



Contact Centre Industry Human Resource Management, Agent Turnover and Recruitment, *In China and the APAC Region*

October 2007

callcentres.net



callcentres.net
knowledge to make smart calls

Running Order

- Research introduction
- Asia-Pacific Salaries, Turnover and Tenure
- Agent Recruitment in Asia
- 3 Chinese Case studies
- Retention Initiatives
- Good vs Poor Performers
- callcentres.net Employee Engagement Index

- This report is the result of continued research into the contact center industry in the Asia-Pacific region including:
 - China
 - Singapore
 - Malaysia
 - India
 - Thailand
 - The Philippines
 - Australia
 - New Zealand
- This presentation is based on callcentres.net's 2007 Asian Contact Centre Industry Benchmarking Study and the Asian Recruitment Index study, conducted from November 2006 – May 2007



APAC Salaries, Turnover & Tenure

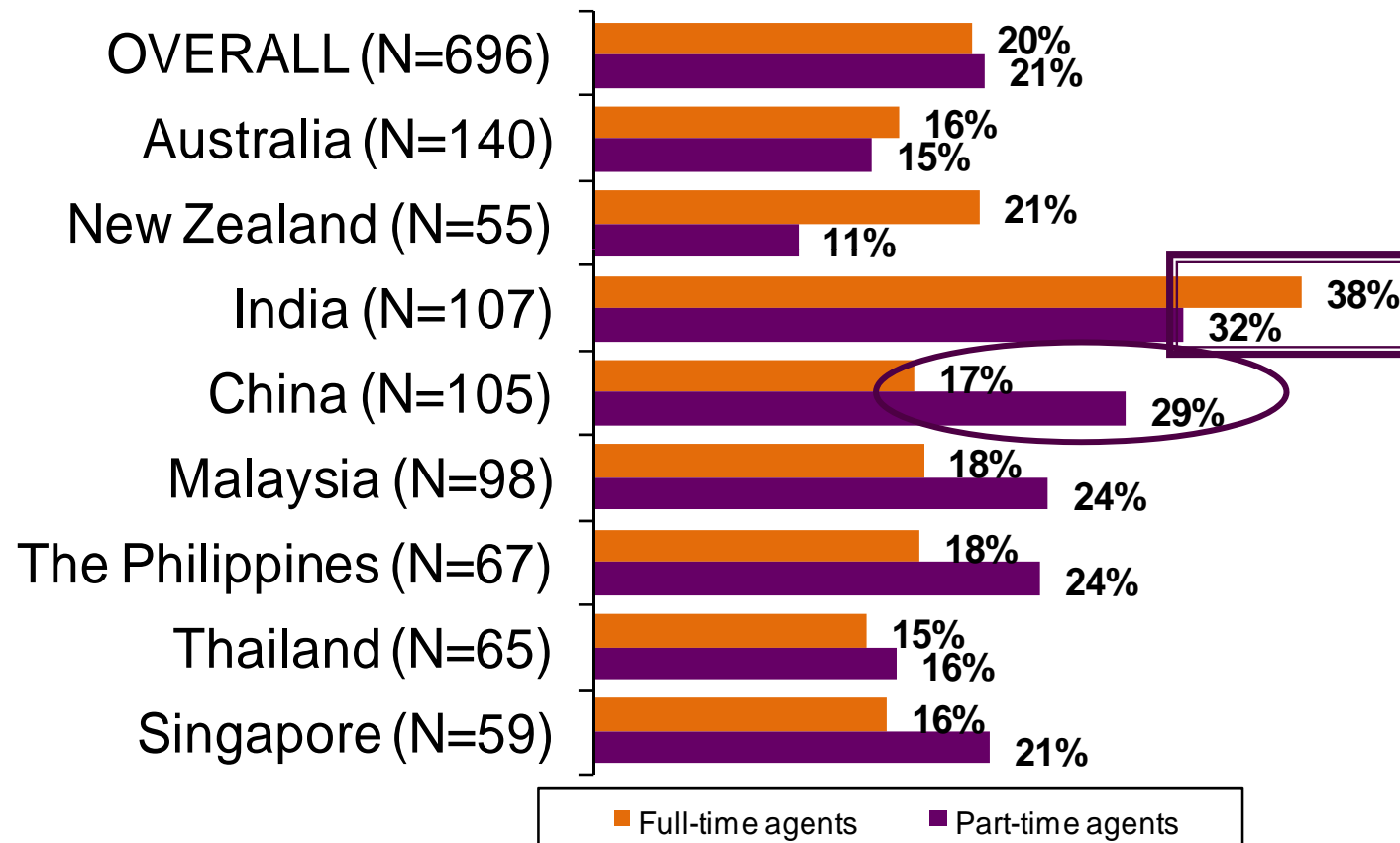
Annual base salary of employees

Country	Mean annual base salary (\$USD*)		
	Full-time agents	Team Leaders/ Supervisors	Contact center Managers
Australia (N=140)	30,997	40,705	60,746
New Zealand (N=55)	25,661	34,824	55,102
India (N=107)	3,334	4,794	6,937
China (N=105)	2,558	3,780	6,106
Malaysia (N=98)	5,442	8,592	12,786
The Philippines (N=67)	3,348	5,470	9,665
Thailand (N=65)	3,656	6,336	11,222
Singapore (N=59)	13,677	21,476	34,203



Statistically significant result

Mean agent attrition per centre



Average tenure of staff who leave the contact center

Country	Average tenure of staff (months)			
	Part-time agents	Full-time agents	Team Leaders	CC Managers
OVERALL (N=696)	15	19	25	30
Australia (N=140)	24	29	37	39
New Zealand (N=55)	33	30	38	37
India (N=107)	9	11	14	18
China (N=105)	6	14	23	30
Malaysia (N=98)	9	18	24	30
The Philippines (N=67)	6	18	18	44
Thailand (N=65)	6	15	32	37
Singapore (N=59)	12	20	28	39



Statistically significantly higher result

Cost of Agent Recruitment

Estimated Cost to Replace a Full-Time Agent

Country	Mean (\$USD*)
Australia (N=140)	\$15,345
New Zealand (N=55)	\$12,900
India (N=107)	\$1,892
China (N=105)	\$398
Malaysia (N=98)	\$717
The Philippines (N=67)	\$830
Thailand (N=65)	\$676
Singapore (N=59)	\$3,953



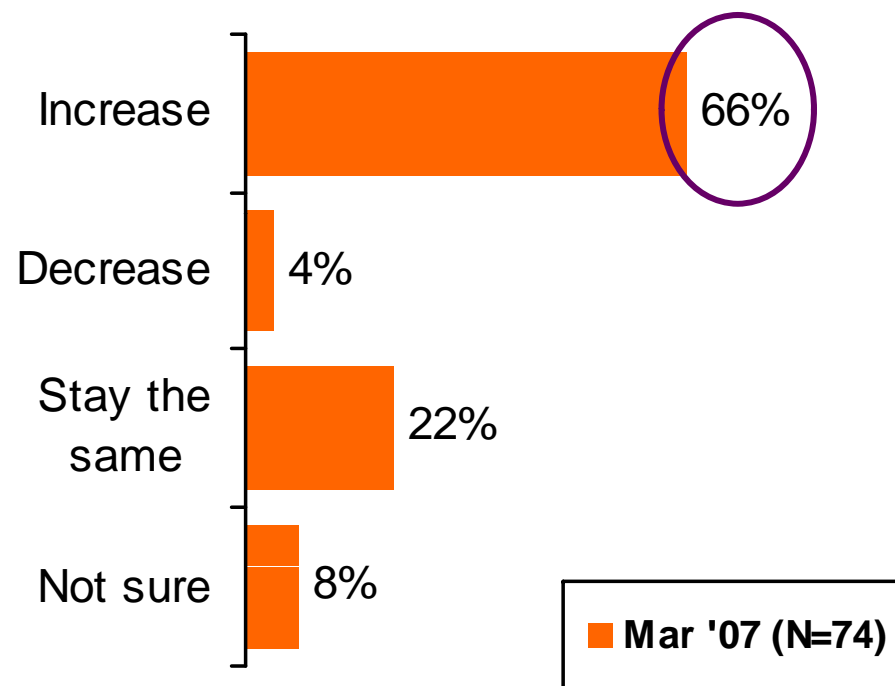
Statistically significant higher result



APAC Recruitment Trends

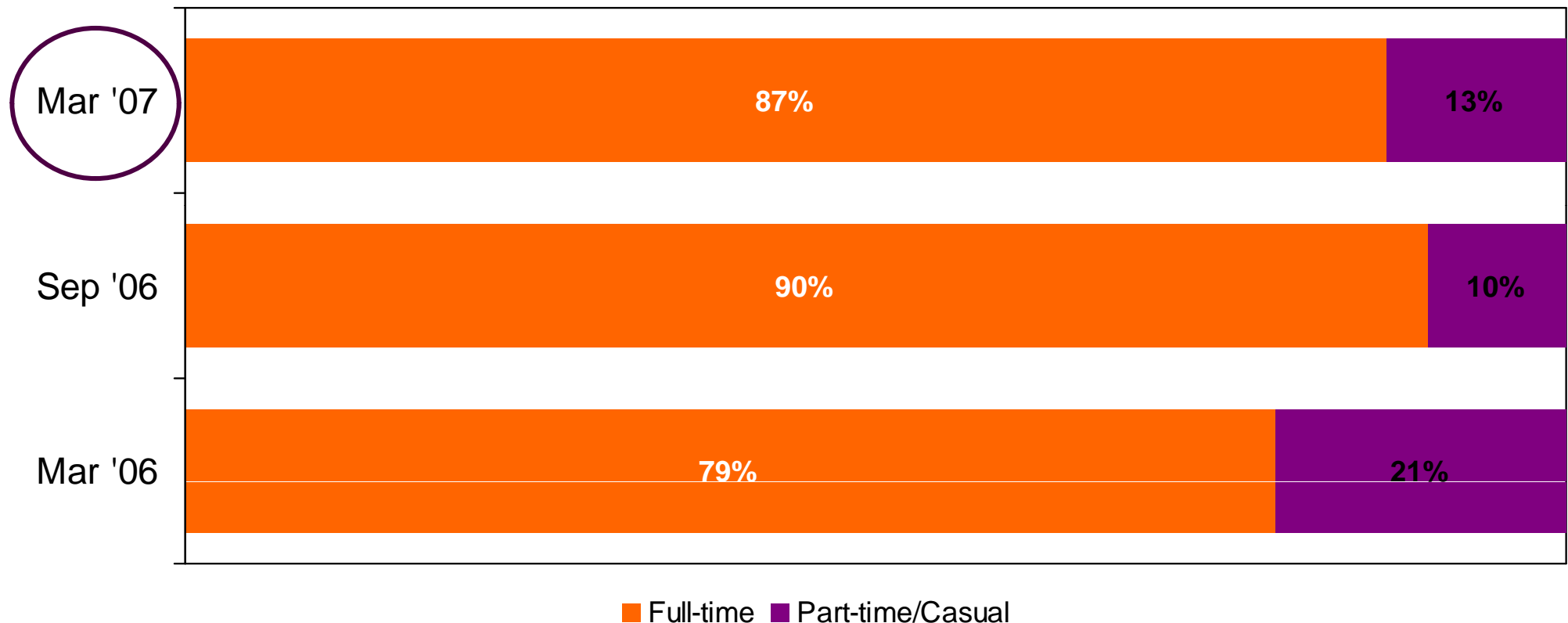
Recruitment Outlook - Asia

Headcount outlook for next 6 months



Change in # of Agents	Mar '07 (n=74)	
	Mean	Median
Increase	148	50

Profile of Recruits –Asia



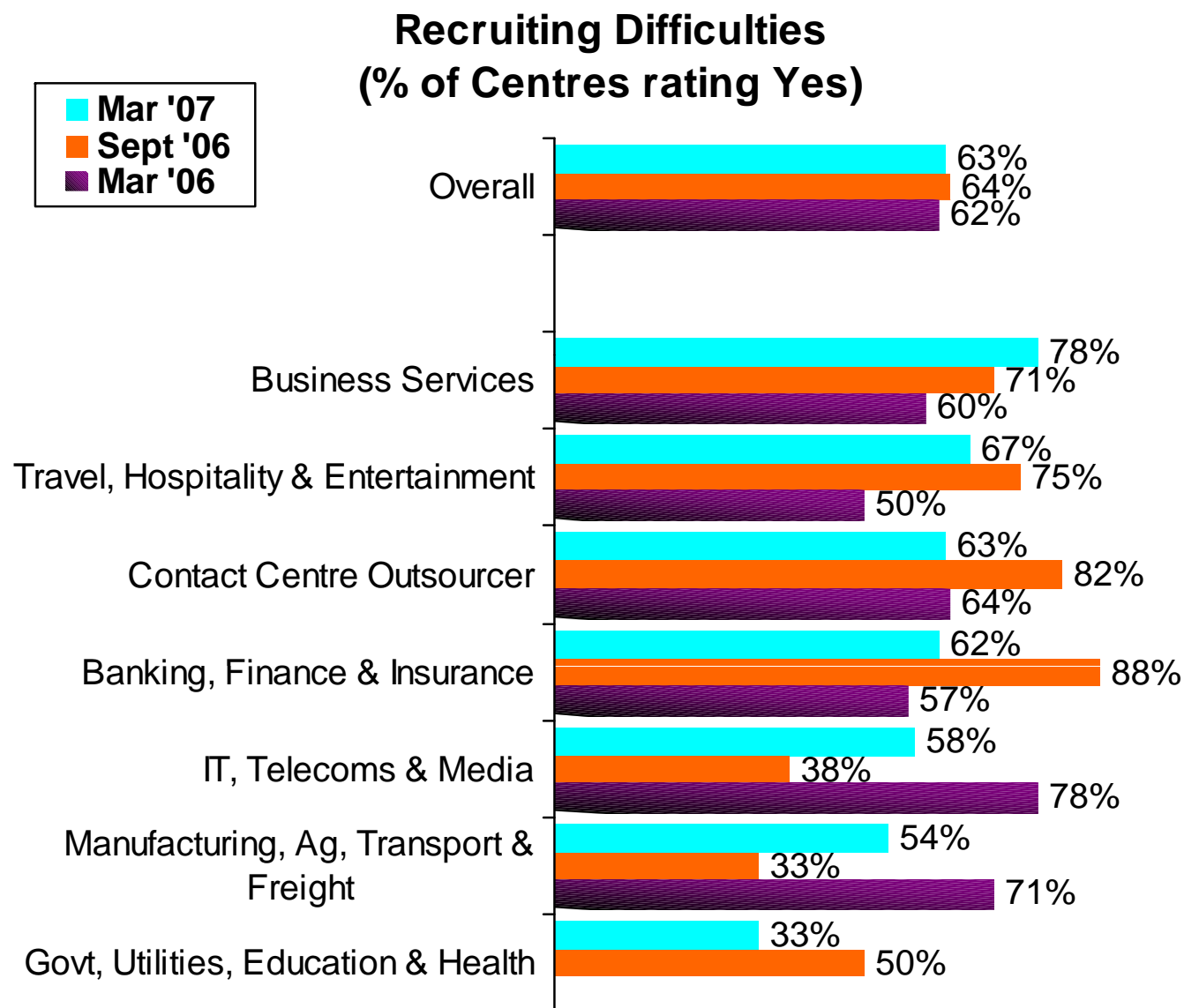
n=74

Skill Requirements -Asia

Skills Recruited for:	Mar '06	Sept '06	Mar '07
Customer service techniques	65%	77%	79%
Verbal communication skills	70%	79%	77%
Sales/Telemarketing techniques	40%	40%	57%
Computer/Technology skills	35%	42%	49%
Multilingual skills	38%	35%	43%
Call management techniques	28%	21%	40%
Written communication skills	43%	28%	34%
Extensive contact center experience	45%	16%	26%
School leavers	21%	0%	25%
Industry knowledge	14%	8%	23%
Product specific knowledge	12%	5%	21%
Tertiary qualifications	30%	12%	19%

n=74

Recruitment Issues - Asia



n=74

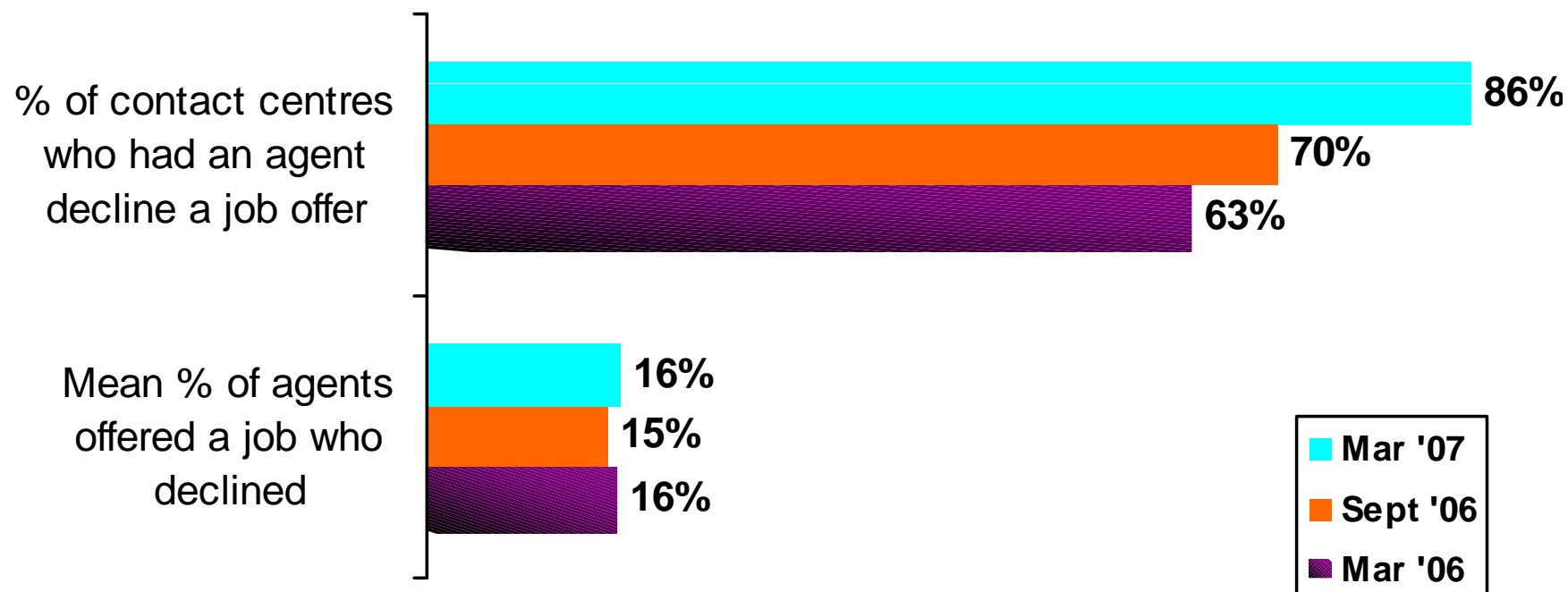
Recruitment Issues - Asia

Primary Recruitment Challenges...	Mar '06	Sept '06	Mar '07
Shortage of candidates with the right skills	67%	72%	85%
Shortage of candidates in the marketplace	33%	44%	57%
Salary uncompetitive	33%	38%	35%
Unable to offer flexible work conditions	14%	13%	24%
Unable to offer career paths	0%	13%	15%
Location of contact center	22%	16%	13%

n=74

Recruitment Issues-Asia

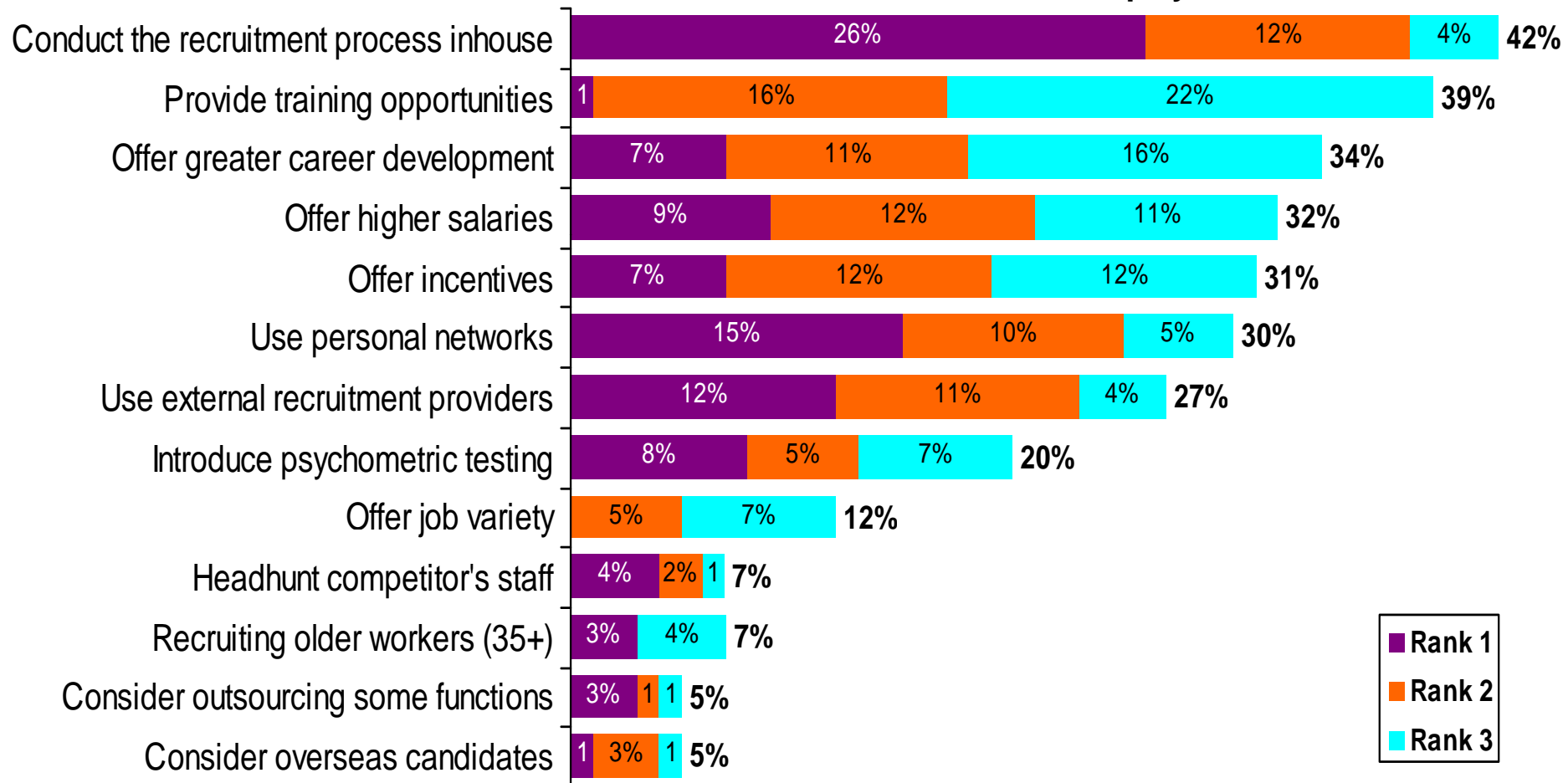
Agents declining job offers



n=74

Recruitment Initiatives-Asia

Most Effective Initiatives Used to Recruit Employees



n=74



Case Study Analysis: 3 Chinese Contact Centers

China Case Study: 1

	Contact center #1 – High Turnover
Industry	Business Services
Contact center size	Large - Total agents: 240 (80 full-time + 160 part-time)
Type of calls handled	Mixture inbound and outbound calls
Current agent turnover	Full-time turnover: 30%; Part-time turnover: 50%
Agent tenure	Full-time tenure: 12 months; Part-time tenure 3 months
Key reason for turnover	Work stress
Key methods to retain staff	Offer financial incentives and career planning
Total staff recruited in March 07	41 (1 Full-time Admin Support + 40 Part-time agents)
Staff recruited were...	Replacing existing positions (73%) & filling new positions (27%)
Experience difficulty recruiting?	Yes – due to shortage of candidates in the market and shortage of candidates with right skill set
Expected change in headcount	Increase by 30 agents over next 6 months
Most effective recruitment initiatives	Use external recruitment providers, use personal networks and offer higher salaries

China Case Study: 2

	Contact center #2 – Moderate Turnover
Industry	IT
Contact center size	Large - Total agents: 350 (350 full-time)
Type of calls handled	Mixture inbound and outbound calls
Current agent turnover	Full-time turnover: 15%
Agent tenure	Full-time tenure: 12 months
Key reason for turnover	Limited opportunities for promotion
Key methods to retain staff	Pay above market rates and reward & recognition programs
Total staff recruited in March 07	54 (2 Full-time Team Leaders, 50 Full-time agents + 2 Full-Time IT Specialists)
Staff recruited were...	Replacing existing positions (100%)
Experience difficulty recruiting?	Yes – due to shortage of candidates in the market and uncompetitive salaries
Expected change in headcount	Increase by 80 agents over next 6 months
Most effective recruitment initiatives	Conduct the recruitment process in-house, offer greater career development options, and offer greater job variety

China Case Study: 3

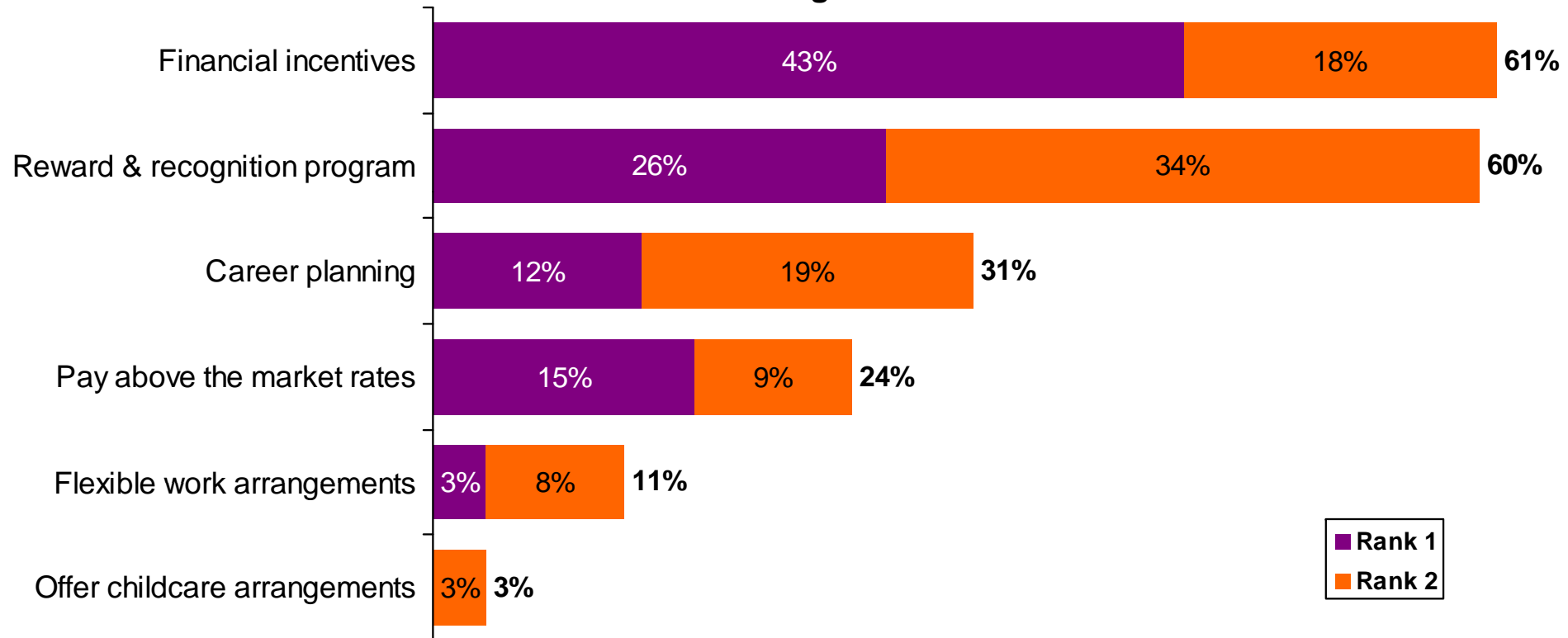
	Contact center #3 – Low Turnover
Industry	Contact Center Outsourcer
Contact center size	Medium - Total agents: 125 (100 full-time + 25 part-time)
Type of calls handled	Mixture inbound and outbound calls
Current agent turnover	Full-time turnover: 10%; Part-time turnover: 15%
Agent tenure	Full-time tenure: 10 months; Part-time tenure 6 months
Key reason for turnover	Do not intend to pursue a career in contact centers
Key methods to retain staff	Reward & recognition programs and pay above market rates
Total staff recruited March 07	7 (1 Full-time Team Leader + 6 Full-time Agents)
Staff recruited were...	Replacing existing positions (43%) & filling new positions (57%)
Experience difficulty recruiting?	Yes – due to shortage of candidates in the market, shortage of candidates with right skills & unable to offer flexible work conditions
Expected change in headcount	Increase by 20 agents over next 6 months
Most effective recruitment initiatives	Headhunt competitor's staff, use external recruitment providers and provide training opportunities



Employee Retention Strategies and Profiling Good Performers- Asia

Retention Strategies - Asia

Most Effective Strategies Used to Retain Staff



n=74

Good vs. Poor HR Performers

Good Performers **No full-time agent turnover**

- Contact centers with no agent turnover are statistically significantly more likely to be smaller centers (86% of these centers have less than 50 seats)
- Good performers are not specific to any industry
- Agents in these centers take a statistically significantly lower number of sick days per year (less than 10 days per agent per year)
- A statistically significantly higher proportion of agents in these centers are older (77% are aged 25 years or over)
- As these agents are slightly older than average, they are also attracting a higher than average salary (\$USD 5,336)
- Interestingly, these centers are statistically significantly less likely to offer their agents incentives, either financial or non-financial

Poor Performers **Full-time agent turnover rate of more than 20%**

- Centers exhibiting the highest levels of agent turnover are statistically significantly more likely to be larger centers (41% of these centers have 100+ seats)
- High levels of turnover are statistically significantly more likely to be within the outsourced contact centers (40%)
- The level of agent absenteeism in these centers is statistically significantly higher than average (over 12 days per agent per year is taken in sick leave)
- These centers are also characterized by a statistically significantly higher proportion of younger agents (52% of agents in these centers are aged less than 25 years)
- These agents also attract a slightly lower salary (\$USD 4,570)
- These centers are statistically significantly more likely to offer agents both financial and non-financial incentives.

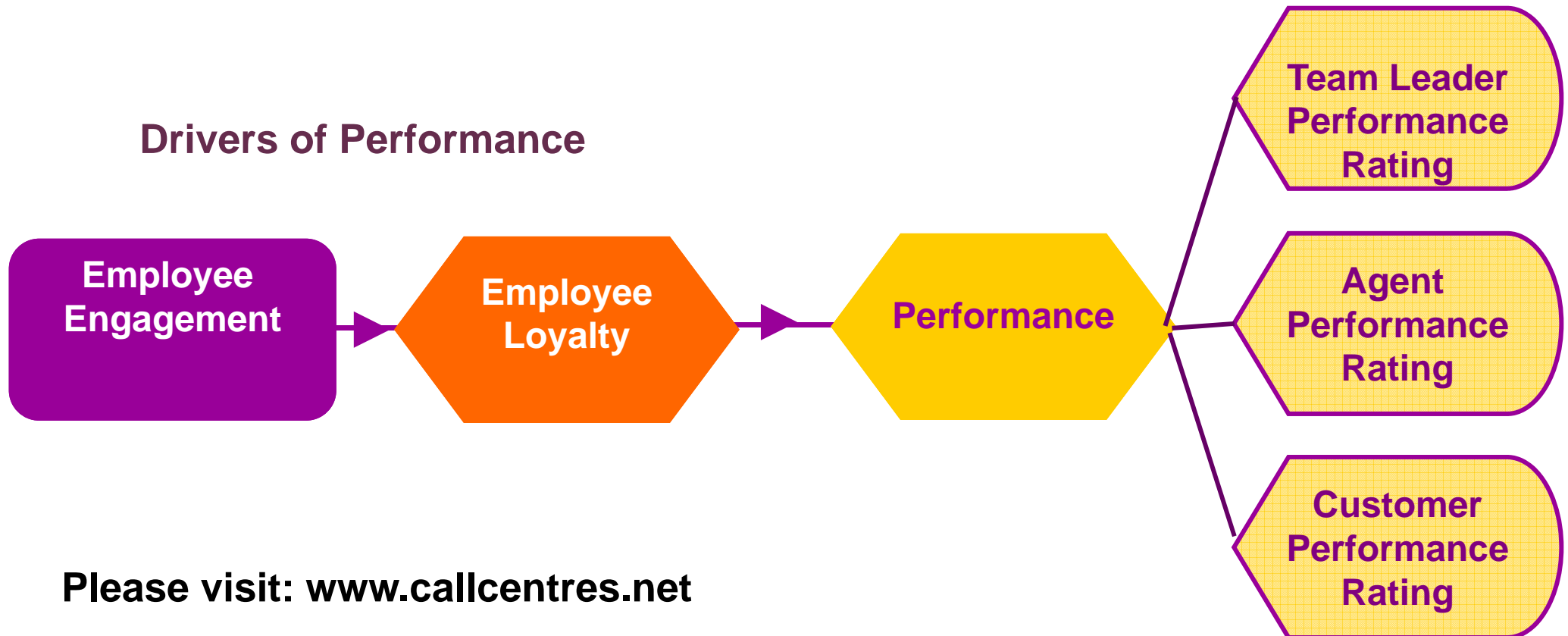


Measuring Employee Engagement

Employee Engagement

callcentres.net in partnership with InsightNow has just launched the world's first **Contact Centre Employee Engagement Index**, a tool that links Agent Engagement and Loyalty to Agent Performance.

Drivers of Performance



Please visit: www.callcentres.net

Established in 1999 and based in Sydney with a regional office in Singapore, callcentres.net is the central portal for the Asia Pacific contact center industry providing research, benchmarking studies and up-to-date news and information. We deliver tailored industry content through our newsletters: contact news asia and contact news (Australia and New Zealand).

callcentres.net is recognised as the leading provider of research and information to the Asia Pacific contact center industry.

For more information please contact:

Dr Catriona Wallace

Managing Director

callcentres.net

Tel: +61 2 9927 3333

Email: cwallace@callcentres.net

**Level 4, 121 Walker Street
North Sydney NSW 2060**

**8 Robinson Road
#10-00 ASO Road
Singapore 048544**

For a FREE subscription to callcentres.net
news and research please go to:
www.callcentres.net/register