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SYMBOLIC ANALYSTS IN THE NEW ECONOMY? CALL CENTRES IN LESS FAVOURED REGIONS

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DEPARTMENT OF MANAGEMENT

Abstract

Previously, authors suggested that call centres will tend to evolve into 'knowledge' work (Frenkel et al., 1995). However, more recent studies recognise that call centres are diverse and need to be examined in context (Taylor et al. 2002). In relation to regional development, call centres have contributed to job creation in Europe (Richardson et al., 2002). However, despite a large increase in the general literature on call centres, and investigation of the regional implications of the growth of call centres in UK, the literature on place and location is very limited, especially in Australia (Barrett, 2001). In contrast, researchers have demonstrated a high level of interest in regard to questions of control, surveillance, work intensity and stress (Callaghan & Thompson, 2001; Kinnie et al., 2000; Taylor & Bain, 1999), but the literature has included few details about employees beyond age, gender and whether they work full- or part-time. Knowledge of employees' work histories, including their previous employment status, occupations and industry of work would provide a more comprehensive comparative basis from which more precise conclusions might be drawn. Our major aims in this study were therefore threefold: firstly, to establish the background of a new call centre in a less favoured region in Australia; secondly, to identify the personal characteristics and employment records of a sample of employees from the call centre; and thirdly, to explore the employee data in relation to their responses to the new work environment.

Data were collected in three phases comprising semi-structured interviews with senior and middle managers (nine interviews), a survey of frontline employees (N=142, 365) and focus groups (ten groups with a total of 54 participants). Key findings are that the costs and benefits of the call centre are consistent with the framework of Richardson and Belt (2001), suggesting that the reality of the new call centre in a LFR is more mundane than that suggested by the rhetoric about knowledge workers and high technology investment. Secondly, the respondents to the survey produced a picture of workers who are female, young and with relatively low education levels. Many were previously unemployed and the majority came from low skilled jobs in retail, government, and service industries. They could not be classified as 'knowledge workers'. Finally, the majority of respondents found both the terms and conditions worse, and stress levels higher in their new work environment, than in their previous one. Patterns appear to exist in relation to specific industries and are supported by employees' responses to open-ended questions.

SYMBOLIC ANALYSTS IN THE NEW ECONOMY? CALL CENTRES IN LESS FAVOURED REGIONS

INTRODUCTION

Research on call centres has become increasingly sophisticated, abandoning false dichotomies concerning knowledge workers and the new economy on the one hand (Frenkel, Korczynski, Donoghue, & Shire, 1995) and modern sweatshops on the other (Fernie & Metcalf, 1998). It is now recognised that call centres are not homogenous. In recognising this diversity, Taylor et al (2002: 134) point to differences in relation to a number of important variables: size, industrial sector, market conditions, complexity and call cycle times, the nature of operations (inbound, outbound), the precise manner of technological integration, the effectiveness of representative organisations, and management styles, priorities and human resources. However, despite the now voluminous amount of work on call centres, there are still some gaps.

Although researchers from the Centre for Urban and Regional Development Studies (CURDS) at Newcastle University in the UK have produced a number of publications regarding the local economic development impact of call centres (Richardson & Belt, 2001; Richardson, Belt, & Marshall, 2000; Richardson & Marshall, 1999), there is little work in general, and only a few isolated examples in the Australian literature (Barrett, 2001). Indeed, in common with much literature on the nature of work, place and location seem to have little or no importance attached to them. This is particularly relevant given the locational shift of call centres from metropolitan to regional locations in both Europe and Australia (see Taylor et al., 2002).

Furthermore, although much has been written about questions of surveillance, stress, control, intensity and the nature of emotional labour in call centres (Callaghan & Thompson, 2001; 2002; Kinnie, Hutchinson, & Purcell, 2000; Knights & McCabe, 1998; Taylor & Bain, 1999; Wallace, Eagleson, & Waldersee, 2000), the debate has been curiously disembodied. By this we mean that in many cases we learn very little about the people who work in the call centres under investigation, beyond age, gender, and whether they work full- or part-time. For example, little discussion emerges concerning call centres' workers previous work experience. Who are they, what previous employment did they have and therefore with what are they comparing the Call Centre?

In this article we briefly review the literature, and then discuss the establishment of a telecommunications call centre in one region of Victoria, Australia. We then present demographic details of a sample (142, 36%) of frontline employees based on survey data. We consider this background of employees (whether previously employed or not, industry of employment, previous roles, education level) in relation to their assessment of the terms and conditions they are experiencing in the call centre, and also their self-reported levels of stress. Survey findings are further illustrated by comments from open-ended questions, and the article concludes with a discussion of issues and contradictions.

Call Centres and Local Economic Development

Richardson et al. (2000), in an examination of the situation in North East England, point to a number of concerns regarding the impact of call centres on the local economy. Call centres are an effective manifestation of the increasingly capital intensive industrialisation of service sector work and such work is highly intensive and routine. Furthermore electronic surveillance provides the opportunity for detailed control and discipline of workers. Production is highly specialised and a detailed division of labour produces only a limited range of occupations, which combined with flat organisational structures restricts opportunities for career progression. The relative mobility of call centres combined with the thrust of technological displacement means that their life span threatens to be short with reports in the English press having unions threatening industrial action in the face of relocation of call centres to India.

Richardson & Belt (2001: 73), echoing Taylor & Bain (1998) list a number of locational characteristics for call centres:

- Advanced telecommunications suitable for data and voice transmission and capable of hosting intelligent network services.
- A plentiful pool of (often female) labour skilled enough to carry out tasks required. Labour costs are a factor but may be traded off against necessary skills.
- Timely availability of property, together with low occupancy costs. Together with the need to allow for expansion, this favours out-of-town or edge-of-town locations.
- Fiscal and grant incentives
- Helpful and supportive development agencies
- Access to good local transport

Evidence suggests that governments and regional development agencies around the world are marketing themselves as call centre locations with these characteristics in mind. For example, the South Australia government argues that the State provides investors with a number of competitive advantages. Such advantages include: a skilled workforce with high levels of productivity, a mature industrial base, extensive infrastructure, steady economic growth and inflation, an abundance of well-located and competitively priced flat land with good access to transport infrastructure, world class telecommunications infrastructure, and sophisticated and broad educational systems. The South Australian State government also claims that operating costs for call centres in Adelaide are 20 per cent lower than Melbourne and 30 per cent lower than Sydney (Barrett, 2001, p2). The Tasmanian government was reported as offering considerable inducements for businesses to relocate including funding and constructing a call centre building for Vodafone (ZDNet Australia 8.4.99). However, as Richardson & Belt (2001: 74) point out, all these competing regions do, in attempting to emphasise difference, is selectively harness positive images and data to present a sales pitch which simply reflects the sameness with all other localities involved in the same game. It is, in effect, the latest twist in the downward spiral of dog-eat-dog regional competition fuelled by unchecked place marketing.

Furthermore, call centres are increasingly abandoning Metropolitan locations and seeking areas further down the urban hierarchy. This is partly due to government action and incentives as well as rising land and labour costs, but also because regions that are disadvantaged by distance and/or perceived economic uncompetitiveness can be attractive to call centres as they provide the possibility of unlocking under-utilised labour markets. According to Budde (2002: 4) regional call centres can be 10-15% cheaper to run than Metropolitan based centres but in rural and regional Australia they have to overcome problems of poor technology infrastructure, lack of sufficient qualified staff and unreliable electricity supply.

In this light, Richardson and Belt (2001) attempt to draw up a balance sheet of costs and benefits of call centre location for Less Favoured Regions (LFRs). Under benefits they list:

- First and most obviously employment, particularly for women. However, the question of careers is more problematic.
- Second, call centres are capital intensive and bring new capital and technological investment.
- Third, call centres bring new types of employment and can stimulate the updating of skill sets, particularly customer service skills.
- Fourth, call centres can bring a new work culture, although it is acknowledged that this is not unproblematic.
- Fifth, call centres may have a commitment to training greater than other forms of office employment.

There are however a number of shortcomings associated with call centre employment in LFRs:

- First, call centres offer only limited possibilities for career development. Managers tend to be parachuted in and stay for limited periods. Belt (2001) argues that, for women, large numbers of routine jobs and flat organisational structures limit career opportunities. However, women do hold positions of responsibility in call centres, but it would appear that it is (mostly) childless women who are able to build successful careers.
- Second, LFRs tend to attract only a limited range of call centre activities, which occur at the lower end of the spectrum in terms of skills and pay levels.

- Third, call centre employment may not be sustainable, through outsourcing, off shoring, and further developments in ICTs. In the UK context, Prudential has already announced the relocation of 850 call centre jobs to India, with another 25,000 under threat, driven largely by recruitment difficulties, labour costs and turnover problems (UNI in Depth 8.10.2002).

Therefore, although much regional development rhetoric around call centres focuses on the knowledge economy, high technology investment and information industries, the reality may be both more mundane and more problematic. Our first aim in this study is therefore to consider the background to the establishment of a new telecommunications call centre in a LFR of Australia.

Employment in Call Centres

Incomes Data Services (IDS, 2001) provided a detailed and extensive overview of the characteristics of employment in call centres in the UK in 2001. Approximately two thirds of employees were women with the majority working full-time and on permanent contracts. On average ten per cent of call centre staff were on temporary contracts, but 29 per cent of staff were working part-time. In some of the larger call centres the bulk of staff were on part-time contracts, typically 20 or 24 hours per week. Average staff turnover rate was 22 per cent, with managers identifying intensity of call centre environment as the major contributory factor. New employees were given one to three weeks induction training. After this, around five per cent of time was spent in training. Staff performance was most frequently measured against 'hard' measures such as number of calls taken, call length and sales. A growing number of call centres were using 'soft' measures such as quality of customer service.

As Barrett (2001) points out, the call centre industry is the fastest growing in Australia, growing at a rate of 25 per cent per annum. The industry employed approximately 200,000 people at the beginning of the century in 4,000 call centres with an annual turnover of \$6.5 billion. Geographically, Sydney and Melbourne accounted for around 70 per cent of employment although there is growing evidence of outsourcing, decentralisation and off shoring. As we have seen South Australia and also Tasmania have been active in promoting regional call centre development.

Summary statistics for the Australian Call Centre Industry in April 2002 include:

- 3,900 Call centres, representing 1,500 companies;
- employing 225,000 people;
- total operating costs of \$9.9 billion;
- 140-150,000 Call Centre seats (est.);
- mean gross agent base wage - \$34,824;
- mean annual agent turnover rate - 17%;
- mean duration of training days for new agents – 11;

Source: Budde (2002: 3)

From the statistics above, it is apparent that the call centre industry is important in Australia but its precise employment contribution is unclear. Thus, our second aim is to determine the characteristics of the people employed in the new call centre in our LFR.

The nature of call centre work

Taylor & Bain (1999: 102) defined a call centre in terms of three characteristics: having employees dedicated to customer service, those employees using telephones and computers simultaneously, and processing by an automatic call distribution system. However, they later acknowledge that this definition can be applied widely and that call centres cannot be treated uniformly (Taylor et al., 2002). Taylor et al. (2002) suggest that distinctions can be drawn between call centre operations principally in terms of work organisation and call complexity, suggesting that diversity can best be understood by reference to a dichotomisation of quantitative and qualitative characteristics, dependent in part on the importance of the quality of customer interaction. Taylor et al (2002: 137) quote Batt (2000) as arguing that the actual or anticipated value of

customer demand is the crucial factor determining the relative priorities of quantity and quality. The conscious segmentation of customers according to their revenue generating potential determines the range and complexity of services offered and, in turn, shapes work organisation. Overall, call centre operations tend to be concentrated at the highly controlled quantitative end of the spectrum, although aspects of emotional labour can be held within the spectrum. Furthermore, both elements can be found within one call centre, and both quantitative and qualitative criteria are employed in even the most quality-oriented services. Table 1 outlines the characteristics that might lie at the polarities.

The call centre used in this study lies to the ‘Quantity’ end of Taylor et al.’s (2002) continuum but, in fact, has two sections within it. One of these is a highly routine messaging service and does not include sales. The other section answers customer requests and endeavours to provide ‘solutions’ which include sales. Both sections are highly monitored and controlled.

Table 1: Ideal characteristics of quantity and quality in call centres

Quantity	Quality
Simple customer interaction	Complex customer interaction
Routinisation	Individualisation/customisation
Targets hard	Targets soft
Strict script adherence	Flexible or no scripts
Tight call-handling times	Relaxed call-handling times
Tight wrap up times	Customer satisfaction a priority
High percentage of time on phone/ready	Possibility of off-phone task completion
Statistics driven	Statistics modified by quality criteria
Task cycle time short	Task cycle time long
High call volumes	Low call volumes
Low value of calls	High value of calls
Low level of operator discretion	High level of operator discretion
Nature of call – simple	Nature of call – complex
Mass service delivery	Customisation

Source: Taylor et al 2002: 136

Issues of control have been identified and documented in call centres (Knights & McCabe, 1998; Taylor & Bain, 1999). The environment is generally heavily monitored, with little opportunity for worker initiative, involvement or control (Gilmore, 2001). In addition, some studies have found that organisational goals are at the expense of employee stress and well-being (Wallace et al., 2000). In service encounters, employee stress is a particular issue because managers urge frontline employees to treat customers as though they are always right (Bitner, Booms, & Mohr, 1994) and in call centres, this situation is exacerbated because employees are subjected to such high levels of surveillance (Callaghan & Thompson, 2001; 2002; Kinnie et al., 2000).

The theory about controls and quality in service environments is unclear. In a study of employee responses to TQM in six UK organisations, Edwards et al. (1998) found that favourable views of quality were strongest, not weakest, where the monitoring of workers was most intense. Almost two-thirds of their respondents felt that workers had a great deal or a fair degree of influence over quality. Gilmore (2001) found that frontline employees in call centres were aware of service quality problems and felt that the environment was too restrictive to allow them to answer customer queries effectively and efficiently. Drawing on the work of Rafaeli and Sutton (1987), Ashforth and Humphrey (1993) note the role of indirect controls in establishing a service culture that will facilitate identification with the service role and internalisation of service values and norms. Consequently, these studies are inconclusive in establishing in what way, if any, high levels of monitoring affect service workers and their ability to provide customer service. Edwards et al. (1998) suggest that more qualitative work needs to assess the ways in which workers experience new dynamics of control, in particular, how appraisal and monitoring systems work in practice, and how norms of behaviour are created and enforced. Therefore we were also interested in exploring the conditions of work in the call centre and their possible effects on employees.

In summary, we have investigated the establishment of a new call centre in a LFR in Australia in view of the costs and benefits outlined by Richardson and Belt (2001). We have also explored the characteristics of the workforce that has been recruited, and employees' responses to the nature and demands of their new employment.

METHOD

Data used in this study were collected by three methods. Firstly, interviews were conducted with senior and middle managers from the participating call centre. Secondly, a survey was developed and distributed to all frontline employees (400) in the call centre. Following analysis of the survey results, ten focus groups were conducted, on-site, with random samples of employees. This paper uses data from the interviews and frontline survey.

Both authors were present during the interviews, which were semi-structured and recorded. Interviewees included three Senior Managers, the Site Manager, HR Manager and two specialist Managers in the call centre. The Site and HR Managers were interviewed twice, providing a total of nine interviews. The interviews were all of one hour to one- and-a-half hours duration. They were conducted over a ten-month period during the final planning and opening phases, and the first six months of operation of the call centre. Data were transcribed.

The HR Manager facilitated internal distribution of the frontline employee survey by contact with Team Leaders. Prior to distribution, an email was sent to all employees, introducing us as the researchers, and indicating that the survey would be received soon. We included a covering letter and reply paid envelope with the survey. It consisted of three major parts. The first sought detailed background demographic and employment information from the respondents. Most questions involved them ticking a box to indicate a category (for example, age) or filling in a space, for example, previous job title and previous employer. The second part of the survey sought respondents' feelings about the requirements of call centre work. This part was set up similarly to the first with tick boxes and spaces for brief responses. It covered areas such as skills and attributes required for call centre work, role of training, time taken to reach different targets, and the respondents' views on terms and conditions, and levels of stress when compared to their previous employment. The final part of the survey consisted of two open ended questions in which respondents were invited to comment on the work environment, and call centre employment in general. In total, 400 surveys were distributed and 142 returned for a 36% response rate.

The third method of data collection involved focus groups on-site. Participants were recruited by a floor manager who randomly selected individuals from different teams. Ten groups were conducted, ranging in size from three to nine, providing a total number of participants of 54 (38 women and 16 men). Focus group questions were loosely structured and focussed on key areas that emerged from the survey data. The groups ran for approximately one and one-quarter hours, and all were recorded and transcribed.

RESULTS AND DISCUSSION

This section commences with a discussion of the background to the call centre used in the study. The discussion is based on interviews with senior and middle managers, as outlined above. Having established the context of the call centre and its proposed contribution to the LFR in which it is situated, we then provide a summary of findings from the frontline survey. The findings are organised so that basic demographic and employment data are provided first, followed by the results of crosstabulations to further analyse the data. Employee views from open-ended questions are used to illustrate the issues and implications for this sample.

Background to the call centre used in the study

The call centre is important for the locality in that, in employing over 400 people, it rapidly became one of the biggest local employers. It is also relatively large by call centre standards being nearly three times the Australian average seat size. It is important also in that the call centre has been outsourced to a major

company specialising in call centre management. The outsourcing company is non-Australian and has a rigid non-union policy whilst the regional company is relatively well unionised, even in its other call centres. Wage levels for customer service representatives are below the national average for call centres.

In discussing location, a senior manager from the parent company explained that the new call centre was part of a restructuring of its services including consolidation of a number of smaller centres. Consequently, no major claims about job creation were being made: “It was probably aimed at cost cutting, but then we had this regional view overlaid on it.” Some posts were targeted to be filled by staff redeployed from various restructured units. However, “Because of the unemployment situation, we hoped to get a few years with a lower turnover”. Turnover in the parent company’s other call centres was running as high as 25% with much higher levels being recorded for casual staff.

Demographic characteristics of the sample of frontline employees

To get a feel for the ‘face’ of the employees in the call centre, we first report basic demographic data.

Table 2: Gender, age, marital status & whether respondents have dependent children

	Frequency	Percent	Cum %
Gender			
Male	34	24	24
Female	108	76	100
Total	142	100	
Age			
Under 18	2	1	1
18 to 24	54	38	39
25 to 34	36	25	65
35 to 44	27	19	84
45 to 54	17	12	96
55 to 64	6	4	100
Total	142	100	
Marital status			
Single	62	44	44
Married/de facto	65	46	90
Divorced/separated	14	10	100
Total	141	100	
Dependent children			
Yes	46	32	32
No	96	68	100
Total	142	100	

Overall, this cohort of frontline staff was three quarters female and relatively young, with 65% less than 34 years old. About half the sample was married and one-third had dependent children. We were not given access to data to check the representativeness of this sample but the HR Manager felt that it was ‘typical’ of their frontline staff. Next we consider their education level, and then their education level in relation to their gender and age.

Table 3a indicates that the sample tends to have fairly low levels of education with 40% who have only completed secondary schooling and a further 18% who did not finish school. Table 3b shows that the employees in the latter group are predominantly female (and represent 20% of the female sample). Table 3b also shows that 51% of males have diplomas, degrees or trade qualifications, compared to 27% of females. Table 3c seems to indicate that the more highly educated respondents were spread across the age groups, with a greater percentage for older employees. Thus the call centre has employed relatively young female workers, more than half of whom have no post school education.

Table 3a: Highest Level of Education

	Frequency	Percent	Cum %
Diploma/Degree	29	20	20
Trade qualification	17	12	32
Completed secondary school	57	40	72
Did not complete sec school	25	18	90
Other	14	10	100
Total	142	100	

Table 3b: Crosstabulation: Highest Level of Education by Gender

	Male (%)*	Female(%)**	Total(%)***
Diploma/Degree	9 (27)	20 (19)	29 (20)
Trade qualification	8 (24)	9 (8)	17 (12)
Completed secondary school	13 (38)	44 (41)	57 (40)
Did not complete sec school	3 (9)	22 (20)	25 (18)
Other	1 (1)	13 (12)	14 (10)
Total	34 (100)	108 (100)	142 (100)

* Percentage of males

** Percentage of females

*** Percentage of total sample

Table 3c: Crosstabulation: Highest level of Education by Age

	Under 18	18 - 24	25-34	35-44	45-54	55-64	Total
Diploma/Degree		9 (17)	7 (19)	6 (22)	5 (29)	2	29
Trade qualification		7	6	2	2		17
Completed sec school		25 (46)	13 (36)	10 (37)	7(41)	2	57
Did not complete school	2	5 (9)	9 (25)	5 (19)	2 (12)	2	25
Other		8	1	4	1		14
Total	2	54	36	27	17	6	142

Note: The numbers in brackets show the percentage of the total for that age group.

Employment and previous employment

Table 4 provides data on current employment. It is noteworthy that in this call centre, the job title for frontline staff was changed from Customer Service Representative (CSR) to Sales & Solutions Consultant (SSC) some six months prior to the survey. It appears that many employees were not comfortable with this change, reflected by the 31% who ticked 'other' for their current role. Some indicated that they were CSRs, although this position no longer exists in the call centre. Table 4 also shows that 30% are part-time employees, consistent with the UK statistics (IDS, 2001). No casual positions currently exist at the call centre.

Table 4: Current Employment

	Frequency	Percent	Cum %
Role			
Sales & Solutions Consultant	89	64	64
Senior	5	4	67
Team leader	3	2	70
Other*	43	31	100
Total	140	100	
Section			
Group A**	88	62	62
Group B***	53	38	100
Total	141	100	
Tenure			
Permanent full-time	100	70	70
Permanent part-time	42	30	100
Total	142	100	

* Believed to be mainly Customer Service Representatives

** Group A take customer calls and endeavour to make sales

*** Group B provide a routine messaging service

Next we consider previous employment status and the possible contribution of the call centre to job creation. Table 5 shows the results and, in particular, that 39% of the sample were unemployed when they commenced work at the call centre. Crosstabulations of previous employment status by gender and age showed that of this group who was previously unemployed, 33% were male and 67% female, and 47% of them were in the 18 to 24 years age bracket. The second largest age group of previously unemployed (20%) occurred in the 35 to 44 years bracket. Hence, it appears that, if this sample is representative, the call centre has provided employment, especially to women and young people.

Table 5: Previous Employment Status

	Frequency	Percent	Cum %
Previous employment status			
Employed	68	48	48
Unemployed	55	39	87
Self employed	4	3	90
In full-time education	7	5	95
In part-time education	2	1	96
Other (retired, casual, temp)	4	3	99
Total	142	99	

Another interesting question in relation to those who were previously unemployed is whether they have joined the call centre in a full- or part-time capacity. The relevant crosstabulation shows that those who were previously unemployed have taken up full- and part-time jobs in a 60:40 ratio. In contrast, for those who were previously employed the ratio is 88:12.

Our next area of interest centred on the industries and occupations that call centre staff had most recently experienced. Tables 6 and 7 provide this information.

Table 6: Industry of Most Recent Employment

	Frequency	Percent	Cum %
Industry of employment*			
Retail trade	38	27	27
Government	19	13	40
Finance & business services	18	13	53
Health & community services	11	8	61
Accommodation & restaurants	10	7	68
Communication services	9	6	74
Construction	7	5	79
Home duties / self employed	6	4	83
Electricity	1	1	84
Mining	0	0	84
Agriculture	0	0	84
Other	11	8	92
Not provided	12	9	101

* Based on Australian and New Zealand Standard Industrial Classification (ANZSIC)

In Table 6, the largest industry category, retail trade, consists mainly of department stores (eight cases), stores for other home and personal needs (15 cases), car sales and service (six cases). In the next category, government, 16 respondents indicated that they had previously worked for a federal department, with three nominating local government. Of the 19 respondents, 15 worked in administrative or customer service roles and only one was previously employed in a call centre. Electricity and mining have been included in Table 6 because we were interested to see whether employees from those industries, which have undergone considerable restructuring in the region, were subsequently engaged in call centre work. This does not appear to be the case. There were no recent employees from these industries and only 4/142 indicated that they had such previous employment in their past four positions.

Table 7: Occupational Role in Most Recent Employment

	Frequency	Percent	Cum %
Role*			
Professionals/Associates (1/2)**	11	8	8
Tradespersons (3)	3	2	10
Advanced Clerical & Service workers (3)	15	11	21
Intermediate C & S (admin, reception) (4)	45	32	53
Intermediate C & S (sales) (4)	23	16	69
Intermediate C & S (other) (4)	6	4	73
Intermediate Production & Transport (4)	4	3	76
Elementary Clerical, Sales & Service (5)	16	11	87
Labourers & Related workers (5)	6	4	91
Not provided	13	9	100
Total	142	100	

* Based on Australian Standard Classification of Occupations (ASCO)

** Numbers shown in brackets are the skill levels designated by the ASCO

Table 7 shows that, as expected, the majority of employees (74%) previously worked in clerical and service positions. Of these, 11% were considered 'advanced', 52% 'intermediate' and a further 11% 'elementary'. Further, positions at the intermediate and elementary levels, which constitute at least 70% of previous roles are classified at skill levels 4 and 5 by the Australian Standard Classification of Occupations. The classifications are based on the 'range and complexity' of tasks and level 5 is the lowest skill level for occupations. Consequently, the recruitment of workers for the call centre in this LFR seems to follow the patterns evident elsewhere in that the workers enter with relatively low skill levels.

The work environment in the call centre

Employees' responses to the work environment in the call centre are the focus of the final part of this paper. We consider their responses to the survey questions on terms and conditions (Table 8) and self-reported stress levels (Table 10). These responses are explored by using crosstabulations with employees' previous industry of employment, their previous roles, gender, and age.

Table 8: Employees' Feelings about their Current Working Conditions Compared to their Previous Positions

	Frequency	Percent	Cum %
Terms and conditions			
Much worse	23	17	17
Worse	39	28	45
The same	26	19	64
Better	20	15	78
Much better	30	22	100
Total	138	100	

Table 8 shows that 45% of the sample considered the terms and conditions in the call centre worse than those in their previous jobs while 37% believed them to be better. Some quotes from comments appended to the questionnaire are illustrative. These are shown after Table 9 below.

With reference to questions on both terms and conditions, and their experience of stress, respondents were invited to write comments on the work environment on the call centre. Sixty percent (86) of them did so. The comments were read and coded independently by two raters and then discussed and major themes agreed. Table 9 provides a summary of the key areas that were highlighted and the number of respondents who mentioned them. The table is included here because it highlights the emphasis that respondents placed on wages, rosters and general conditions in the call centre.

Table 9: Themes Identified from Open-ended Questions

Major themes	Number of negative responses	Number of positive responses	Percentage of total responses
Wages, rosters and conditions	44	16	47
Pressure to meet sales targets/conflict re customer service	32	1	26
Issues associated with organisational culture	16	3	15
Supervisory support	10	1	9
Dealing with customers	4	2	5
Total	106	23	102*

* Does not add to 100% because of rounding errors

More on Terms and Conditions of Work: Respondents' Comments

The quotes below are drawn from the first category in Table 9, respondents' comments on wages, rosters and conditions. The previous industry of work and the respondent's role are given in brackets after each quote to show with what they were comparing the call centre work environment.

"The pay was better [previously]. More flexibility, awards, bonuses.. Got paid nearly double for same kinda work in Melbourne!" (Telecommunications, customer service officer)

"HR issues, rosters... Hot stationing causes illness issues.. Still have the wrong contract of employment. " (Government department, promotions officer)

“I left my previous employment in the hope I would find a position in an establishment which truly recognized and valued their employees – I have found that I am facing the same challenges as I faced before.” (Aged Care facility, ward clerk)

“Way too much stress from bosses to perform ‘miracle’ KPIs, treated like a machine (no talking, no allowances made for de-stressing). Run like an army camp – adherences; high expectations.. Poor pay – no shift allowances, no penalty rates, little incentive to achieve personal goals re KPIs.” (Self-employed, clairvoyant)

“In my previous job, even though I worked shift work we had fixed break and meal times. Whereas here the meal breaks vary from day to day. Just one weeks notice is given for rosters.” (Previous work details not provided)

“The pay and hours are better than what I was getting in hairdressing. I am always stressed not knowing what the employers want out of us as it changes all the time.” (Personal services, hairdresser)

“My previous employment was with XXX – so the rules were much stricter. At the call centre, the rules are very much laid back, I think it’s because we work as a team and help to keep everybody going when times are tough. That’s why it isn’t stressful either.” (Fast food company, customer service officer)

“More permanent, better physical working environment, more room for development, challenging.” (Hospitality, kitchen hand)

“The only real stress is what you put yourself under. In my previous position, you were under constant stress and pressure.” (Manufacturing, machinist)

“I have a back incapacity so this job is excellent for me as I don’t have to strain lifting like in my previous job.” (Construction, boilermaker)

“Previous employment was managerial and required considerable experience, qualifications and skills both technical and socio-political to survive... This current job is nothing like stress levels of previous job i.e. no staff control.” (Telecommunications, field manager)

Further Analysis Involving Terms and Conditions of Work

A crosstabulation of terms and conditions against previous industry of employment produced some clear patterns. Those employees coming from retail trade, and accommodation and restaurants found the conditions better or much better. In contrast, those coming from government, communication services, and health and community services, with only two exceptions found the conditions worse or much worse. Finance and business services, home duties, and self-employed were evenly spread. Considered in relation to job categories, terms and conditions appeared better for elementary clerical, sales and service workers, about the same for those in the intermediate group and worse for those in the more highly skilled advanced clerical, sales and service workers group.

A crosstabulation of terms and conditions by gender showed that 53% of males found the terms and conditions worse, with only 26% finding them better. Female respondents were about equally divided in terms of the comparative conditions (41% said they were worse and 40% said they were better). A crosstabulation of working conditions by age showed that the age brackets beyond 24 years found the conditions worse or much worse, with most exceeding 50%. In contrast, 44% of people in the 18-24 years bracket found the conditions better or much better than their previous roles.

Respondents' Self-Reported Stress Levels

The final area we investigated was employees' stress levels when compared to their previous positions. Table 9 gives the general results and shows that 54% found the call centre more stressful than their previous roles.

Table 10: Employees' Feelings about Their Stress Level when compared to their Previous Positions

	Frequency	Percent	Cumulative %
Work environment			
Much more stressful	32	23	23
More stressful	43	31	54
The same	21	15	69
Less stressful	26	19	88
Much less stressful	17	12	100
Total	139	100	

As for the terms and conditions, respondents' comments at the conclusion of the questionnaire are illustrative of their feelings. A selection of comments is provided below, using the themes that were identified and shown in Table 9.

Pressure to Meet Sales Targets

"Sales and customer service most of the time is hard to combine. Good customer service doesn't come with sales.. results in CSR being burned out or stressed out." (Film & video production, producer)

"When interviewed I was told there would be no sales, now find it is a major component of the job.. I find it very stressful having to reach certain sales targets on a daily basis." (Government department, administrative officer)

"I find this job the most stressful I have ever had (including Charge sister of neonatal nursery and acting midwifery supervisor) – the emphasis on sales is counter to my understanding of customer service." (Health Clinic, office manager)

"The call centre is more stressful because you only have a number of seconds to deliver the customers needs." (Hardware store, sales assistant)

"All KPIs can be met but to meet them all at the same time everyday all day can sometimes get a bit much. The more you do the more they want." (Federal government, public servant)

"The job that I had before was selling insurance face to face in all sorts of weather. I am not under pressure to sell anymore like I was before." (Insurance company, sales)

Issues associated with Organisational Culture

"My previous employment was in a small family business where everything was very easy-going.. this was a major change." (Electrical contractor, secretary)

"There are so many unhappy people that work here." (Construction, office administrator)

"American company, slave drivers in the past and present. Where else are you monitored every second of every day you work. It is like working in a prison, but let out each night." (Government department, call centre operator)

“My previous job was Team Leader in a call centre for a major bank. It was structured and rigid. Not much room to explore ideas. XYZ [This company] allow room to develop and are open to thoughts and suggestions. (Bank, Team Leader in a call centre)

Supervisory Support

“The atmosphere is very stressful. Management doesn’t listen to or care about employees.” (Same company, outbound sales officer)

“Lack of support by Team Leaders for difficult callers, rosters, other HR issues.. not being able to seek help, advice on issues occurring in the workplace.” (Used car sales, receptionist)

Dealing with Customers

“Stress comes from trying to meet KPIs and callers who are rude and angry, sometimes abuse us saying demeaning things.” (Hospital, administrative trainee)

“I used to do a lot of crowd control so this is a lot less stressful.” (Security company, guard)

“Better wage, better dress code, better working environment and atmosphere. Customers are not face to face so it is easier to deal with bad or angry people.” (Retail trade, customer service)

Further Analysis involving Respondents’ Stress Levels

A cross tabulation of stress levels against their previous roles shows a difference for the large group of employees in the intermediate clerical, sales and service group where 43 (30%) indicated that they found it more stressful with 19 (13%) indicating that the call centre is less stressful. There were no apparent patterns for respondents on other categories. In terms of industries, those employees coming from government, communication services, and health and community services found it more stressful, similar to the findings for these groups in terms and conditions. However, there were no apparent differences for the groups from retail trade, accommodation and restaurants, finance and business services, and tradespersons. No industry group found the working environment better or much better overall.

When a crosstabulation of respondents’ stress levels against gender was performed, there was no difference for males but 56% of females indicated higher stress with 28% indicating lower. In relation to age, all groups except the 25 to 34 years category (which was evenly spread across more- and less stressful) indicated that they found the work environment more stressful than their previous roles with relative percentages increasing with the age bracket. It is interesting that in the 18 to 24 years bracket, 50% indicated that the environment is more stressful but 33% said it is less stressful than other roles.

CONCLUSION

The costs and benefits of the call centre in this study are consistent with the framework of Richardson and Belt (2001), suggesting that the reality of the new call centre in a LFR is more mundane than that suggested by the rhetoric about knowledge workers and high technology investment.

The respondents to the survey produced a picture of workers who are female, young and with relatively low education levels. Many were previously unemployed and the majority came from low skilled jobs in retail, government, and service industries. They could not be classified as ‘knowledge workers’.

The majority of respondents found both the terms and conditions worse, and stress levels higher in their new work environment, than in their previous one. Patterns appear to exist in relation to specific industries and are supported by employees’ responses to open-ended questions.

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