience. The engagement level of agents has a direct correlation to C-SAT, FCR and attrition, yet many contact center executives have trouble funding projects to improve agent engagement. In many cases this is due to an inability to quantify the costs of disengaged agents.

**THE COST OF AGENT DISENGAGEMENT**

Seventy percent of employees are disengaged, according to Gallup’s *State of the American Workplace* survey. A study by HR research and advisory firm
McLean & Company found that disengaged employees cost organizations an average of $3,400 USD a year for every $10,000 USD in annual salary. With these statistics in mind, let’s take an example of a contact center that has 100 agents making $15 an hour, working 40 hours a week, with two weeks off for holidays and vacation:

$15 an hour x 40 hours a week = $600 USD a week

$600 a week x 50 weeks (two weeks are off for holidays and vacation) = $30,000 USD annual salary

That means this contact center would lose $10,200 USD per disengaged agent.

70% x 100 agents = 70 disengaged agents

70 disengaged agents x $10,200 USD per disengaged agent = $714,000 USD

Imagine that your contact center could be losing $714,000 USD for every 100 agents in your frontline workforce. If you find this figure difficult to believe at first, let’s review the supporting findings from the studies.

Agent Disengagement: Evidence & Impacts

PERFORMANCE

Disengaged agents are detrimental to a contact center’s performance. C-SAT, AHT, Net Promoter Score (NPS), Service Levels, FCR and sales are all dramatically impacted by your agents’ level of engagement. According to the McLean & Company study, disengaged employees’ performance declines 55%, and they spend 55% of their time (actually, your time) on non-work related activities. Imagine the impact on your contact center if your agents’ performance was 55% higher.
MORALE

Unfortunately, lowered performance does not stop at disengaged agents. These employees spread their low performance throughout the contact center, infecting otherwise happy agents and slowly eating away at their morale and performance.

McLean & Company found that 49% of disengaged employees perform at the level of “do what it takes to not get fired.” On top of that, they found that 47% of disengaged employees complain about their organization to co-workers and 43% complain about their manager to co-workers. That means if you have a disengaged call center, almost half of your agents are complaining.

ATTRITION

It’s no surprise that disengaged, unhappy agents leave and that the cost of attrition is high. The Society of Human Resource Professionals (SHRM) estimates the cost of turnover to be 1.5 times the departed employee’s annual salary and benefits. According to the Human Capital Institute, highly engaged organizations can decrease employee turnover by 87%. Many contact center executives think most agents leave their contact center for more money, but it turns out that more agents are leaving contact centers for reasons that have nothing to do with compensation. Contact center attrition is often a symptom of issues with environment, management style, training gaps, hiring deficiencies and workload diversity. Agent engagement and attrition go hand in hand, fix one and you are fixing the other.*

*For more on the cost of agent attrition and how to prevent it, see Intradiem’s guide, Why Agents Leave & How To Stop It
**ABSENTEEISM**

You don’t have to wait for agents to leave your company to be impacted by the absence. Disengaged, unhappy agents don’t want to go to their jobs, so before they end their employment, they start playing hooky more often. The Gallup study found that companies with higher employee engagement have 37% lower absenteeism. Absenteeism in the contact center is a compounding problem. First, having fewer agents than you planned for hurts the customer experience and impacts sales. Second, most contact centers are overstaffed to offset absenteeism, increasing costs. Finally, someone has to take the time to process all of the schedule updates. Decreasing absenteeism 37% by developing employee engagement could certainly create a lot of savings in the contact center.

**CUSTOMER LOSS**

Happy agents make happy customers. As noted earlier, your most important contact center metrics are all dramatically impacted by your agent’s level of engagement. The higher agent performance is, the better your customer experience is. Gallup research has found that companies with higher employee engagement score 10% higher on key customer service metrics. That’s a 10% hike in your C-SAT, AHT, Net Promoter Score, Service Levels, FCR and sales!

**QUALITY**

Engaged agents are dramatically more focused and careful. When agents are engaged they care about their work and pay more attention to what they are doing. Gallup research has found companies with higher employee engagement have 41% fewer quality defects. While defects apply more to
manufacturing or software development, the basic concept holds for the contact center. Of course, a large part of their work is serving customers, and making mistakes would lead to greater customer loss, but agents do have other responsibilities like data entry, filling out reports and off-phone work. When agents don’t feel engaged, employees pay less attention, care less about their work and make more mistakes, costing your contact center money.

**HEALTHCARE**

Happy agents are healthy agents. Work takes up a significant amount of our life, and when we’re not happy about our job, it creeps into every aspect of our life, both psychologically and physiologically. Gallup found that employees who are thriving in overall well-being have 62% lower health costs compared with employees who are suffering.

**THEFT**

Happy agents are also honest agents. If agents are emotionally disengaged from their employer and psychologically depressed, they are more likely to steal. Gallup found that companies with higher employee engagement have 28% less employee theft. While contact center agents don’t have access to stealing items off the shelf as employees in a retail store might, when you think about the access they have to customer data and opportunities to commit fraud, you have a serious contact center concern.
Building the Case to Improve Agent Engagement

We have shown how performance, morale, attrition, absenteeism, customer loss, quality, healthcare and theft caused by disengaged agents cost your contact center $714,000 USD for every 100 agents, but the case for improving agent engagement doesn’t stop with these astronomical costs. Gallup found that engaged employees come up with more innovative ideas, create more new customers, and have the most entrepreneurial energy. McLean & Company cite that companies with highly engaged workforces have three times more top performers. In fact, Gallup found that companies with the most engaged employees have 147% higher earnings per share than competitors and a 90% higher growth trend. According to Aon Hewitt’s 2014 Trends in Global Employee Engagement, organizations with engagement levels that were higher than 72% posted total shareholder returns 50% above the average.

These benefits compound when organizations successfully engage customers and employees, and of course the first step to happy customers is creating happy agents. Gallup found that organizations with happy employees and customers have 240% higher performance-related business outcomes compared with companies with neither.

As you can see, disengaged agents are not just costing your contact center huge losses, they are also costing you a lot of opportunity.
Intraday Automation: a New Level of Discovery for Workforce Management

The cost of disengaged agents and the profits of engaged agents make it impossible to ignore that agent engagement directly and significantly impacts brand reputation, revenue and profits. As we have stated previously, Gallup found that companies with the most engaged employees have 147% higher earnings per share than competitors and a 90% higher growth trend as opposed to disengaged agents costing your contact center $714,000 USD for every 100 agents. This highlights the fact there are equal parts risk and opportunity in the contact center.

Balancing Productivity and Service

Results from DMG Consulting’s Top Enterprise Serving Goals for 2015 survey point out that delivering an outstanding customer experience is the top initiative for contact center leaders, followed closely by the equally important objectives of improving productivity and reducing the cost of service. Sounds simple enough, but contact centers struggle with increasingly complex operating environments.

Intraday Automation - A Pathway to Engaged Agents

Intraday Automation enables contact centers to unify siloed tools and operations. From a tactical standpoint, they can use data to trigger real-time workforce adjustments throughout the day.

Without Intraday Automation, workforce management teams spend a significant part of their day manually monitoring conditions and manually adjusting their frontline workforce. This consumes significant resources.
and reacting manually makes it impossible to address all problems and take advantage of all opportunities.

With Intraday Automation, frontline workforces respond in real-time to optimization opportunities such as periods of lower or higher call volume, imbalance across interaction channels, overstaffing, understaffing, and individual adherence issues.

For example, when call volume is lower than expected, agents could be sent special tasks to break up the monotony and provide the support and attention that will keep them engaged and providing your customers an amazing experience. These tasks could be online training, 1-on-1 coaching or other off-phone work. Alternatively, agents could be automatically shifted to a different channel or queue when call volume is higher than expected in that channel, also breaking up the monotony and keeping agents engaged.

To learn how Intraday Automation can drive achievement of your business’ cost and customer experience goals, please visit us at www.intradiem.com.
The 8 Hidden Costs of Agent Disengagement

Author

**KYLE ANTCLIFF - VP OF MARKETING**

Kyle is a thought leader on how a real-time workforce delivers a better customer experience. Before joining Intradiem, Kyle was Chief Operating Officer at TALENThire (workforce management) where he oversaw 85% annual growth. Prior to TALENThire, Kyle served as Vice-President International for Marketworks (eCommerce).

ABOUT INTRADIEM

Intradiem is the only complete Intraday Automation solution provider for frontline workforces including Contact Center, Back Office, Retail and Mobile. The SaaS-based solution automates intraday management and real-time processes and turns frontline workforces into real-time workforces that can adapt and respond to changing conditions and events throughout the day. The result is a more agile frontline workforce that can adjust in real-time to deliver a dramatically better and more consistent customer experience at reduced cost. Over 300,000 frontline workers use Intradiem’s solution every day.

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888-566-9457