

Call Centres, Quality of Work Life & HRM Practices: an In-House/ Outsourced Comparison

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The focus of this paper concerns a comparative study of the quality of work life for the staff based in two Australian based call centres. One is an 'in-house' public sector call centre and the other is an outsourced private sector call centre. Whether the topic is in-house or outsourced the quality of work life is an under-researched area where call centres are concerned. Similarly, much of the existing call centre research has been based on the private sector despite the public sector emerging as a large user of call centre operations. The aim of the paper is to determine whether and how the quality of work life varies between the two types of call centres in different sectors and the implications of HRM on these findings. Three quality of work life factors are reported: job content, working hours and work-life balance, and managerial/supervisory style and strategies. The in-house, public sector call centre Govtcall emerges as being inferior in terms of all three QWL measures. Conversely, the outsourced, private sector call centre, Salesplus features a management model that is more akin to what would be expected in a call centre operating under a professional service model. Although this paper is based on empirical research conducted in two Australian call centres it can assist in providing lessons for other call centres involved in globally distributed work through call centres.

Keywords:

quality of work life, public/private sector.

1.0 INTRODUCTION.

The outsourcing of customer service work to call centres has been enabled by a set of factors that include: (a) improvements in telecommunications capacity and reductions in telecommunications costs and (b) the increased use of standardised enterprise software platforms that allow for a common set of employee skills across organizations. The cost advantages are encouraging organisations to increasingly outsource their call centre operations to specialist providers, many of which are located in developing countries that have the capacity to provide a supply of skilled labour (Srivastava & Theodore, 2006).

A point of call centre differentiation is in terms of business organisation, which Paul and Huws (2002) and the ACTU (2002a) note can fit one of two main typologies. The first is the in-house call centre which can be described as either a unit within an organisation or on a separate site, and is the organisational structure most characteristic of large organisations. The second is the out-sourced call centre which is described by Burgess et al (2005:4) as 'call centres that perform contracts for related entities'. Paul and Huws (2002) differentiate between large outsourced call centres and small outsourced call centres, stating the former typically take part in a variety of activities, have multiple clients, and are often partly owned by large companies in the telecommunications/banking or computer industries. In contrast, small outsourced call centres often serve only two to three clients at a time, and have a presence in most industries in both the public and private sectors.

Regardless, the huge growth in call centres (CC) worldwide has resulted in a parallel escalation in international white collar employment (Taylor, Mulvey, Hyman and Bain, 2002, Richardson, Belt and Marshall, 2000). The proliferation and expansion of the industry can be associated with developments in information and communication technology.

This, in turn, has enhanced the efficiency and cost effectiveness of managing customer relations while expanding the applicability of CCs to a wider variety of industries ranging across the public, private, and not-for-profit sectors (Burgess and Connell, 2004). In call centres the connection between workforce competence and customer service quality is conceptually strong as most of the service delivery is performed by the customer service operators (CSOs) (Lau, 2000). The level of internal service quality has sequentially, been linked to the quality of work life through measures such as employee satisfaction, retention and productivity. In the midst of this growth have emerged quite diverse depictions of job quality in CC's and the implications that these new forms of work organisation have for CSO's. Whilst it is common for CCs to be lumped together under one umbrella where the work is described as low skilled, low paid, monotonous and inducive of stress and burnout, the reality is that job quality varies significantly given the amount of diversity that characterizes the CC market (Paul and Huws, 2002). Factors such as the CC sector, industry, services provided, size, structure, level of technology, location, and levels of unionisation represent important variables that influence the quality of work life (QWL) in any CC setting (Paul and Huws, 2002; Union Research Centre for Organisation and Technology, (URCOT), 2000).

This paper will focus on the first of these variables – sectoral location - to determine whether and how the quality of work life within two call centres varies between the public and private sectors. The paper will report on findings relating to three key QWL elements: job content, working hours and work life balance, and managerial strategies with a particular focus on the influence of HRM on these factors. Human resource management practices are of significant interest to call centre researchers with most suggesting associations between effective HR practice and improved performance outcomes (Hutchinson, Purcell and Kinnie, 2000). The paper will commence with a brief overview of the CC literature where the three factors of QWL identified are concerned in order to highlight the key gaps addressed by this research. The comparative case study research methodology will then be outlined. Thirdly, findings from the two case studies will be presented according to the three QWL factors, followed by a discussion with regard to the implications for HRM.

2.0 QUALITY OF WORK LIFE.

Thus far, quality of work life has been a traditionally under-researched area where call centres are concerned. The bulk of the call centre literature that touches on job quality has tended to adopt a Marxist labour process approach, where critical analysis has focused on the manifestation of the logic of capitalism in work organisation; the inherent power struggle between employers and workers; and worker response in these respects (see Knights and McCabe, 1998; Taylor and Bain, 1999). Furthermore, much of the existing call centre research has centred primarily on isolated aspects of call centre work including stress, burnout and emotional labour (Deery, Iverson & Walsh, 2002; Healy and Bramble, 2003), gender (Belt, 2002; Mullholland, 2002), monitoring and surveillance (Barnes, 2004) and team-work (Townsend, 2004).

Quality of work has been defined as 'better jobs and more balanced ways of combining working life with personal life' (Eurofound, 2006). As the concept of QWL is multi-dimensional it may not, of course, be universal. However, key concepts tend to include job security, reward systems, pay and opportunity for growth among other factors (Rossi et al, 2006). That said, the findings presented in this article are derived from a systematic examination of the quality of work life research (see Hannif, Burgess, Connell, 2006). The scope of this paper focuses on examining the job content, working hours & work life balance, and managerial/supervisory style & strategies within two call centres in terms of their impact on the quality of CSOs working life. Each of these factors is next discussed in turn.

2.1 Job Content

While job content – specifically, job variety and job autonomy have been touched on in various studies, they have mainly been examined in relation to variations in call centre management models. Generally, researchers have noted that those organizations that compete on service quality are more likely to design tasks to maximize employee discretion and individual autonomy, in order to allow more individualized service (Hutchinson, Purcell and Kinnie, 2000a; Deery and Kinnie, 2002). Alternatively, those organizations with the goal of minimizing costs and maximizing volume tend to emphasize service standardization, hence, turning the work into a series of "repetitive, routinised and highly scripted tasks" (Deery and Kinnie, 2002: 4) leaving employees with limited job variety and little decision-making discretion (Paul and Huws, 2000; Houlihan, 2002). The main factors that are reported as contributing to high turnover in call centres are: the nature of call centre work, recruitment practices, ineffective training and development and lack of career opportunities (Connell and Harvey, 2004). Whether or not high turnover matters depends on the viewpoint of the organisation. Some organisations are content to function under a "sacrificial HR strategy" where managers accept that, after a certain period of time, usually around 12 to 18 months, call centre employees are likely

to burn out and leave the organisation. This strategy operates on the premise that it costs more to provide programs to try and raise morale and keep the staff than it does to find and train new staff (Van den Broek 2002; Wallace, Eagleson and Waldersee 2000).

As reported extensively in research papers, call centre work itself is often monotonous, repetitive and routinised, dominated by short cycle times and the prioritisation of quantitative call throughput (Connell and Harvey, 2004). CSOs lack of control and extensive monitoring, including the prevalence of targets, in addition to the strain of dealing with customers all day, means that call centre work is frequently experienced as pressurised, intensive and emotionally stressful (Taylor and Bain 2003; Richardson, Belt and Marshall 2000; Deery and Kinnie 2002). However, it could be argued that these factors have more to do with work organization than they do job content. As Koskina (2006) illustrated in her study involving nearly 200 CSOs in four call centres in Greece there are other ways to manage call centre work. Respondents involved in her study held high-discretionary work roles and felt that they had high degrees of freedom and autonomy with regard to what they said to customers. This, in turn, was associated with the trust they believed management had in their abilities. Consequently, those CSOs said they found call centre work to be challenging and stimulating.

Nevertheless, while the extant literature highlights the relationship between job content and the various management models used in call centres, thus far there has been little understanding of how job content impacts on QWL in these contexts. Some exceptions include a British study conducted by Holman (2002) where higher levels of employee wellbeing were correlated with employees having greater control over work methods & procedures and a German study of 650 employees in 14 call centres where it was found that only 22.1 % of respondents said they had some say in how work was allocated (Weinkopf, 2006). Up until now the issue of job variety remains virtually unexplored.

2.2 MANAGERIAL/SUPERVISORY STYLE AND HR STRATEGIES

Call centre managers and supervisors are likely to struggle with the 'twin logics' of achieving efficiency while providing quality customer service (Korczynski, 2001). Challenges include the requirement to manage performance and motivate employees within a high pressure, potentially monotonous work process (Taylor and Bain, 1999). Thus as Houlihan (2006) found in her call centre study, managers themselves struggle with conflicting role requirements and work constraints while often lacking the support to do so.

Clearly, the main work of CSOs is handling inward or outward calls. Accordingly, it is generally the supervisor's decision with regard to back office handling of follow up or post-processing activities which subsequently allows operators to take time off from the phones. Although (Weinkopf, 2006) suggests there is potential for CSOs to work as partly autonomous teams with larger scope for decision making. She further argues that it is the type of service provided by the call centre that determines the strongest influence on HRM strategies as does the issue of how call centre organizations approach and facilitate job control and variety. In a similar vein Batt and Moynihan (2002) found that control techniques such as job insecurity and piece-rate systems or commission were the norm in the mass production end of call centres. In what they describe as the hybrid call centre model, more employee involvement or high commitment practices were used such as designing work to provide opportunities for discretion and worker collaboration and incentives such as high relative pay and employment security. Their study also found that high involvement or high commitment HR work practices were associated with significantly lower turnover rates as well as sales growth. However, as noted by Batt and Moynihan (2002) and supported by Wallace, Eagleson and Waldersee (2000), high involvement practices are costly due to high investments in training and high relative pay. Whether there is a net performance gain is, therefore, likely to vary according to levels of labour intensity. That said researchers have concluded that the labour intensive nature of call centres, coupled with tight profit margins is likely to limit the usefulness of high involvement practices in the mass production end of call centres.

Where employers attempt to introduce high commitment management techniques, made up primarily from positive HR policies (Scholarios 1999), but do not give the employees more influence over their work, such strategies are less likely to be successful. Houlihan (2002) observes this particularly where employees see the implementation of high commitment management practices as being superficial or obstructive. One succinct description of the way HR practices can vary in call centres is Deery and Kinnie's (2002) summary of the two ways of dealing with CC pressures. If HR practices were a continuum, at one end would be a strategy being to maximise discretion and autonomy, invest in training and development and establish supportive supervision and teamwork and at the other would be a set of repetitive, routinised and highly scripted tasks with individualised pay systems, insecure jobs and workplace discipline and monitoring. While supervisors argue that call monitoring is important because it contributes towards delivering

good service to customers, and front-line employees largely agree (Frenkel Korczynski, Shire and Tam, 1999), Korczynski, Shire, Frenkel and Tam (1998) found that monitoring can undermine the trust necessary to engender commitment from employees. They found that employees have a deeply ambiguous response to monitoring. Moreover, there is evidence to suggest that employees resent the close monitoring of breaks and would like more control over the way they are monitored (Barnes 2004). Hence, some companies have resorted to sophisticated HR strategies that combine the needs of control and commitment with the need for a measured work environment (Kinnie, Hutchinson and Purcell, 2000).

The 'hybrid' call centre model described by Batt and Moynihan (2002) and Kinnie et al (2000) comprises management through a hybrid of tight control and high commitment management, which includes teamworking alongside other features such as low value incentives. The hybrid model represents a mix is a mixture of the two more extreme models and encompasses the strategies outlined by Kinnie et al (2000) as a combination of 'fun' and surveillance. The latter may include HR strategies such as games, teamwork, the use of bonus and reward and recognition systems, the application of performance criteria and ongoing work appraisal (Hutchinson, Purcell and Kinnie 2000; Houlihan 2001; Rose 2002). As such, sophisticated strategies have been designed and implemented in some call centres that attempt to enhance commitment and organisational identification while sustaining the quality of service delivery (and competitive position) while still maintaining control (Kinnie, Hutchinson and Purcell 2000).

While it is clear that call centre managerial/supervisory styles & strategies vary depending on the management model used, the relationship between managerial/supervisory styles & strategies and the QWL is yet to be explored in this context.

2.3 Working Hours

The issue of working hours in call centres has also been touched on in the literature. Hours of work in call centres are often unsociable, with some shifts covering 24 hours. CSOs may start early, finish late and work weekends to cover enquiries from customers out of work hours. Outsourced call centres may be working on the time zones of countries on the other side of the world and in some, there is no compensatory remuneration for employees for anti-social hours worked (Richardson, Belt and Marshall 2000).

In Australia, URCOT (2000) highlighted the long hours employees often spend on calls without breaks, as well as the high incidence of overtime and the absence of penalty rates. Paul and Huws (2002) looked into working hours in a large scale study on call centres in the European Union, particularly breaks, shift systems and overtime. Researchers have also drawn attention to the extended, unsocial working hours, and inflexible shift systems and leave arrangements in these workplaces (see Richardson and Marshall, 1999; Kinnie et al, 2000; Richardson et al, 2000; Mulholland, 2002; Paul and Huws, 2002). Nevertheless, given that these issues did not form the focus of any of these studies, the depth of analysis in all instances could be described as superficial at best. Furthermore, while the relationship between working hours and the QWL has been examined in many industry contexts, call centres are not one of them.

2.4 Public and Private Sector Call Centres – is there a difference?

One observation that can be made about the CC literature is the dominance of research on the private sector (Burgess, Connell and Hannif, 2004). This is despite over 20 percent of CC activities involving the provision of public services (ibid). Burgess et al (2004: 9) note that the relatively few studies that are available tend to highlight the parallels that can be drawn between public sector and private sector call centre operations, particularly in relation to issues such as "commitment turnover; control and surveillance; delivery costs versus service delivery; career opportunities; skill development and de-skilling; worker voice". QWL issues have yet to be examined in this context, particularly in terms of variations between the sectors in relation to job content, working hours, managerial/supervisory styles & strategies and HRM practices.

Comparative analysis is also important as there is evidence to indicate that working conditions and job quality vary between the two sectors. For instance, CSO's in the public sector are expected to handle an average of 31 calls more per CSO per day than CSO's in the industry as a whole (Australian Communications Association (ACA) Research, 2004). Furthermore, research conducted by URCOT (2000) found that while CSO's in the private sector had a reasonably strong identity with their work, this was not true of CSO's in the public sector. Given the constant legislative changes, the URCOT study found that training needs were higher in the public sector, and CSO's felt these were often unmet. This is despite over half (54%) of public sector CCs offering recognised CC qualifications to their CSO's – compared to 39% of CCs in the total market (ACA, 2004). CSO's in the public sector are more likely to be

unionised (43% of CSO's are unionized compared to 16% of the total CC market). They also earn \$2500.00 more per annum than their private sector counterparts, and experience less casualisation (ACA, 2004). Given these industry characteristics, comparative analysis of the QWL between the two sectors is expected to result in some novel findings.

3.0 METHOD.

In order to examine the aspects of QWL outlined so far empirical research took place in two call centres, one public and one private sector referred to in this paper as Govtcall and Salesplus respectively. A qualitative case study methodology was considered the most appropriate for examining the QWL experiences of CSO's as it caters for the multiplicity of 'reality' captured through subjective experiences, and allowed for examination of the experiences of CSO's in the context in which they occurred (Marshall and Rossman 1995). This was critical given the comparative element underlying this study, and the need for analysis to occur at both the individual and organisational levels.

Semi-structured interviews were the primary data collection tool which allowed for some degree of direction and considerable flexibility and freedom to clarify questions, explore areas of interest and probe for more information when required (Nachmias and Nachmias, 2000). With minimum direction, the respondents had the opportunity to draw attention to issues significant to their experiences, allowing the most salient topics and concerns to emerge (Ackroyd and Hughes, 1981).

As Table 1 below indicates, semi-structured interviews were conducted on site or over the phone with CSO's, Supervisors/ Team leaders, and Managers. The length of each interview varied depending on the amount of detail given by interviewees, but generally ranged from 30 to 80 minutes in length. These interviews were supplemented with workplace observations, archival analyses, and document reviews.

Table 1: Sample Interviewed Within the Two Call Centres

	GOVTCALL	SALESPLUS
Call Centre operators	18	26
Supervisory staff	6	8
Managers	3	4
Total	27	38

The profiles of the two call centres are presented in Table 2 below. Salesplus is located in Melbourne, and operates as part of a network of outsourced CCs. This CC has been in operation for 14 years, and with 1400 CC seats is a very large CC by industry standards. Salesplus has managed to maintain economies of scale whilst operating wholly as an outsourcer, providing a variety of fixed term and ongoing services to the 50 plus clients they service at any given time. This CC involves a balance of inbound and outbound calls. There is no union presence on site, which is typical of the majority of CCs in the Australian market. Turnover in Salesplus is recorded at less than 10%, and is mostly associated with students pursuing overseas travel. Exit interviews indicate that CSO's rarely turnover to join other CCs.

Table 2: Call Centre Type and Location

	GOVTCALL	SALESPLUS
LOCATION	Newcastle	Melbourne
SECTOR/ INDUSTRY	Public/ Government Services	Private/ Outsourcer
TYPE	In-house/capacity as outsourcer	Outsourcer
SIZE	226 seats	1400 seats
AGE	13 years	14 years
TYPES OF CALLS	Inbound & Outbound	Inbound & Outbound
UNION PRESENCE	CPSU – 49% unionised	No presence on site
TURNOVER	Under 10%	Under 10%

With 226 seats, Govtcall is the largest CC in a network of customer service CCs. Based in Newcastle, this particular

CC has been operating for 13 years. In terms of CC type, Govtcall largely operates as an in-house CC dedicated to the servicing of 3 specific Government funded programs which operate as separate business lines. Some 98% of the work is inbound – customer service being the primary function. Around 49% of the CSO's in Govtcall are members of the Community and Public Sector Union. In Govtcall, turnover relating to those employees leaving the organization altogether is only 5%. This figure rises to 10% when considering the number that move out of the CC and into other areas of the organization's network.

4.0 FINDINGS.

4.1 JOB CONTENT

A summary of the findings with regard to the three QWL factors identified is outlined in table three. For the most part the job content in Govtcall could be described as more technical than the work undertaken in Salesplus. Before going on the phones full-time, CSO's undergo five weeks of intensive training followed by 6 months of probation. CSO's are required not only to be up to date and knowledgeable about the particular welfare products they are involved in, but also the legislations that regulate them. Three CSO's identified the job content as one of the three things they liked least about their job. None of the campaigns within Salesplus required any knowledge of a technical nature. Generally, the work comprises simple customer service or sales, requiring straightforward product training. Within both CCs, there was a 50/50 divide between the individuals who found the work boring and mundane, and those who referred to the experience as 'ranging'. Overall, nineteen CSOs from Salesplus (75%) and six CSOs from Govtcall identified the job content as one of the three things they liked least about their jobs. In both CCs, the monotony was sometimes balanced out by the variety of 'interesting' clients CSO's dealt with on a day-to-day basis.

In Govtcall, one of the three business lines involved phone work as well as internet processing of applications. Those involved in this business line were therefore exposed to job variety opportunities not available to CSO's in the other two. Those CSO's with high levels of variety in their work stated these opportunities were not openly offered – they had to be actively sought out. An employee representative on the management committee stated that the lack of job variety was a significant issue for CSO's, and a major cause of employee absenteeism. In Salesplus, although CSO's spent the majority of time on the phone, most had been exposed to some variety including tasks such as floor walking (assisting other CSO's with their calls), training of new CSO's, and administrative duties. CSO's also had the opportunity to change business lines if the work became too monotonous. In this organisation, job variety was something that was initiated jointly by Team Leaders/Managers and CSO's themselves. As one CSO noted about their supervisors:

“They actually seem to know when you get to the point when you just need time off the phones. They do keep an eye on things and if morale is dropping they try doing something about it. You don't necessarily have to approach them”.

Clear links could be drawn between the amount of job variety and the quality of work life in both CCs. Those CSOs with high levels of variety had more positive views on their working experiences as a whole, and were more likely to describe the work as satisfying, interesting and challenging. Similarly, a lack of job variety was seen to negatively impact on the quality of work life. All but two CSO's from the two CCs stated that the lack of job variety made them feel less positive about coming to work. Furthermore, all except three CSO's stated that greater job variety would improve their job satisfaction and strengthen their attachment to the job. Job variety was also positively associated with feeling more valued and respected as an employee. Conversely, none of the Govtcall CSO's felt they had any control over their work functions, apart from the style they used when interacting with customers. Even so, CSO's are required to change their style if considered inappropriate. Work functions were described as being tightly scheduled, and scripted, and the work environment as being heavily regulated. Technically – CSO's were bound by the tools they used, including scripts as well as the legislations surrounding the various welfare products.

Salesplus CSOs stated that while scripting was used, they were given a certain amount of discretion in terms of how they explained products and elicited information from customers, and they were able to use their common-sense when necessary. They were also able to forward any suggestions about the work functions on to managers, which were then passed on to clients as suggestions to improve the quality of service.

All the CSOs interviewed with the exception of two from each CC stated that greater control over work functions would improve their job satisfaction and the quality of their work lives. These CSOs felt that greater control would make them feel more valued as employees; would enable them to better assist customers; and would make them feel

more accountable for their work.

Table 3: QWL Measures identified within Govtcall and Salesplus

QWL Measures	Govtcall	Salesplus
Job content <i>All respondents liked this aspect least about their jobs</i>	Technical and legislative knowledge required Some CSOs had involvement in internet processing – not openly offered to all, has to be sought out by the CSO	Simpler requiring straightforward product knowledge CSOs assist in ‘floor walking’, training and admin duties – also have the chance to change business lines (projects) if desired.
Working hours and work life balance	No CSO control, scheduling undertaken centrally, rosters highly inflexible and requests for changes rarely met. Strategy by managers to ‘weed out’ those that are not considered desperate cases. Leave requests strictly monitored, evidence required to support application and frequently refused. These strategies impact on WLB.	All CSOs can undertake shift swaps. Managers and team leaders understanding of requests and open to requirements. Easy for CSOs to get time off if sufficient notice given. Late shifts interfere with work life balance.
Managerial/Supervisory styles and strategies	Key priorities for managers and supervisors were meeting KPIs, cost management, delivering contracts, meeting govt requirements and legislation and absenteeism. Culture was focused on keeping HQ happy, negative performance of CSOs was highlighted rather than meeting employee needs or providing recognition for a job well done.	CSOs felt first priority was to keep them happy and make sure their needs are met, that they are aware of opportunities, KPIs and can, in turn, create more business. All but one CSO interviewed felt their contribution was recognized. Organization has awards, movie tickets, extended lunch breaks, paid early finishes and paid group outings for high performing work teams.

4.2 Working hours/work life balance

CSO’s in Govtcall stated they felt they had no control over their working hours. While the organisation allowed CSOs to put in their preferences regarding hours worked, the final scheduling was undertaken centrally. The organisational policy for scheduling stated that CSO’s had one week from the time the schedule is set to negotiate any changes (e.g. change the rostered day off, change start and/or finish times); however, there was a general consensus amongst CSO’s that these rosters were highly inflexible, and requests for changes were rarely met. Supervisors reconfirmed this stating that schedulers were encouraged by managers to automatically reject any requests in the first instance as a strategy to “weed out” only the most desperate cases. In other words, only the requests of those who returned to appeal for a second time would be taken into consideration.

CSO's stated that time off from work was also strictly monitored – requiring evidence to be produced before time off or leave was granted. Three CSO's stated they had been refused time off for genuine reasons including caring for disabled siblings, caring for elderly parents, and attending a grandparents funeral given they were not regarded as immediate family. Another CSO who had taken sick leave to recover from surgery stated they received a call from their team leader after a week asking “Where are you? Why aren't you back at work?” This was despite the CSO having 30 days of unused accrued sick leave. This lack of flexibility was cited by four CSO's as a serious cause of stress, and by 16 of the CSO's as having a negative impact on the quality of work life. CSO's felt mistrusted, and found these processes condescending. Ten CSO's also identified working hours and work life balance as one of the three things they liked least about their work. Managers and Team Leaders emphasised attendance as a priority issue in the CC, stating it affected their ability to meet customer needs. Team leaders were encouraged to closely monitor attendance as a means of minimising absenteeism, and were aware of the inflexibilities surrounding this approach. Govtcall considered that these measures were necessary, however, in order to meet business needs.

In Salesplus, CSO's acknowledged that while they had little control over the hours that they were rostered for, there was a degree of flexibility available to them in that all CSO's were able to carry out shift swaps. Team leaders and project managers were also described as being very understanding of CSO's needs and open to accommodating them where possible. Furthermore, all CSO's stated it was easy or relatively easy to get time off, the only condition being that sufficient notice be provided. The only issue associated with working hours that were raised by CSO's was the inconvenience of late shifts. CSO's stated that these hours sometimes interfered with their non-work lives, and therefore, had a negative impact on the quality of their work lives.

4.3 Managerial/Supervisory Styles & Strategies

When asked to rank the key priorities of managers and the organisation, all the CSO's interviewed from Govtcall mentioned (ranked in order of the number of responses):

- i) performance (meeting KPI's);
- ii) cost management; answering to their contracts; and
- iii) meeting government requirements/legislations.

Similar responses were elicited from supervisors and managers, although controlling absenteeism was also highlighted as a concern, and one team leader also drew attention to maintaining employee wellbeing. When asked about the amount of trust employees had in their team leaders and managers, fourteen of the CSO's from Govtcall stated they had very little trust in them. Managers and team leaders were viewed as being controlling, and more focussed on performance and keeping 'headquarters' happy than on employees needs. Thirteen of the CSO's interviewed also felt they did not receive adequate recognition from their superiors, stating that team leaders and managers were usually quicker to pick up on negative than positive performance.

In contrast Salesplus CSO's felt the organisations first priority was to ensure that all employees were happy and their needs were met. Other responses included ensuring CSO's got along socially; ensuring CSO's were aware of opportunities; performance (meeting KPI's), and creating more business. These CSO's had a great deal of trust in their team leaders and managers, and stated that they felt they largely acted in the best interests of CSO's. Furthermore, All CSO's with the exception of one felt they received adequate recognition from their superiors. In Salesplus recognition occurred in the form of CSO of the month awards, movie tickets, having extended lunch breaks, paid early finishes, and paid group outings for high performing work teams.

In Govtcall, the managerial style and relationships with team leaders and managers had a strong and negative influence on the CSO's QWL. Twelve CSO's identified the managerial/supervisory styles & strategies as one of the three things that most negatively impacted on the quality of their work lives. Eleven of the CSO's from Govtcall indicated the managerial style used in the call centre was detrimental to CSO-Team leader/manager relations. In particular, the lack of support and encouragement from team leaders and managers negatively affected their morale, and their overall work experience. Six Govtcall CSO's were positive, however, about their relationships with Team Leader's, stating their support made them feel more confident and made it easier to get through the day.

Again Salesplus differed in that the supportive and nurturing managerial and supervisory approach was identified by six employees as one of the three things that impacted most positively on the quality of their working lives. While “relationships with coworkers” was identified as the number one contributor to the quality of work life by CSO's

overall, it was the presence of an encouraging and accommodating supervisory and managerial culture that facilitated the development of such relationships.

5.0 DISCUSSION.

The Australian Council of Trade Unions (ACTU) (2002) suggests that because outsourced (or contract) CCs are largely unregulated, they are a major force in driving down working conditions in the industry. Similarly, it is not uncommon to assume that working conditions in public sector CC's would be superior to those in the private sector, given that these are more likely to be regulated, experience stronger union presence, and involve more complex and skill intensive services (van den Broek, 2003; ACTU, 2002; ACA, 2004). That said, the findings from this study challenge those perceptions. Despite satisfying all three of the above conditions, Govtcall emerged as being inferior to the private sector call centre Salesplus in terms of all three measures of QWL outlined for this study.

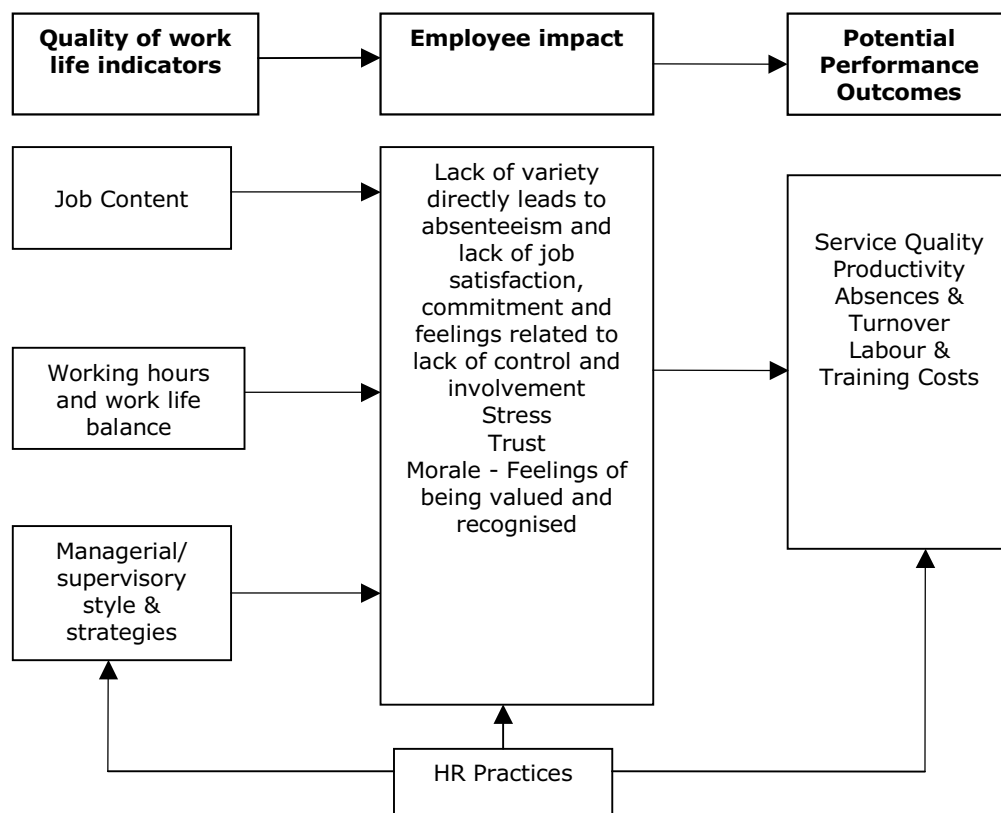
With regard to call centre research and implications for practitioners (discussed in more detail below) it is important to note that QWL was significantly related to the quality and style of management. This was particularly the case with regard to the level of trust supervisors and managers showed towards the CSOs which, in turn, influenced the levels of discretion CSOs enjoyed within each call centre. Within the existing literature, there is a marked emphasis on the importance of trust within manager-employee relationships. Moreover, previous Australian (Albrecht & Travaglione, 2003) and international research (Carnevale and Wechsler, 1992; Laschinger, Finnegan, Shamian, & Casier., 2000) illustrates that levels of trust in public sector management (as per Govtcall) are not high. It is evident that 'flexible capitalism', with its focus of expediency over trust and loyalty in workplace relations (Zeffane and Connell, 2003) could dominate call centre management. However, in the case of Salesplus this was not apparent. In addition, it has been noted that trust *within* peer groups (co-worker support being another dominant factor reported by CSOs) is also an important influence on constructive employee attitudes, in addition to factors influencing organizational solidity and effectiveness (Velez, 2001; Ferres, Travaglione, & Connell, 2002). Thus, it is recommended that further studies concerning HRM and call centre management examine levels of trust against performance outcomes.

Sectoral location was a key determinant in the approach used by Govtcall. Being a public call centre made this call centre accountable to multiple stakeholders including headquarters, the public and the government. Employee well being was therefore largely over-powered by performance demands and legislative requirements. Given its urban location and the ease with which labour could potentially be replaced, Salesplus could quite successfully practice a 'sacrificial HR strategy' – the strategy of choice for many call centres that are involved in similar activities (Wallace et al, 2000). This CC however opted for a highly employee-centred approach, where respect and empowerment were successfully used as antecedents to high performance and commitment. In these respects, this CC may be considered an atypical illustration of a CC management style, particularly where outsourcers are concerned.

Overall, the call centre management model used in each case study was the key determinant of QWL in each setting. For a relatively knowledge-intensive call centre – Govtcall operated under what would be described by Houlihan (2002) as a 'containment' model of low-discretion, high commitment (LDHC) management, which relies on control and compliance to achieve the overriding goals of productivity and efficiency. The outcome is very low levels of job satisfaction and employee morale. This however, was not reflected in turnover rates, which at under 10% was around the same as Salesplus, and compares favourably with the call centre industry as a whole. This however may be attributed to the regional location of the call centre. Indeed, CSO's from this call centre noted that next to income, the second most important reason for continuing to work in this call centre was the lack of other job opportunities in the region. Low exit rates in this context were, therefore, not correlated with better human resources practices or higher job satisfaction, but rather the lack of regional economic activity.

In comparison, despite the job content in Salesplus being relatively simple, low skilled and more routine compared to that of the Govtcall CSOs, the management model was more akin to what would be expected in a call centre operating under a professional service, hybrid model identified by Batt and Moynihan (2002). In Salesplus to combat the monotony associated with the work tasks, CSO's were provided with job variety, had some autonomy over their work functions, and some control and flexibility over their working hours. The result is a generally satisfied workforce, which is reflected in their low levels of turnover (significantly lower than the 30-40% turnover estimated for Melbourne by ACTU, 2002). There are also similarities with Houlihan's (2002) 'alleviation' model of LDHC management, which is conducive to managing turnover and maintaining staff support in organisations orientated towards high volume, low cost production. Hence, it could be concluded that Govtcall operated under a 'hard HRM' model (see figure one) and Salesplus under a 'soft HRM' model (Legge, 1995).

Figure 1 Call Centre quality of work indicators, employee impact and Potential Performance Outcomes



Source: Greatly adapted from: Batt, R. and Moynihan, L. "The Viability of Alternative Call Centre Production Models", *Human Resource Management Journal*, (12: 4), 2002, pp 14 – 34.

In common with the soft HRM model, the effects of excessively routinized work were mitigated within Salesplus, and employee morale upheld through considerable investment in commitment inducing initiatives (such as facilitating a 'fun' culture in the workplace). However, unlike the hard HRM model, the approach used is nurturing as opposed to coercive, and employees are also provided with some discretion. In common with the arguments proposed by Koskina (2006) and Weinkopf (2006) the work organisation of call centres does not have to follow the low discretion, low trust route with the outcomes of low morale, motivation, commitment and job satisfaction as a result.

While the findings from this study can by no means be generalised to the call centre market as a whole, there are some lessons that can be learnt both for researchers and practitioners as outlined below.

5.1 Research and Practical Implications from the Findings

It is evident from the findings presented here that:

- 1 Firstly, sacrificial human resource strategies are not the only alternative for organisations seeking to maximise production and efficiency. Similarly, productivity and employee-focus are not mutually exclusive phenomena. Salesplus provides an example of a CC that achieves productivity through focusing first and foremost on employee needs. Hence, call centres utilising work organisation strategies such as those represented by Govtcall here should seriously consider changing their focus in order to increase CSO job satisfaction and quality of work lives in general as reported by the Salesplus CSOs.
- 2 Secondly, union presence and public sector status does not guarantee better working conditions, and

higher QWL. To the contrary, this study further supports the literature that suggests public sector call centres are very similar to those in the private sector where core labour issues are concerned (van den Broek, 2002; Townsend, 2004; Barnes, 2004; Rainnie and Drummond, 2006).

- 3 Thirdly, managerial styles and strategies have been seen to have a significant impact on the QWL in the call centre context as reported here. This is further supported by the literature that suggests that a lack of people management skills are increasingly pushing employees out of call centre-working environments (URCOT, 2000; Wallace et al, 2000; Houlihan, 2002). From the evidence presented here it appears that it is management style and job variety that tend to mould the call centre workplace culture and work organisation rather than the sector itself. Consequently, it is advocated that call centre managers and team leaders are themselves educated regarding alternative ways to operate call centres and the potential positive outcomes that can result from this.

Although this paper is based on empirical research conducted in two Australian call centres it can assist in providing lessons for other call centres involved in globally distributed work through call centres. Nevertheless, more research on best practice call centres is necessary to identify the managerial and supervisory styles that are most conducive to high productivity and low turnover, and their applicability to different call centre models. For HRM practice as identified earlier there are several challenges outlined here with regard to all three QWL factors examined: job content, working hours, managerial and supervisory styles. Associated with these factors is work organisation which includes the requirement to manage performance and motivate employees within a high pressure, potentially monotonous work process (Taylor and Bain, 1999). Overall, as the findings indicate, the requirement for job variety can be met through various methods such as administration, training others and selves and this can strongly assist in relieving the tedium of just 'working the phones'. This provides further evidence that given the appropriate call centre work environment the 'twin logics' of achieving efficiency while providing quality customer service as identified by Korczynski (2001) can be achieved.

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Table 4: HRM Practices, Practices in the Two Call Centres and Outcomes

	HRM Strategies	As practiced in the Call Centres	Overall outcome
Govtcall	<p>'Hard' HRM – close association of HR policies, systems and activities with business strategy. Employees considered a cost and Factors in the Production Process Viewed as passive to be deployed as numbers and skills, rather than a source of creative energy. Focus on employees as a 'resource' (Legge, 1995).</p>	<p>Low discretion, high commitment management relying on control and compliance to achieve the over arching goals of productivity and efficiency.</p>	<p>Very low levels of CSO job satisfaction and morale.</p>
Salesplus	<p>'Soft' HRM – although HR policies and business goals still integrated the focus is on treating employees as valued assets and a source of competitive advantage. Employees considered proactive rather than passive, capable of development and trust – commitment through communication, motivation and leadership (Legge, 1995).</p>	<p>CSOs have job variety, some autonomy over work functions and control over flexibility in working hours. Management focus on meeting employee needs.</p>	<p>The effects of routinised work tend to be mitigated, investment in initiatives to promote commitment paying off and employees generally satisfied and happy at work.</p>

