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Words for the Ys

How to Leverage a
Generation's Strengths and
Improve its Staying Power in
the Contact Center



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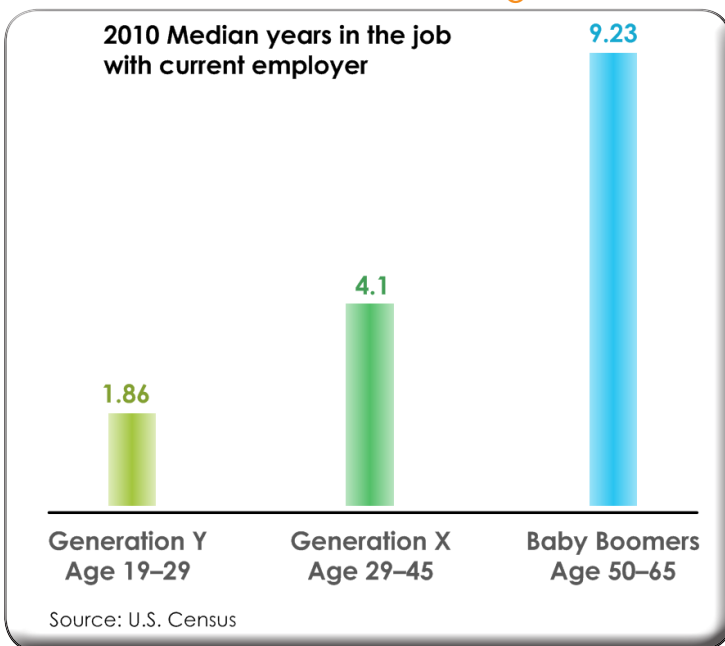
Introduction

Every generation brings to the workplace a set of overarching characteristics that are shaped by the events and cultural norms of its day. The Silent Generation brought an uncomplaining work ethic, Baby Boomers a spirit of independence, Generation Xes a flexible attitude, and now Generation Ys are bringing a talent for technology and team work. Contact centers that attend to these generational differences can maximize each generation's strengths while circumventing its weaknesses.

Since contact centers began in the 1960s, with the advent of the Private Automated Business Exchange (PABX), turnover has been relatively high—and it remains high today. What's changed is this: Workers in this new generation—variously called Generation Ys, Millennials, or Boomerangs—are significantly more likely to walk away from contact-center positions than were the workers of preceding generations.

In the very recent past, high turnover in contact centers was regrettable and a bit costly, but it was not an overwhelming problem. Perhaps it still isn't for your contact center—at least not yet. A 2011 survey of Generation Y contact-center agents indicates that up to 70 percent are thinking of changing jobs when the current economic downturn improves.

Keeping Generation Y Employees Could be a Challenge



Thirty-six percent of these potential job jumpers say they “probably” or “definitely” will change jobs when the market recovers.

This isn't to suggest that Generation Y's inclination to change work situations is only related to the state of the current economy. On the contrary: It is one of the characteristics that defines this generation of workers. The Bureau of Labor Statistics's 2010 employee tenure report indicates that employees aged 25 to 34 (Generations Y and X combined) stayed on the job an average of only 3.1 years, compared with employees aged 55 to 64 (Baby Boomers), who stayed on the job an average of 10 years.

This attrition crisis comes at a time when excellent customer service is more vital than ever. Customer loyalty is climbing the list of top key performance indicators (KPIs) as social media sites like Facebook and Twitter allow customers to broadcast their frustrations to anyone who will listen. But providing excellent service when you're in constant hire-and-train mode is a challenge, not to mention costly. The cost of hiring contact-center employees can be as much as \$5,000 each. Clearly, something has to change—but what? And how?

The answers may surprise those who are resistant to Generation Y's influence—particularly in light of this generation's stereotypical narcissism and lack of commitment—but here it is: It's time once again for contact centers to tweak the way they approach their employees to adjust for generational strengths and weaknesses. By focusing on the characteristics that make Generation Ys tick, your contact center can improve its ability to retain Generation Y agents and leverage their performance potential. If you modify the practices that have made your organization's contact center successful over past generations, you can parlay this generation's strengths into a significant win for your contact center now, and for other departments in the future.

Nothing is Wrong with Contact Center Practices, But...

While it is unfair to characterize contact centers as institutional backwaters—places that haven't fundamentally changed since the Silent-Generation (1925–1942)—many contact centers are arguably conservative by technological and cultural measures. Contact-center culture is much the same as it has been from the beginning:



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- **Rigid:** Customers need to find someone at the other end of the line when they reach out to companies during stated business hours. To ensure that this is the case, contact centers carefully plan and enforce strict work schedules.
- **Authoritarian:** Contact-centers employ a chain-of-command style management, with supervisors keeping a close watch over people and processes. Supervisors struggle to overcome employees' "big-brother" perceptions of them as they closely monitor schedule adherence and listen in as working agents take calls.
- **Metrics driven:** Contact centers operate by the numbers—literally. Nothing is inherently wrong with this approach; after all, success must be a measurable commodity.
- **Technology late adopters:** Contact centers may have earned this reputation for a number of reasons: slim budgets, a resistance to disrupting departmental workflow for mass training, or simply the overriding feeling that the present technology is working, so why mess with it?
- **Slow to provide feedback:** Many centers still follow the six-month or yearly review model for evaluating performance and providing feedback to agents.

As proven as these cultural norms are in contact center operations, they don't mesh well with Generation Y's characteristics. This isn't to say your contact center should abandon the business practices that have contributed to its success. Rather, it's a suggestion that you adapt these practices in such a way that you are able to take advantage of the many good things each generation of workers brings to the job.

Most sources on the subject of generational differences agree that Generation Ys are, on the whole:

- Tech-savvy
- Impatient
- Social-media junkies
- Team players
- Strongly allied to family

So what are the implications of these key characteristics?

Tech-Savvy

The phrase tech savvy tops the list of nearly every source claiming to know Generation Y's characteristics—and sources are numerous. Although many bloggers have disputed this assessment, saying that individual members of Generation Y tend to rely on truly savvy friends to show them how to use new applications and gadgets—just as members of other generations do—the undisputable fact is this: Generation Y is the first generation to have been fully raised using the Internet, computers, cell phones, and other devices.

Ninety percent of Generation Ys own a computer and at least one personal electronic device, and nearly all of them fully appreciate the speed with which today's hot new technologies become outdated. Moreover, the members of this generation tend to have little patience with old, difficult-to-use or clumsy devices and applications. They're accustomed to slick, fun, intuitive applications like Facebook, Twitter, Google gadgets, and smart-phone apps.

There's a New Generation on the Block

	Generation Y	Generation X	Baby Boomer
Percent of population (source U.S. Census Bureau)	25	16	26
Demographic	1982-2000	1961-1981	1943-1960
Characteristics	<ul style="list-style-type: none"> • Tech-Savvy • Family-centric • Achievement-oriented • Team-oriented • Attention-craving 	<ul style="list-style-type: none"> • Individualistic • Technologically adept • Flexible 	<ul style="list-style-type: none"> • Work centric • Independent • Goal oriented



Because contact centers often provide technology and applications that are comparatively antiquated, it's easy to see why many members of this generation assign a low status factor to contact-center positions.

Impatient

Waiting also sets Generation Ys on edge. If they need information, they expect to find it at Google speed. If they need a response or feedback, they want it within the time it takes to send a text message or open a chat.

Generation Ys owe much of their widely noted impatience to the parenting style that informed their developing years: Dubbed “helicopter” parents for their tendency to hover over their offspring, this generation’s parents were there to provide immediate feedback, usually in the form of praise. Educators and mentors followed suite, leaving Generation Ys with the expectation that feedback should always be immediate—and mainly positive.

With these expectations, it's obvious that traditional contact centers' six-month review cycles can be a source of frustration for Generation Y agents. Worse, frustration levels escalate dramatically when reviews are negative. Generation Ys don't respond well in general to constructive criticism, but when it comes far after the fact, it can seem particularly unjustified and unacceptable. On the other hand, framed in the light of essential feedback to correct problems, Generation Ys do respond to immediate, justified criticism.

Social Junkies

Avid users of social media (75 percent have created at least one social-media profile), this generation understands the value of having strong virtual connections—and in many cases, prefer electronic communications, such as texting and chatting, to the face-to-face variety. Because members of this generation tend to be trustworthy rule followers—or at least to think of themselves as such—workplace mandates against Facebook, Twitter, texting, instant messaging, and other online communications are particularly galling; Generation Ys view these rules as de facto statements of mistrust.

Ironically, play dates and an educational focus on group activities created a generation of consummate team players. So despite their extreme bent for virtual interaction, results-oriented Generation Ys want to be valued members of a team.

Allied to Family

Generation Ys value the three f's: family, freedom, and flexibility. In their priority lists, family tops career. As a result, Generation Ys place the freedom and flexibility to honor family commitments above other workplace benefits—which is why rigidly enforced work schedules tend to make them shudder.

An abundance of praise marked Generation Ys with a sense of confidence and ambition. They have a sincere desire to do well, respect professionalism, and tend to be loyal. However, they mistrust large corporations and do not want to become cogs in corporate machinery.

Finally, although Generation Ys aren't afraid to question authority, they are inclined to respect it. Professors at Emory University's Goizueta Business School recently surveyed over 800 equally divided Generation X and Generation Y students at five universities. To the statement “Authority figures should set and enforce rules,” nearly 70 percent of Generation Ys agreed—compared with only 40 percent of Generation Xes. Sixty percent of Generation Ys indicated that they trusted authority figures to act in their best interests, compared with 40 percent of Generation Xes, and 60 percent indicated that they were comfortable with asking for special treatment, again, compared with 40 percent of Generation Xes.

The Good News About Generation Ys

Generation Ys' skill sets match evolving customer expectations—speed, precision, and personalized service. In addition, customers want access to representatives through multiple communications methods, including text and chat—methods with which Generation Ys are exceptionally comfortable. As for level-of-service expectations, Generation Y's impatience with slow, inaccurate, unprofessional, or generally poor service is legendary. Because Generation Y agents understand what your customers want, they are uniquely poised to give it to them. This generation's technical aptitude, coupled with its impatience-born talent for multitasking, could even increase productivity.

Noteworthy demographic researchers such as William Strauss and Neil Howe have hailed Generation Y as the next Greatest Generation (also called the GI Generation—1901–1924). Nearly all of this generation's core characteristics can be, given the right cultural and technological setting, very good for business.



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Blogging, posting, and other types of online communications have made one thing acutely clear to Generation Ys: Communications and marketing are closely related. Word of mouth ranks as Generation Y's number one or two (depending upon sex) source of information about merchandise, and blogs and social media are rising in the ranks. One in five Generation Ys ranks blogs in his or her top-three sources of product information. This generation understands that customer service is a form of marketing, which can be good news for contact centers. Yes. They get it.

The Art of Attracting, and Keeping, Generation Ys

Given their attitudes toward contact-center work, attracting and keeping Generation Y agents may prove challenging. In an article based on a recent Sodexo Motivation Solutions survey, author Jim Rembach stated that only 5 percent of Generation Ys view contact center work as exciting, while 55 percent see it in negative terms—and one in three claimed to prefer collecting unemployment insurance to working in a contact center. Your contact center can do much to overcome this stigma by modifying business practices in several areas:

- Technology
- Work style and culture
- Performance management

The following recommendations may help.

Update Your Contact Center Technology

Offering workplace technologies that are intuitive, useful, and user friendly will go far toward changing negative perceptions about contact-center positions. New, browser-based Web 2.0 application frameworks can provide the types of customizable dashboards Generation Ys prefer. Within each dashboard, a selection of intuitive, widget-like applications provide useful tools that can improve employee morale, customer relationships, management capabilities, and metrics gathering. In short, a technology refresh can improve employee morale and your business.

Provide More Flexible Work Styles

True, it is imperative that your contact center maintains optimal staffing levels. However the ability to do this needn't hinge on rigid scheduling and time-off policies that alienate

Recommendations for Keeping Generation Ys

Current contact center culture	Generation Y implications	Recommendations
Rigid: Strict work schedules	⇒ Value family, friends, and freedom over career	⇒ <ul style="list-style-type: none"> • Collaborative tools that enable agents to negotiate work schedules among themselves • Controlled flexibility to take care of personal affairs
Authoritarian: Rigorous monitoring	⇒ <ul style="list-style-type: none"> • Crave constant social interaction (Facebook, chat, twitter, texting, etc.) • View themselves as trustworthy rule-followers • Team players; want others to see them as valued team members 	⇒ <ul style="list-style-type: none"> • Allow best-performing agents to earn positions in new channels • Allow controlled, brief, on-the-job visits to social media sites • Position supervisors as mentoring team leads
Technology late adopters: Clunky hardware and complicated software	⇒ <ul style="list-style-type: none"> • Tech savvy; demand modern devices and slick, fun, intuitive applications • Impatient with aging technologies 	⇒ Update contact center technologies to intuitive, Web 2.0 applications
Infrequent review cycles; individual recognition	⇒ <ul style="list-style-type: none"> • Expect immediate, positive feedback • View negative feedback as unjust, particularly if it comes long after the fact 	⇒ <ul style="list-style-type: none"> • Agent Performance Dashboards • Use metrics that immediately measure agents' contributions



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employees in general—and Generation Y employees in particular. Other approaches would work equally well to ensure proper staffing—and significantly better to improve agent retention.

For example, creating a collaborative atmosphere in which agents have the flexibility to negotiate work schedules among themselves would help to ensure optimal coverage while giving Generation Ys the sense of freedom and flexibility they crave. To make agents' work-life balance even more seamless, you might consider giving them the controlled flexibility to take care of personal affairs—such as dental appointments—during scheduled work hours and handle work-related concerns from home during non-work hours. If your organization's policies allow, you could even leverage the flexibility and other business benefits of work-at-home agents—a clear motivational perk for freedom-hungry Generation Ys—as more and more contact centers are doing.

The prospect of allowing employees to make personal contact via social media needn't be alarming. Rather than denying access to social-media sites because you are concerned about potential abuses, you can allow limited access, monitor social-media activity, and deal with abuses as they arise, just as you do with other privileges. Contact-center technology updates could help by ensuring that agents stay busy, but not too busy to provide excellent service and not too busy for very occasional visits to social media sites. Developing a clear policy to govern these social-site visits is also a must.

You could also leverage this generation's love of social media to enhance customer relations. A 2011 benchmarking report from Dimension Data indicates that nearly 20 percent of companies already work with customers on Facebook and Twitter, with an additional 30 percent planning to join these thought leaders in 2012. Why not allow your best performing agents to earn social media positions that support customers—thus providing both an incentive and a job-growth path in addition to demonstrating the trust your Generation Y agents feel they deserve?

Put a Positive Spin on Performance Management

Your organization can view performance management as a known but unavoidable source of tension between supervisors and agents, or as a way to optimize your agents' performance. To promote the latter view, implement a fair, clear, and immediate system of rewards. By providing immediate feedback in the context of helpful mentoring, your Generation Y agents are

more likely to accept criticism and make an effort to improve. Providing a steady stream of feedback needn't reduce your managers to playing the role of babysitters. On the contrary, it can enforce their positions as team leads and mentors.

Putting a positive spin on performance management means actively promoting the perception that you are looking for ways to catch your agents doing something right. Make examples of your best agents in ways that motivate others to follow their leads. A technology update can help: Modern workforce optimization applications can give agents direct, immediate information about how they are performing in relationship to clear objectives (close-rate goals for order-taking environments, for example). They can also show agents how their teams are performing in relationship to other teams—or even to the organization as a whole—thus creating healthy competition. For hardworking, motivated Generation Y agents, this self-service information can translate to day-in, day-out self-management, leaving supervisors free to focus on real-time coaching and training.

If the metrics your contact center's old-school software gathers are negative (the number of calls agents handle, average call durations, and average adherence, for example) or come to their attention only during formal review cycles, Generation Y agents may well disregard or resent them. Consider instead implementing metrics that are clear measures of how agents are contributing to the success of the team and the success of the business—sales they close, customer issues they successfully resolve, and the satisfaction customers derive from agents' consummate professionalism, for example.

Cultivating Staying Power is its Own Reward

In the sense that all generations have characteristics resulting from the social and cultural conditions of their respective days, Generation Y is no different from any other. Contact centers should have been recognizing and working with generational characteristics all along. By cutting their coats according to their cloths, as the old adage goes, they have (or could have) benefited from special capabilities each generation brought with it to the workplace.

However, Generation Y is special in the sense that it is entering the workforce at a time when the cost of hiring employees is unprecedented. This alone makes Generation Y employees' tendency to leave behind jobs that don't meet their needs especially troubling. Further, even during the present economic downturn (with its sometimes double-digit unemployment



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rates), SaddleTree Research reports a spike in the demand for contact-center agents. This foretells an enormous need in the contact-center employment segment when the economy recovers.

Now is a Good Time for Change

Generation Ys are looking for more than a job: They want meaningful work, so it's also important to make sure they—and all of your organization's employees—can relate to its brand values. Many of the previous recommendations for leveraging Generation Y's unique capabilities will help drive a cultural shift toward a modern, motivated department where everyone is a valued member of the team. Managers throughout the organization might then regard the contact center as a grooming ground for talent, and contact-center managers could emphasize career paths that lead to other areas of the organization. Dead-end positions in any arm of an organization don't say, "stay." With proper grooming, your loyal Generation Ys will be ready to fill Baby Boomers' shoes and ensure skilled, continuous coverage in key positions throughout your organization.

The changes it will take to attract and keep Generation Y agents are the very changes that will give your contact center a competitive advantage now, and your organization a competitive advantage later.