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Call center worker power is sustaining the in-office model

70:30 is post-pandemic goldilocks ratio of in-office: WFA for contact center services

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The benefits of digital services are all about being faster, cheaper, and more profitable—and the work-from-anywhere (WFA) economy had a huge impact on call center services. In short, savvy call center providers can operate without their huge pre-COVID reliance on packed call centers, and they benefit from automation at scale. In theory, this era should be redefining the contact center model. Still, considering double-digital growth in 2021, providers are forced into retaining their talent and creating a work environment that entices their people to stay.

Simply put—many (predominantly) younger call center workers want to go back to work at the office, and there are ample providers willing to hire them. Today's market leaders have no choice but to create the perfect balance of in-office services in tandem with work-from-home capability if they are to thrive as we limp out of the current pandemic crisis.
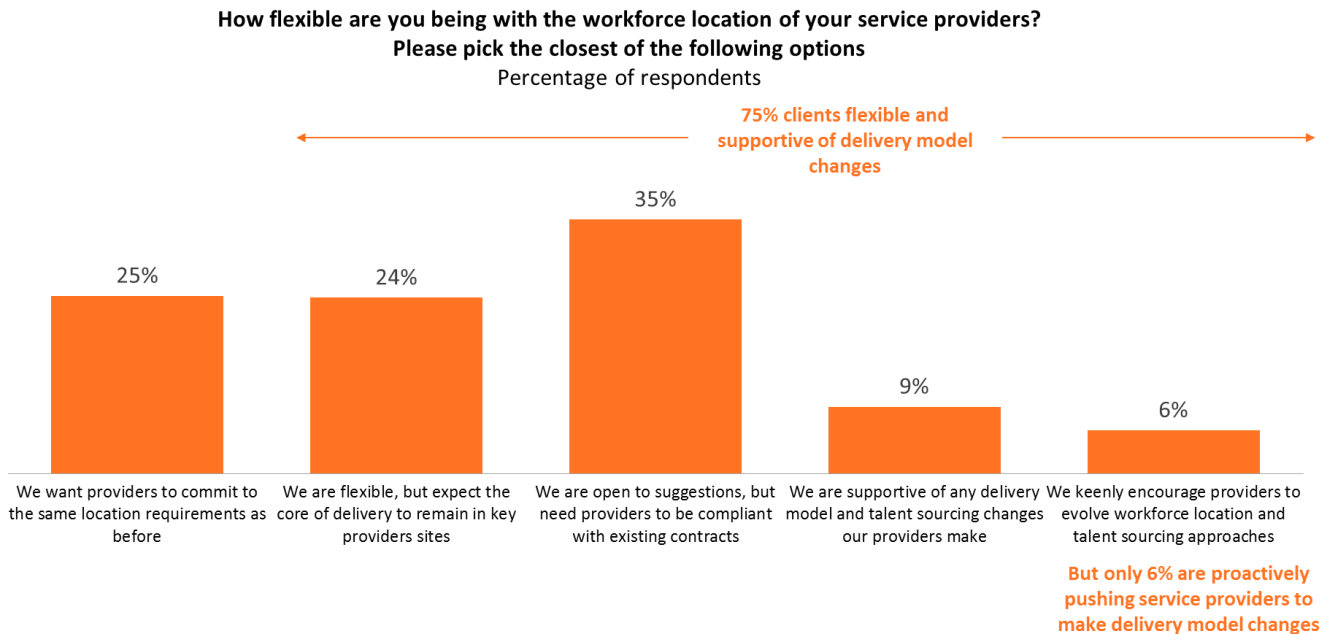
The work-from-anywhere economy only works for a third of today's call center workers

HFS' Digital Contact Center Services Top 10 briefings are in full swing, and we're speaking daily to the top service providers managing tremendous volumes of customer interactions on behalf of global enterprises. It's become abundantly clear that enterprises' cultural resistance to work-from-anywhere has all but disappeared. The diminishing resistance is accelerated because so many services providers have proven they can make the WFA model work at scale, even picking up the slack where enterprise capabilities were unprepared to make the shift securely. But now, the real question is, "Is WFA sustainable long term?"

Service providers will continue to pioneer the delivery model post-pandemic—and the majority of their employees are already going back to the office

As Exhibit 1 shows, 75% of enterprise clients are flexible and supportive of delivery model changes. It seems most are more than willing to follow their providers' recommendations, especially in the light of the expertise these partners demonstrated during the crisis of 2020 and continue to display.

Exhibit 1: Service providers will dictate most delivery model decisions moving forward

How flexible are you being with the workforce location of your service providers?
Please pick the closest of the following options
Percentage of respondents

75% clients flexible and supportive of delivery model changes

35%

25%   24%

9%

6%

We want providers to commit to the same location requirements as before

We are flexible, but expect the core of delivery to remain in key providers sites

We are open to suggestions, but need providers to be compliant with existing contracts

We are supportive of any delivery model and talent sourcing changes our providers make

We keenly encourage providers to evolve workforce location and talent sourcing approaches

But only 6% are proactively pushing service providers to make delivery model changes
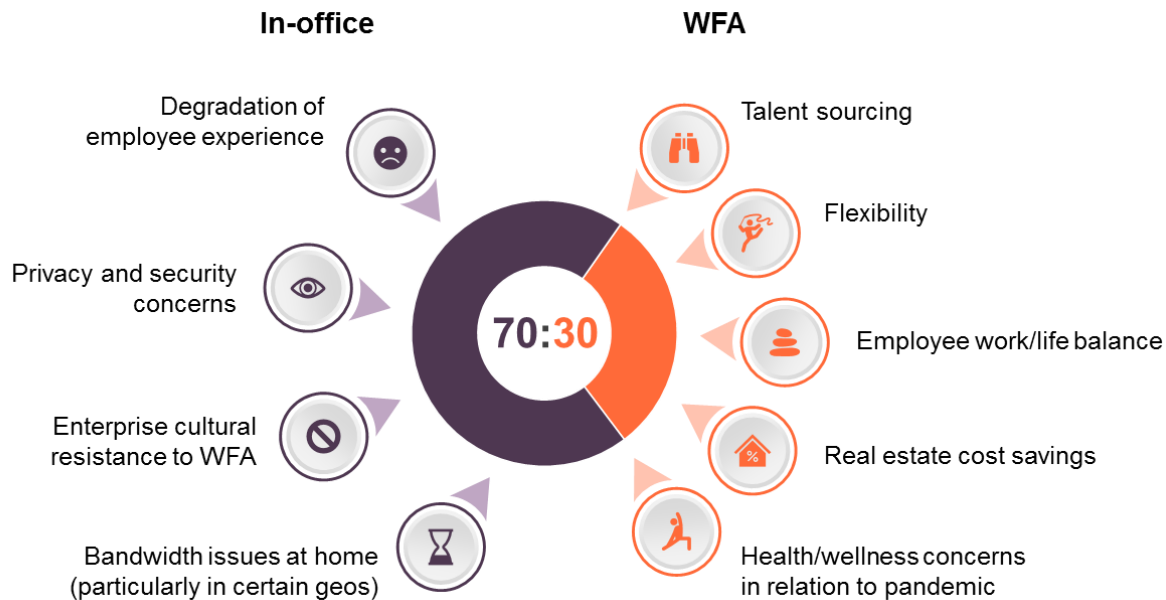
Sample: 400 executives across global 2000 enterprises
Source: HFS Research, 2020

We've been asking providers in an informal poll what their "Goldilocks" (just right!) number is for an office/WFA ratio when the dust eventually settles. The overwhelming response has been that 70% of the contact center workforce will return to the office once vaccinations are commonplace and office environments are once again deemed safe. Providers added the caveat that the ratio varies by region. For example, the balance will likely be closer to 60/40 for North America, where the work-at-home model was already very mature, mainly due to infrastructure issues being less pervasive than in APAC and regulatory issues less impactful than in Europe. Many leading providers have promised to reimburse the cost of vaccinations for employees, a move that signals their support of getting staff back in the office.

Exhibit 2: The Goldilocks ratio for contact center services

The post-pandemic Goldilocks ratio of in-office: Work from anywhere contact center services

In-office   **WFA**

Degradation of employee experience

Privacy and security concerns

Enterprise cultural resistance to WFA

Bandwidth issues at home (particularly in certain geos)

70:30

Talent sourcing

Flexibility

Employee work/life balance

Real estate cost savings

Health/wellness concerns in relation to pandemic

Source: HFS Research, 2021

While the projected 30%-40% work-from-anywhere workforce is much larger than pre-pandemic levels, in a service environment, it proves the work-from-home model works *en masse* and continues to gain client acceptance, it is surprising to hear that so many providers plan to shift so much work back to the office. Think of all the missed real estate savings. And aren't employees ecstatic to have a work/life balance that doesn't include a commute? It's not quite that simple. Some contact centers made the shift look easy (and got plenty of praise from clients for doing so!), but the reality has served many new challenges to overcome.

While many of the delivery challenges in a remote world have been primarily logistical, the impact on many call center workers has been a surprise

We frequently heard about numerous infrastructure challenges with limited bandwidth impacting call quality, particularly for employees in places like the Philippines and South Africa, where employees moved outside of the city centers to areas where ISP bandwidth is less consistent. There are other elements—that most wouldn't think about—that pop up when work traditionally conducted in an office is now relegated to a multi-family home. We've all become used to the kids playing or dogs barking in the background by now, but what about nuisances that deteriorate customer experiences on a phone call (think: widespread customer complaints of fan noises in the background)? These challenges are surmountable; however, there are other, much more important employee-driven cultural issues at play.

The absence of social camaraderie and mentorship are degrading employee experience for many workers

The strategy for work-from-home campaigns in pre-pandemic days has always varied greatly from the office-based contact center. Work-from-home programs had traditionally targeted a different employee profile since becoming commonplace in the early 2000s. Early work-from-home programs typically targeted more experienced, often older individuals seeking flexibility for personal reasons, for example, family obligations or mobility issues.

But this new anyone-work-from-anywhere paradigm is much different. It takes traditional office-based roles and moves them to the remote model.

Each organization will approach the post-pandemic 'what next?' plan differently, but contact centers are a horse of a different color in many regards. Most have done their best to replicate experiences in a remote environment, but so much of the experience cannot be replicated. Some providers find the work-from-home loyalty the early pandemic days garnered is waning, and they eventually want to return to physical centers to engage people for retention. In fact, many have already made significant shifts back to office-based environments. This shift is due to the contact center's unique culture, which had a strong sense of community and a social element that helped providers attract and retain talent.

The ubiquitous "campus-like" environments many of the leading contact centers employed are a testament to this: While a ping-pong table in the break room might not be a must-have for a candidate being recruited, it might help sway the decision. Those Starbucks break runs while commiserating about the inherent difficulties of the job helped ease frustrations. And for many contact center employees, the job is their first foray into a professional world where relying on mentors and colleagues for guidance can be an integral part of their initial career development.

The Bottom Line: Work-from-anywhere doesn't work for everyone—contact centers will primarily shift back to an office environment.

Work-from-anywhere is not a long-term strategy for every function or every individual, and many companies are leaving the decision largely up to employees. It is clear that employee experience is driving a return to in-office delivery for many contact center staff. No doubt, the pandemic has strengthened and reinforced the core elements that make a work-from-home (now work-from-anywhere) strategy tick, but in the long term, when safety concerns have lessened, companies will rely on what makes their *employees* tick to deliver for their clients on customer experience.

HFS Research authors

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Melissa O'Brien is Research Vice President, Customer Engagement, Retail and Travel Strategies at HFS Research. Melissa leads HFS' research initiatives for digital front office services, including customer engagement operations, digital marketing, cognitive agents and CX design and consulting, focusing on the trends and change agents that are driving customer experience across the enterprise. In addition, her industry research focuses on key dynamics within retail, CPG, travel and hospitality, with regards to customer-centric strategies, intelligent operations and service delivery.

Melissa brings over 13 years of both hands-on industry and analyst experience to her role at HFS. She previously led IDC's Worldwide Customer Experience Management Services program, including in depth analysis of evolving contact center business process delivery and consumer communication trends. Prior to IDC, Melissa held various roles in the contact center BPO industry, including new client implementation, program design, and training development and delivery for contact centers in Manila and Cebu, Philippines. Melissa has led plenary sessions at HFS FORA, NASSCOM, IDC Directions, and various other service provider and industry events.

[Phil Fersht](#) | CEO and Chief Analyst

Phil Fersht is widely recognized as the world's leading independent analyst focused on the alignment of business operations and technology spanning over two decades. He has a global reputation for calling out the big trends, unafraid to share his honest views, driving a narrative on the technology and business services industries that shape many leadership decisions. His reputation drove him to establish HFS Research in 2010, which has today grown into one of the leading industry analyst firms and the undisputed leader in IT business services and process technologies.

Fersht coined the term "OneOffice" in 2016 which describes HFS Research's vision for future business operations amidst the impact of cloud, automation, AI, and disruptive digital business models. OneOffice is the foundation of the virtual workforce, where automation tools augment the employee's digital capabilities and the workplace becomes a plug-and-play, work-from-anywhere scenario. Silos between front, middle, and back-office are collapsed into one single office, where all employees are empowered and motivated by common outcomes and common values.

He received a Bachelor of Science, with Honors, in European Business and Technology from Coventry University, UK, and a Diplôme Universitaire de Technologie in Business and Technology from the University of Grenoble, France. He also has a diploma from the Market Research Society in the UK and is an expert in both quantitative and qualitative research techniques.

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HFS influences the strategies of enterprise customers to help them develop OneOffice backbones to be competitive and to partner with capable services providers, technology suppliers, and third-party advisors.

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