2019
CONTACT CENTRE

BEST PRACTICE REPORT

SMAART
RECRUITMENT

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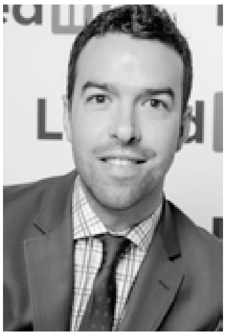
INTRODUCTION



James Witcombe

Director
SMAART Recruitment

Contact centres are constantly changing. What was "best practice" last year can easily be redundant 12 months later. The challenge for a lot of contact centres is knowing what is "normal".

All contact centres have areas where they are performing well, areas where they are underperforming and areas where they are just average. However many contact centre leaders aren't aware which aspects of their contact centres fall into these categories.

In compiling the 2019 Contact Centre Best Practice Report our aim is to provide great insight and transparency into many previously unmeasured areas in contact centres. Training and onboarding, rostering, recruitment, performance, retention, and salaries (including bonuses) all feature. Having over 100 centres contribute gives you the reader the assurance that you can rely on the accuracy and relevancy of this report.

As a leading supplier of recruitment and consulting services to the contact centre industry, we are passionate about being able to provide valuable market insights. We trust that you will get great value out of our report.

CONTRIBUTORS

The following organisations were happy to be named as contributors to the report.

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AGL / Connectnow
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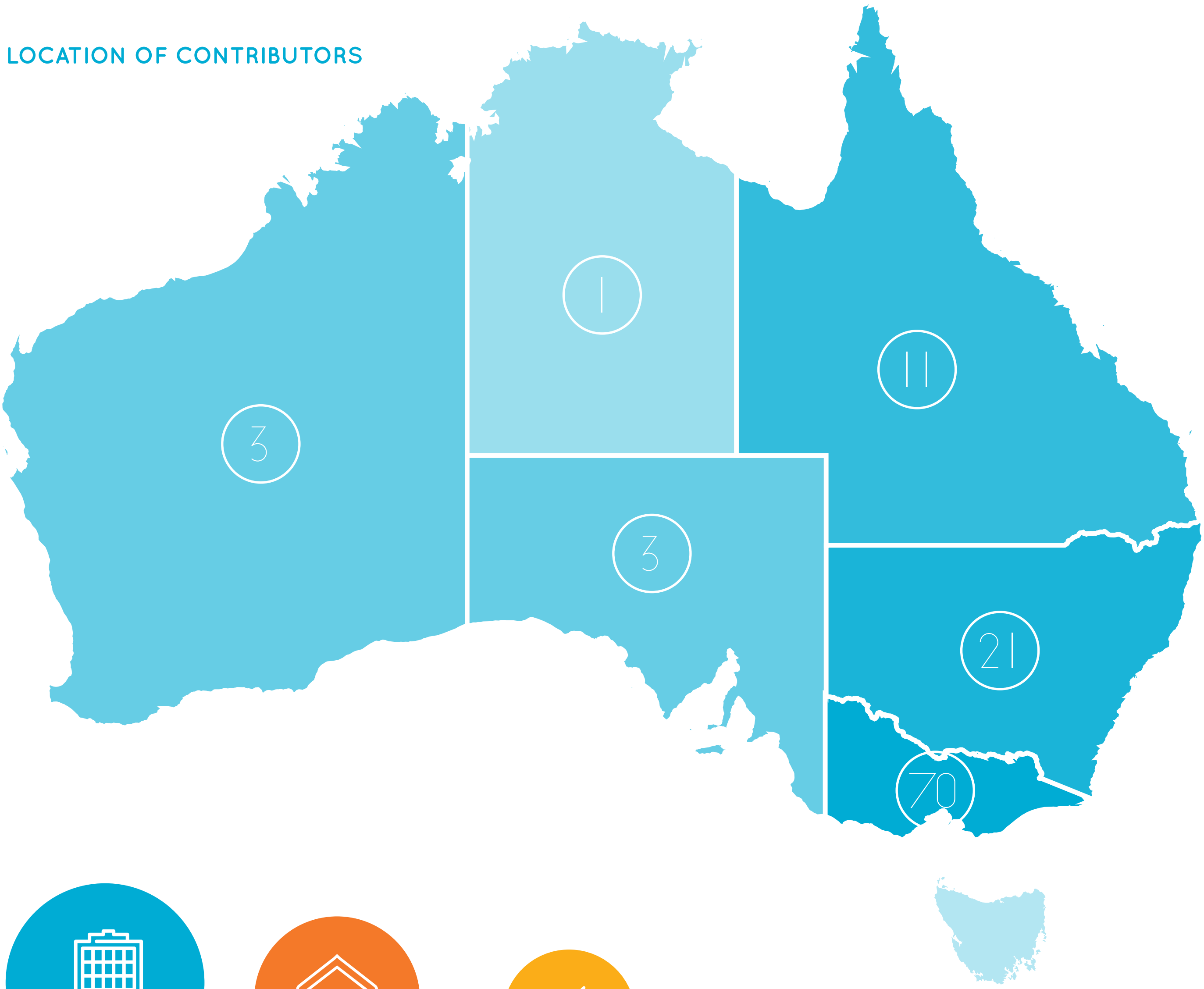
ANZ
Asahi
Ausgrid
Australian Unity
Aveo Group
CauseForce
CBM Australia
City West Water
Click Energy
Commonwealth Bank
Community Alliance Credit Union
Compassion Australia
Conucopia Fundraising
Cubic Corporation
Cushman & Wakefield
Department of Communities WA
Domestic & General
Easy Weddings
Emergency Services Teleco Authority
Equifax
GMHBA
Henry Shein Company
Home Doctor
Hostplus
JetPets
Jim's Group
KinCare
LifeFlight Foundation Australia
Link Group/Super Partners
Mazda
Medibank
Miele ANZ
MLC
Momentum
MYOB
myWorld Aus
Naked Wines Australia
National Storage
nbn Australia
New View Psychology
OES
OET
Open University
OpenCorp
Optus
Origin Energy
Ozcall Communications
Patterson Cheney
Powercor
Probe Group
Queensland Urban Utilities
RateMyAgent
Red Energy
Smart Health Australia
Social Research Centre
sonnen Australia
Sportsbet.com.au
Spotlight Retail Group
St Vincent's Hospital
Sumo Power
Tafe NSW
Televerde
Up2Scratch
Urbanest Australia
Virgin Mobile Australia
Vocus Group
WIN Connect
WorkCover Queensland
Yarra Valley Water

LOCATION

LOCATION OF CONTRIBUTORS



50% CBD

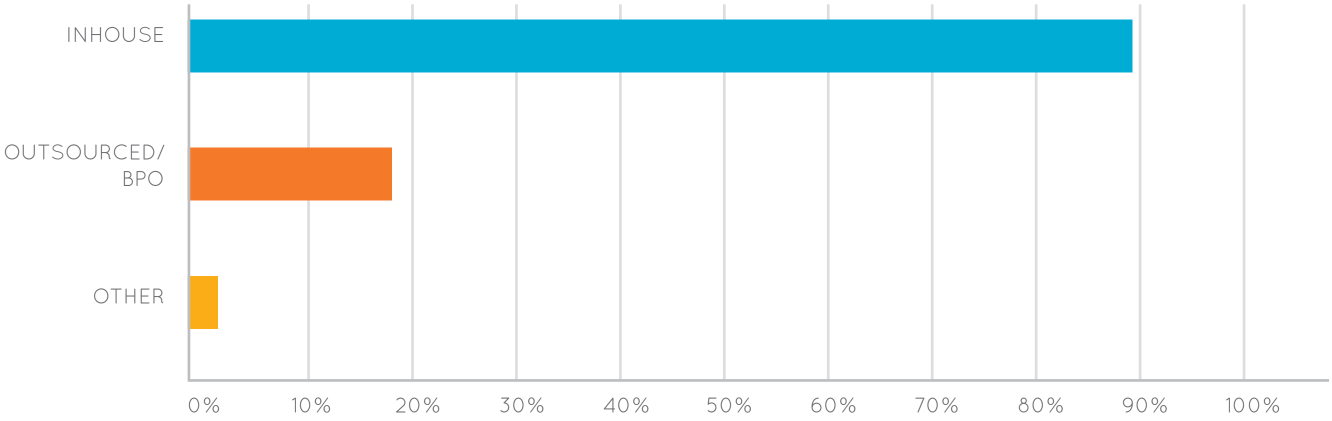
37% Suburb

12% Outside of Capital City

The majority of contact centres in Australia are located on the Eastern seaboard, with a strong participation from Melbourne in this study influenced by our market presence. The exact location of contact centres is much cause for discussion, with many organisations constantly weighing up whether city, suburban or outside a capital city is the best option.

CENTRE TYPE

TYPES OF CONTACT CENTRES



Inhouse contact centres made the largest contribution to the report, and over 55% came from banking and finance, insurance or utility based contact centres.

1%
IT Support

2%
Advertising

5%
Public Service

6%
Fundraising

15%
Insurance

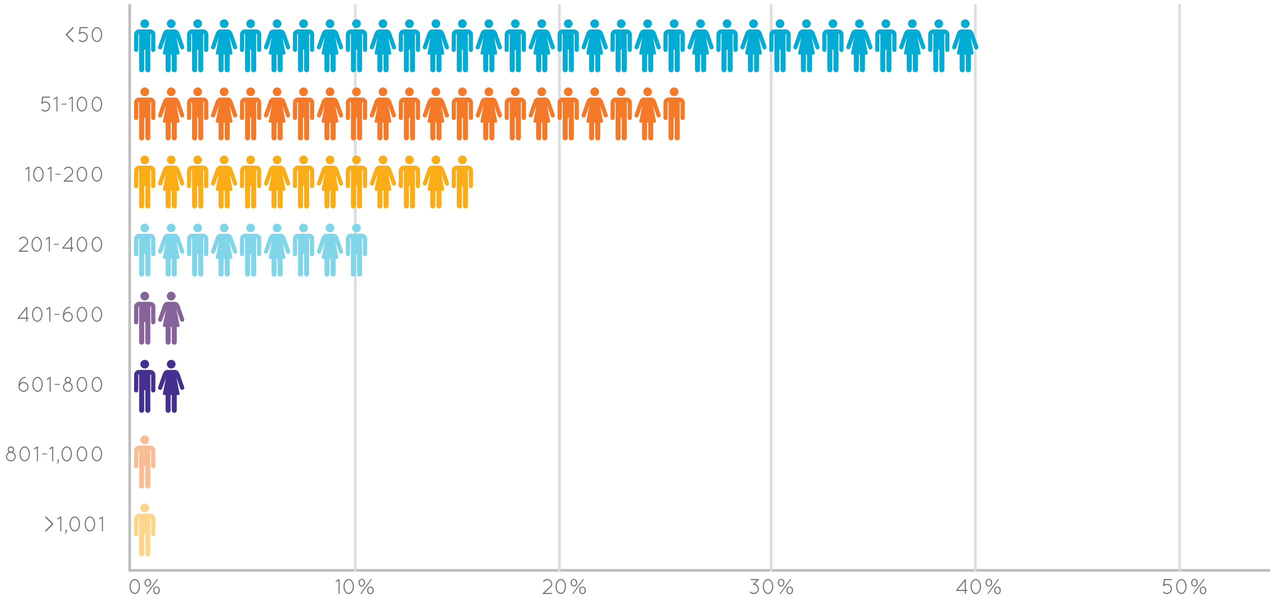
18%
Banking & Finance

22%
Utilities

38%
Other

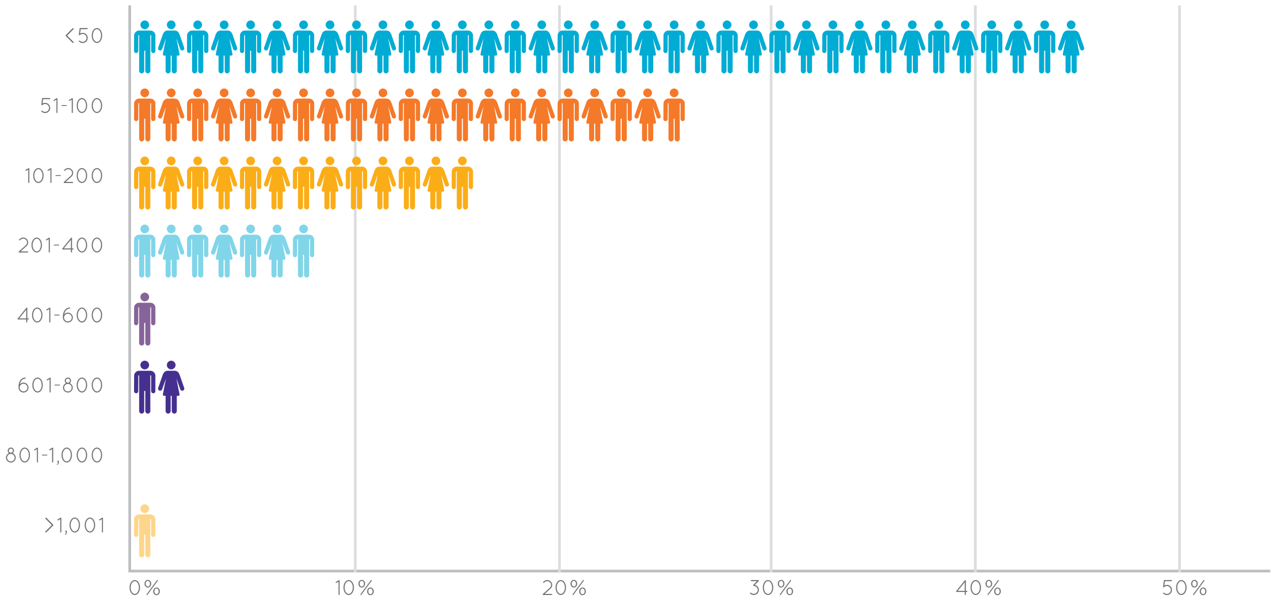
EMPLOYEES

TOTAL CONTACT CENTRE EMPLOYEES



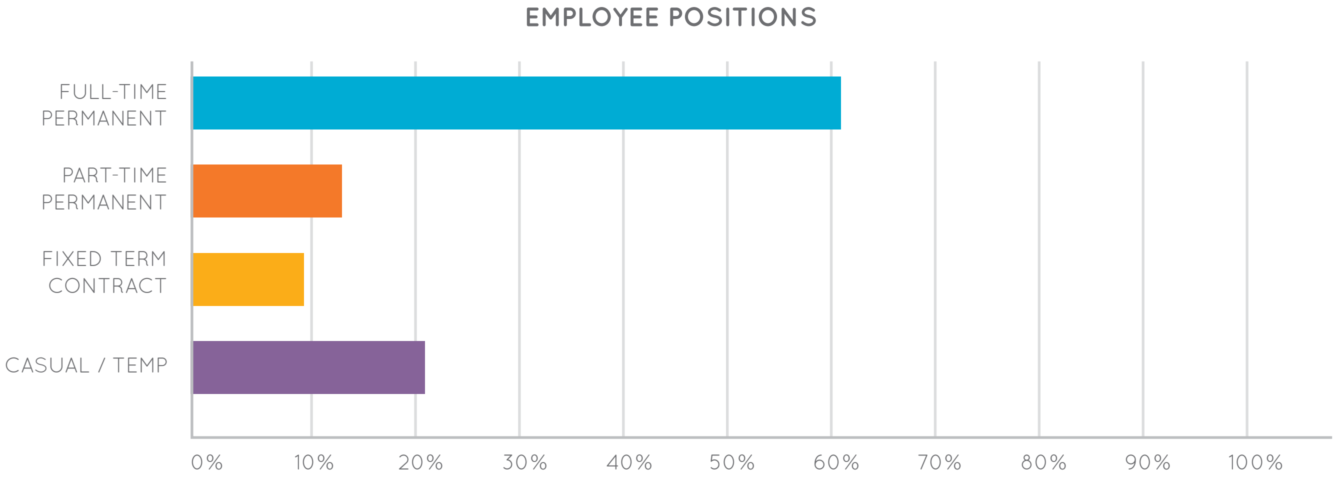
The average contact centre size is 138 employees, including staff at all levels.

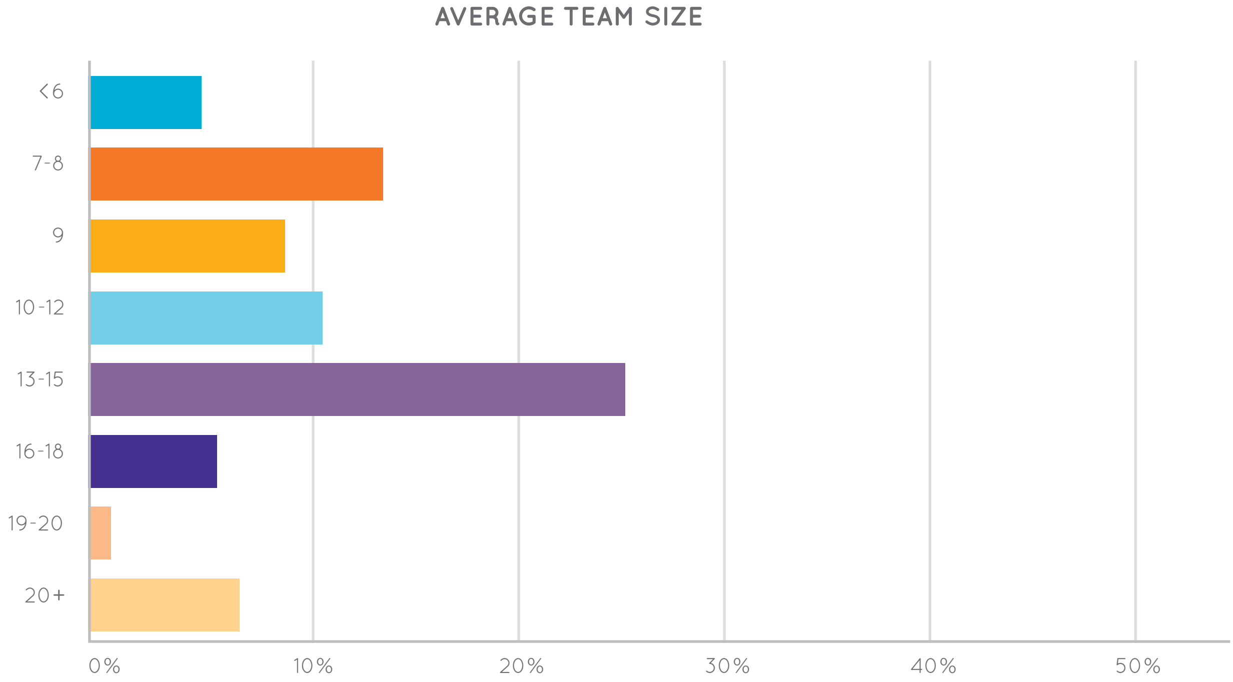
TOTAL FRONT-LINE EMPLOYEES



TEAMS

Contact centres still heavily favour full-time permanent employees, with casuals/temps being used to cover spikes in work. Surprisingly, part-time permanent employees make up a very small percentage.

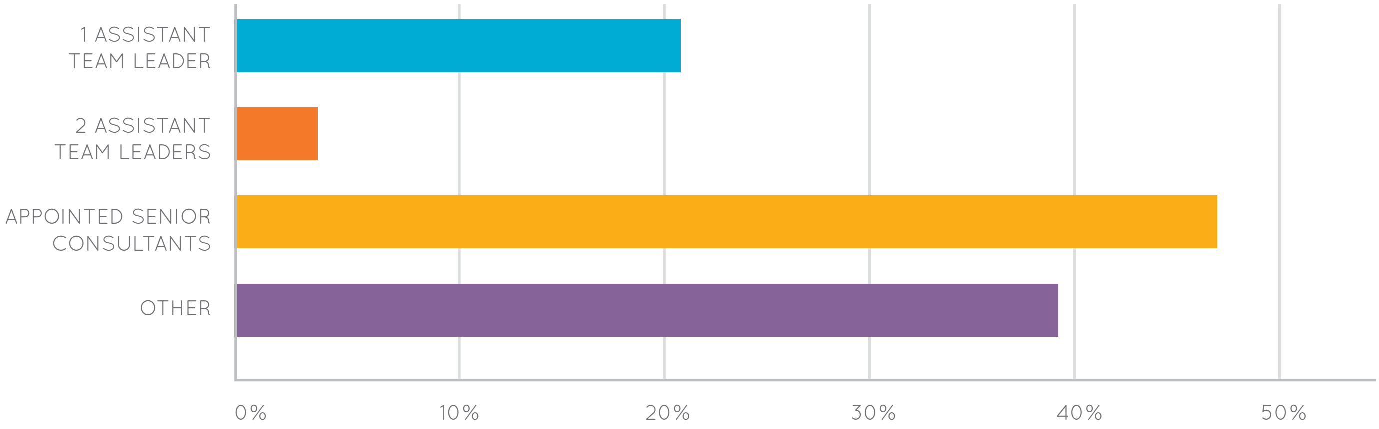




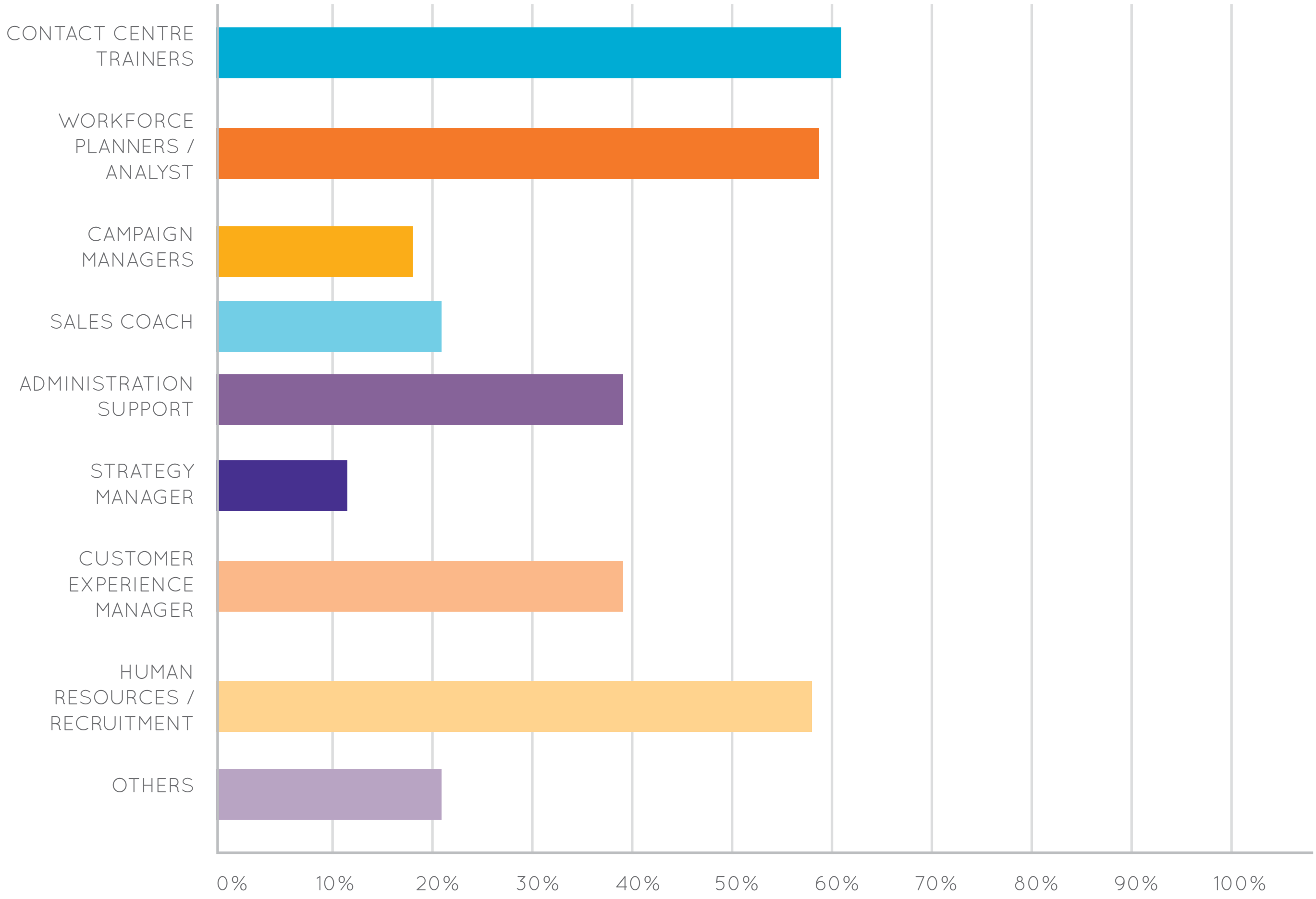
The average team size is 11.7 agents. BEST PRACTICE: 17% of teams have 8 agents or less. Team Leaders and agents prefer smaller teams.

LEADERSHIP

ADDITIONAL LEADERSHIP WITHIN THE TEAM



SUPPORT ROLES



SALARIES

CUSTOMER SERVICE AGENTS

Customer Service average base salary is $51,521 + super

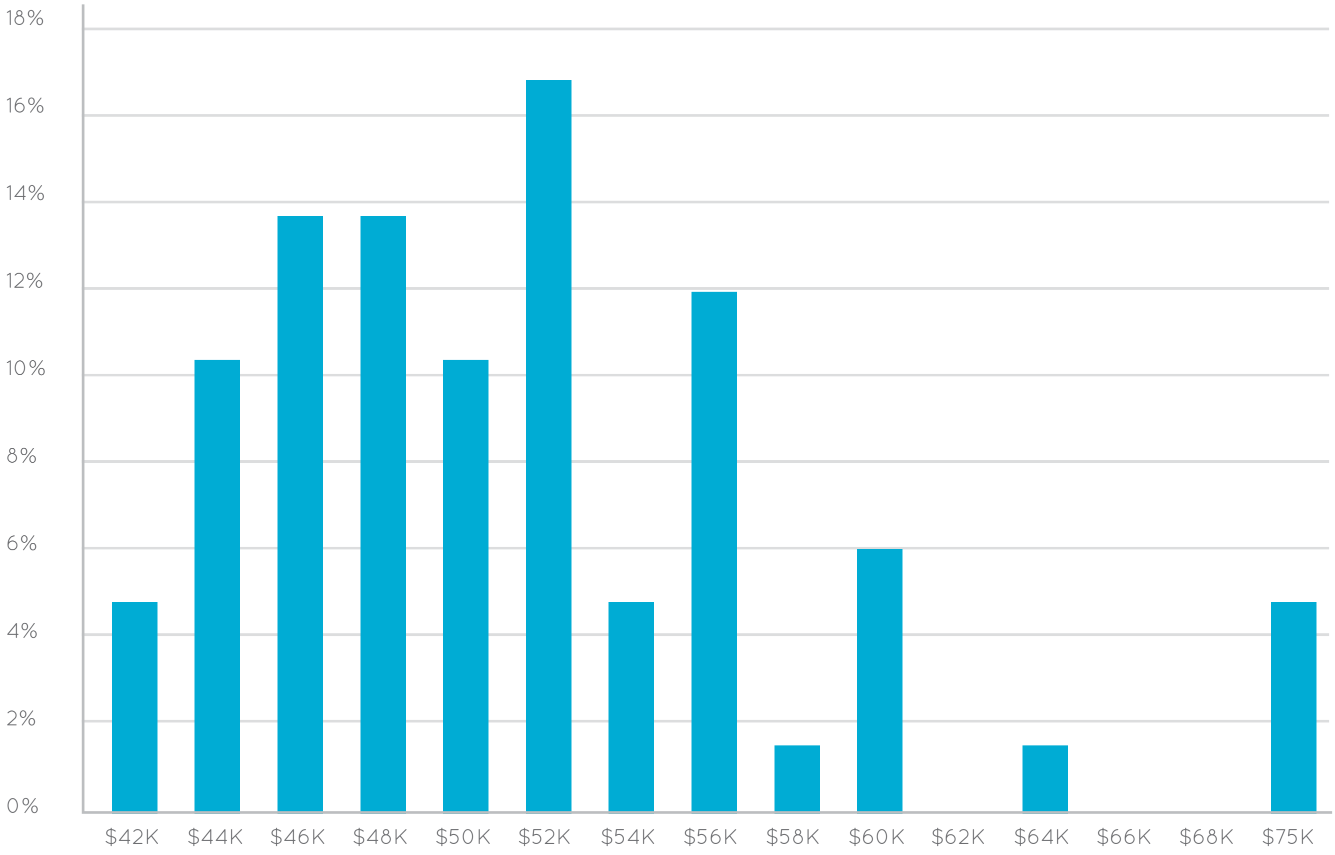
Range is $42,000 - $75,000 + super
73% of base salaries are between $46,000 - $56,000 + super

Average bonus for an "average" Customer Service employee is $2,521 + super per annum

38% of contact centres pay no bonus for Customer Service

Average bonus for a "top performing" Customer Service employee is $4,653 + super per annum

CUSTOMER SERVICE BASE SALARY



SALARIES

OUTBOUND SALES AGENTS

Outbound Sales Agent average base salary is $52,193 + super

Range is $42,000 - $66,000 + super

Around 20% of base salaries are $60,000 + super or higher

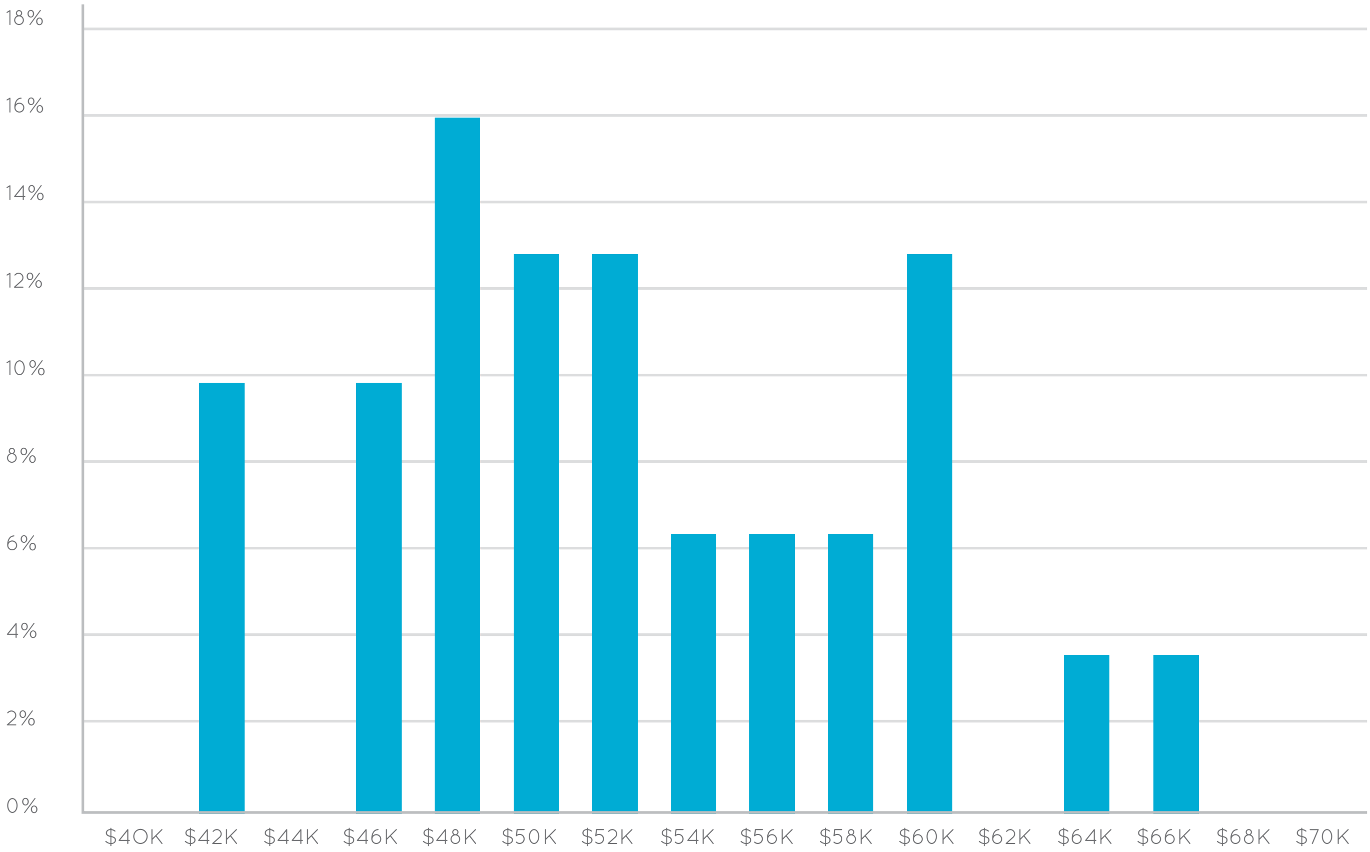
Average bonus for an "average" Outbound sales employee is $10,523 + super per annum

43% of contact centres are paying an "average" of $12,500 + super or above

Average bonus for a "top performing" Outbound sales is $22,447 + super per annum

Top 25% of performers are earning annual bonuses of over $35,000+

OUTBOUND SALES BASE SALARY



SALARIES

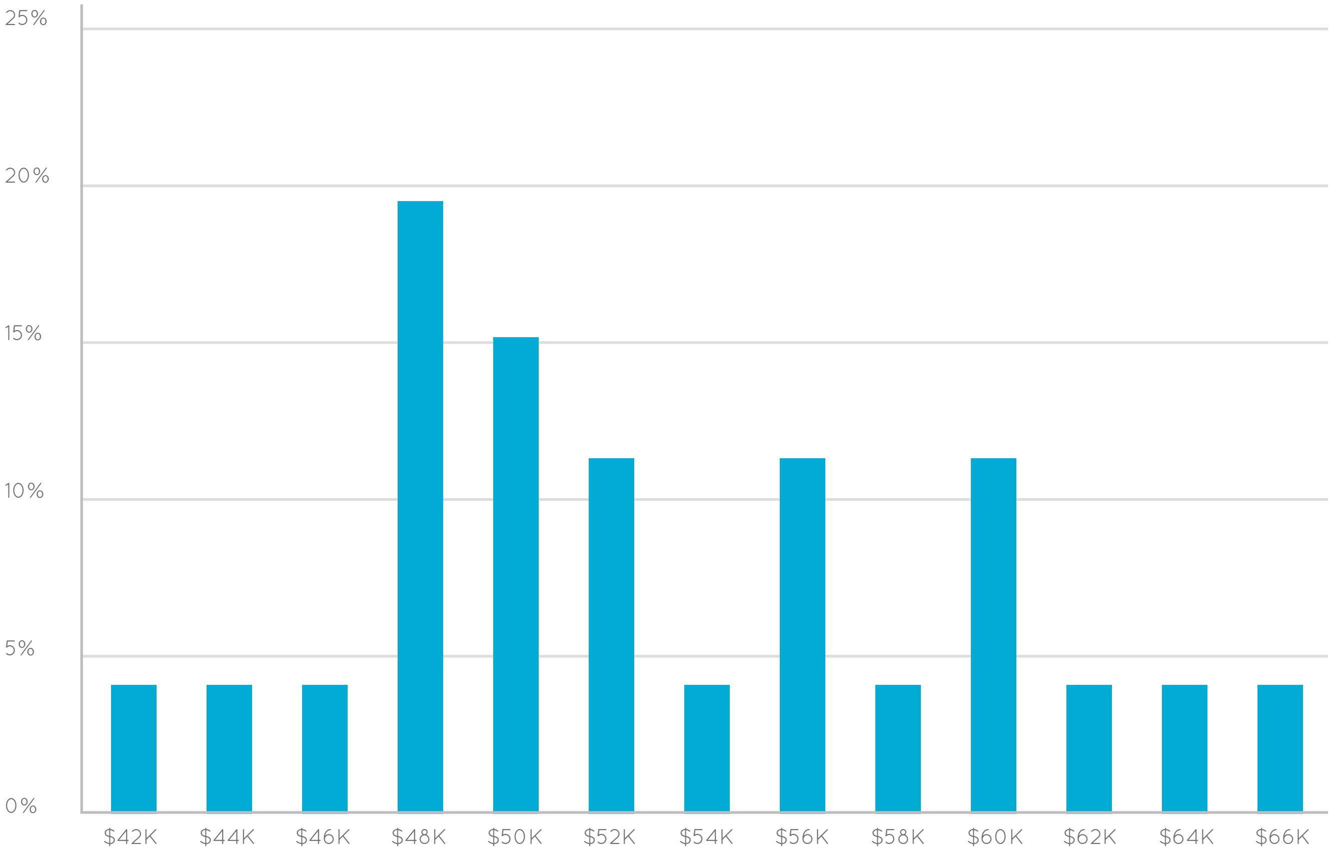
INBOUND SALES AGENTS

Inbound Sales Agent average base salary is $54,094 + super
Base salary for Inbound Sales is higher than Outbound Sales & Customer Service 69% of base salaries $50,000 + super or higher

Average bonus for an "average" Inbound Sales employee is $9,275 + super per annum
The top 20% of average inbound sales bonuses are above $17,000 + super

Average bonus for a "top performing" Inbound Sales is $20,056 + super per annum
Top 35% of performers are earning annual bonuses of over $35,000+

INBOUND SALES BASE SALARY



SALARIES

OTHER PHONE BASED ROLES

Outbound Lead Generation/Appointment Setting

Average base salary of $51,772 + super with an average bonus of $3,600 and a top performing bonus of $5,832 + super per annum.

Collections

Collection roles have an average base salary of $58,136 + super with an average bonus of $1,166 + super per annum.

Market research

Average based salary of $46,000 + super. Bonuses aren’t usually on offer per annum.

Helpdesk

Average based salary of $54,673 + super. A small number pay bonuses with the average being $3,666 per annum.

SALARIES

TEAM LEADERS

	Ave base	Ave Bonus per annum	Ave Top Bonus per annum
Customer Service Team Leader	$73,048 + super	$4,354	$7,033
Customer Service Assistant TL	$70,401 + super	$2,778	$2,917
Sales Team Leader	$73,268 + super	$9,608	$18,170
Sales Assistant Team Leader	$66,250 + super	$4,125	$11,750
Helpdesk Team Leader	$74,993 + super	$5,000	$12,500
Market Research Team Leader	$70,000 + super	$3,750	$3,750

For Customer Service Team Leader roles the range is quite broad, with base salaries falling between $60,000 and +$100,000 + super. 30% are above $80,000 + super.

However salaries for Sales Team Leaders are a lot more condensed, with 74% of base salaries falling between $65,000 + super and $80,000 + super.

SALARIES

LEADERSHIP ROLES

	Ave base	Ave Bonus per annum	Ave Top Bonus per annum
Contact Centre Trainer	$76,000 + super	$3,333	$5,499
Contact Centre Training Mgr	$94,341 + super	$4,000	$7,251
Workforce Planner	$86,802 + super	$4,769	$10,583
Campaign Manager	$88,400 + super	$6,250	>$25,000
Operations Manager	$107,574 + super	$6,892	$9,533
Contact Centre Manager	$129,696 + super	$10,081	$18,037
Head of Contact Centre	$174,830 + super	$20,391	$24,850

For Contact Centre Managers over 94% of base salaries fall between $120,000 - $140,000 + super and bonuses fall in a narrow range.

Head of Contact Centre base salaries range from $150,000 - $250,000 + super with 35% of top performing bonuses exceeding $40,000 per annum.

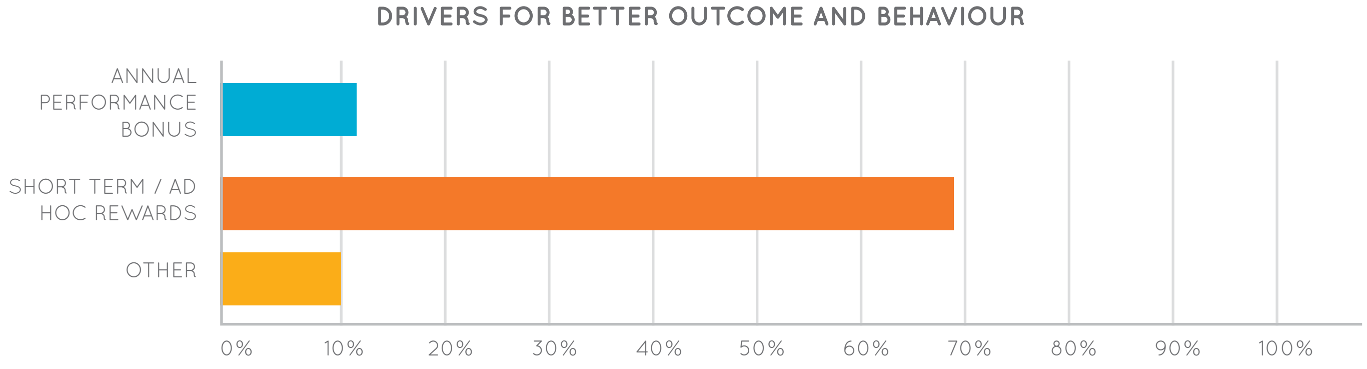
RECOGNITION

What is your most effective employee reward and recognition offering?

MONTHLY RECOGNITION
COMMISSION REWARDS
PERFORMANCE VOUCHERS
INCENTIVE PERFORMERS REWARDS
BONUS SALES FOOD PROGRAMS
PROGRAMS RECOGNITION EVENTS PEER

Reward and recognition budget per person per annum

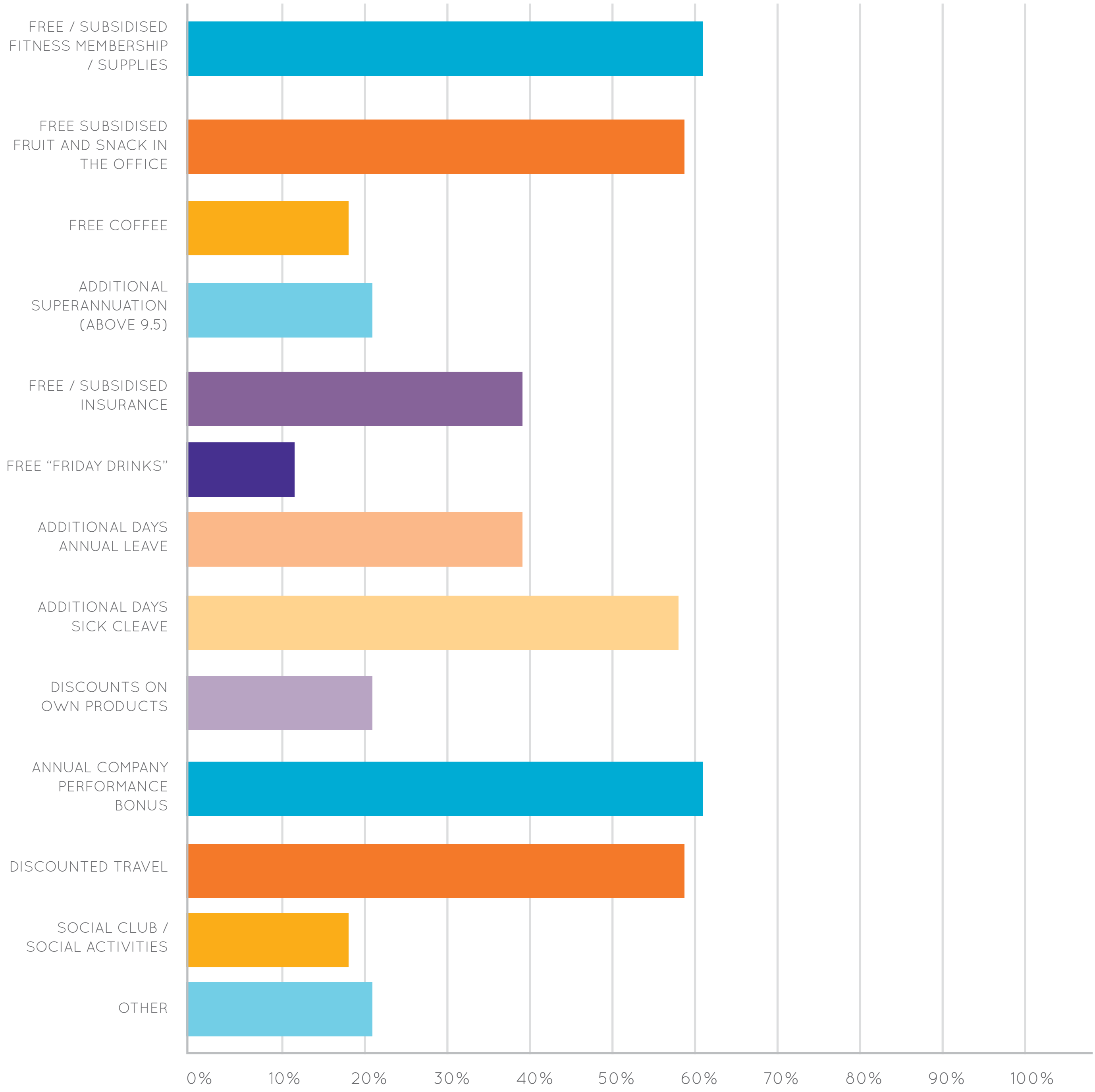
7.79%	9.09%	16.88%	15.58%	11.69%	7.79%	12.99%	7.07%
<$0	<$50	<$50 - $100	<$50	<$200-$500	<$500-$1,000	$1,000+	Alternative Arrangement



The average contact centre budget for reward and recognition is $349 per person per annum. This is above and beyond any salaried bonuses.

Short term/ad hoc rewards and incentives are seen to be the strongest drivers for better outcome and behaviours.

EMPLOYEE PERKS



On average, a contact centre offers 4-5 of the above perks

RETENTION

% OF ORIGINAL FRONT LINE AGENTS STILL EMPLOYED...

91%

AFTER 1 MONTH

86%

AFTER 2 MONTHS

80%

AFTER 3 MONTHS

75%

AFTER 6 MONTHS

67%

AFTER 12 MONTHS

BEST PRACTICE

38%

OF CONTACT CENTRES HAVE 100% RETENTION AFTER 1 MONTH.

23%

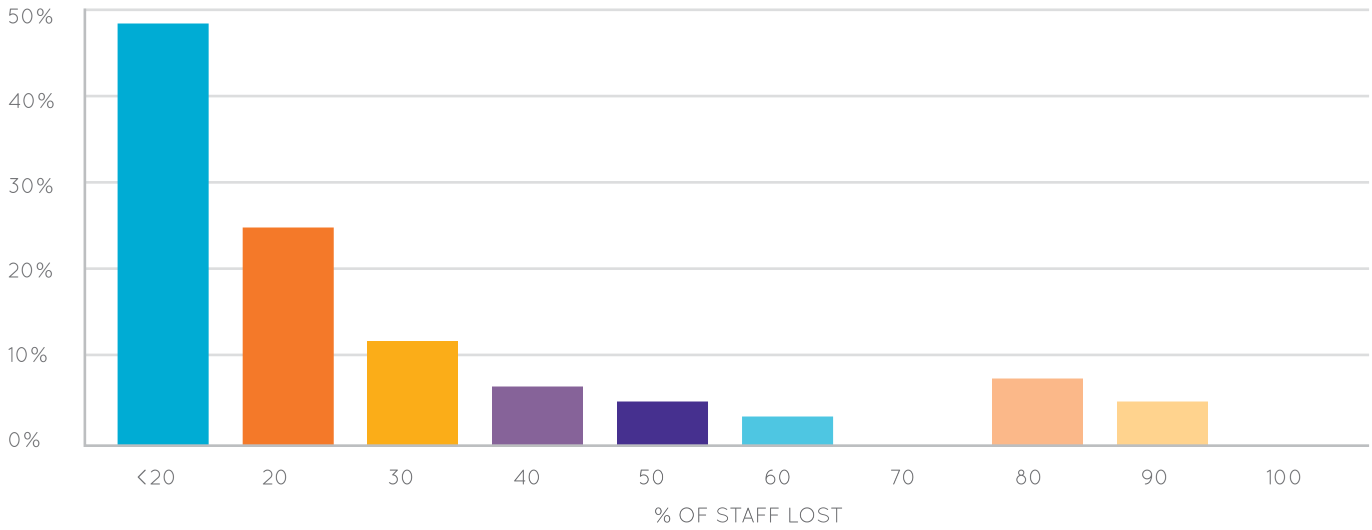
OF CENTRES AVERAGE 100% RETENTION AFTER 3 MONTHS.

16%

OF CONTACT CENTRES HAVE AN AVERAGE OF 100% RETENTION AFTER 6 MONTHS.

RETENTION

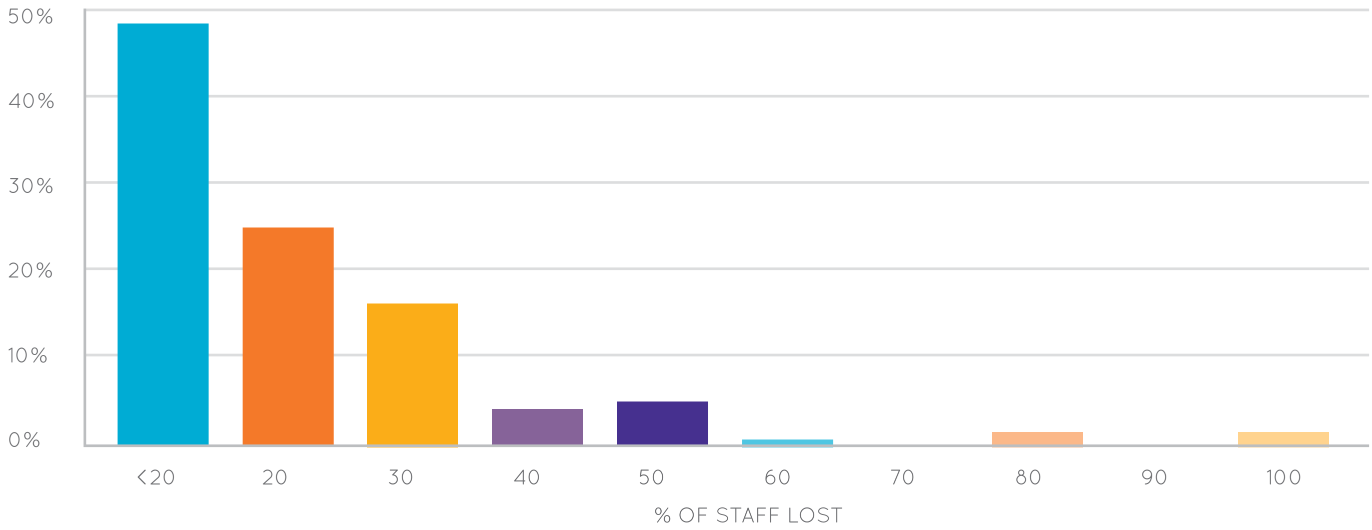
PERCENTAGE OF EMPLOYEES LOST EACH YEAR TO INTERNAL ATTRITION



On average a contact centre will lose 45% of its staff annually:
22% to external attrition and 23% to internal attrition.

Internal attrition may be positive for the organisation, however most contact centres now require a minimum of 12-18 months service before allowing the employee to move to a position outside of the contact centre.

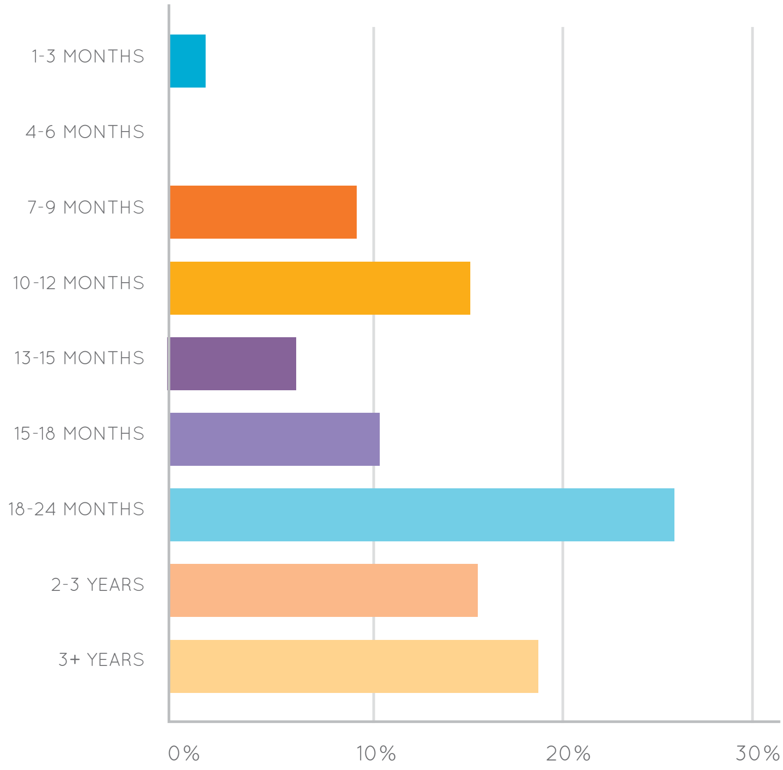
PERCENTAGE OF EMPLOYEES LOST EACH YEAR TO EXTERNAL ATTRITION



Exit surveys are completed by 75% of contact centres. BEST PRACTICE: Around half of the centres that complete exit surveys review the information.

RETENTION

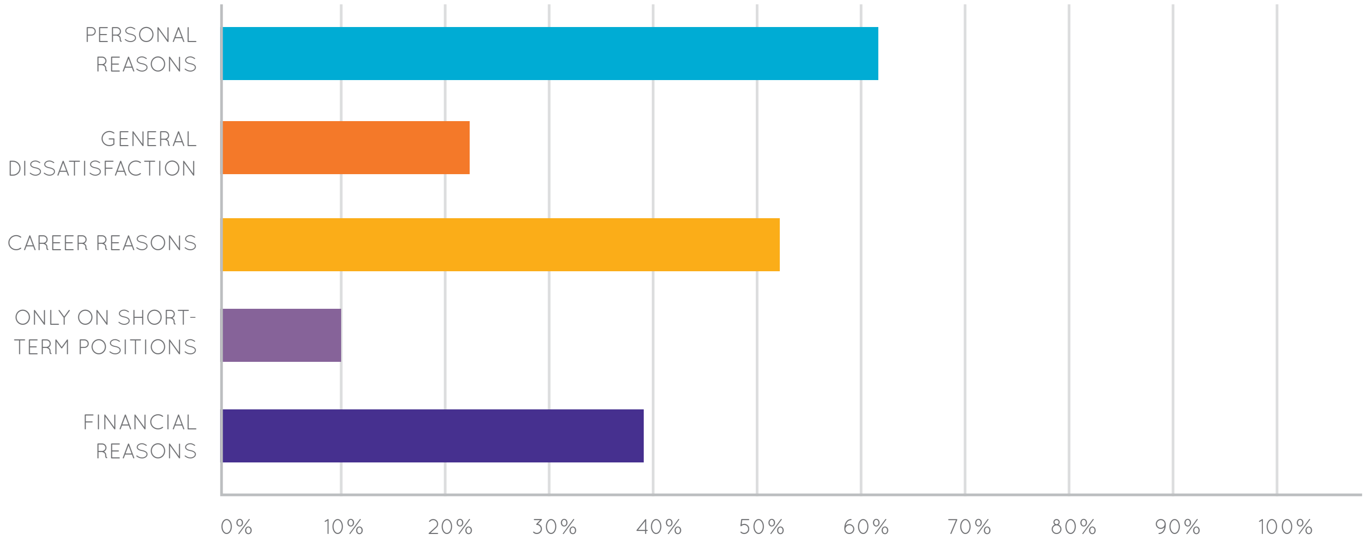
AVERAGE TENURE FOR FRONT LINE AGENTS



22 MONTHS
THE AVERAGE
TENURE FOR
FRONT LINE
AGENTS

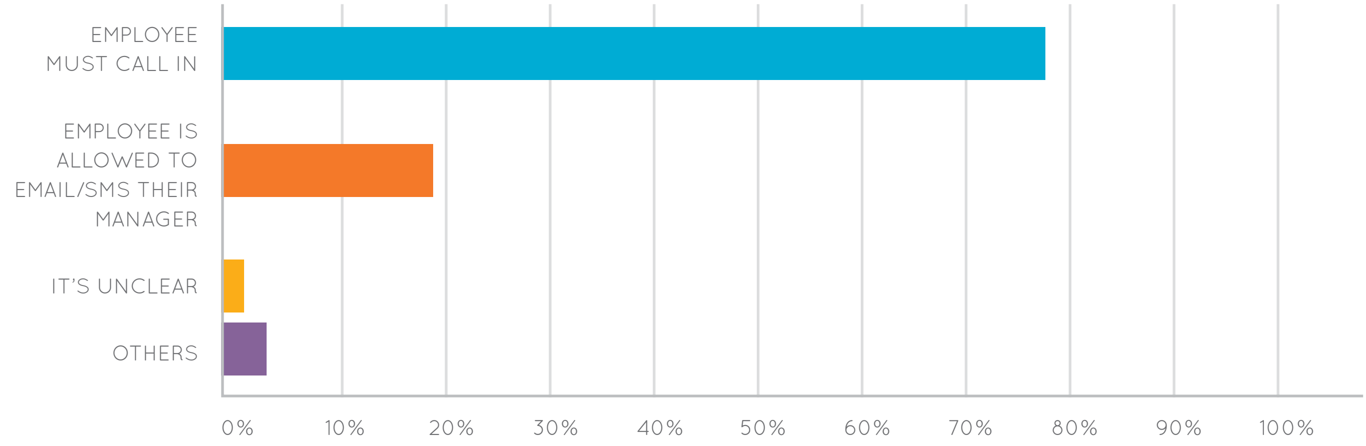
Best Practice 18% of contact centres have an average tenure of 3+ year

MAIN REASONS EMPLOYEES LEAVE CONTACT CENTRES



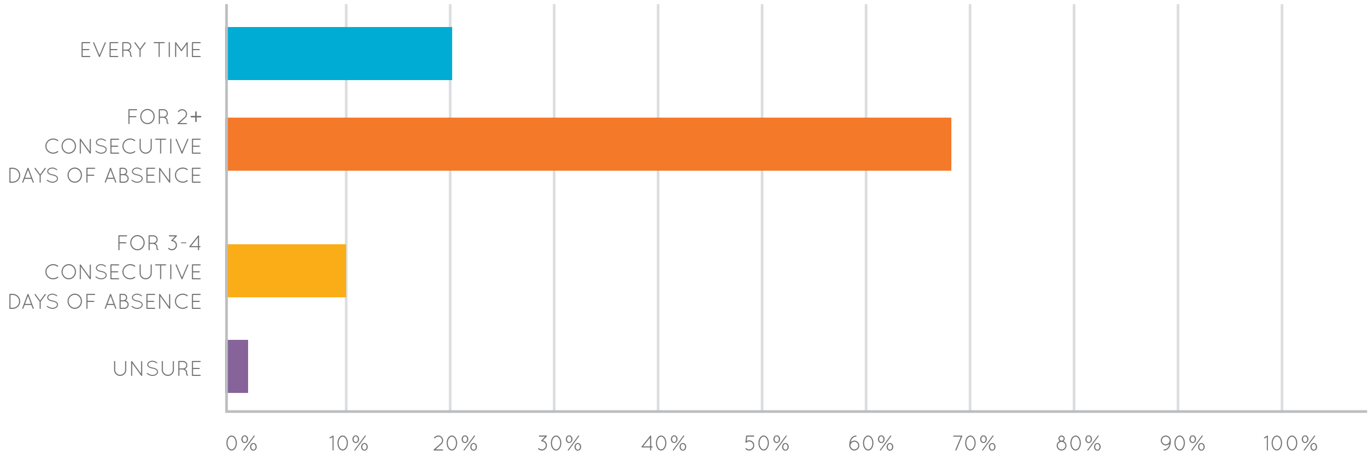
ABSENTEEISM

PROCESS FOR A DAY OF UNPLANNED LEAVE



BEST PRACTICE: There is a move towards outsourcing employee absenteeism and reporting, whereby the employee contacts a third party. This allows vigilance and ensures compliance without the contact centre leaders personally needing to get involved in potentially tricky conversations.

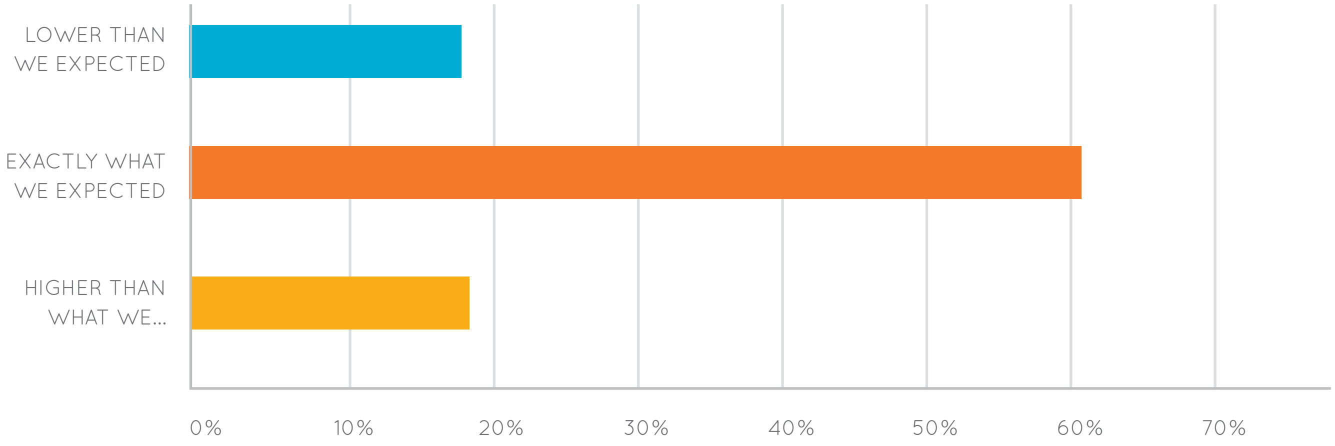
WHEN MEDICAL CERTIFICATES ARE REQUIRED



15% of contact centres provide more than the legislated 10 sick days.
BEST PRACTICE: Just over half of all contact centres have a plan in place to reduce unplanned absenteeism.

EMPLOYEE SATISFACTION

MOST RECENT EMPLOYEE SATISFACTION SCORE

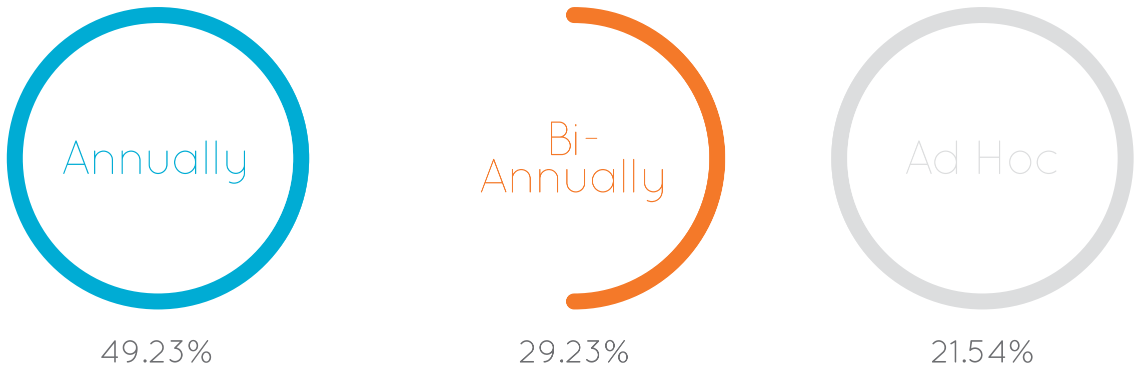


Employee satisfaction scores continue to be an area of focus for many contact centres, which is why a just over 60% have scores that they expect.

BEST PRACTICE: Scores have been rising, with 57% of centres having higher scores than 12 months ago, and only 8% lower.

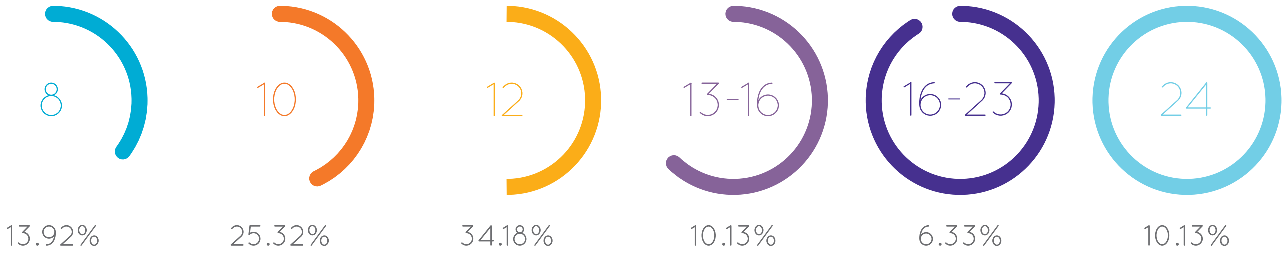
Frequent measurement is recommended for accurate readings.

FREQUENCY OF MEASUREMENT

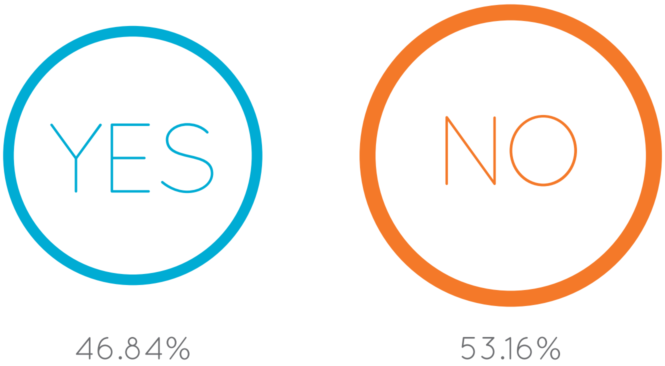


OPENING HOURS

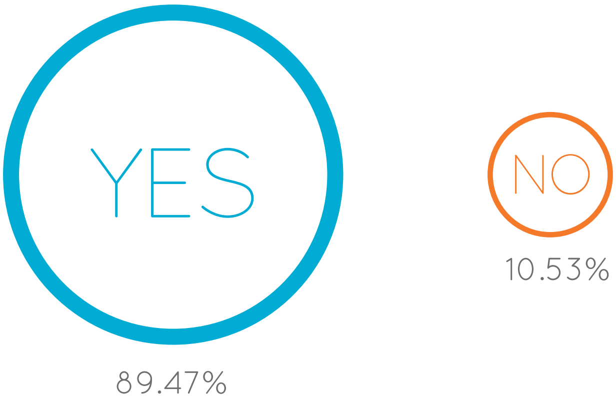
WEEKDAY OPEN HOURS



CONTACT CENTRE OPEN ON WEEKENDS



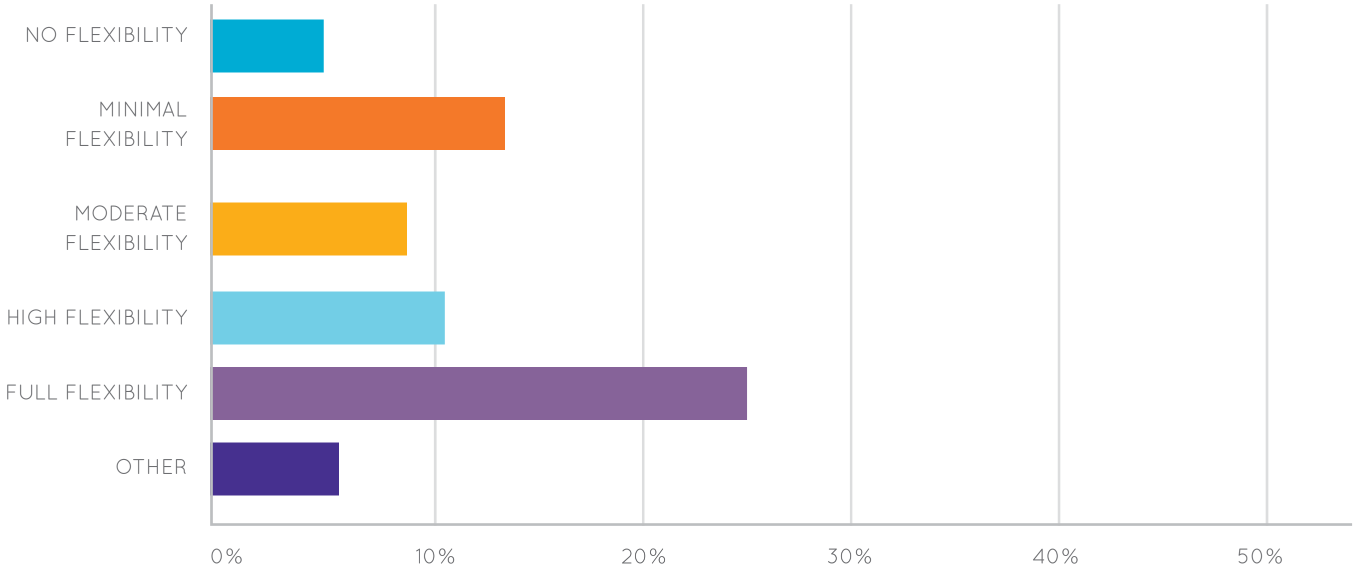
STAFF NEED TO BE PREPARED TO WORK WEEKDAYS AND WEEKEND



Whilst just under half of all contact centres are open over the weekend, nearly 90% of those that are open require their staff to be available for both weekday and weekend rostering. This can create a real work-life balance challenge for many, and makes recruitment and attraction a challenge.

ROSTERING

FLEXIBILITY WITHIN THE WORKFORCE PLANNING AND STAFF ROSTERING



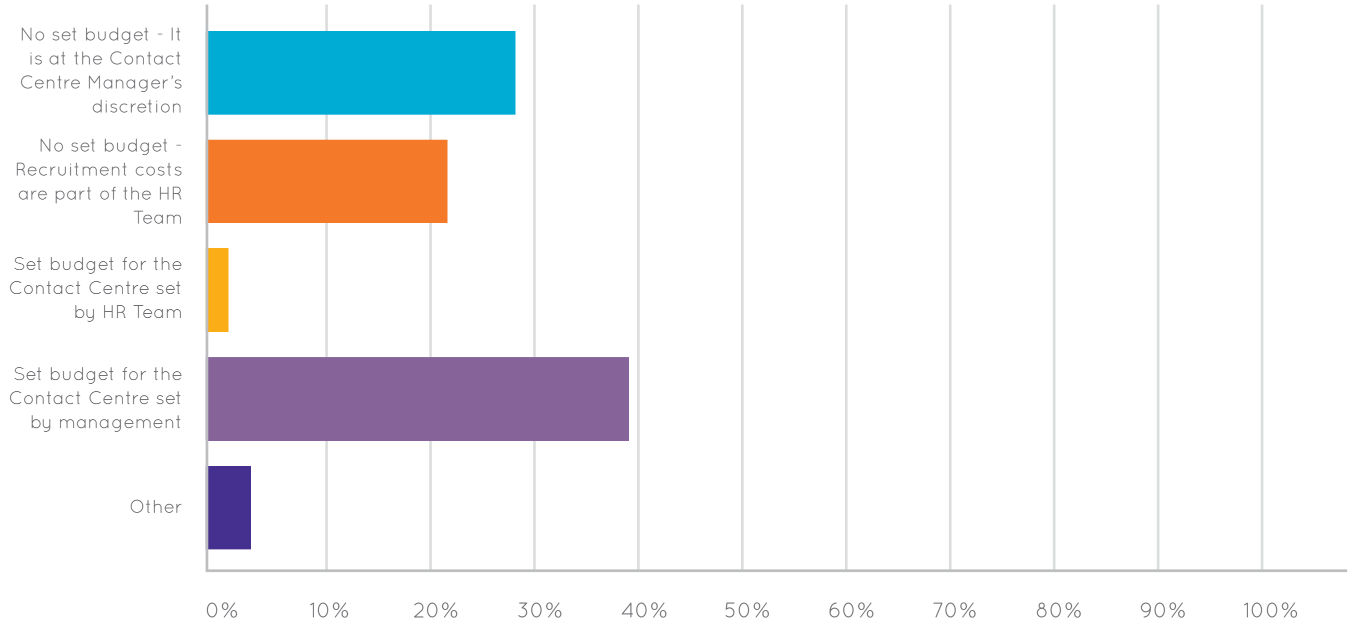
No flexibility	Shifts are set by management and staff need to meet them
Minimal flexibility	Allowed to accommodate one off events
Moderate flexibility	Allowed to accommodate weekly events (e.g. training)
High flexibility	Staff can mostly change their shifts around from week to week
Full flexibility	Staff are given full flexibility to choose the hours they want

SYSTEM USED FOR WFP / ROSTERING

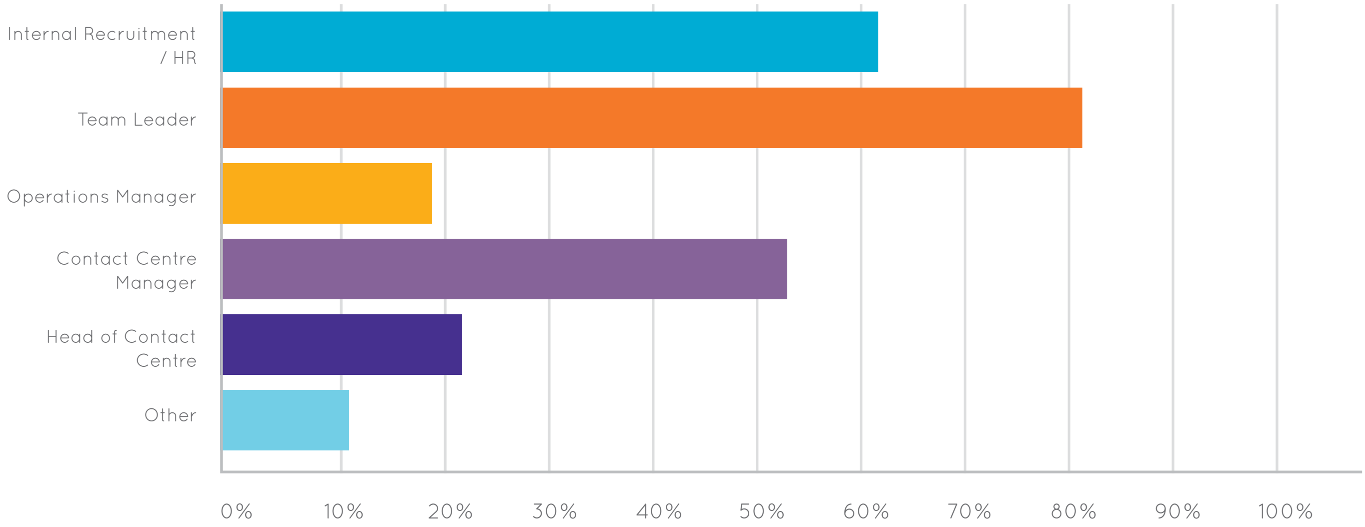
EXCEL ASPECT GENESYS WFM
VERINT SPREADSHEET EWFM DEPUTY

RECRUITMENT

RECRUITMENT BUDGET SOURCE



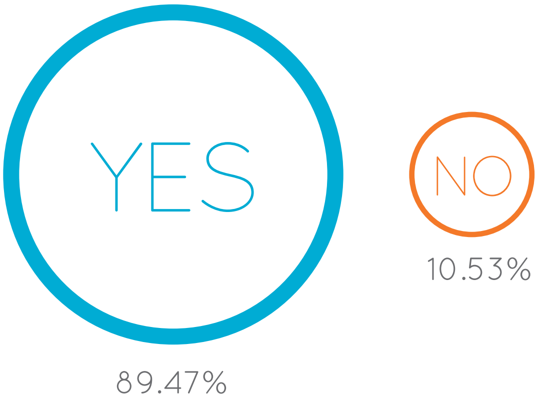
PEOPLE INVOLVED IN MEETING CANDIDATES DURING THE RECRUITMENT PROCESS



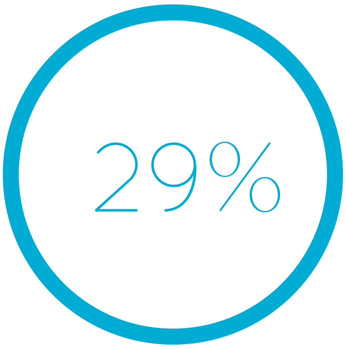
Team Leaders are the most likely people to meet and interview candidates during the recruitment process.

BEST PRACTICE: Team Leaders receive proper formal interview training several times a year to ensure they are interviewing lawfully and effectively.

DOES YOUR CONTACT CENTRE HAVE DEDICATED RECRUITMENT SUPPORT?

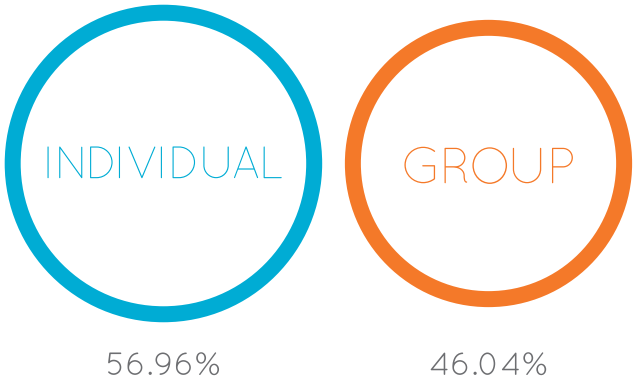


% OF ROLES ARE FILLED BY RECRUITMENT AGENCIES

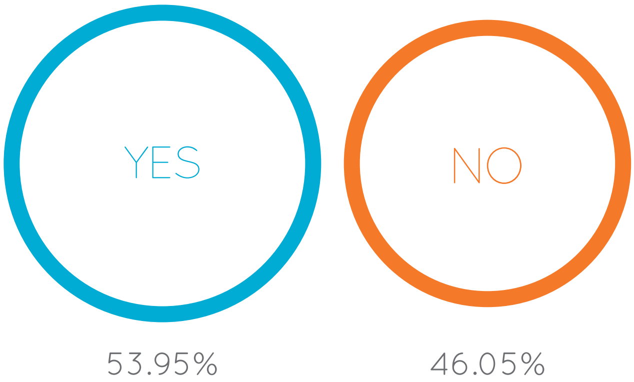


BEST PRACTICE: just over half of all contact centres compare performance at interview with on the job performance. Those that do track on the job performance are able to more accurately define the type of talent they wish to recruit, and are often surprised at which candidate profiles perform best in the long run.

INDIVIDUAL, OR GROUP AGENT ASSESSMENTS?

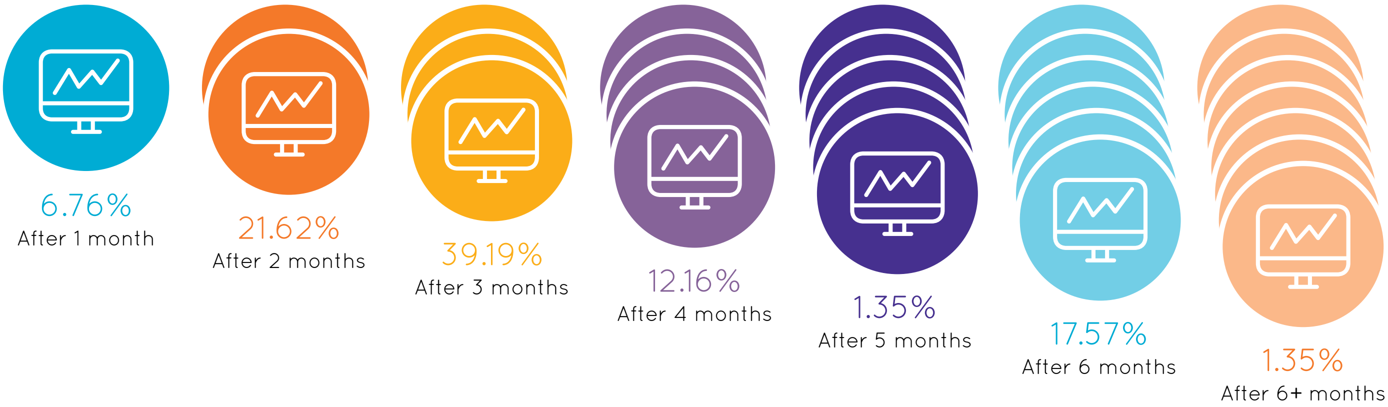


TRACKING CANDIDATE PERFORMANCE AT AN INTERVIEW WITH ON-JOB PERFORMANCE



EMPLOYEE PERFORMANCE

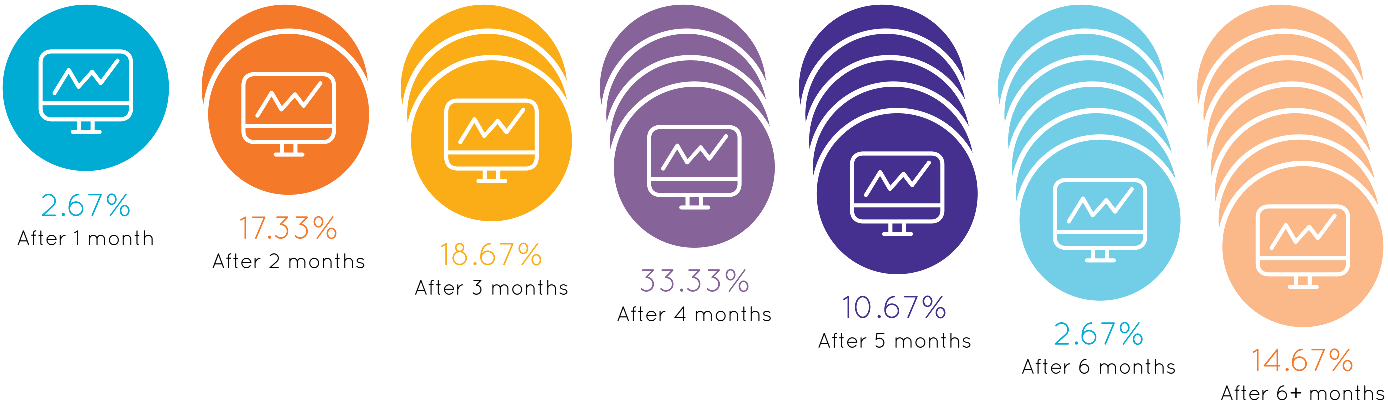
WHEN SHOULD NEW STAFF BE DELIVERING THE STANDARD KPI'S?



There's quite a variation between centres for speed to competency and at what point new staff should be delivering the standard KPI's. There's a critical mass for both around the 3 month mark.

28% of contact centres have an average speed to competency of 4 months or longer.

AVERAGE SPEED TO COMPETENCY FOR NEW AGENTS



Traditionally KPI heavy, many contact centres have reduced and streamlined their KPI's down to a limited number, with 5 being the average.

Call quality, customer satisfaction and sales ranked amongst the most common KPI's.

Performance reviews for contact centre agents is frequent, with 34% reviewed at least weekly and 97% reviewed at least monthly.

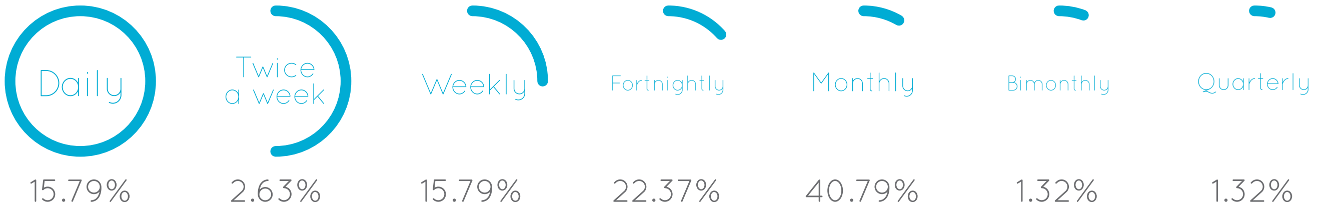
5

Average front line employee KPI's

Top 3 KPI's for Agents

QUALITY CALLS SALES
CUSTOMER CSAT CONVERSION
ADHERENCE SERVICE ACCURACY TARGET

AGENT PERFORMANCE REVIEW FREQUENCY

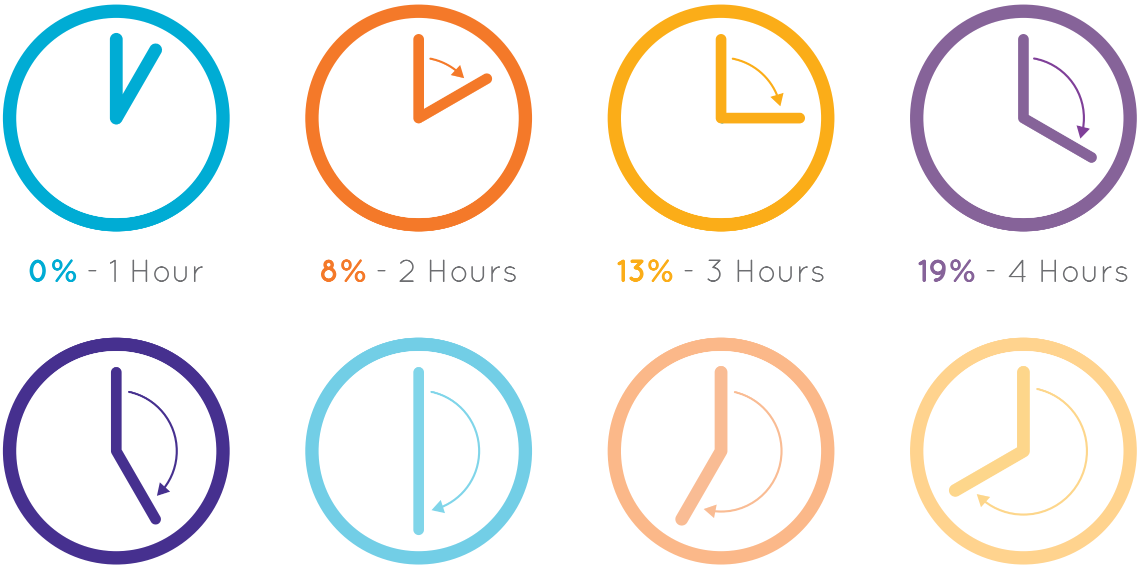


PERFORMANCE MANAGEMENT PROCESS FOR UNDERPERFORMING PERMANENT EMPLOYEES

61%	20%	1%	18%
3 FORMAL WARNINGS THEN DISMISSED	2 FORMAL WARNINGS THEN DISMISSED	1 FORMAL WARNING THEN DISMISSED	ALTERNATIVE PROCESS

CENTRE PERFORMANCE

AVERAGE TALK TIME PER 8 HOUR SHIFT



0% - 1 Hour

8% - 2 Hours

13% - 3 Hours

19% - 4 Hours

28% - 5 Hours

27% - 6 Hours

4% - 7 Hours

1% - 8 Hours

The average talk time in an 8 hour shift is 4 hours and 42 minutes. At the upper end, 32% of agents talk for 6 or more hours per shift on the phone. The "lowest" talk time is around 2 hours.

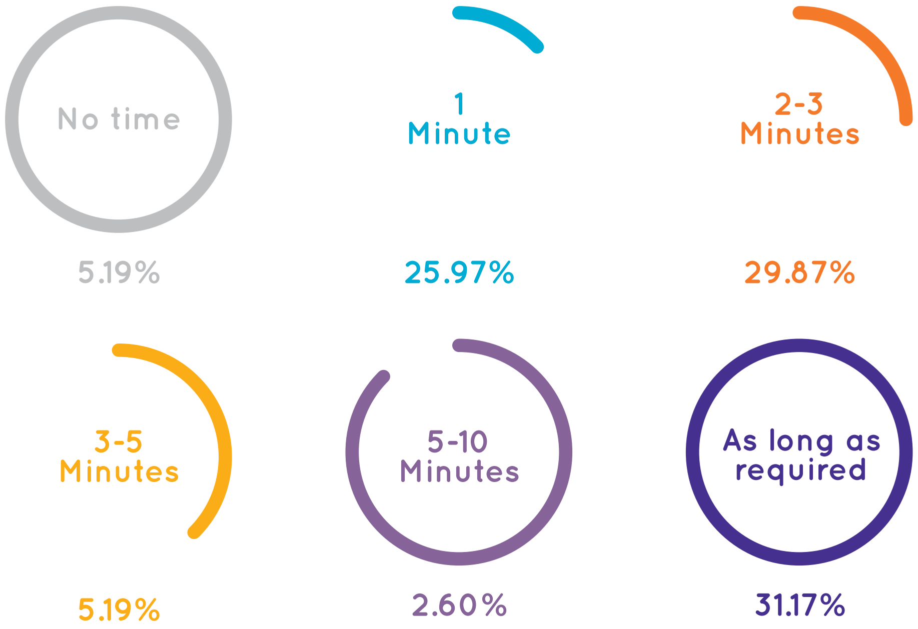
CALL TYPES HANDLED

7.89%
Outbound Activity

51.32%
Inbound Activity

40.29%
Both

TIME ALLOCATED FOR AFTER CALL WORK



For centres that allocate a specific time allowances, around 80% of them allow between 1 and 3 minutes.

MEASURING QUALITY ASSURANCES PER AGENT (MULTIPLE ANSWERS ALLOWED)

55.31%
Predicted (e.g. 2 calls per agent per month)

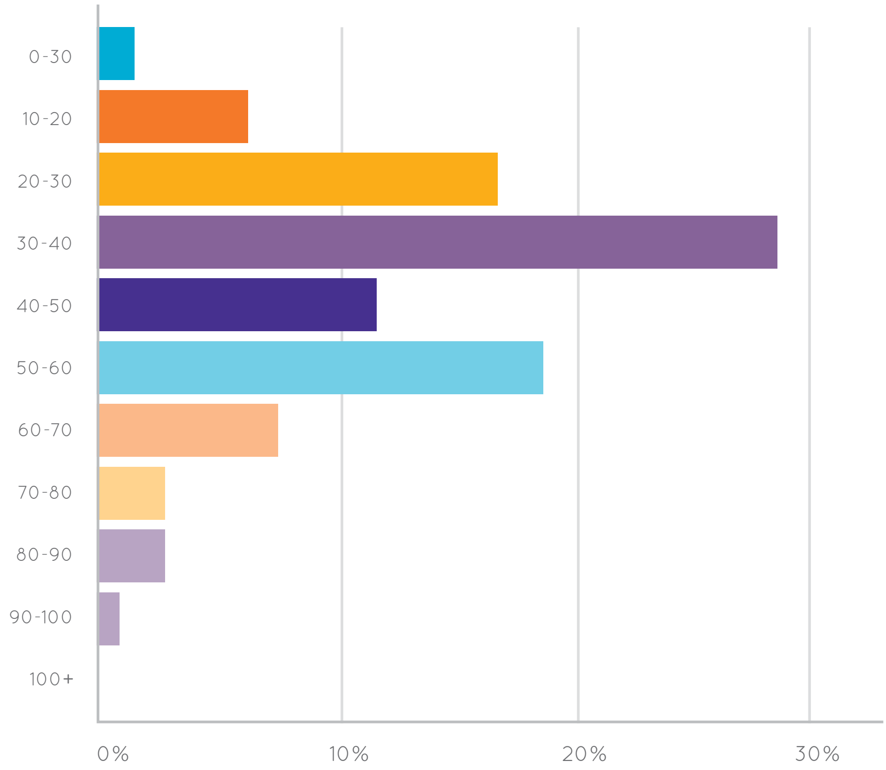
39.19%
Random

47.30%
Targeted (e.g. greater focus on poor performers or an area of importance

PERFORMANCE

INBOUND ACTIVITY

AVERAGE NUMBER OF CALLS EXPECTED TO BE HANDLED PER DAY



42

THE AVERAGE NUMBER OF CALLS HANDLED BY AN INBOUND AGENT

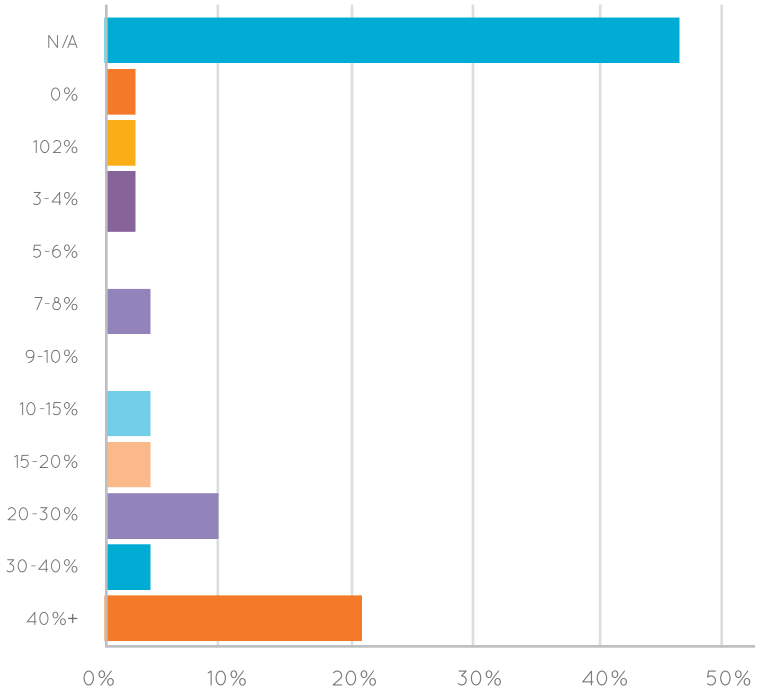
16%

THE EXPECTED FIRST CALL CONVERSION

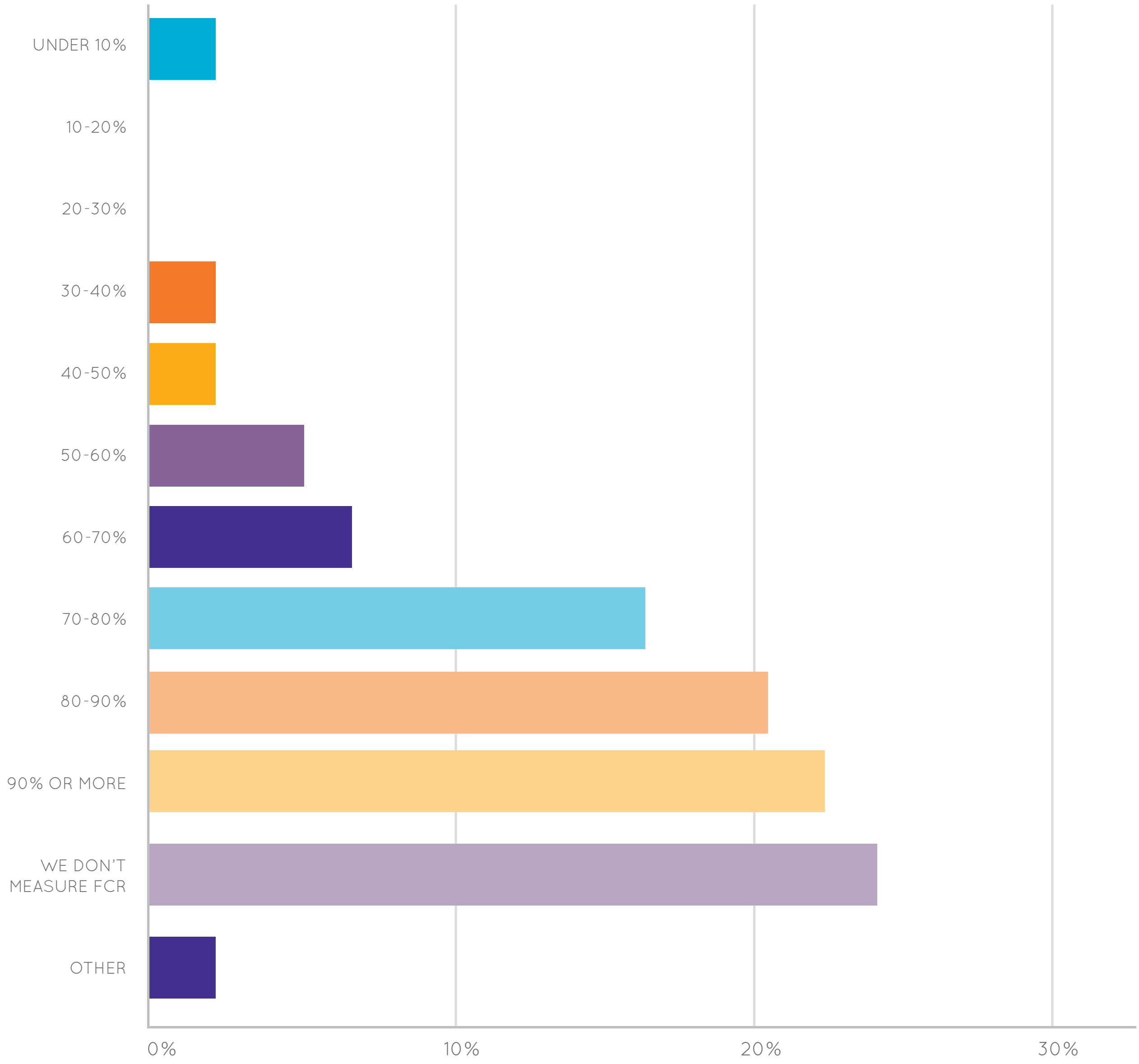
32%

THE EXPECTED FIRST CALL CONVERSION WHEN N/A IS REMOVED

INBOUND SALES - EXPECTED FIRST CALL CONVERSION



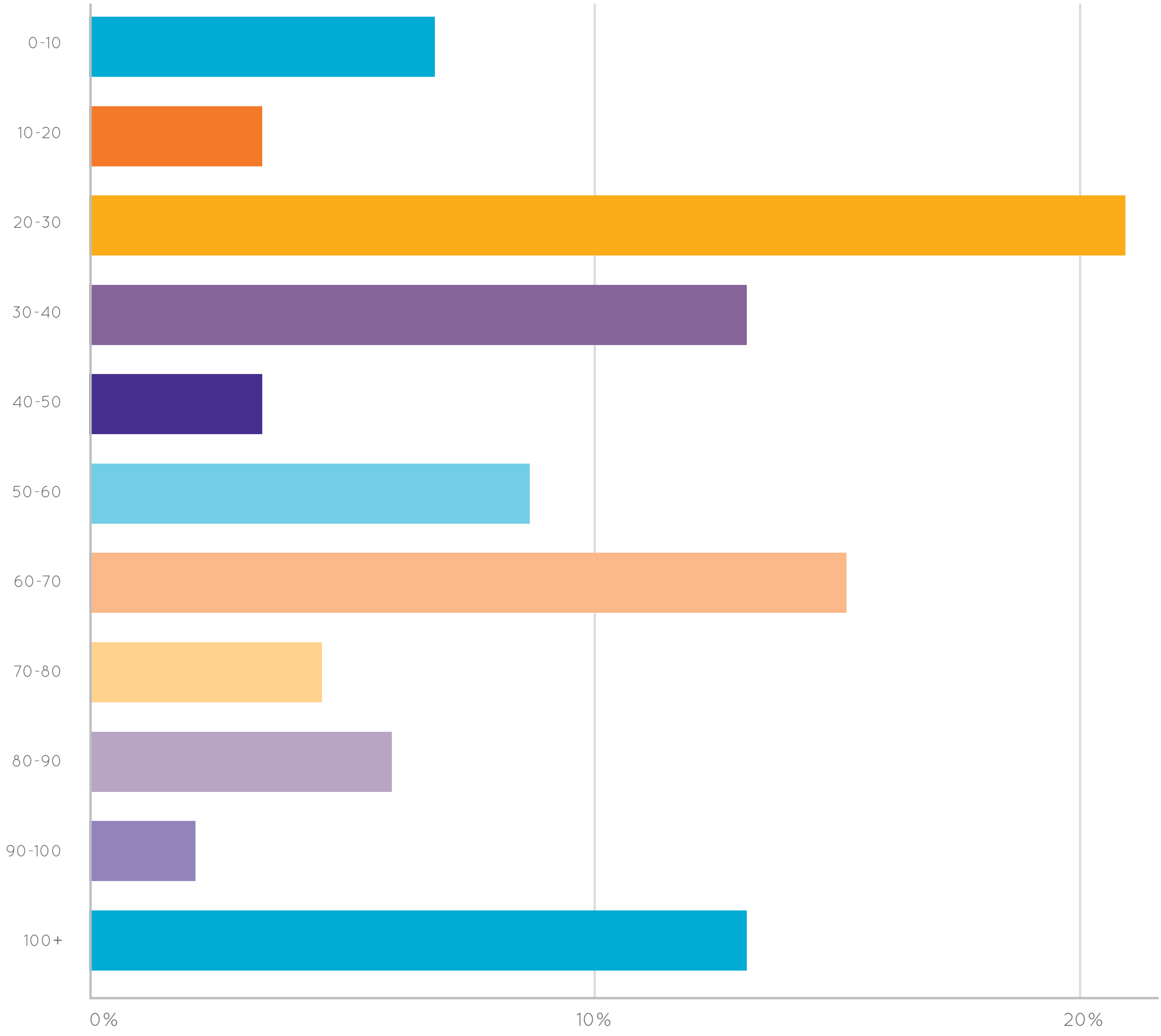
FIRST CALL RESOLUTION AVERAGE % FOR INBOUND CUSTOMER SERVICE



PERFORMANCE

OUTBOUND ACTIVITY

AVERAGE NUMBER OF OUTBOUND CALLS EXPECTED TO BE MADE PER DAY



The average number of outbound calls expected to be made per day is 53. On the low end, 33% of contact centres expect 30 or less calls to be made per day. 22% of contact centres expect more than 80 calls per day to be made.

OUTBOUND SALES

15%	30%
THE AVERAGE EXPECTED SALES CONVERSION ON AN OUTBOUND CALL	18% OF CONTACT CENTRES EXPECT OUTBOUND SALES CONVERSION TO BE ABOVE 30%

MARKET RESEARCH

28%	>40%
THE AVERAGE EXPECTED COMPLETION RATE FOR OUTBOUND MARKET RESEARCH	AROUND ONE-THIRD OF CONTACT CENTRES HAD A COMPLETION RATE OF ABOVE 40% FOR OUTBOUND MARKET RESEARCH

ONBOARDING

EMPLOYEE COMMUNICATION BETWEEN ACCEPTING A POSITION AND COMMENCING

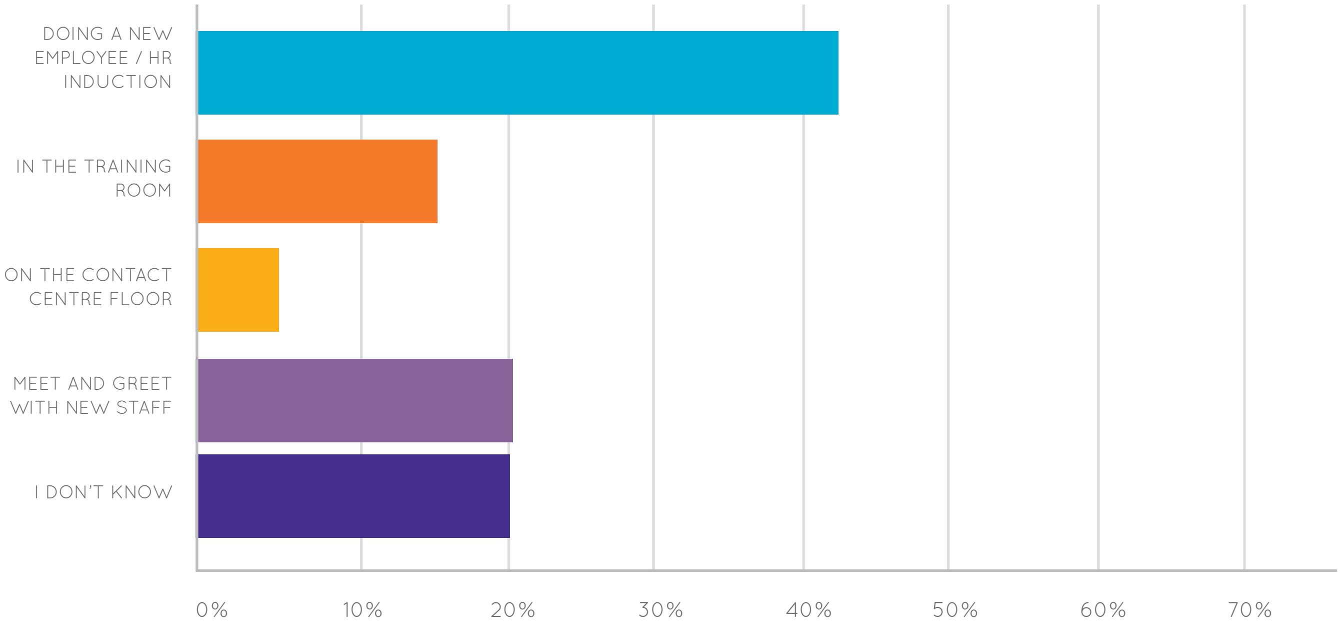
82.67%	Emails / mail from HR team
30.67%	Email from their Team Leader / Trainer
10.67%	SMS from their Team Leader / Trainer
49.33%	Phone call from their Team Leader / Trainer
8%	Other

Employee onboarding within contact centres has become an area where there is a large gap between the best and the rest. 24% of contact centres have moved away from a Monday start, with some believing a shorter first week is best.

Newly recruited employees can't seem to get too much communication from their new employer, especially if it is personalised.

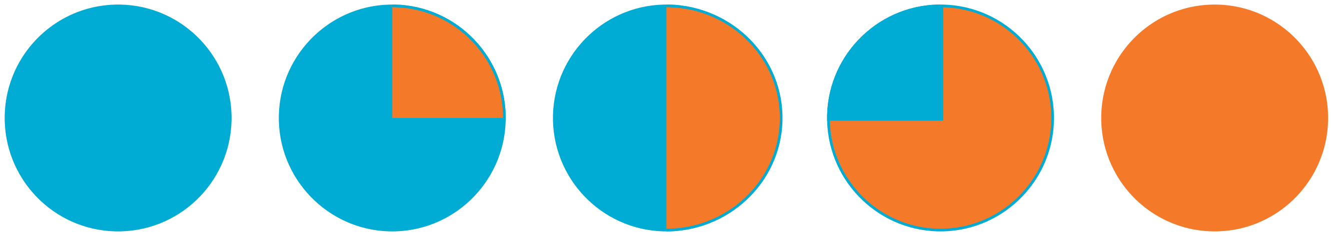
BEST PRACTICE: 40% of Contact Centre Managers personally contact new hires before they commence in the role.

NEW EMPLOYEE'S FIRST STOP (30 MINUTES INTO DAY 1)



TRAINING & DEVELOPMENT

TRAINING METHODS



2.63%
100% classroom based

2.63%
75% classroom based
25% learning on the floor

2.63%
50% classroom based
50% learning on the floor

15.79%
25% classroom based
75% learning on the floor

2.63%
100% learning on the floor

TRAINING AND INDUCTION PROGRAM DURATION

10.53%
1 week

30.26%
2 weeks

10.53%
3 weeks

23.68%
4 weeks

2.63%
5 weeks

9.21%
6 weeks

5.26%
7 weeks

7.89%
8+ months

Nearly all centres have a blend of class room and "on the floor" type training. Training and induction program durations really do vary in length, however most run for between 2-4 weeks.

BEST PRACTICE: training hours are identical to working hours at around half of all contact centres.

60% of trainees are required to pass a test before completing their training and moving into the contact centre. Those that fail are usually given the chance to retest and/or are retrained. Talent mapping and succession planning occurs at some level for 76% of contact centres.

BEST PRACTICE: 28% of contact centres put staff through formal training before promoting them to a leadership position.

HOURS ALLOCATED TO TRAINING PER WEEK

Agents	Team Leaders	Senior Managers
4	2	2

FORMAL TRAINING PRIOR TO LEADERSHIP POSITION

YES	NO	SOMETIMES	OTHER
28%	41.33%	26.67%	4%

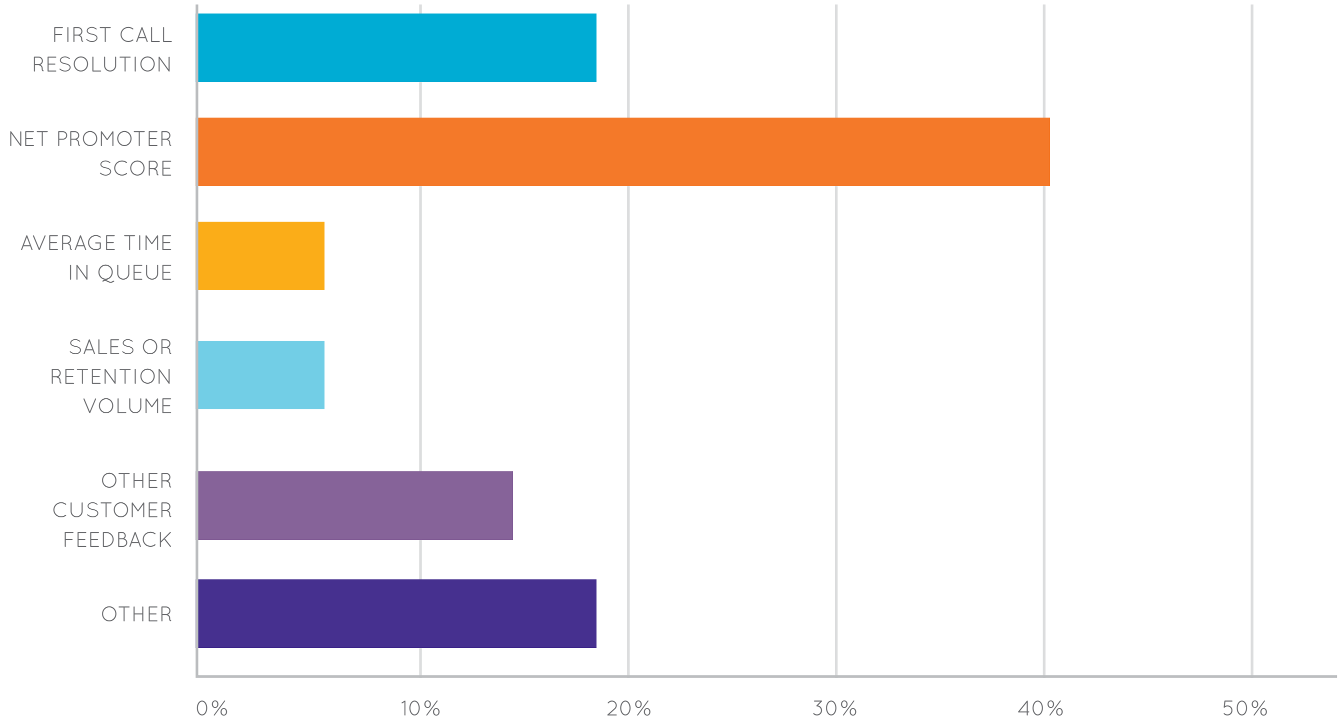
AVERAGE SPEND ON TEAM LEADER TRAINING

<$500	$500-$1,000	$1,000-$2,000	$2,000-$3,000
30.43%	21.74%	14.49%	14.49%

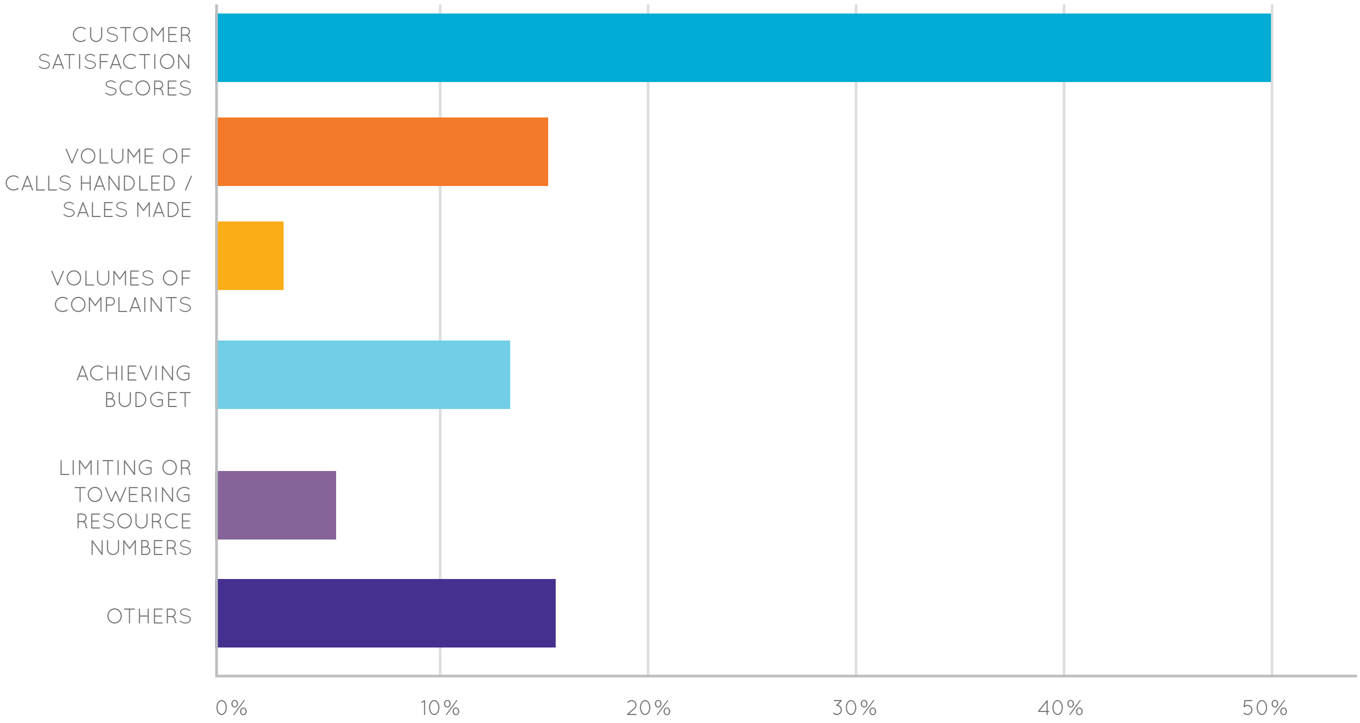
$3,000-$4,000	$4,000-$5,000	$5,000-$10,000	$10,000+
4.35%	5.25%	5.80%	1.45%

The average spend on Team Leader training is $1,900 per year

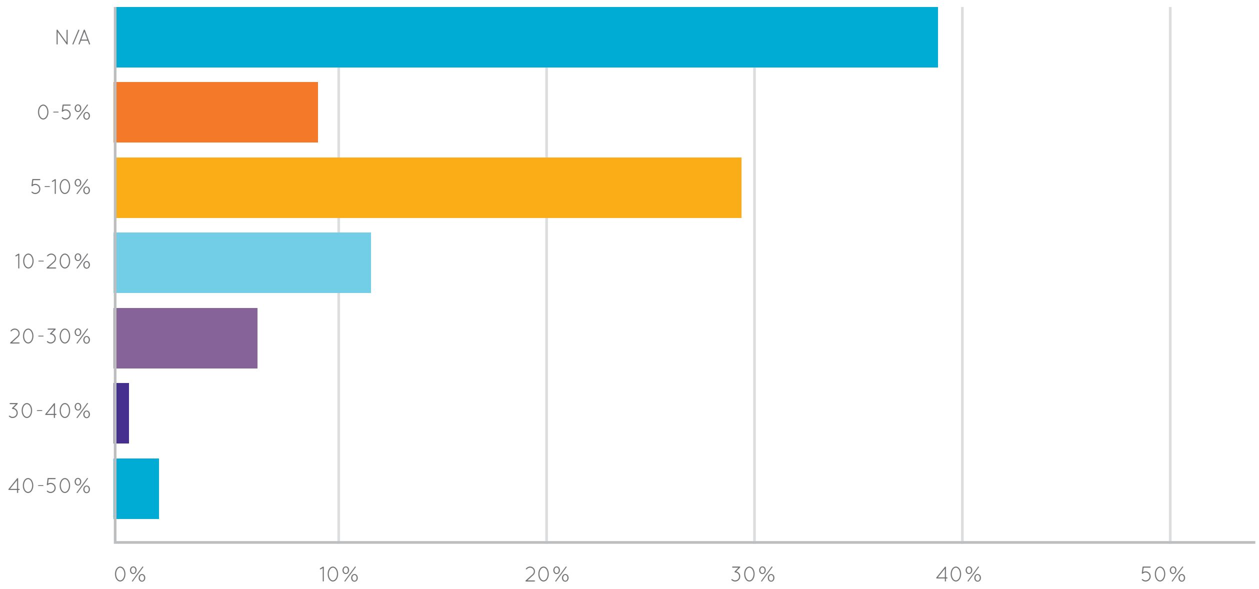
MAIN CUSTOMER SATISFACTION MEASURES



MAIN ORGANISATIONAL FOCUS



AVERAGE CUSTOMER CHURN RATE



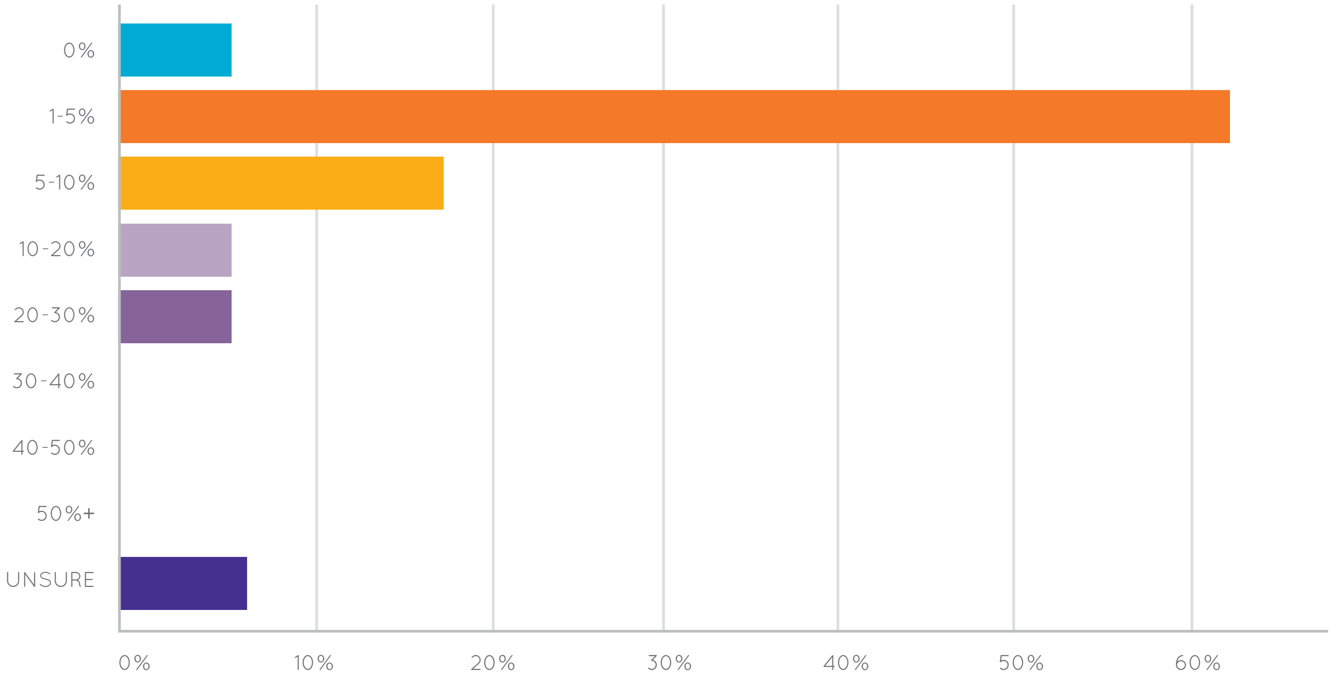
The average customer churn rate is 12.7%
BEST PRACTICE: 9% of contact centres have a customer churn rate of 0-5%

BEST TECHNOLOGY INTRODUCED IN THE LAST TWO YEARS TO IMPROVE CUSTOMER EXPERIENCE

SURVEY CUSTOMER PHONE
IVR NPS PLATFORM VOICE
ZENDESK CRM SYSTEM LIVE CHAT SMS

THE QUEUE

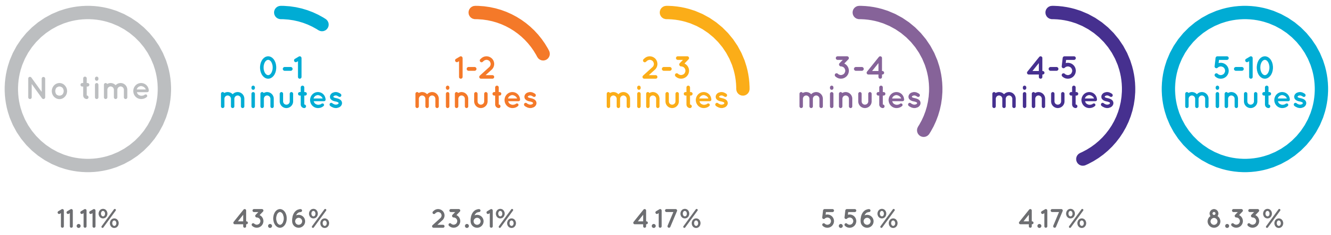
AVERAGE ABANDONMENT RATE IN THE QUEUE



The average abandonment rate is 5.5% and the average wait time in queue is 1 minute 40 seconds.

BEST PRACTICE: 6% of contact centres have an average abandonment rate of 0% and 11% of contact centres have an average wait time in queue of 0 minutes.

AVERAGE WAIT TIME IN QUEUE



TECHNOLOGY

PRIMARY CRM SYSTEMS BEING USED	DIALLER SYSTEMS BEING USED
SALESFORCE ZENDESK CRM BUILT SAP INTERNAL INHOUSE	GENESYS PURECLOUD NONE CISCO RAPPORT AVAYA

15%

of customer interactions are now via webchat

AS WEBCHAT INCREASES

36.59%
Call volume
increases

56.10%
Call volume
increases

7.32%
Call volume
remains the same

MEASURING CUSTOMER EXPERIENCE VIA WEBCHAT

YES
34.48%

NO
63.79%

UNSURE
1.72%

WORK-FROM-HOME PRODUCTIVITY

1.35%
Work from home employees are less productive

9.46%
Work from office employees are more productive

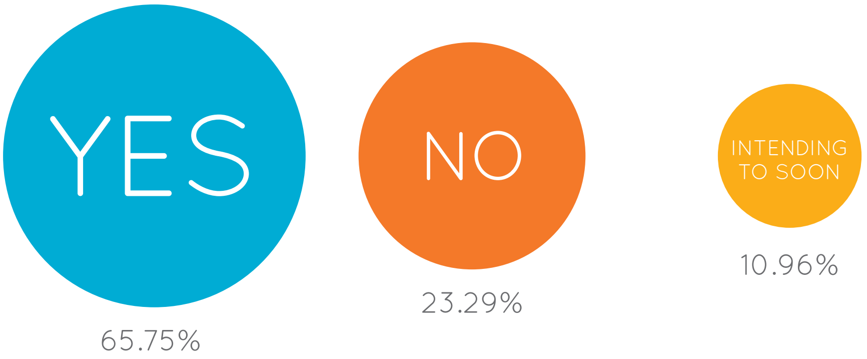
17.57%
There is no noticeable difference
70.7% N/A

Work-From-Home is offered by around 29% of contact centres, with the strong majority finding staff to be just as productive or more productive than their colleagues sitting in a physical contact centre.

BEST PRACTICE: some contact centres using cloud based solutions allow staff to choose where they would like to work from. Most chose a blend of home and office.

CHATBOT USAGE		GAMIFICATION USAGE		
YES 11.27%	NO 88.73%	YES 13.24%	NO 82.35%	UNSURE 4.41%

INVESTIGATING CLOUD-BASED CONTACT CENTRE SOLUTIONS



OFFSHORING

OFFSHORE PRESENCE

✓ YES - 31.08%

✗ NO - 68.92%

IN THE NEXT 18 MONTHS

43.68%
NO CHANGE

43.68%
OFFSHORE PRESENCE WILL INCREASE

13.04%
ONSHORE PRESENCE WILL INCREASE

TOP CHALLENGES FOR THE NEXT 12 MONTHS

REDUCING RETENTION
MAINTAINING CHANGES STAFF
CUSTOM GROWTH IMPROVING
INCREASING TECHNOLOGY SYSTEM
BUILDING AGENTS TEAM NEW SALES
CALL SERVICE WORKING EMPLOYEE

CONCLUSION

This report looks at a wide range of areas within Australian Contact Centres. Many conclusions can be drawn around what is "best practice" and results can be looked at in isolation or coupled together.

This report shows that best practice is when:

- Staff are treated well. This includes better than average pay with attractive rewards and benefits and high flexibility with rostering (and work from home options). This is reflected in rising employee satisfaction scores.
- Teams are structured to allow trained and qualified Team Leaders to give the coaching and support to the right number of agents, with the right support. Team Leaders are given formal training themselves prior to moving into a leadership position.
- Contact centres have staff retention at close to 100% for the first 3-6 months and have an average tenure longer than 3 years, losing less than 20% of their staff annually.
- Onboarding is not left to chance, with Contact Centre Managers personally speaking with new recruits prior to starting and training being a blend of classroom based and "on the floor" learning.
- The call abandonment rate is 0% with an average wait time in queue of well under a minute. First call resolution is above 90%.
- Customer satisfaction scores are not only the main contact centre focus but also the primary focus of the entire organisation.

For a contact centre to consider itself "best practice" it needs to be able to compare favourably with the factors listed above.

ABOUT US

SMAART Recruitment is a leading specialist contact centre recruitment agency. We pride ourselves on understanding our clients at a deeper level. We do this because we know this leads to a better understanding of their contact centres and how we can improve their whole organisation through recruitment.

In addition we offer market expertise, events, seminars and an industry first mentoring program. We are passionate about recruitment, and passionate about contact centres.

To learn more about how we can help your contact centre improve, reach out to a member of our team below.

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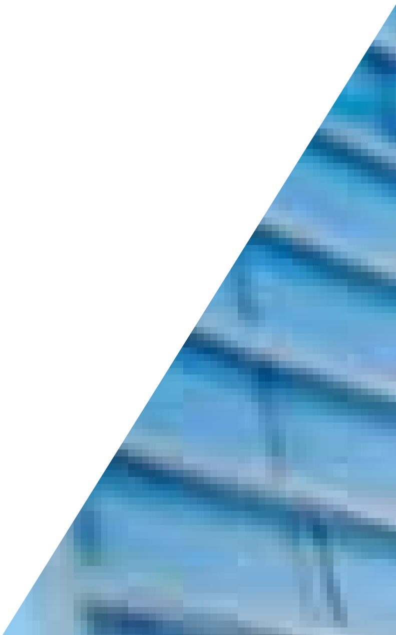

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