

Industry Standards for the Top Call Center KPIs

This blog specifies some industry standards for the top call center Key Performance Indicators (KPIs).

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[Industry Standards for the Top 10 KPIs](#)

This blog specifies some industry standards for the top call center Key Performance Indicators (KPIs). Most call center managers know the need to track KPIs to assess the efficiency and effectiveness of their call center people, processes, policies, and technology.

However, for many call center managers, what is often unclear is the industry standards for the KPIs. Therefore, tracking, benchmarking, and reporting KPIs of your call center is crucial for understanding your strengths to build on and weak points to improve.

Furthermore, knowing how your KPIs compare to the industry standards allow call center managers to make informed business decisions for resource allocation. The industry standards are based on SQM Group's benchmarking KPIs with over 500 leading North American call centers that handle customer service calls.

[This blog discusses the top 10 KPIs and industry standards](#) to ensure that your call center is on track to being efficient and effective in delivering great customer service. So, let's get started:

1. First Call Resolution Rate
2. Customer Satisfaction Score
3. Average Handle Time
4. Service level & Response
5. Agent Turnover
6. Occupancy Rate
7. Abandon Rate
8. Callers Put on Hold

9. Callers Call Transferred

10. Complaint Calls

1. First Call Resolution Rate

The Call Center Industry benchmark average for the First Call Resolution rate is 70%. The FCR rate means that 30% of customers must call back the organization about the same inquiry or problem.

The First Call Resolution industry standard for a good FCR rate is 70% to 79%. Therefore, call centers with an FCR rate below 70% need improvement. Conversely, the World-class FCR rate is 80% or higher, and only 5% of call centers can achieve the World-Class FCR Rate from a customer experience (CX) journey perspective.

It is important to emphasize that the FCR rate varies by call centers, call types (e.g., billing, claims, orders, inquiries, technical), lines of business (LoB), and industries. Also, the FCR rate varies for all touchpoints (e.g., call center, chat, email, website, IVR). Furthermore, the FCR rate can differ due to how the FCR rate is measured.

It is essential to mention that customers using your call center are not comparing you to your direct competitors. But instead, they compare you to the best customer service they have had with their favorite companies from any industry.

2. Customer Satisfaction Score

The Call Center Industry benchmark average customer satisfaction (Csat) score is 78%. The Csat score means that 78% of customers are very satisfied (top box survey rating response) with the call center's overall customer service.

The call center industry standard for a good Csat score is 75% to 84%. Therefore, call centers with a Csat score below 75% need improvement. Conversely, the world-class Csat score is 85% or higher, and only 5% of call centers can achieve a world-class Csat score. The Csat score also varies by call type, industry, and touchpoints.

Csat score is based on a post-call phone or email survey conducted within one business day of their interaction. The Csat score scales can vary, but the most common is a five-point customer satisfaction scale (1= Very Satisfied and 5 = Very Dissatisfied). For example, an agent's Csat score calculation is the total # of very satisfied customers (top box survey response) divided by the total # of customers surveyed. The very satisfied top box survey response to determine the Csat score is considered a best practice because any other survey response represents an opportunity to improve Csat.

3. Average Handle Time

Average handle time (AHT) metric measures the average time for an agent to resolve a customer issue or problem. AHT (i.e., agent talk time + hold time + after-call task time) starts when an agent answers the customer's call and ends after wrapping up the call.

The call center industry standard for AHT is approximately 10 minutes for call centers handling customer service calls. However, other companies report the industry AHT to be 7 minutes. Furthermore, the AHT can significantly vary depending on call type, LoB, and industry.

In addition, the AHT has continued to increase every year for the last ten years due to less complex calls handled through self-service touchpoints (e.g., IVR and website self-service) and high agent turnover in recent years.

The AHT metric should be tracked at the agent level and used for coaching and improving CX. Moreover, AHT should also be tracked by call types, LoB, teams, and call centers to determine performance and identify opportunities for improvement.

4. Service level & Response

Service level metric measures a call center's ability to answer a certain number of calls in a predetermined amount of time, making it an essential call center metric. The call center industry standard for service level is to answer 80% of calls in 20 seconds.

However, [SQM research shows](#) in most cases that there is no Csat penalty for calls answered within 120 seconds. Put differently, if a customer's call is answered by an agent between 1 and 120 seconds, there is no positive or negative impact on Csat. Therefore, from a CX perspective, the standard for service level should be the percentage of calls answered within 120 seconds.

According to Call Centre Helper research industry standards for service level for the following touchpoints are:

Email – 100% of Emails in 24 hours (the better call centers are aiming to respond to 80% of emails within 15 minutes)

Live chat – 80% of chats in 20 seconds

Social Media –The industry average is difficult to define, but responding to inquiries within 60 minutes is a good standard

SMS/Messaging Apps – 80% of messages responded to within 40 seconds

5. Agent Turnover

Before COVID-19, the call center industry standard for annual agent turnover was 20% or less. Therefore, a good standard for annual agent turnover should continue to be 20% or less. However, in 2022, the agent turnover rate of 35% was the highest turnover percentage we have

ever measured in over 25 years of benchmarking this metric. It is not uncommon for world class performing FCR and Csat call centers to have 10% or less annual agent turnover.

Furthermore, agent turnover is the biggest issue hindering call centers in terms of cost and customer service. Therefore, the call center needs to improve agent turnover to ensure a sustainable work-from-home (WFH) model. As a result, SQM believes agent turnover is the number one challenge facing call center industry leaders.

SQM's research shows that 76% of call center leaders believe that agents are burnt-out working in the call center or WFH more in 2022 than in past years. Given that over 85% of agents WFH, it is widely believed that there is an opportunity to improve people, processes, and technology to improve the WFH model to lower agent turnover and increase agent engagement.

6. Occupancy Rate

Occupancy rate is the percentage of time that agents spend handling (e.g., talk, hold, and wrap-up time) customer inquiries and problems. Occupancy rate is a common measurement of how busy agents are dealing with customers. The call center industry standard for occupancy rates is between 75% and 85%.

There is a general belief among call center leaders that high occupancy rates (above 85%) are not sustainable for long periods. An 85% or higher occupancy rate for most agents feels like a sweatshop working environment.

Furthermore, higher occupancy rates mean that agents have very little time between calls, and this can cause a lot of stress, especially if they are handling a lot of non-FCR and dissatisfied customers. In addition, given the record-breaking agent turnover rate and the high percentage who feel burnout, agents need to be below the 85% occupancy rate industry standard.

7. Abandon Rate

The abandon rate is the percentage of calls that are dropped by customers before they are able to reach an agent. The call center industry standard for call abandon rate is 6%. Generally speaking, call center abandonment rates of less than 5% are considered good. Sometimes, it is acceptable if the rate is between 5% and 10%.

However, if the rate is over 5%, in most cases is viewed as too high. The call abandonment rates can vary depending on the industry, call reason, line of business, time of day, and day of the week. Furthermore, most call centers with great Csat have a 3% or less call abandon rate.

It is essential to mention that false call abandonment rates happen within the first 10 seconds of a call and represent up to 2% of call volume. Therefore, for accuracy and benchmarking purposes, the call abandon rate calculation should include calls abandoned within the first 5 or 10 seconds criteria.

8. Callers Put on Hold

Most customers put on hold are told that they are being put on hold; the average on-hold length is 55 seconds. The call center industry standard for the percentage of callers being put on hold is 46% of them are put on hold when talking to an agent. A good percentage of the callers for being put on hold standard is 35% or less of the call volume.

SQM research shows that there is a significant difference in Csat and FCR for customers put on hold compared to customers not put on hold. When customers are put on hold, Csat (top box response) is 13% lower, and FCR is 16% lower than when customers are not put on hold.

Customers prefer a live hold practice, meaning that the customer can talk to the agent at any time versus being put on mute and not speaking to the agent. Another important finding from SQM's research around live hold is that the average handle time is shorter with a live hold versus a mute hold. The main reason is that the agent has more urgency to resolve the call when the live hold business practice is being used.

9. Callers Call Transferred

Most customers only want to talk to one agent and preferably the first one they reach. The call center industry standard for the percentage of caller's calls being transferred to another agent or supervisor is 19%. A good percentage of the customer calls being transferred standard is 15% or less of the call volume.

SQM research shows that when a customer is transferred, Csat (top box response rating) is 12% lower, and FCR is 14% lower than when a customer is not transferred. The main reason why customers are transferred to another agent is that the IVR voice menu system did not route the customer to the right agent in the first place or the agent's knowledge, skills, and abilities are poor.

Customers appreciate a warm transfer because they do not have to repeat their information to the new agent. However, what further enhances the CX is when there is no wait time to reach the appropriate agent. But what customers really want is the agent that they first speak with to handle their call without a transfer.

10. Complaint Calls

Most call centers underreport the percentage of calls that callers would describe as complaint calls. The call center industry standard for the percentage of callers who describe their call as a complaint is 13%. A good percentage of the callers who would describe their call as a complaint standard is 8% or less of the call volume.

Most call centers are not effective at handling customer complaint calls. In addition, many call centers do not have a complaint call definition. Therefore, it is no surprise that call centers are inconsistent in identifying, tracking, and resolving customer complaint calls.

Unfortunately, SQM research shows that only 5% of call centers provide world-class service recovery Csats standard of 75% (top box Csats survey response). Moreover, we would describe most call centers with a service recovery program as somewhat effective but not good. For example, the average call center service recovery Csats (top box Csats survey response) is 47% versus world-class call centers; the Csats average is 77%.

Furthermore, 88% of customers have stopped doing business with a company because of poor call center customer service. Therefore, service recovery aims to convert dissatisfied customers to satisfied ones, so they will likely continue using a company's products and services.

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