### Catching A Moving Target To Overcome Contact Center Turnover

by Dan Campbell, Founder and CEO, Hire Dynamics - October 19, 2015

## **Catching a Moving Target to Overcome Contact Center Turnover**

By Dan Campbell, CEO of Hire Dynamics

There are many reasons why a person leaves a job. Even the best organizations can only influence some of those reasons and not others. What leads to a supervisor terminating an employee is often very different from the motivation an employee has to leave a job at his or her own volition, so the differentiation between voluntary and involuntary turnover is an important metric to measure. It allows a company to address the areas it can best improve in terms of attrition.

Contact center turnover has been studied at length given its high impact on a company's bottom line, either in a positive or negative direction. Employee churn can almost always be tied to deficiencies in one or more of these areas:

- 1. The hiring process: Are you able to screen for the candidates most likely to be successful?
- 2. A strong work environment: *Does your company culture allow an individual to be motivated and perform at their best?*
- 3. A comparable compensation system: Do you have appropriate pay and benefits in place to attract and retain talent?

In this article, we will examine important steps to reduce turnover at contact centers for each of these areas.

### **Strategic interviewing**

Are you able to screen for the candidates most likely to be successful? The efficacy of hiring practices is tied considerably to a company's interviewing methods, so it's surprising that interviewing itself has become a lost art. Recruiters and hiring managers, even at the same company, have their own questioning style and end result in mind for each conversation. Different influences – good and bad – shape their personal approach to interviewing and it generally isn't adjusted based on the particular company or job at hand. This inconsistency makes a true and impartial evaluation nearly impossible allowing for too many extenuating factors to affect the outcome of a hire.

A focus on improving human capital valuation and accurately weighing a candidate's attributes can noticeably reduce turnover through the up-front investment of time and data collection. To address this, you need to know the shortcomings in the process your company is facing. One of the more common ones? Interviewer style. The method of <u>Topgrading</u> created by Dr. Brad Smart is a disciplined, scientific approach to talent valuation that has been proven to reduce mistakes in hiring. It identifies four styles that interviewers fall into that represent best and worst assessment practices: (Spoiler alert – the last technique is the one to emulate here.)

The Art Critic looks at a candidate and decides immediately whether he or she is right for the job based on appearance or mannerisms without delving further into experience and skills.

<u>The Sponge</u> thinks the best way to get information is to pelt the interviewee with a list of endless questions then hopes he can piece together some sort of evaluation at the end.

<u>The Prosecutor</u> tries to lure people off their game with "gotcha" questions and is more interested in testing candidates under pressure than understanding their capabilities.

<u>The Airline Captain</u> reviews the same checklist and takes the same steps for each take-off and landing making sure there are no surprises and that nothing is missing in the process. This valuation is characterized by a high level of systematic and disciplined data collection and analysis.

As important as understanding and correcting interview style is creating consistency among the questions asked. Each question should lead the candidate to reveal how he or she handled past work situations through concrete examples of the skills and abilities they thought necessary for effective job performance. This "experience-based" interview style takes a deep dive into a resume by asking the same four questions for each past position:

- 1. What were you hired to do?
- 2. How were you successful in the job and why?
- 3. How were you not successful in the job and why?
- 4. Why did you change positions?

Through the lens of a thorough human capital valuation phase with consistent style and set of questions, the interview process becomes more strategic. Results for each candidate can be evaluated with more transparency and consistency and less personal bias and judgement.

## Strength in company culture

Does your company culture allow an individual to be motivated and perform at their best? There are few things more important to focus on than employees and the work environment where they reside. Because let's face it, customer service and sales can be very difficult jobs. When supervisors enable their team's success through training, career progression, supervisor relationships and positive motivation, employees help shape a positive culture because they feel more valued.

Greg Salvato is CEO of <u>TouchPoint One</u>, a contact center performance management provider specializing in employee engagement through gamification, and shares his thoughts on two of the most important strategies businesses can leverage to build an employee-centered culture:

"Trust is the cornerstone of employee engagement, loyalty and performance development. As with customers, employers can cultivate strong employee bonds through a closed-loop and systematized performance management system comprised of the following:

- 1. **Equip** with intelligence, incentive, purpose and authority to maximize the customer experience along with their own earnings and career potential;
- 2. **Align** all levels of personnel and partners to a common view of the key performance indicators and how each individual, the team as a whole, is performing to defined expectations;
- 3. **Engage** all levels of personnel and partners leveraging fixed and dynamic methods of communication, pay/non-pay incentives and recognition, game mechanics, and other creative approaches;
- 4. **Analyze** the complete and authoritative performance record and the underlying business process logic; and

5. **Modify** – strategy, process and resources based on results from step 4.

"Establish trust through a culture of transparency and support and then demonstrate your commitment to people by institutionalizing the processes that ensure their success. Employee engagement will improve along with every other critical business metric."

# **Compensating fairly**

Do you have appropriate pay and benefits in place to attract and retain talent? Success around compensation and benefits is fairly straightforward with an understanding of marketplace metrics – provide fair and competitive offerings that will attract and retain call center talent. You don't want to be cheap nor a company that overpays.

In regards to pay, there have been many converging factors creating significant wage pressure, especially among lower end jobs, over the last several years – widening skills gap, millions of jobs going unfilled, a stagnant minimum wage, etc. In response, some of the country's largest employers increased wages in 2015 which has changed the dynamic in local markets significantly.

Walmart, for example, increased its entry level pay to \$10 per hour (an increase of \$1) for more than 500,000 employees. Target also increased its hourly wage by \$1 in April, and McDonald's increased its entry level pay this month by 10 percent to \$10 per hour for 90,000 workers. In addition to market salary rates, there are other considerations are taken into account when determining wage rates, such as bi-lingual candidates, weekend shift pay and shift differentials.

It's not just the pay rate that matters. The value of compensation includes the quality of life that the call center provides and promotes. Here are factors considered positive influences on overall compensation:

- Steadiness of available hours
- Non-monetary recognition and rewards
- Individualized career progression plans with supervisors
- Sustained training and coaching programs

Being competitive in the marketplace matters. Conversations around market factors, business trends and simply the right thing to do have helped companies determine their threshold for fair compensation that inevitably affects the bottom line in a positive way.

Contact center turnover need not be the Achilles' heel of the industry. Through innovative strategies and implementing simple, cost-effective programs to provide targeted hiring and recruitment, increased employee engagement, and competitive compensation, churn will have a dramatically reduced impact on the overall performance of your organization.

#### About the author:

Dan Campbell is founder and CEO of Hire Dynamics and served as the 2014 Chairman of the American Staffing Association. Putting an average of 4,500 people to work every week, Hire Dynamics is an industry leading staffing provider specializing in contact (call) centers, manufacturing facilities, logistics/e-commerce operations and office support. The company has been recognized and awarded many times by *Staffing Industry Analyst's* list of "Best Staffing Firms to Work For" and *Inc. Magazine's* 500/5000 List of the Fastest Growing Private Companies in the U.S., among others. More information can be found at <a href="https://hiredynamics.com">hiredynamics.com</a>, on LinkedIn <a href="https://hiredynamics.com">here</a> and on Twitter @HireDynamics.