

HIRE.DEVELOP.PERFORM.

# WHITEPAPER

## Five Things You Should Know About Contact Center Recruitment and Compensation

Authors: Brent Holland, VP Research and Consulting  
Randy Socin, Manager Research and Consulting

**DID YOU KNOW?**

Based on FurstPerson's 2009 Contact Center Recruiting and Compensation Survey, this research abstract discusses five key findings

## **Introduction**

FurstPerson recently completed its second annual Contact Center Recruiting and Compensation survey. The 2009 Contact Center Recruiting and Compensation Survey reviews current business practices and emerging trends with contact center hiring. The benchmarks in this report allow contact centers to compare current practices against contact centers across the United States and Canada. The results are intended to help guide best practices and enable contact centers to identify opportunities to improve their ability to find, hire, and keep the right talent. We have highlighted five key research findings discussed in this abstract.

## **Survey Participants**

Contact Center leaders from the United States and Canada completed the survey. A total of 101 individuals completed the survey although not all sections were completed by the full sample. The majority of participants had direct profit and loss responsibility, with more than 65% holding a director or higher position (e.g., VP, CEO, etc.). Approximately 87% of participants reported at least one year of experience, and approximately one-third reported five or more years of experience in contact center leadership roles.

.....  
**The benchmarks in this report allow contact centers to compare current practices against contact centers across North America.**  
.....

## **What are the most productive sourcing strategies in 2009?**

Similar to the results from the 2008 survey, employee referrals produced the largest percentage of new hires (see Table 1) followed by national job boards, the company web site, and print ads. The least productive strategies were Radio/TV, community recruiting, college or other school recruiting, career

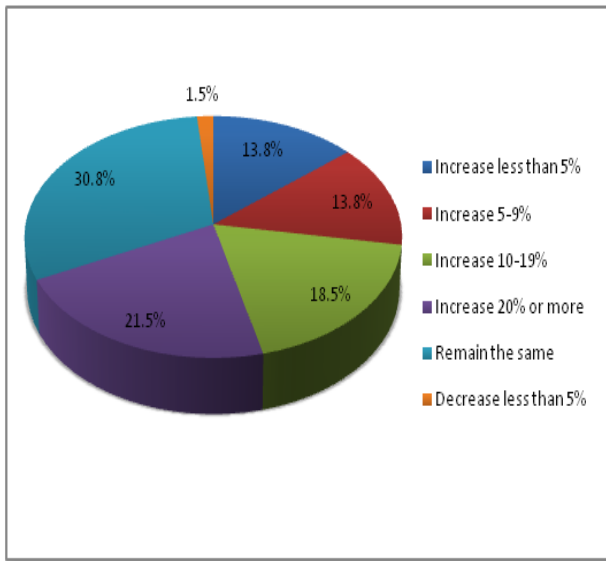
services, and job fairs. Moreover, roughly 48% of participants indicated that they did not use these strategies.

**Table 1.** Percent of Hires from Different Types of Sourcing Strategies.

Recruiting Source	Percent of Resulting Hires					Productivity Ranking
	Not Used	< 5% of Hires	6 – 19% of Hires	20 – 49% of Hires	50% or More of Hires	
Referrals	5.41%	14.86%	44.59%	25.68%	9.46%	1
National Job Boards	20.27%	14.86%	25.68%	24.32%	14.86%	2
Company Web Site	12.16%	28.38%	27.03%	20.27%	12.16%	3
Print Ads	36.49%	18.92%	21.62%	17.57%	5.41%	4
Job Fairs	39.19%	35.14%	20.27%	5.41%	0.00%	5
Career Services	40.54%	36.49%	17.57%	5.41%	0.00%	6
College or Other Schools	41.89%	45.95%	10.81%	1.35%	0.00%	7
Community Recruiting	47.30%	36.49%	14.86%	1.35%	0.00%	8
Radio or TV	72.97%	10.81%	14.86%	1.35%	0.00%	9

**Note.** N = 74. Productivity Ranking assumes that all "Percent of Resulting Hires" ranged categories mean the same across respondents.

## What are hiring projections for 2010?



Note. N = 65.

Despite the reported unemployment rate increasing by approximately 19% from 2008 (7.2% to 8.6%), nearly 68% of leaders forecasted their hiring volumes to grow by nearly 14% over the next 12 months (see Figure 1). Roughly 31% of respondents expected their hiring volume to remain the same. The large body of unemployed workers is likely to help expand the labor pool from which contact centers recruit in the coming year, which creates an excellent opportunity for strategic centers to enhance the quality of hire.

### DID YOU KNOW?

Compared to 2008 results, 2009 voluntary turnover is consistently lower, suggesting the possibility that contact center employees are more reluctant to leave their positions in a sluggish economic environment

## What are the average wages for contact center employees in 2009?

Within North America, hourly pay averaged \$12.05 across all contact center roles (see Table 2); those employed in Canada earned more per hour (\$16.29) than those within the United States (\$11.59), which is consistent with 2008 figures. Regardless of country, the highest paying position is Technical Support, and the lowest is Outbound Sales\*. In fact, average Technical Support wages are 31.7% higher than those for Outbound Sales. The rank-ordering of region/job types remain the same despite exchange rates.

**Table 2.** Average Hourly Wage per Job Type.

Job Type	North America Overall			Average by Country	
	Min.	Max.	Avg.	U.S.	Canada
Collections	\$8.00	\$15.00	\$12.75	\$12.50	\$14.00
Customer Care	\$7.25	\$25.00	\$11.87	\$11.47	\$16.25
Inbound Sales*	\$7.25	\$23.00	\$11.51	\$10.80	\$16.00
Outbound Sales*	\$7.25	\$13.00	\$10.42	\$10.45	\$10.00
Technical Support	\$9.00	\$31.00	\$13.72	\$12.24	\$17.67
<b>Overall Average</b>	<b>\$7.25</b>	<b>\$28.00</b>	<b>\$12.05</b>	<b>\$11.59</b>	<b>\$16.29</b>

**Note.** U.S. *N* = 49; Canada *N* = 6. Overall Average combines all positions within a given geographic area. \* refers to base pay.

**DID YOU KNOW?**

The average cost of attrition was \$4,284.73 in North America, which is roughly a 22% decrease from 2008 figures.

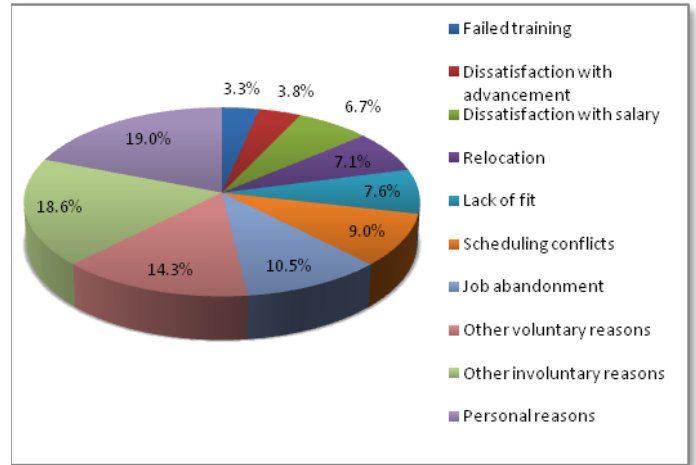
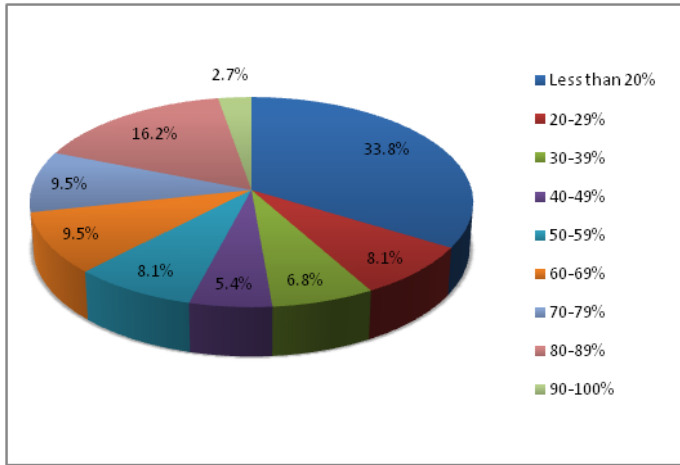
## What are the top reasons for employee turnover in 2009?

About 46% of center leaders reported that at least one-half of their monthly attrition is voluntary (see Figure 2). Nearly 34% of respondents reported a voluntary attrition rate below 20%. Compared to 2008 results, 2009 voluntary turnover is consistently lower, suggesting the possibility that contact center employees are more reluctant to leave their positions in a sluggish economic environment. Another potential factor that could account for the difference between 2008 and 2009 results is that last year's participants included approximately 74% more outsourcers. Of those agents who leave, roughly 19%

do so for Personal Reasons, followed by Job Abandonment, Scheduling Conflicts, Poor Job Fit, and Relocation, respectively (see Figure 3).

**Figure 2.** Percent of Voluntary Terminations per Month.

**Figure 3.** Top Reasons for Agent Termination.



Note. N = 74.

Note. N = 70.

## What is the average cost and rate of attrition in 2009?

The average cost of attrition was \$4,284.73 in North America (see Table 3), which is roughly a 22% decrease from 2008 figures (Note. The 2008 figures included participants from Manufacturing, which skewed the overall cost.). As expected, the average cost of attrition was lower for contact centers outside the United States (\$3,119.50/agent) than for those within the United States (\$4,423.26/agent).

Also outlined in Table 3, the average monthly attrition rate reported by center leaders over the previous six months was 9.8%, an increase of 36.1% over 2008 results (7.2% to 9.8%). This result may reflect a trend in which many people who accepted call center work in lieu of other job opportunities are beginning to take advantage of a slowly improving job market.

Attrition rates and costs differed by industry (see Table 3). Organizations in the Financial Services industry reported the highest average attrition cost (\$9,500.00/agent) – roughly 27% more than that of the second highest, which is

Technology (\$7,500.00/agent). Moreover, Telecommunications reported the highest average monthly attrition rates (13.6%), followed by Outsourcing companies (11.9%), which both were rated highest in 2008. Organizations in the Healthcare and Technology industries reported the lowest attrition rates (roughly 1% and 3%, respectively), while the Service and Outsourcing industries reported the lowest attrition costs, on average (\$2500.00/agent and \$3,543.64/agent, respectively).

**Table 3.** Attrition Rates and Cost by Industry within North America.

Industry	2008		2009	
	Average Monthly Attrition Rate	Average per Agent Cost of Attrition	Average Monthly Attrition Rate	Average per Agent Cost of Attrition
Financial Services	2.34%	\$ 1,500.00	10.53%	\$ 9,500.00
Healthcare / Medical	5.00%	\$ 7,500.00	1.40%	\$ 7,333.33
Manufacturing	4.00%	\$16,650.00	NA	NA
Outsourcing	8.69%	\$ 3,420.00	11.91%	\$ 3,543.64
Service	3.17%	\$ 2,500.00	5.50%	\$ 2,500.00
Technology	7.83%	\$ 4,666.00	3.07%	\$ 7,500.00
Telecommunications	8.20%	\$ 8,920.00	13.59%	\$ 3,900.00
Other	6.83%	\$ 8,125.00	9.04%	\$ 3,650.00
<b>North American Overall</b>	<b>7.18%</b>	<b>\$ 5,466.32</b>	<b>9.84%</b>	<b>\$ 4,284.73</b>

**Note.** 2008 North American figures N = 38 and 43 (attrition rate and cost, respectively); 2009 North American figures N = 61 and 55. Countries include United States and Canada.

## About FurstPerson

### What we do:

- Develop and operate web-based pre-hire, employee selection assessments that help contact centre organisations hire and develop the right employees.

### Our experience:

- Thirteen years of research and implementation experience working with all major call types including customer care, sales, collections, win back, and technical support.
- Implemented our solutions in over 250 labor markets in the United States, Canada, UK, the Philippines, and Latin America.
- Significant industry experience in telecommunications, insurance, outsourcing, financial services, retail, travel, and business services industries.
- Home agent hiring since 2002.
- Average client is a multi-site, multi-call type organization with complex hiring workflow models and job profiles.
- Developed award-winning assessments featuring interactive simulations.

### Differentiators:

- Predictive assessments with demonstrated bottom line results ranging from:
  - Improved new hire performance (up to 40%)
  - Reduced turnover (up to 70%)
  - ROI – \$1 invested yields \$10 to \$20 in return
  - Lower recruiting expense
- Hiring solutions based on empirical research supported by ongoing job and validation analysis.
- Customized solutions leveraging our extensive contact centre hiring expertise and industry leading assessment solutions.

To learn more about FurstPerson, please visit our website at [www.furstperson.com](http://www.furstperson.com) or email us at [info@furstperson.com](mailto:info@furstperson.com) or call us at 888-626-3412.

