

Accelerate Your Business with Work-at-Home Employees

Capture Cost Savings, Flexibility, Scalability,
Employee Satisfaction, Customer Satisfaction,
and More with Home Agents



Executive Summary

Over the last decade, the number of U.S. employees who work from home has increased 115 percent.¹ Recent research has shown that work-at-home employees have higher levels of satisfaction, productivity, and retention. These benefits coupled with access to a larger labor force with specialized talent are some important reasons why many company executives are embracing a work-at-home-agent (WAHA) model for their contact centers. However, some leaders still struggle with questions around security, loss of control of employee oversight, and employee engagement. With evolving customer care challenges and employee expectations, companies should consider how a WAHA program can provide a path for cost savings, flexibility/scalability, employee satisfaction, and therefore customer satisfaction.

Record-Low Unemployment Creates Challenges for Hiring

What a difference a decade makes.

In 2008, unemployment steadily climbed to a high of 7.3 percent by the end of the first full year of the Great Recession. Ten years later and the unemployment rate has hit a 50-year low at 3.9 percent, according to the latest jobs report from the Bureau of Labor Statistics (see figure 1). Additionally, at least 39 states have unemployment rates below the national average. Some as low as 2.0 percent.²

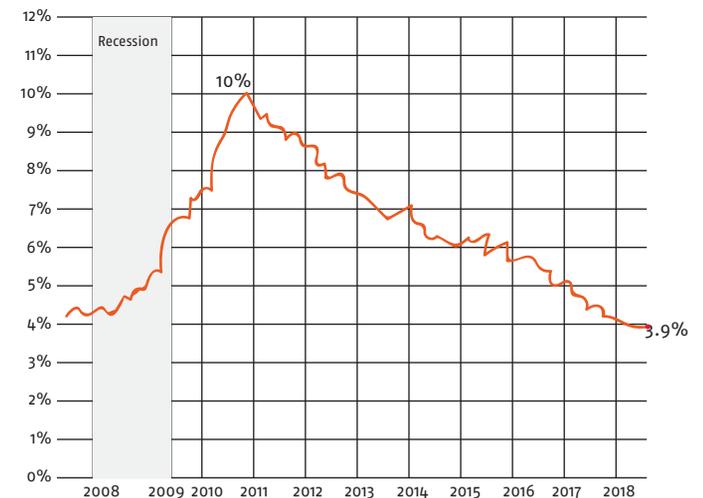
While that's good news in general, especially for job seekers, it poses some challenges for businesses. With lower unemployment, fewer people are looking for jobs, which means finding qualified candidates for contact center positions is more challenging than ever. For operators in markets where unemployment is lower than the rest of the nation, access to qualified individuals is significantly more difficult.

"At the current pace of job growth, if sustained, this problem is set to get much worse. These labor shortages will only intensify across all industries and company sizes," says Mark Zandi, the chief economist at Moody's Analytics.³

Figure 1: Unemployment Rate in July 2018

(Source: "U.S. Economy Added 157,000 Jobs in July; Unemployment Dips to 3.9 Percent," NPR)

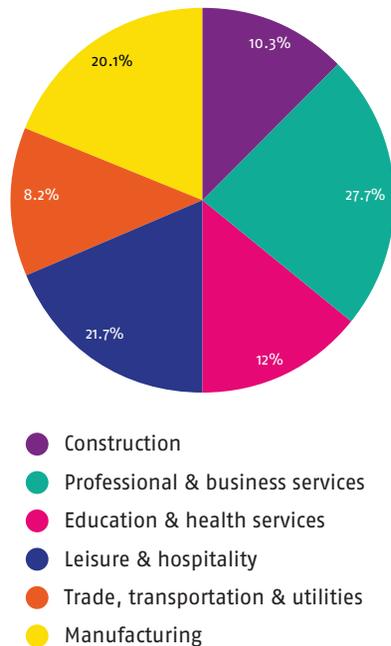
CIVILIAN UNEMPLOYMENT RATE



1. FlexJobs/Global Workplace Analytics, "2017 State of Telecommuting in the U.S. Employee Workforce," flexjobs.com, 2017. 2. Bureau of Labor Statistics, "Local Area Unemployment Statistics," 2018. 3. The Atlantic, "Say Hello to Full Employment," theatlantic.com, July 2018.

As figure 2 indicates, job growth is expected across all industries this year, with the most growth expected in architecture and engineering. IT/telecom companies and professional services firms are not far behind. The opportunities are out there, but the pool of skilled workers can be shallow. As a result, many businesses are reexamining their hiring practices, and increasingly, they are considering work-at-home models.

Figure 2: U.S. Job Growth, July 2018
(Source: "National Jobs Report," Adecco)

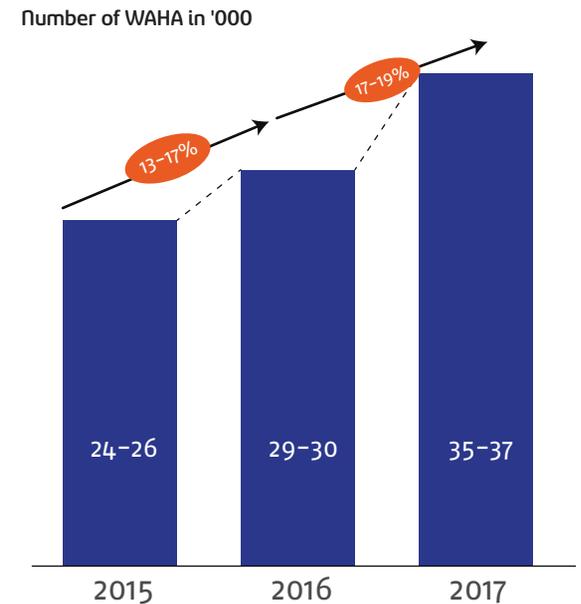


Why Companies are Shifting to Work-at-Home Models

“With unemployment this low—and even lower than the national average in 30 percent of the country—organizations are scrambling to find the workers they need. From apprenticeships to increased wages and benefits, to the aging workforce, employers must begin to think out-of-the-box in their recruitment efforts,” staffing solutions firm Adecco said in a recent post.⁴

For companies, this means they must cast the net far and wide to fill open positions. Many are shifting their focus to working with third-party providers that offer at-home agent solutions to meet their needs. As a result, WAHA has become the fastest growing segment among third-party providers of contact center services. Use of WAHAs has grown from 13 to 19 percent in the last two years, according to a report from the Everest Group.⁵ Most of that growth is in the U.S. market (see figure 3).

Figure 3: Growth of Contact Center Organization WAHA FTEs, 2015–2017
(Source: "Contact Center Services for the U.S. Market: Location Strategies for the Digital World," Everest Group)



4. Adecco, "National Jobs Report," adeccousa.com. 5. Everest Group, "Contact Center Services for the U.S. Market: Location Strategies for the Digital World," everestgrp.com, July 2018.

It's not only contact centers that are hiring remotely. Their behavior is part of a growing trend. According to the 2017 State of Telecommuting in the U.S. Employee Workforce, telecommuting at least half-time has grown 140 percent since 2005 (see figure 4). Updated data from July 2018 estimates that 4.3 million employees—3.2 percent of the workforce—now work from home at least half the time, and the numbers are expected to grow.

Who's Embracing the At-Home Model?

A variety of industries are embracing WAHA to meet their hiring needs, with the retail industry leading the way (see figure 5). Continued improvements in contact center software and technology have fueled much of this growth. At-home agents only need an Internet connection, headset, and computer and they can work anywhere at any time.

Figure 5: Share of WAHA FTEs by Industry, Percentage of FTEs, 2016
 (Source: "Making the Work-At-Home-Agent (WAHA) Model Work," Everest Group)

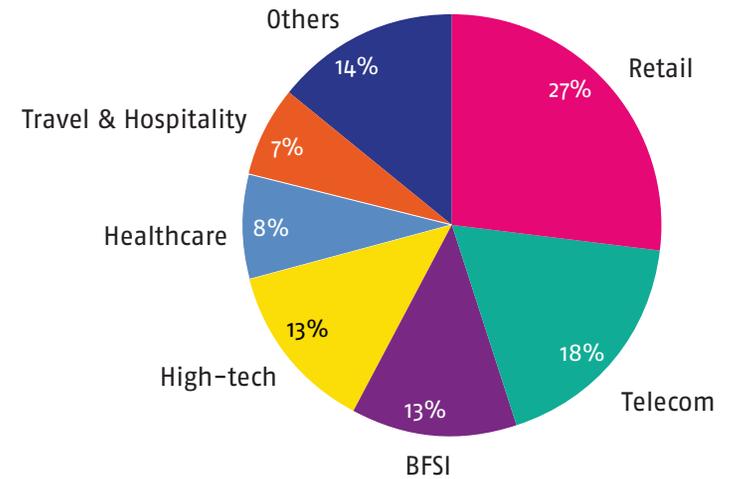
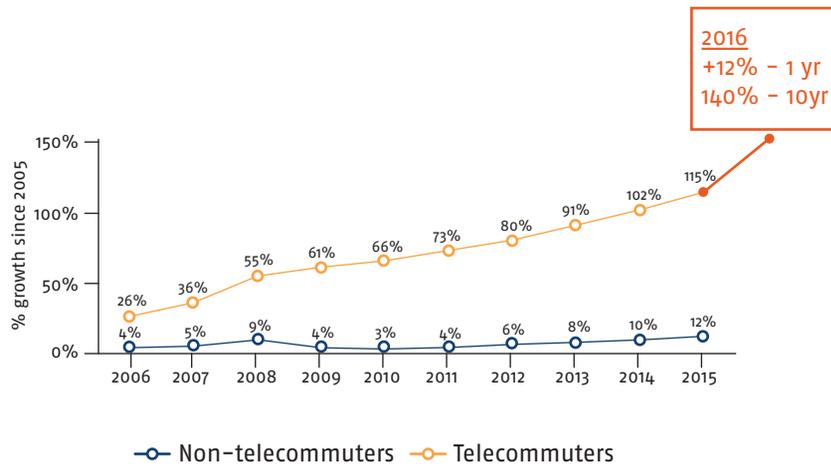


Figure 4: Telecommuting Growth Since 2005
 (Source: "2017 State of Telecommuting in the U.S. Employee Workforce," FlexJobs/Global Workplace Analytics)



Top Benefits of WAHA

The benefits of turning to at-home agents to meet hiring demands are many. Employers cite the following as their top reasons for turning to teleworkers:

1. Reduced Physical Space Costs
2. Increased Productivity
3. Better Pool of Talent
4. Agent Retention
5. Customer Satisfaction and Loyalty
6. Positive Environmental and Community Impact

Let's take a look at each.

PRODUCTIVITY OF AT-HOME EMPLOYEES

A 2017 survey of 509 telecommuters showed that more than 90 percent of the respondents reported greater productivity at home than in the office.

1. REDUCED PHYSICAL SPACE COSTS

Probably the top benefit of employing at-home agents is the reduction in expenses associated with physical space. Employing agents who work off-site means that businesses do not need as much office space, including parking, which reduces real estate costs. A smaller office also means lower expenses for heating/cooling, lights, and other technology. The estimated savings in real estate expenses of 62 million potential telecommuters is \$121 billion per year.⁶ Some hi-tech companies that shifted to hiring more at-home employees have saved more than \$60 million a year in real estate costs.

(Source: "Why Working Remote Can Improve Employee Productivity," Techo, 2017)

509 U.S. employees
who work remotely were
part of this survey.



2. INCREASED PRODUCTIVITY

Companies like Best Buy, Dow Chemical, AT&T, and American Express have reported increases in employee productivity between 15 and 55 percent since instituting work-at-home models.⁷ Decreased absences, fewer distractions, and employee happiness are among the main drivers of increased productivity. Telecommuting cuts unscheduled absences by more than 60 percent, which translates to additional cost savings for employers—up to \$300 billion a year.⁸ At-home employees are less distracted than their on-site counterparts. At-home employees don't have to deal with office noise, chatty colleagues, or unnecessary meetings. Often, they have dedicated space at home that is free from the distractions typical of cubicle workers.

91% of remote workers assert that they get more work done outside of the office.



Having engaged, productive employees doesn't require being in the same room as them.

6. FlexJobs/Global Workplace Analytics, "2017 State of Telecommuting in the U.S. Employee Workforce," flexjobs. 2017. 7. Global Workplace Analytics, "Pros and Cons," globalworkplaceanalytics.com 8. Global Workplace Analytics, "Costs and Benefits," globalworkplaceanalytics.com.

3. BETTER POOL OF TALENT

Shifting to an at-home model, especially in a tight job market, significantly increases the pool of available talent. The lack of geographic restrictions in hiring, along with 24/7/365 availability, results in a much larger pool of talent. And that talent often is older, more educated and experienced, and potentially more stable and reliable than what might be available in a limited geographic area. Figure 6 shows the typical at-home employee is 45 years old or older. More than 80 percent of at-home agents have some college-level education, and that often includes the ability to speak more than one language. Using at-home agents enhances flexibility for contact centers and allows for continuity of operations.

Companies with a preponderance of at-home agents can quickly react and adjust to unforeseen events, such as power outages, tech failures, inclement weather, and natural disasters. More and more, companies are achieving the results they want with onshore at-home agents that are part of a balanced shoring plan. Although many third-party contact center providers hire offshore/ nearshore talent, the growing trend is to find high-quality agents closer to home. According to the Everest Group, about half of contact center delivery is onshore in U.S. locations and the onshore hiring rate is increasing more quickly than offshore and nearshore recruiting. Figure 7 shows that 93 percent of the at-home agents employed fulltime by contact centers are located in the United

States. It is interesting to note that while North America continues to be the largest market for third-party contact center organizations (CCOs), demand is increasing in other regions. The strongest growth can be seen in China, India, and Southeast Asia followed closely by growth in Continental Europe, the Middle East, and Africa (CEMEA). Clearly, foreign businesses see the benefits of rethinking their talent strategy.⁹

Figure 6: Difference in Population by Age between Telecommuters and Non-Telecommuters

(Source: "2017 State of Telecommuting in the U.S. Employee Workforce," Special Analysis of U.S. Census Data Conducted for FlexJobs by Global Workplace Analytics)

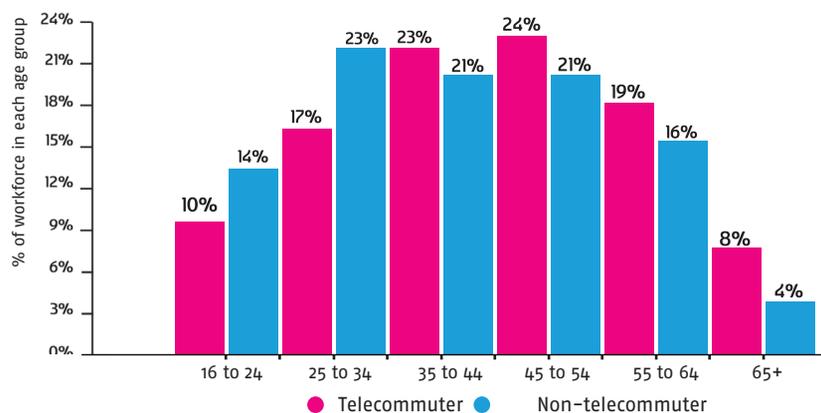
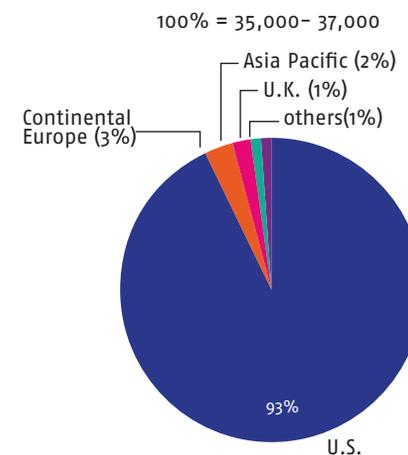


Figure 7: CCO WAHA FTEs by Geography, Percentage of WAHA, 2017
 (Source: "Contact Center Services for the U.S. Market: Location Strategies for the Digital World," Everest Group, July 2018)



9. Everest Group, "Contact Center Outsourcing Annual Report 2017," everestgrp.com, 2017.

4. AGENT RETENTION

The flexibility and freedom that comes with working from home is priceless for many telecommuters and contributes to a higher retention rate than for on-site, in-house employees. In fact, a study conducted by two Stanford University economists in 2015 showed that work-at-home employees had 50 percent less turnover than on-site employees.¹⁰ Among the benefits most cited by at-home workers is improved health and wellness through a better work/life balance, free from the cost and time restrictions of commuting to an office. On average, the typical telecommuter can save from \$2,000 to \$7,000 a year.¹¹ Also, the average at-home worker gains back two to three weeks of free time by eliminating their commute.¹² All together, these benefits of working from home lead to more satisfied employees. Happier employees enjoy their work and are typically more productive.

5. CUSTOMER SATISFACTION AND LOYALTY

The job satisfaction enjoyed by at-home agents is likely to spread to customers. The fact that at-home agents are typically older and have more education and life experience allows them to relate on a different level with customers. A wider pool of high-quality, skilled agents means that companies can strategically assign at-home agents to specific market segments or customer bases. For example, an agent providing tech support to a customer of a similar age and background may have more patience and be better able to communicate. Such exchanges elevate customer satisfaction, which means greater loyalty.

6. POSITIVE ENVIRONMENTAL AND COMMUNITY IMPACT

Companies with a “green” agenda like the fact that telecommuting is good for the environment. According to the U.S. Environmental Protection Agency, transportation, including the use of passenger cars to commute to and from work, is the largest source of greenhouse gas emissions.¹³ The reduction in greenhouse gases from telecommuting is equivalent to taking 600,000 cars off the road for a year.¹⁴ Additionally, home offices consume less energy than large offices, thus shrinking a company’s carbon footprint even further. At-home work has a positive impact on communities, as well. Job opportunities open up for unemployed and under-employed people, as well as at-home caregivers, retirees, and current and retired military, including spouses looking for extra income.

¹⁰. Inc., “Stanford Research Shows Working from Home Cuts Turnover by Half and Drives Productivity,” *inc.com*, August 2017. ¹¹. Global Workplace Analytics, “Telecommuting Trend Data,” *globalworkplaceanalytics.com*, 2017. ¹². Global Workplace Analytics, “Pros and Cons,” *globalworkplaceanalytics.com*. ¹³. U.S. Environmental Protection Agency, “Sources of Greenhouse Gas Emissions,” *epa.gov*. ¹⁴. FlexJobs/Global Workplace Analytics, “2017 State of Telecommuting in the U.S. Employee Workforce,” *flexjobs*. 2017.

Main Concerns and How to Overcome Them

Despite the benefits of shifting to a work-at-home model, some nagging questions remain.

- What security measures do businesses need to adopt to protect data from cyber threats or other technology failures?
- How can companies effectively manage the accountability and productivity of at-home agents?
- What steps can companies take to ensure engagement and foster team-building among WAHAs?

THE QUESTION OF SECURITY

Security is the chief concern of businesses considering the use of at-home agents. It's no wonder given some of the big data breaches businesses and customers have experienced in recent years. Companies need to provide at-home agents with secure access to company information and systems, and they need to protect sensitive customer information.

All companies that handle sensitive data should invest in infrastructure changes to smoothly onboard at-home agents. This can be done through the cloud or with a VPN and advanced contact center software. Software that can easily integrate with an existing API and CRM system is key. Changes made to support at-home agents will likely benefit the whole company by improving efficiency and troubleshooting processes. In addition to choosing the right technology, businesses must implement a clear and firm process for how all employees—whether at home or in the office—handle sensitive information. A clear policy and strict enforcement are critical.

ACCOUNTABILITY AND PRODUCTIVITY

Some employers are reticent to embrace an at-home agent model because they fear a loss of control. They want to be sure at-home agents are accountable and productive. But that's fairly easy to address provided companies set measurable key performance indicators (KPIs).

These expectations must be clearly identified and explained from the start. Tie these indicators to the company's overall goals to easily measure productivity and performance. Management experts agree that goal-setting based on performance indicators is key to the successful management of at-home employees. For telecommuting to work, employees must be measured by what they do, not where or how they do it. In the end, trust is key.¹⁵

Nevertheless, there are tools available to help employers manage the work of at-home agents. Software allows management to know if at-home agents are on task. These tools can track the number of calls and time on call. Such tools combined with clear expectations and performance measures will ensure productivity. Success comes from regular communication with at-home agents. Make it a company policy to have a daily or even weekly check-in with at-home agents to establish and/or reiterate expectations and goals.

15. *Global Workplace Analytics, "Pros and Cons," globalworkplaceanalytics.com.*

EMPLOYEE ENGAGEMENT

While the lack of distraction from every day office activity is a benefit of employing at-home agents, there's always the risk that these employees will feel disconnected from your business. Even the most independent at-home agent needs to interact and engage with colleagues to feel part of a team and to embrace the company's mission. "Employees collaborate best when they have personal connections with each other," says Jonathan Erwin, CEO of mobile messaging platform Red e App. "In order to maintain this connection while working remotely, small teams should have a short daily conference call to discuss hot topics and unanswered questions, and use video chat for team meetings."¹⁶ Telephone, email, and instant messaging are a solution for some. Innovative solutions such as virtual outings, online games, and even Second Life, an online virtual world, have proven successful as well. Efforts to engage at-home agents and foster team-building should be part of the company's communication strategy—an add-on to a daily/weekly check-in with agents.

Another solution is social learning, or the continuous process of learning from others. It provides a way to engage at-home workers and combat isolation, writes Ian Altman, a writer for Forbes and an expert on integrity-based sales and business development.¹⁷ Social-learning promotes autonomy and self-direction, increasing overall learner engagement. The most successful online learning programs include a digital community where participants can share their experiences and ask questions of each other.

Teleperformance Can Help

No matter what the concern, Teleperformance has the solutions to help address concerns with security, accountability and productivity, and employee engagement.

UNSURPASSED PROTECTION

Teleperformance's security for customers and brands is unsurpassed. No other company in the industry secures and protects customer information on as many levels.

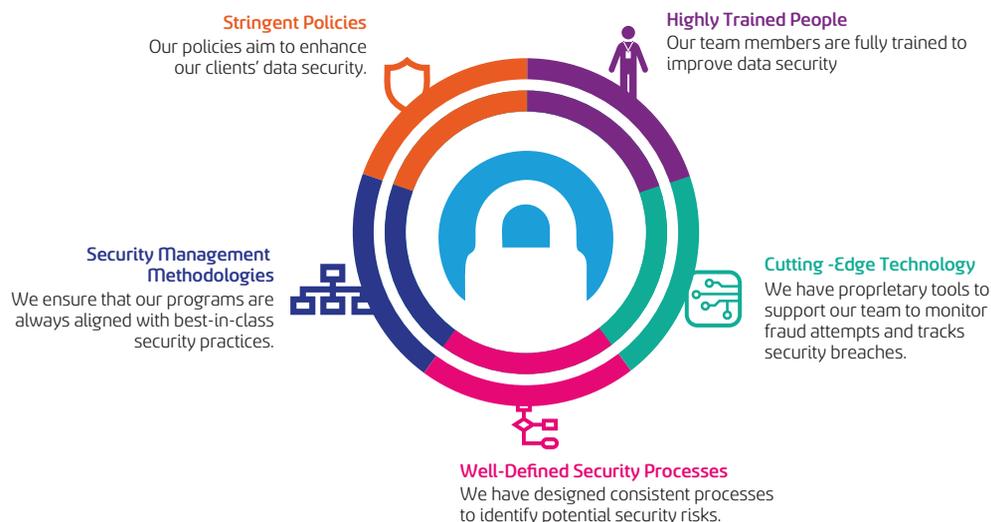
- **ASSESSMENT:** Teleperformance will provide a risk profile for a company's industry of the most common vulnerabilities faced and, through a more customized Security Risk Assessment, identify threats more specific to the company to help prevent fraud, theft, and data breaches.
- **PREVENTION:** Through rigorous controls and policies, prevention is based on learnings and knowledge from not just one company or industry, but from hundreds of companies across dozens of industries. Teleperformance has the largest, best-equipped, and most awarded security workforce in our industry.

16. *Business News Daily*, "Overcoming 4 Big Challenges of Managing Remote Employees," businessnewsdaily.com, January 2018. 17. *Forbes*, "The Top 10 Business Trends that Will Drive Success in 2018," forbes.com, December 2017.

- PATENTED MONITORING TOOLS AND TECHNOLOGY:** TP Observer, Teleperformance’s patented security monitoring system, uses both AI and human review to identify suspicious or unusual activity in the contact center and can be customized for specific environments.
- AWARDS, RECOGNITION, AND CERTIFIED COMPLIANCE:** Teleperformance was the first in the industry to achieve PCI certification and more recently BCR Certification. Its security culture is second to none. Industry analyst

to none. Industry analyst Michael DeSalles from Frost & Sullivan attests that “Teleperformance has added innovation to contact center security that often surpasses the client’s internal security controls for fraud prevention and early detection. In short, for companies that absolutely require the highest degree of data and customer information security, Teleperformance is indisputably the industry leader.”

To face the challenge of handling personal identifiable information of customers, we have established a culture that **ANTICIPATES FREAUD AND DATA BREACH BEFORE IT HAPPENS** through:





CONTACT CENTER MANAGEMENT SYSTEM (CCMS)

Teleperformance CCMS is a centralized repository for representatives’ personal information. It gives a comprehensive view of performance at every level by integrating data from many systems or departments to form one web-based resource.

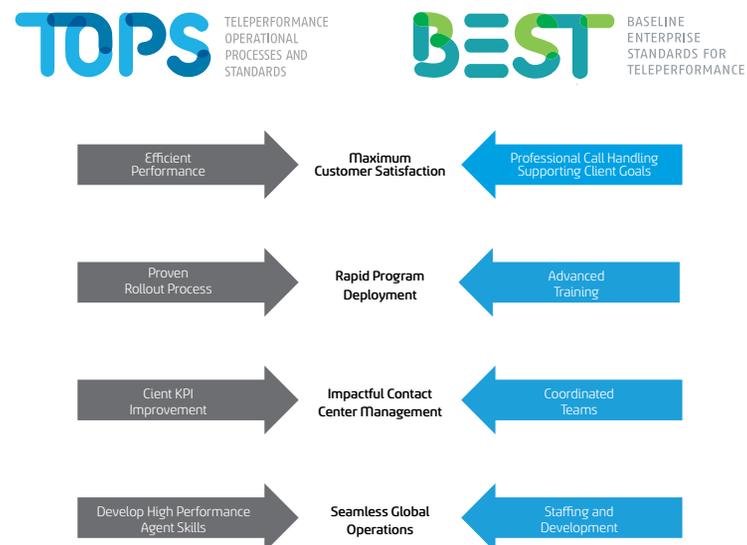
Teleperformance CCMS is an innovative tool that provides—

- **EFFICIENCY:** Allows for the automation of manual business practices through robust reporting related to labor and scheduling, quality assurance and statistics, attrition and termination and employee information.
- **ACCOUNTABILITY:** Documents employee actions, keeping relevant users informed.
- **TRANSPARENCY:** Access to relevant information, reports, and tools making team and program management more efficient.
- **INTEGRATION AND CENTRALIZATION:** Telephony, workforce management, and HR data are integrated into one globally accessible, web-based solution.
- **REPORTING:** Easy-to-use web-based interface allowing seamless integration with word processing and spreadsheet utilities, plus raw data exports to enable additional data customization and reporting.

EMPLOYEE ENGAGEMENT

Teleperformance has exclusive methodologies for best practices in performance management and a commitment to excellence through its tools and management processes.

Teleperformance Operational Processes and Standards (TOPS) is a proven detailed daily performance management process that ensures uniformity and quality management in our programs around the world. TOPS delivers excellent business results in any market and increases productivity and quality by ensuring that all Teleperformance clients get high-quality service, everywhere. Baseline Enterprise Standards for Teleperformance (BEST) is Teleperformance’s methodology for operational management. By defining, sharing, and implementing worldwide best practices, Teleperformance assures consistency and quality in all its operations in every location.



Closing Thoughts

With unemployment at record lows and predictions of a continued tight job market, now is the time to review hiring practices and consider implementing a comprehensive WAHA program. The cost savings alone make it worth a look, but more important is the potential impact on agent satisfaction and productivity, and by extension, increased customer loyalty and profit. Solutions exist to help companies overcome fears about security, accountability, and engagement.

Deploying a well-designed Home Agent program can be instrumental and an important strategy for handling customer interactions. To learn more, watch the webcast series TP Talks "Home Agent Mythbusters: Debunking Home Agent Myths." TP Talks is intended to inspire new ways of curating seamless, omnichannel customer experiences. You will learn from best practices, big trends, innovations and real-world success stories for managing ever-changing customer expectations.

TP Talks Webcast Series

"Home Agent Mythbusters: Debunking Home Agent Myths"

<https://tinyurl.com/y8f6hb7b>

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About

Teleperformance Home Agent Solution

We are the worldwide leader in outsourced omnichannel customer experience management. Teleperformance connects the biggest and most respected brands on the planet with their customers by providing customer care, technical support, customer acquisition, digital solutions, analytics, back-office and other specialized services to ensure consistently positive customer interactions.



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