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Job Design and Wellness in New Zealand Contact  
Centres: A Paradigm Shift or Same Old  
Management?

A thesis presented in partial fulfillment of the requirements  
for the postgraduate degree of

Master of Business Studies  
Human Resource Management

at Massey University, Palmerston North,  
New Zealand.

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2009

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## **ACKNOWLEDGEMENTS**

Completing a Masters Degree while working full-time is challenge. This challenge was overcome through the support of my partner Stuart, my daughter Rachel and a very supportive Chief Executive, Keith Tempest.

Professor Stephen Legg was a wonderful supervisor and although we have never actually met, provided great guidance and humour during the research and writing of this thesis. I thoroughly enjoyed working with him. You are very good and easy to work with, much appreciated.

Thank you also to the Trustees of the Mary Mallon Memorial Scholarship for providing me with a scholarship to complete my Masters Degree. Your confidence in me was also a huge motivation, when at times I thought I would or could never finish this!

Finally I would like thank my TrustPower work colleagues who have been very supportive of this project. In particular I would like to thank Fiona Smith, Gillian Jackson and Jenna Barnes who generously provided their network contact lists and also paved the way for me to approach them to participate in this research.

## **ABSTRACT**

The impact of the Contact Centre workplace upon employee satisfaction or wellness is attracting the attention of researchers across the globe. Over 10 years of research has resulted in recommendations about how Contact Centres should be managed and how the jobs of Contact Centre agents should be designed. There is growing concern that the current practices result in significant psychosocial risk factors which are ultimately harming the Contact Agents and less obviously the bottom line of their organisations through emotional exhaustion, stress, employee absenteeism and turnover.

The aim of this study was to explore whether Contact Centre managers were aware of these recommendations, in particular those relating to the design of motivating, satisfying and “healthy” jobs. Using an expanded Job Characteristic Model, this descriptive study explored the level of awareness of New Zealand Contact Centre managers (n=20) regarding the recommendations about the design of jobs, and what changes, if any, have occurred as a result. Where changes have not been forthcoming, the study explored the constraints which were preventing or limiting change.

The results of this study indicated that there is a low level of awareness of the research recommendations, that approaches to improving the management and design of Contact Centre agents roles are ad hoc, and that there is a level of resistance in providing agents with autonomy to manage their day to day roles. Some efforts to increase task and skill variety have been made but these are also ad hoc rather than built into the job.

As a result of this study, it appears that Contact Centres in New Zealand are still adopting a mass production model of management.

This study has implications for Contact Centre managers and senior organisational managers, these are discussed. Limitations of the research, implications for Contact Centre Managements are highlighted and areas for further research are highlighted.

## **1. INTRODUCTION**

The Contact Centre industry in New Zealand now operates approximately 24,290 seats in 325 organisations (New Zealand Contact Centre Industry Benchmarking Report, 2007). A seat is defined as the infrastructure (telecommunications switches and equipment, software licences, hardware), the chairs and workstations, and any other kinds of equipment related to the functioning of a Contact Centre agent. A seat may be used by one employee (dedicated to that employee) or, in the case of a 24/7 Contact Centre, by several employees over the course of the working day (New Zealand Contact Centre Industry Benchmarking Report, 2007).

89% of Contact Centres are in-house Contact Centres with the remaining 11% outsourced. The average organisation operates 81 seats, but the median is just 30 seats. The ratio of Management/Team Leader level roles to customer service agents is 7:1. The industry is comprised of Government, Health and Education (39%); Finance Banking and Insurance (22%); Contact Centre outsourcing (11%); Transport and Freight (11%); Manufacturing (9%); Telecommunications and Utilities (4%); Retail and Wholesale (2%) and Hospitality, Tourism and Entertainment (2%), (New Zealand Contact Centre Industry Benchmarking Report, 2007).

### **1.1 DEFINING A CONTACT CENTRE**

The Contact Centre phenomenon of the late 1990s and early 21<sup>st</sup> century appears to many to represent a defining period in the history of office work (Bain & Taylor, 2000; Taylor, Baldry, Bain, & Ellis, 2003; Holman, 2002).

Designed with the intention of helping companies achieve economies of scale and consistency in service delivery and sales/marketing efforts, Contact Centres typically consist of five to several hundred workers who conduct customer transactions by computer and telephone based technologies (Batt, & Moynihan., 2002, Wood, Holman & Stride, 2006; Wegge, Van Dick, Fisher, Wecking, & Moltzen, 2006).

These transactions are either initiated by the customer (inbound) or by the employee (outbound). Contact Centres are capital intensive, with a high demand for continual investment to keep up with rapid developments in technology and human resource costs (Robinson & Morley, 2005).

Contact Centre managers are able to track the number of calls per agent, the number of abandoned calls, the time taken to abandon, the average speed to answer calls, the occupancy rate of agents (the % of time agents handle calls versus waiting for calls to arrive), the service level (% of calls answered within a prescribed timeframe), the identification of the call waiting longest in a queue, the identification of the agent who has been sitting idle the longest, which agents are on calls, on breaks or completing post call wrap up work and how long the wrap up work is taking per call on average (Dollard, Dormann, Boyd, Winefield, & Winefield, 2003; Witt, Andrews, & Carlson, 2004; Rose & Wright 2005).

## **1.2 DOMINANT MODELS OF CALL CENTRE MANAGEMENT**

The knowledge, skills and motivation of the employee, the organisational background and employees' working conditions together with the expectations and behaviour of the customer create the service delivery process (Knights & McCabe; 1998; Dollard et al., 2003; Houlihan, 2002).

Batt et al., (2002), Houlihan, (2002) and Ramsey, Scholarios, & Harley (2000) indicate that Contact Centres tend to be operated along two predominant models. The first is a mass production model based on Taylorist principles of economies of scale, efficiencies and minimal cost. The second is a mass customisation model; a hybrid of the mass production model with a focus on building longer term customer relationships incorporating a high commitment management philosophy.

### **1.3 MASS PRODUCTION MODEL**

To rationalise service production, firms have typically relied less on mechanistic and more on Taylorist principles and routinisation of behaviour (Holtgrewe & Kerst, 2002). Researchers suggest that the more transaction-oriented the Contact Centre the more it will adopt human resource management practices characterised by task routinisation, scripting, cost minimisation through volume of production, worker isolation, and electronic surveillance (Batt et al., 2002; Callaghan & Thompson, 2002; Taylor et al., 2003).

In the mass production model there is an underlying belief that servicing the calls involves relatively simple tasks. Wages are relatively low and opportunities for advancement relatively limited. Discipline is enforced via extensive electronic monitoring (Barnes, 2001; Wallace, Eagleson & Waldersee, 2000; Rose & Wright, 2005). In addition, the work is stressful and turnover rates are high enough to encourage firms to locate their centres in regions where labour is relatively docile because of fewer employment opportunities (Davis & Moro, 2004; Sudhashree, Rohith & Shrinivas, 2005).

Mass production or transaction oriented Contact Centres attempt to reconcile the need for service quality with their search for efficiency by practicing a “sacrificial human resource strategy”; the “deliberate, frequent replacement of employees in order to provide enthusiastic, motivated customer service at low cost” (Wallace, et al., 2000).

There are a number of arguments against the rationalist or Taylorist model (Mickelthwait & Woodridge, 1996). These include too much emphasis on financial analysis and too little in motivating workers and/or satisfying customers, while encouraging bureaucratic conformity at the expense of innovation.

#### **1.4 MASS CUSTOMISATION OR HIGH COMMITMENT MODEL**

In contrast, the more relationship oriented the Contact Centre, it is suggested, will adopt high involvement/commitment human resource management practices characterised by service worker autonomy, task variety and interdependence, team work and task integrity (Batt et al., 2002; Wood et al. 2006; Wegge et al., 2006). Some academics refer to this as a hybrid model (Frenkel, Tam, Korcczynski, & Shire, 1998).

Batt et al., (2002) and Ramsey et al. (2000) conceptualise the high involvement model as where technology is used to compliment rather than substitute for labour. There are high relative skill requirements of jobs; work is designed to provide opportunities for discretion and worker collaboration, and incentives such as high relative pay and employment security to reward effort.

It is argued, however, by some academics that this manifests itself as legitimised “empowerment”, where management remove the organisational constraints on meeting goals and the worker is expected to exercise his or her thoughts, feelings and initiative

in attaining them (Hyman et al. 2003; Holdsworth & Cartwright, 2003; Rose et al., 2005; Wood et al., 2006).

Frenkel et al. (1998) identified a hybrid model which they termed “Mass Customised Bureaucracy” in Contact Centres. While the work was more complex, there were more exacting hiring criteria, training for job proficiency and limited internal career opportunities. While a higher element of performance related pay was evident, the criteria were based on performance and knowledge skill acquisition. Control relations were characterised by strong reliance on information technology generating information and performance data to inculcate conformity to procedures, policies and standards together with facilitative supervision (coaching rather than discipline).

While Holman (2002) and Batt et al., (2002), among others, suggest that job control should be maximised; while call handling time and scripting should be resisted to improve employee wellbeing in Contact Centres; more recent evidence suggests this is not occurring. Indeed Halliden and Monks (2005) undertook research in a Contact Centre in Ireland where employee centred management was introduced. Their findings suggest that such an approach had not achieved any better outcomes in addressing the difficulties inherent in Contact Centre work, than other attempts that have been documented in the research.

The fundamental problem of the type of work and the way in which it is organised still remained and the changes that were introduced, while improving working conditions, did little for the design of work itself.

As a result Contact Centres have acquired a negative reputation. They have been defined as the current bete noire (black beast) of organisational types (Holman, 2002). They have been labelled as 'electronic panopticons' (Ferne & Metcalf, 1998; Fernie & Metcalf, 1999; Taylor, et al., 2003)', 'dark satanic mills of the 21<sup>st</sup> century' (Sanghera, 2005; Fernie & Metcalf 2002) and human battery farms (Holman, 2002; Davis & Moro, 2004).

Even those more optimistic about Contact Centres as a form of service work, still describe them as bureaucracies (Fenkel, Tam, Korczynski & Shire, 1998; van den Broek, 2004; Raz & Blank, 2007).

## **2. WELLBEING IN CALL CENTRES**

Ferne et al., 1998; Knights et al., 1998, Deery et,al., 2002; Sprigg et al., 2003, Hennif et al., 2005 have shown that Contact Centres are stressful places to work, and that employees are being harmed physically, mentally and emotionally because of the design of the work and management systems

Organisations have benefited from Contact Centres because they have enabled them to reduce the costs of existing functions, and to extend and improve customer service facilities. However, Holman (2003) has outlined that the benefits for Contact Centre employees are less clear. He has argued and shown that, whereas some employees enjoy Contact Centre work, for many it is demanding and stressful.

Contact Centre operators use interactive display terminals during telephone calls and therefore perform multiple tasks with frequent interruptions. Furthermore, their jobs are

characterised by repetitive movements while complex information is processed. Meanwhile communication skills and efficiency are expected. In addition, Contact Centre employees often work in noisy environments under high time pressure and their performance is usually monitored on line (Barnes, 2001; Deery et al., 2002; Batt & Moynihan, 2002). It is therefore not surprising that absenteeism and staff turnover are important problems for many Contact Centres and represent significant disadvantages for organisations that use Contact Centres.

Recent attempts to clarify the relationship between emotional labour and other organisational variables in the prediction of wellbeing have consistently reported that job related stressors, especially work overload, time pressures, and role conflicts are more strongly associated with emotional exhaustion than client related stressors such as interactions with difficult clients (Lewig & Dollard ,2003).

Taylor, et al. (2003) undertook a study in two Scottish Contact Centres researching health and sickness, physiological complaints and symptoms of customer services agents. They found that many workers appeared close to exhaustion and emotional withdrawal. The two most frequently reported complaints were physical tiredness and mental fatigue, with 36% and 32% respectively of all respondents experiencing these complaints very regularly (daily or several times a week), and 68% and 59% regularly (at least several times a month). Both complaints can have multiple causes associated with variables relating to the social, proximate and ambient environments, and can have serious human and organisational consequences (Wegge et al., 2006; Dollard et al., 2003; Deery et al., 2002).

While recognising differences between the evidential bases of self-reporting and medical diagnosis, the frequency with which stress is reported in Contact Centre studies indicates the scale of the problem. (Deery et al., 2002; Holman, 2002; Hannif, & Lamm, 2005; Hingst, 2006) In Taylor et al's 2003 study more than a quarter of customer service agents said they experienced stress either daily or several times a week, and more than half at least several times a month. 30% of call handlers were more than twice as likely to be very regularly stressed as non call handlers (14%).

One in four very regularly experienced stiff shoulders and necks and these complaints should be considered along side back aches and pains/numbness in hands, wrists and arms. One in two regularly experienced sore eyes. Headaches were experienced regularly by more than half the call handlers. Other symptoms experienced to a statistically significant greater degree by call handlers included sore throats, coughs and voice loss. Ear aches appear to be directly related to problems with headsets and poor audial environments (Taylor, et al., 2003).

Considerable research also corroborates the evidence of the stressful effects of Contact Centre work shown in other studies. For example, Taylor and Bain (1999) found annual turnover rates in excess of 30% are far from uncommon and cause deep concern. Customer services agents reported that the pressure caused through measurement, and speech monitoring left them mentally, physically and emotionally exhausted.

Holman, et.al. (2002) looked at the effects of performance monitoring on emotional labour and employee wellbeing in two UK Contact Centres. They found that the intensity of monitoring of performance appears to have stronger effects on emotional

exhaustion and anxiety than other work context variables. These findings were supported by the Deery et al.'s (2002) study of 5 Australian Telecom Contact Centres where there was clear evidence of emotional exhaustion and employee withdrawal.

Halik, Dollard and de Jong (2003) in a study of 102 South Australian Contact Centre staff confirmed the link between emotional exhaustion and absenteeism. Norman (2005) found that the consequences of emotional and cognitive demands, which seem to occur during a large proportion of the working hours in Contact Centres, could result in musculoskeletal symptoms, stress-related sickness and absence among operators.

While Contact Centre operations vary widely in terms of size, industry, location, labour market and types of labour management practices and policies, some generic concerns relate to turnover and employee burnout, (Cutcher & van den Broek 2005) the former ranging from averages of 22% per annum and the latter averaging around eighteen months (Contact Centre Research 1999: 57). Much of the burnout rate is attributed to the relentless pace of work and the work intensification facilitated by sophisticated employee monitoring technology (Taylor et al., 1999; van den Broek, 2003).

Mulholland (2004) studied 753 Irish Contact Centre workers and found the data on absenteeism showed a persistent pattern that was attributable to sickness. Figures for a three month period reveal high sickness rates, with 1.2 days per employee per month the average time taken off sick. Turnover was persistently high, with 8% or 60 out of a total of 753 employees resigning from their jobs each month. Wegge et al. (2006) in a study of 14 Contact Centres in Switzerland found average turnover of 21% per annum.

Hallis (2003) found that over 40% of Contact Centre employees he surveyed admitted that around 45% of their sick leave was taken for purposes other than illness. Furthermore workers tenure is a significant predictor of higher rather than lower absenteeism. One possible explanation is that workers who remain at a particular Contact Centre for longer than the average time (i.e. more than 2.3 years) are trading off more sick days as part of the psychological contract for remaining where they are (Frenkel, et al., 2006, Mullholland, 2004).

Part of the explanation for differences in turnover rates resides in differences in the quality of jobs in Contact Centres. There is large and growing research literature on turnover, which demonstrates that managerial choices have a substantial effect on the level of churn in the workforce. In Contact Centres, a major factor in shaping turnover and absenteeism is the quality of job design (Holman et al., 2007).

The process of transition towards a more 'mass customised' model, which is signposted by the move from more quantitatively to qualitatively based assessment and the gradual removal of scripted calls, 'replaced with building an adult to adult relationship with the customers, has been slow to materialise and survey evidence reveals scant evidence of such a transition to date (Holman & Fernie,2000; Bakker et al.,2004; Sprigg et al ,2003; Houlihan, 2002).

In summary, the experience of targets, call volumes, repetitiveness and lack of breaks, disempowerment, monitoring, that is to say, factors relating to job design, work organisation and management policy, are the principal perceived causes of stress, emotional exhaustion and withdrawal amongst employees (Rose et al, 2005).

### 3. WORK DESIGN AND WELLBEING

Work organisation and design is a controversial dimension of employment in Contact Centres. Contact Centre technologies allow for high levels of standardisation and scripting of texts, which can raise call handling efficiencies. However, employees frequently complain of boredom or stress from high levels of routinisation and repetition (Holman, et al., 2002; Deery et al., 2002; Halik et al., 2003; Norman, 2005).

Contact centre work is often seen as monotonous, repetitive and long-lasting constrained seated work. Lack of variety in work tasks, work postures and movements are well known risk factors for mental health and musculoskeletal disorders (Norman, Tornqvist & Toomingas; 2008).

Many of the work tasks that were once part of office work involved natural interruptions and variation from sedentary work. These tasks, which include internal and external communication, searching for and obtaining information and sending faxes can now be performed on the computer. This, and the restrictions of being tied to the telephone, has resulted in Contact Centre operators carrying out most of their work without leaving the workstation. The consequence can be a long period of sedentary work, often with stressful work postures and a lack of variation and natural breaks unless the operator deliberately changes the work posture in some other way (Toomingas, et al., 2005).

Work design is concerned with the characteristics of jobs. Hackman and Oldham's (1975, 1980) Job Characteristics Model is the most widely used model for work design (Schalk, & van Rijckevorsel, 2007). This influential and much cited model of job design proposes five core dimensions of jobs.

## Job Characteristics Model

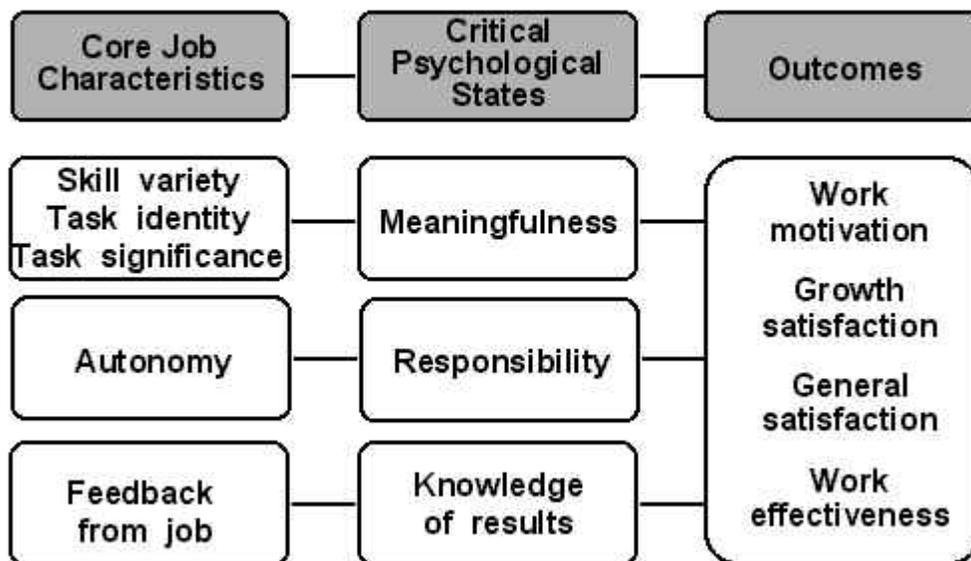


Figure 1 Job Characteristics Model – Hackman and Oldham 1976

The model posits that a high level of internal (i.e. self generated) motivation is dependant on the presence of three critical psychological states: namely, experienced meaningfulness, experienced responsibility and knowledge of results.

Although of lesser importance, other work-related outcomes influenced by the psychological states include overall job satisfaction and growth satisfaction (i.e. satisfaction with opportunities for self-enhancement on the job). The development of each of the psychological states is fostered by one or more core characteristics of the job (Hackman & Oldham 1975, 1976; Tiegs et al, 1992). Specifically it is proposed that experienced meaningfulness arises from the compensatory relationship among skill variety, task identity, and task significance.

Autonomy and job feedback are the antecedents to experienced responsibility and knowledge of results respectively. Hackman and Oldham (1976, 1980) stipulate that it is the perceptions of the core characteristics that are directly antecedent to the critical psychological states, rather than the objective job properties. These states are responsible for four main outcomes: work satisfaction, internal work motivation, work performance, and absenteeism and turnover (Parker & Wall 1998).

Dissatisfaction is more likely to be reflected in relatively high levels of labour turnover, especially under tight labour market conditions, and high levels of absenteeism (Frenkel et al., 2006). Theory and recent literature suggest three kinds of work-related factors that might account for variations in absenteeism resulting from dissatisfaction at work (Frenkel, et al., 2006). First from job design and social-technical theory, there is the proposition that the more job characteristics limit intrinsic work satisfaction, the more likely workers are to be dissatisfied and to take days of work (Parker, et al, 2001). The most likely factor is the extent of discretion or control exercised by workers over various aspects of their work-life, for example, the tasks, methods and pace of work (Malhotra et al., 2007; Schalk, & van Rijckevorsel, 2007). Repetitiveness and low autonomy are considered characteristic of work in a Contact Centre. These job characteristics are assumed to influence frequency of absenteeism and the intention to leave (Bain & Taylor 2000; Bakker et al., 2003).

While training is used to develop qualitative measures including customer empathy and rapport, displaying these emotional skills requires time and discretion. However, such time and discretion is significantly undermined by the nature and extent of surveillance and quantitative key performance indicators. A labour process based on high volume

and low cost will always find it difficult to deliver consistently high quality customer service and to maintain employee morale (Bakker, 2006).

Employees who have reasonable levels of discretion at work not only feel a sense of control, but have the ability to respond directly to customer demands and have a sense of responsibility to do so as well. They are able to deliver quality service and take responsibility for quality control. They are held responsible for their output, and so do not need to be monitored in the process (Parker & Wall 1998). Job discretion enables Contact Centre employees to manage and cope better with task demands, thereby improving wellbeing and effectiveness (Holman et al., 2007).

By contrast, Contact Centres that rely on standardised scripts and low levels of discretion are likely to rely on high levels of performance monitoring. In doing so, they send a signal to employees that management does not trust them to perform well or be responsible (Holman et al., 2007, Sprigg, Smith, & Jackson, 2003; Bakker et al., 2003; Morgeson & Humphrey, 2008).

Intensity of monitoring has been identified as one of the most significant issues negatively associated with Contact Centre work. It is the level of monitoring and the way in which it is conducted that has lead to Contact Centres being named “modern day sweat shops” amongst others (Batt & Moynhan, 2002; Holman et al.,2002; Fernie & Metcalf 1999; Bain & Taylor, 2000, Deery, et al., 2002, Frenkel et al., 1998; Taylor & Bain 1999; Taylor et al., 2003).

Holman and Chissick (2002) looked at the effects of performance monitoring and wellbeing. Although the performance-related content and beneficial-purpose of monitoring are positively associated with wellbeing, the perceived intensity of the monitoring process had a strong negative association with four measures of wellbeing (emotional exhaustion, anxiety, depression and job satisfaction). This negative relationship may be caused by the perceived intensity of the monitoring process encouraging employees to focus inward on the effectiveness of their actions. This may be beneficial in some circumstances, but it also means that greater effort and attention is given to tasks that may normally be performed effortlessly. The increase in efforts to regulate behaviour means that more cognitive resources will be devoted to the task at hand, and it is this depletion of cognitive resources that has been linked to higher anxiety and depression (Hyman, Baldry, Scholarious & Bunzel, 2003; Holman et al., 2002).

Parker and Wall, (1998) have demonstrated clear associations between work design characteristics and employee effectiveness, that is, mental health and performance. Employees with low task variety report poorer mental health (greater stress), and employees with higher job control report greater job satisfaction (Terry & Jimmieson, 1999). Employees in jobs with 'poor role characteristics' also report poorer mental health. Poor role characteristics occur when employees have high role conflict through experiencing contradictory demands from managers, and low role clarity, when employees are not sure what are expected of them.

Tommingas, Cohen, Jonsson, Kennedy, Mases, Norman & Odefalk, (2005) found that a major predictor of poor agent wellbeing is high workload. Pressure to complete tasks quickly is common within Contact Centres, along with active efforts by managers to

increase utilisation by reducing time spent between calls (Sprigg et al., 2003). Bakker, Demerouti, & Schaufeli, (2003); Batt & Moynihan; (2002); and Frenkel et al., (1998) have demonstrated that low job discretion and high performance monitoring is associated with higher levels of anxiety, depression, emotional exhaustion and lower levels of job satisfaction.

Malhotra et al., (2007) and Morgeson et al. (2008) together with others have shown that high work demands can be beneficial provided they are associated with high levels of worker control over how they manage those demands. Holman and Fernie (2000) draw attention to work based characteristics which contribute to agent stress and pressures which include lack of employee control over how calls are timed and handled, the use of scripts which limit what can be said to the customer and the level and type of monitoring. They also emphasise the degree of control Contact Centre workers have over the job, finding that the less control workers have over the job, the lower their satisfaction and mental health and the higher the levels of anxiety.

Wegge, (2006) identified five psychosocial factors that are related to disorders of the upper extremities and back: job dissatisfaction, intensified workload, monotonous work, low job control and low social support. He also found that work autonomy would have an impact on job satisfaction, that is, the less autonomy, the lower job satisfaction.

In a comparison of call agent timing and method control against a range of skilled and unskilled jobs, Sprigg et al. (2003) found the level of call handler control/autonomy over timing and work methods is lower than in every other job for which norms are available (Jackson et al., 1993 and Jackson & Parker, 2001). Even the most repetitive of non-skilled manual work involved higher levels of discretion over when and how to perform

work tasks. All of the statistical comparisons were highly significant and demonstrated just how little control agents have over the key tasks of their job.

A decrease in job related stress and an increase in job satisfaction are two key outcomes behind the introduction of empowerment in the workplace. Low levels of empowerment in daily working life are strongly related to mental distress and excess chronic disease and many studies highlight the positive effect of empowerment on lower sickness, absence and turnover (Birdi, Clegg, Patterson, Robinson, Stride, Wall & Wood, 2008). Therefore, by increasing levels of employee empowerment, the logical result should be an improvement in psychological and physical well being and a decrease in sickness, absence and turnover rates. There is also strong evidence that empowerment results in a 7% increase in value added per employee (Birdi et al., 2008).

Holdsworth and Cartwright (2002) found that perceptions of empowerment were significantly lower for Contact Centre agents than for more traditional office workers. Lack of control has been particularly associated with reduction in job satisfaction generally and feelings of stress. Respondents involved in the Holdsworth et al. (2002) study were found to be under pressure due to conflicting demands, frustrations over lack of personal growth, and the usual duties of their working day. Low job satisfaction was found in all areas of the call handlers' job as compared to the general working population. In addition, evidence of poor mental and physical health was found amongst the sample, with responses indicating a low sense of emotional wellbeing and high levels of physical stress related symptoms.

Articles endorsing empowerment of Contact Centre agents are prevalent; on the other hand managerial interventions focus on what managers do to employees. Empowerment is much more complex and cannot be created through managerial behaviours that are imposed on individuals; it is a mindset that employees have about their position in the organisation and “empowered people empower themselves” (Spreitzer 1997 page 41, Birdi, et al., 2008).

Opportunity for skill utilisation is a significant predictor of almost all of the measures of psychological wellbeing (Sprigg et al., 2003). Considerable frustration among agents has been found when they were not allowed to use their skills to the full or to use the knowledge they had. Moreover, skill variety has been found to be a powerful determinant of organisational commitment. Lack of task variety has also been identified as a significant predictor of job-related depression, job satisfaction and wellbeing. (Toomingas et al., 2005). Both task variety and skill variety for Contact Centre agents have been found to be low compared to other skilled and low-skilled work (Sprigg et al., 2003; Norman, 2005; Norman et al., 2008).

Lack of variety creates boredom and role under-load. Agents do not need to give active attention to their work, and this can increase the risk of poor quality outcomes. It devalues the work of the agent and makes it much harder to recruit and retain high quality staff. Finally it may increase the risk of exposure to upper limb disorders which can damage the individual and lead to sickness, absence, and even turnover (Sprigg et.al, 2003; Hannif et al., 2005).

A meta-analysis of studies on the relationship between job characteristics and absenteeism and turnover revealed significant correlations, especially for autonomy,

feedback from the job and skill variety (correlations ranging between -0.19 and -0.29) Fried & Ferris 1987).

Perceptions of management can also manifest themselves in positive or negative views of satisfaction. For example, in Holdsworth & Cartwright's (2003) research, team leaders were held in relatively high esteem by agents, despite the nature of the work ,high turnover and absenteeism rates among agents and the inconsistency of motivational approaches adopted by leaders (Deery et al., 2003). Team leaders indicated a serious and well intentioned commitment towards motivating team members.

Holdsworth & Cartwright (2003) found that shift leaders and senior management were in the main considered distant and unapproachable and agents did not have access to management information or know what 'involvement' and 'commitment' entailed in practice. These results are, to some extent, similar to the comments made by survey participants in this current research. Management focus, politics, and continual cost cutting were seen as constraints to changing the nature and design of jobs within the Contact Centre. This could also be due to the potential disconnect between the organisational strategy and the operational implications within the Contact Centre environment (Wood, Holman & Stride, 2006).

Job involvement is an important factor in the lives of most people. Work activities consume a large proportion of time and constitute a fundamentally important aspect of life for most people. People may be stimulated by and drawn deeply into their work or alienated from it mentally and emotionally. The quality of ones entire life experience

can be greatly affected by ones degree of involvement in or alienation from work (Brown, 1996).

In Brown's 1996 meta-analysis and review of organisational research on job involvement he found that the job-involved person considers work highly meaningful and challenging, works at complex tasks, uses a variety of skills and is able to see complete units of work output through to completion. This person has a voice in setting performance standards and a positive relationship with the immediate supervisor who provides ample feedback. The job- involved person is also strongly committed to work, in general and to their career, as well as to the specific job. There is significant evidence (Deery et al., 2002; Holman et al, 2002; Holman, Clegg, & Waterson, 2002) that job characteristics of Contact Centre work influence work related attitudes and therefore job-involvement and commitment.

The management of work processes in the Contact Centre requires a different approach to managing 'normal' office work processes. As the number of incoming calls always fluctuates, adjustments to quantitative (and qualitative) staffing levels continuously have to be made. When staffing levels are too low, the customer has a long waiting time and work pressure for the agents is high; too high a staffing rate is, of course, inefficient. All activities have to be planned (telephone operations, training and work meetings); the Contact Centre requires maximum organisation in order to ensure maximum flexibility (Campion, et al., 2005; Kinnie, 2003; Sprigg et al., 2003).

An important question is whether the specific way of organising Contact Centres is causing problems for employees, reflected in their attitudes towards work and work-related outcomes such as absenteeism, performance and turnover. The tension in

Contact Centre operations between, on one hand, trying to achieve client satisfaction, and on the other hand, the emphasis on efficient operations, can have a negative influence on employee satisfaction, commitment and performance (Schalk, & van Rijckevorsel, 2007).

Work design theory has often been criticised for failing to take account of factors that influence and constrain the choice of work design. Such factors can be internal to the organisation, such as the style of management, technology, nature of tasks, information systems, human resource practices, strategy, history and culture. For example, a directive style of management, an assembly-line technology, or intensive performance monitoring can each act to constrain employee autonomy (Cordery, 1999). Of course, these organisational factors are in turn influenced by aspects external to the organisations, such as the uncertainty of the environment, customer demands, the available technology, social and cultural norms, economic circumstances, the nature of the labour market and political and labour institutions.

There are other organisational factors that are likely to affect whether work redesign leads to predicted outcomes. These include the process of implementing work redesign, the organisation's readiness for work redesign (e.g. the management style and culture), the degree to which human resource and other systems align with the work design and the level of job security of employees (Cordery, 1999; Birdi et al., 2008).

In addition, decisions concerning job design are greatly influenced by a firm's objectives (Kinnie et al., 2000; Malhotra et al., 2007), the type of Contact Centre (Callaghan & Thompson, 2002), and tasks, ranging from 'advice/solutions' to 'sales'

and simple 'transactions' (Wallace et al., 2000). Customer oriented organisations are likely to construct jobs that are more autonomous and participative in nature, while organisations wanting to maximise call volume and minimise costs would design jobs that restrict employee discretion and limit the skills used by the employees. However, the continued focus on mass market Contact Centre design will continue to have a detrimental effect, not only on the agents themselves but also in the costs associated with burnout, absenteeism and turnover which have a tangible impact on the bottom line of the organisations.

The characteristics of Contact Centre work (low/limited task variety, low control, high role conflict and low role clarity) are considered risk factors or hazards (Cox & Griffiths, 1996). Work is rarely designed as such, but work can be re-designed, successfully, to reduce the impact of these risk factors (Sprigg, Smith & Jackson, 2003). Parker et al. (1998) demonstrated that work redesign was important as 'both a stress prevention strategy and as a way to facilitate organisational effectiveness' (p.24). Organisations can intervene to improve the nature of work design. Furthermore, such redesign can enhance employee wellbeing and performance.

Barling, Kelloway, and Iverson (2003) undertook a study to investigate the degree to which certain job characteristics associated with high performance work systems influence safety outcomes. While not specifically using the JCM, the research focussed in part on what investment in human capital occurred in terms of increased employee skills, information, motivation, and latitude and how Human Resource practices were mutually reinforcing. High performance work systems are employee centred and based on employee involvement and empowerment. Employees develop skills and competencies, gain greater control over their jobs, are more cooperative and

creative and are more effective in their roles. The job characteristics associated with high performance work systems enable employees to experience meaningfulness in their work, greater responsibility in their job and better use of their knowledge and skills leading to increased satisfaction and safety. Thus creating better work environments for employees, leading to improved outcomes for the organisation.

The major focus of research in Contact Centres to date has been on the Contact Centre employees reporting on their own wellbeing and job design (Sprigg, Smith & Jackson, ,2003; Sprigg, Stride, Wall, Holman & Smith, 2007; Deery, Iverson, & Walsh, 2002; Hannif,& Lamm, 2005; Deery, Iverson,& Walsh, 2006). This research has been conducted through the use of various instruments including the Job Characteristics Model (Hackman & Oldham 1975, 1976; Hackman, 1980), and/or General Health Questionnaires including anxiety and depression scales (Parker, & Wall, 1998; Holman, 2002; Holman, 2003; Deery, et al, 2002).

The collective recommendations from these studies (Wood et al., 2006; Sprigg et al., 2003; Sprigg & Jackson, 2006; Fernie & Metcalf, 1999; Norman, 2005; Rose & Wright, 2005; Taylor et al, 2003; Taylor & Bain 1999; Holman et al, 2002; Holman, 2003; Houlihan, 2002; Batt & Moynihan, 2002) indicate that changes to Contact Centre management practices and the re-design of Contact Centre work would alleviate the negative and sometimes damaging nature of the work and environment (psychosocial risk factors). There is, however, a dearth of research to determine whether management practices within Contact Centres have changed as a result of the recommendations made from this previous research.

## 4. AIMS OF THIS RESEARCH

The aim of the present study is to discover whether the findings and recommendations of previous Contact Centre research has influenced how modern Contact Centre jobs are designed, managed and monitored. Although previous research (Batt & Moynihan, 2002; Holman et al, 2002; Holman, 2003; Frenkel et al., 1998; Taylor & Bain, 1999) has supported the implementation of a more mass customisation or high commitment model of management, the dominant model in New Zealand still appears to be the mass production model (with its inherent issues for staff).

In particular, if the research to date is not influencing these factors, then it is important to understand what constraints or issues are preventing the recommended practices from being implemented in New Zealand.

The Job Characteristics Model (JCM) is the most widely used theoretical approach to job design (Parker & Wall, 1998; Tiegs, Tetrick & Fried, 1992). The model is not without its limitations and these are discussed in Parker & Wall (1998). These limitations identify the extent to which the 5 factors in the JCM are separable aspects of jobs or at least are perceived as such by job incumbents. Secondly, specific job characteristics have been found to relate to critical psychological states other than those specified (Fried & Ferris, 1987). Thirdly, the JCM fails to take account of the moderating role of knowledge and skills. In addition, the additive index used in the JCM has proved as strongly related to outcomes as the motivating potential score (Fried & Ferris, 1987). Finally the JCM fails to identify the relationship among the outcome variables. Satisfaction, internal work motivation, performance and absence and labour turnover

are grouped together as outcomes. However, the relationships among them remain unclear (Parker & Wall, 1998).

Nevertheless, Parker et al., (1998) conclude that the specified job characteristics can be important determinants of outcomes, and this has been supported in both cross-sectional and longitudinal research (Sprigg & Jackson, 2006; Humphrey, Nahrgang & Morgeson, 2007; Parker, Wall & Cordery, 2001; Campion, Mumfords, Morgeson, & Nahrgang, 2005; Birdi, Clegg, Patterson, Robinson, Stride, Wall & Wood, 2008; De Jonge, Dormann, Janssen, Dollard, Landeweerd & Nijhuis, 2001) To overcome some of the JCM's weaknesses, an expanded model of work design as recommended by Parker & Wall (1998) will be used. This expanded includes a focus on timing control, method control, participation in decision making as well as autonomy to make decisions.

This study presents a simple research problem. The literature on work design and wellbeing, as outlined above, indicates that changes to the management of the labour processes together with the re-design of jobs in Contact Centres would result in less negative impacts on employees and organisations.

However, highly competitive market conditions compel managers to achieve maximum attainable call volumes. Consequently, there is a marked reluctance to take call-handlers off phones for any length of time which constrains opportunities for meaningful job rotation and task variation. Given lean staffing and close matching of call-handler occupancy to real, or anticipated levels of customer demand, managers are reluctant to increase the frequency and length of breaks. In sum, no fundamental alternative is

seen to the dominant paradigm of call handling job design (Taylor, et al., 2003; Hannif & Lamb, 2005; Deery, et al., 2006).

For this reason the improvement in working conditions in Contact Centres is not necessarily compatible with the business logic of the firm (Wallace, et al., 2000; Hyman, et al., 2003; Davis & Moro, 2004).

How then, does Contact Centre Management balance the clear evidence that the current practices and job design are inconsistent with theories of best human resource practice while ensuring the organisation achieves its commercial business goals? Current research simply does not provide adequate answers or direction.

Therefore, there is a need to determine whether Contact Centre management understands the implications of the current practices and to ascertain what constraints to changing these practices exist. Further, there may be better outcomes for the organisation by changing the way jobs and people are currently managed. Hence the objective of this study is to determine:

1. What is the level of awareness of Contact Centre managers about the factors (i.e. timing control, method control, role and task variety, etc) which suggest that the current job design practices create an employee segment that is being harmed (Emotional exhaustion, withdrawal, stress and anxiety) by the practices adopted?
2. Where there is awareness, what changes, if any, in practices have occurred to alleviate these issues?
3. If changes have not occurred, what have been the barriers to change?

4. What is the current dominant model of Contact Centre management in New Zealand?

## **5. 5. METHOD**

### **5.1 SAMPLE**

For this study, a stratified sample of Contact Centres was used. Here stratified means I approached Contact Centre colleagues to provide the names and contact details for their industry colleagues who held managerial roles within New Zealand based Contact Centres. To ensure a wider sample, I then identified the 2007 and 2008 winners of the Telecommunications Users Association of New Zealand (TUANZ) Contact Centre Awards and contacted them to participate in the survey. As a result, several of these contacts also provided information on additional participants. Email out of office messages also provided additional contacts that were approached to participate.

### **5.2 PROCEDURE**

The questionnaire was sent via a web-based link to Managers of 53 Call Centres on 15 September 2008. Each link was accompanied by a detailed information email outlining the nature and purpose of the survey and what was required of the participant to complete the survey. Participants were assured of confidentiality. Anonymity was also stressed unless respondents chose to receive a copy of the completed research findings. A follow up email was forwarded to participants on 29 September 2008 and the survey was closed on 6 October 2008. The study procedures were approved by the Massey University Human Ethics Committee.

### 5.3 THE QUESTIONNAIRE

The questionnaire was composed of twenty seven questions. It consisted of questions regarding the characteristics of Call Centre agents' jobs, familiarity with the recommendations from the academic literature about Contact Centre management and job design, changes which may or may not have happened because of these recommendations, and demographic information. In addition, questions also sought "opinions" via rating scales and descriptive responses to determine the dominant model of Contact Centre management and design.

The degree of timing and method control managers allow for Contact Centre agents was measured with a two-item scale based on that developed by Sprigg, Smith & Jackson (2003). Their items had been adapted from questions developed by Jackson et al (1993) which had been developed especially for production environments. Sprigg et al (2003) had adapted these items so they would be more meaningful for Contact Centre employees and these were further adapted in this questionnaire to be more meaningful for Contact Centre management. Each item asks respondents to indicate the extent to which agents have control over aspects of their job, for example '*Can your customer service agents control how many calls they answer?*' And '*Do you think your customer service agents should have control over the number of calls answered?*' Respondents were given a 5-point response scale ranging from 1 ('Not at All') to 5 ('A Great Deal'). Cronbach's alpha was 0.64.

Feedback from the job was measured using a two-item scale. An adapted version of the performance monitoring questions used in Sprigg et al's (2003) research on Contact Centre agents was used to focus on Contact Centre managers' responses.

Each item asks the respondents to indicate the extent of call tracking and monitoring of agents, for example *'To what extent are customer services agents' performances monitored in real time?'* Respondents were given a 5-point response scale ranging from 1 ('Not at All') to 5 ("A Great Deal"). Cronbach's alpha was 0.35.

Task variety was measured by the extent to which call centre agents were involved in a variety of tasks by using a three-item scale, which was adapted from Sprigg et al. (2003). Example items are *'To what extent do customer service agents carry out the same tasks over and over?'* and *'To what extent have you increased the variety of tasks available for customer service agents to undertake each day?'* Respondents were given a 5-point response scale ranging from 1 ('Not at All') to 5 ("A Great Deal"). Cronbach's alpha was -0.11.

In addition, respondents were asked to identify additional functions/tasks that may have been provided for call centre agents with the following question *'If customer services agents do undertake functions off the telephone, what types of functions do they undertake and how often do they undertake them?'* Respondents were able to list the type of functions and to select the frequency from hourly, daily, weekly, fortnightly, or when time permits.

The extent to which managers perceive that call centre agents are now able to participate in decision making was measured with a two-item scale and qualitative response. The two-item scale was derived from a measure used by Parker et. al (1998) and Sprigg et al, (2003). An example item is *'To what extent are employees able to influence decisions about the changes that might affect their work?'* Respondents were given a 5-point response scale ranging from 1 ('Not at All') to 5 ("A

Great Deal”). Cronbach’s alpha was 0.71. In addition, respondents were asked *‘If employee participation has changed, please briefly provide the reasons.’* Space was provided for participants to type a qualitative response.

The extent to which contact centre agents were able to use and develop their skills was used to measure skill variety/utilisation. A two-item scale was derived from Clegg & Wall (1990). An example item is *‘To what extent do customer service agents make full use of their skills?’* Respondents were given a 5-point response scale ranging from 1 (‘Not at All’) to 5 (‘A Great Deal’). Cronbach’s alpha was 0.28.

The extent to which Contact Centre managers were familiar with the recommendations from research about effective job design and management practices in Contact Centres together with the extent of changes made as result of this familiarity were measured by a two-item scale and three qualitative questions. Respondents were asked *‘A great deal of research into job design and management of contact centres has been undertaken in the last 10 years. How familiar with the outcomes of this research are you?’* The second item asked *‘If you are familiar with the research, have you instigated changes in the last two years to the way jobs are designed and managed in your contact centre?’* Respondents were given a 5-point response scale ranging from 1 (‘Not at All’) to 5 (‘A Great Deal’). Cronbach’s alpha was 1.08.

The qualitative questions were: *‘If changes have been made in the last two years please briefly describe what changes have been introduced?’* *‘If changes have not been made in the last two years, what would you like to change? Please outline below’;* and *‘Please briefly describe what you feel are the constraints to making changes to the way*

*contact centre agents are managed.*' Space was provided for participants to type a qualitative response.

Documented outcomes from the literature indicate that turnover and absenteeism will result from jobs which lack those items in the Job Characteristics Model and where sacrificial Human Resources strategies are utilised. Respondents were asked to indicate *'What is the current annual turnover rate for contact centre agents in your organisation?* Space was provided for participants to type a response. Respondents were asked to indicate whether the *'turnover rate had increased, declined or remained the same.'* The respondents selected one of these responses from a list table.

Respondents were also asked to indicate *'What is the current annual absenteeism rate for contact centre agents in your organisation?* Space was provided for participants to type a response. Respondents were asked to indicate whether the *'absenteeism rate had increased, declined or remained the same'.* The respondents selected one of these responses from a list table.

Participants were asked to indicate the number of seats in their contact centre by selecting from a table list. The list comprised of a response scale of <20 seats; 20-49 seats; 50-99 seats; 100+ seats. Responses were indicated by clicking the circle next to relevant seat measure.

To ensure that respondents held a management level role in the Contact Centre, they were asked *'Which of the following best describes your position in your organisation? Please select the nearest match to your job title.'* Responses were indicated by clicking

the circle next to Contact Centre positions. These consisted of the following roles in a table list:

- Contact Centre Manager
- Customer Services/Care Manager
- Operations Manager
- Human Resource Manager
- Human Resource Advisor
- Contact Centre Supervisor
- Contact Centre Team leader
- Workforce Management Coordinator

Tenure in the role was measured by a 5-item scale. Respondents were asked '*How long have you been in this role? Please select the nearest match to your tenure.*' Responses were indicated by clicking the circle next to a tenure scale of Less than 12 months; 12 months to 2 years; 2-5 years; 5-10 years; more than 10 years.

Finally respondents were asked to '*Please select from the list below which best describes your organisations industry.*' Responses were indicated by clicking the circle next to industry. These consisted of the following industry groups in a table list:

- Contact Centre Outsourcing Bureau
- Finance, Banking and Insurance
- Manufacturing Government, Education, Health
- Retail / Wholesale
- Telecommunication / Utilities

## **5.4 DATA MANAGEMENT AND ANALYSIS**

Questionnaire responses were entered directly into a web-based survey tool called TP Quiz by survey respondents. This tool was designed and developed by a TrustPower Limited web designer. Individual respondents were automatically allocated a sequential number by the survey tool but no information about the respondent was available unless they indicated they wished to receive a summary of the findings. Respondents then provided an email address to receive a summary. Seventeen respondents have requested a summary of the findings.

At the completion of the survey period, the data was exported by a TrustPower Web Developer into a Microsoft Excel Spreadsheet and securely emailed to the researcher. Questionnaires that had less than half of the questionnaire completed or duplicate responses were excluded where these were identified (1 respondent questionnaire). Twenty fully completed questionnaires were received providing a response rate of 38%.

Numerically rated raw data was imported into SPSS (v17), where frequency tables, means, and standard deviations were derived for each 5-point response scale. These are included in Section 6 below. Turnover and absenteeism data were collated into an Excel spreadsheet and an average range determined. Where items were not rated against the response scales, these were recorded as missing.

Rated responses were also analysed using Cronbach's Alpha and these are recorded in Section 5.2 above. Cronbach's Alpha is a statistical measure of the internal consistency of a measurement scale, i.e. whether the items are all measuring the same underlying psychological construct. This is a way of estimating the reliability of a

measure. A high score (close to 1) means that answers are virtually identical, while scores between 0.60 and 0.95 are taken as showing an acceptable level of consistency in answering (Sprigg et al. 2003).

Pearson's correlations were undertaken for thirteen of the questions as these were specifically relevant to the job characteristics of Contact Centre work. Pearson's correlation coefficient is a statistical test that indicates the strength and direction of a linear relationship between two random variables. The sign of the correlation coefficient (+, -) defines the direction of the relationship, either positive or negative. A positive correlation coefficient means that as the value of one variable increases, the value of the other variable increases; as one decreases the other decreases. A negative correlation coefficient indicates that as one variable increases, the other decreases, and vice-versa (Saunders et al., 2007)

Qualitative data was reviewed and key themes identified through open coding and frequency analysis.

## 6. RESULTS

### 6.1 SAMPLE CHARACTERISTICS

The size of the contact centres varied from <20 seats to 100+ seats.

Number of Seats	Frequency	%
	1	5.0
<20 seats	5	25.0
20-49 seats	5	25.0
50-99 seats	5	25.0
100+ seats	4	20.0
Total	20	100.0

**Table 1 Size of Participant Call Centres**

The sample of Contact Centre managerial staff was spread across a variety of industry sectors including the private and public sector (see Table 2). The largest percentage (50%) was drawn from the Government, Education and Health Sector industry.

	Frequency	%
Contact Centre Outsourcing Bureau	3	15.0
Finance, Banking and Insurance	2	10.0
Government, Education, Health	10	50.0
Manufacturing	1	5.0
Retail / Wholesale	1	5.0
Telecommunication / Utilities	3	15.0
Total	20	100.0

**Table 2 Participant Industry Sector**

Data was collected from respondents as to the role they currently held within the Contact Centre. The sample comprised the following respondent roles.

	Frequency	%
Contact Centre Manager	14	70.0
Contact Centre Supervisor	2	10.0
Contact Centre Team Leader	2	10.0
Customer Service/Care Manager	1	5.0
Workforce Management Coordinator	1	5.0
Total	20	100.0

**Table 3 Participant Roles with in Call Centre**

As can be seen from Table 4 the majority of respondents had worked in their current role for between 12 months and two years. 25% of the sample had worked in their current role for less than 12 months.

	Frequency	%
Less than 12 months	5	25.0
12 months to 2 years	7	35.0
2-5 years	4	20.0
5-10 years	4	20.0
Total	20	100.0

**Table 4 Tenure in Current Role**

## 6.2. JOB CHARACTERISTICS WITHIN PARTICIPANT CALL CENTRES

### 6.2.1 Timing Control/Method Control (Autonomy)

Rating scale	Frequency	%
1	4	20.0
2	6	30.0
3	3	15.0
4	3	15.0
5	4	20.0
Total	20	100.0

**Table 5 : Agent control of calls answered (Mean 2.85, sd 1.461)**

50% of participants indicated that their Contact Centre agents had none or very little control over the calls received. When asked whether they thought agents should have control over the number of calls they answer, 15% indicated that they felt agents' should (Table 6 below), while 50% felt they should have no or little control.

	Frequency	%
1	5	25.0
2	5	25.0
3	7	35.0
4	1	5.0
5	2	10.0
Total	20	100.0

**Table 6 Should Agents have control over the number of calls answered? (Mean 2.50, sd 1.235)**

### 6.2.2 Feedback

The majority of participants indicated that visual tracking was conducted most of the time or a great deal. Real time monitoring of agents performance was undertaken in 90% of the Contact Centres surveyed.

	Frequency	%
1	1	5.0
3	1	5.0
4	5	25.0
5	13	65.0
Total	20	100.0

**Table 7 Visual tracking of call queues (mean 4.63, sd .597)**

	Frequency	%
2	3	15.0
3	4	20.0
4	6	30.0
5	7	35.0
Total	20	100.0

**Table 8 the extent of real time monitoring in participant centres (Mean 3.89, sd 1.100)**

### 6.2.3 Task Variety/Role Breadth/Boundary Control

65% responded that agents were required to carry out the same tasks over and over, while the remaining 35% indicated that agents had some degree of variety.

	Frequency	%
2	3	15.0
3	4	20.0
4	10	50.0
5	3	15.0
Total	20	100.0

**Table 9 Extent agents carry out the same task. (Mean 3.74, sd .872)**

	Frequency	%
1	1	5.0
2	2	10.0
3	5	25.0
4	8	40.0
5	4	20.0
Total	20	100.0

**Table 10 Increases in the variety of agents' daily work. (Mean 3.53, sd 1.073)**

60% of respondents indicated that some or a great deal of breadth had been included in agents' daily work. This was generally achieved through the provision of administrative tasks during down-time during the day. Participants were asked whether agents were able to undertake functions off the phone and to provide examples of the type of function and frequency.

	Frequency	%
1	2	10.0
2	5	25.0
3	10	50.0
4	2	10.0
5	1	5.0
Total	20	100.0

**Table 11 the extent that agents undertake functions off the phone. (Mean 2.79, sd .976)**

Additional functions identified were:

- Back office administration – when time permitted
- Responding to emails/fax/enquiries – hourly, weekly or when time permitted
- Data entry – hourly, weekly or when time permits
- Attending coaching sessions – when time permits
- Project work or problem solving improvement teams – when time permits

- Out bound calling – when time permits
- Attending team meetings – weekly
- Training –when time permits

Only one respondent indicated that agents were rostered between phone and face to face counter work and this was undertaken on a weekly basis.

### 6.2.5 Skill Utilisation/Variety

70% of respondents indicated that agents were able to make full use of their skills most of the time or a great deal.

	Frequency	%
2	2	10.0
3	4	20.0
4	12	60.0
5	2	10.0
Total	20	100.0

**Table 12 Extent agents' make full use of their skills. (Mean 3.47, sd 1.020)**

85% of respondents indicated that they knew the skills and abilities of their agents most of the time or a great deal. 60% of respondents had been employed in their role for less than two years.

	Frequency	%
3	3	15.0
4	12	60.0
5	5	25.0
Total	20	100.0

**Table 13 Extent Managers and Supervisors knew the skills and abilities of each agent. (Mean4.05, sd .820)**

Participants were asked to rate the extent that secondments were utilised in their Contact Centres. Responses indicated that these appear to be used on an ad hoc basis rather than as a permanent arrangement.

		Frequency	%
Valid	1	2	10.0
	2	5	25.0
	3	4	20.0
	4	7	35.0
	5	1	5.0
	Total	19	95.0
Missing	System	1	5.0
Total		20	100.0

**Table 14 Extent that secondments are used. (Mean 3.00, sd 1.115)**

### 6.2.6 Participation in Decision-making

60% of survey participants indicated that Call Centre Agents had limited participation in decision-making.

	Frequency	%
2	4	20.0
3	8	40.0
4	4	20.0
5	4	20.0
Total	20	100.0

**Table 15 Agent influence in decisions affecting them. (Mean 3.47, sd 1.020)**

Participants were asked if employee participation in decision-making had changed over the last two years. 75% of participants indicated that there had been changes in participation over the past two years.

	Frequency	%
1	4	20.0
2	1	5.0
3	6	30.0
4	8	40.0
5	1	5.0
Total	20	100.0

**Table 16 Changes to employee participation in decision making over the last two years (Mean3.05, sd 1.268)**

The reasons for changes to employee participation tended to be of a similar genre, mainly in terms of consultation and engagement rather than the increase in decision making latitude within the job.

*“Greater consultation to improve staff engagement”.*

*“At an agent level, Team leaders and Queue Managers engage agents in informal discussion about their areas, how they ideally would like their roster or the contact centre to look”.*

*“A Staff focus group has been formed to work with the Manager to influence decisions about work practices and processes, and to identify and implement improvements.*

*We are trying to gain greater employee engagement to ensure that people are happier in their roles and feel and see how they contribute to company goals”.*

*“Staff all have an input into decision making within our area. We try to find the best way to work smarter and agree on the functionality of the team to get the best we can through individual and team tasks. .... This does not mean all decisions are made by the team; rather they have an input into the decision and are part of the process and outcome”.*

*“Employees are encouraged to suggest and implement changes which will make their jobs more interesting and more efficient”.*

Correlations were undertaken for thirteen of the questions as these were specifically relevant to the job characteristics of Contact Centre work.

Pearson Correlations for numerically rated questions *. Correlation is significant at the p =0.05 level (2-tailed).													
	1.	2.	3.	4.	5.	6.	7.	9.	10.	11	13.	14	15.
1. Timing and Method Control	1	.481*	-.276	.150	-.041	.059	.196	.205	.076	.150	.004	.354	.020
2. Timing and Method Control	.481*	1	-.149	-.020	-.114	-.506*	-.242	.419	-.081	.121	-.159	-.199	.447*
3. Feedback	-.276	-.149	1	.210	.460*	-.164	.177	.081	.524*	.109	-.151	-.074	.170
4. Feedback	.150	-.020	.210	1	.515*	-.229	-.187	.087	.009	-.112	.006	.400	.196
5. Task Variety	-.041	-.114	.460*	.515*	1	-.247	.073	-.055	.043	-.030	-.218	-.114	.087
6. Task Variety	.059	-.506*	-.164	-.229	-.247	1	.447*	-.314	.285	.054	.036	.435	-.410
7. Task Variety	.196	-.242	.177	-.187	.073	.447*	1	-.197	.520*	.364	.102	.127	-.114
9. Skill Variety	.205	.419	.081	.087	-.055	-.314	-.197	1	-.141	-.038	-.176	-.155	.272
10. Participation in decision making	.076	-.081	.524*	.009	.043	.285	.520*	-.141	1	.554*	.088	.173	-.134
11. Participation in decision making	.150	.121	.109	-.112	-.030	.054	.364	-.038	.554*	1	-.037	-.339	-.137
13. Skill Variety	.004	-.159	-.151	.006	-.218	.036	.102	-.176	.088	-.037	1	.164	-.386
14. Skill Variety	.354	-.199	-.074	.400	-.114	.435	.127	-.155	.173	-.339	.164	1	-.069
15. Familiarity with research	.020	.447*	.170	.196	.087	-.410	-.114	.272	-.134	-.137	-.386	-.069	1

Figure 1 Correlations among constructs and descriptions.

### 6.2.7 Job Design and Management Practice

A key objective of this research was to determine whether Contact Centre Management were aware of the plethora of recommendations from academic research related to the impact on Contact Centre agents as a result of management practices and job design. The results are shown in Table 17 below. 70% of respondents were either not familiar at all with the information or had limited knowledge.

	Frequency	%
1	7	35.0
2	2	10.0
3	5	25.0
4	4	20.0
5	2	10.0
Total	20	100.0

**Table 17 Familiarity with Academic Research on Call centres within the last 10 years. (Mean 2.68, sd 1.416)**

Despite this limited knowledge shown in Table 17, ten of the twenty respondents advised that they had made changes to the way jobs are designed and managed (see Table 18).

		Frequency	%
Valid	1	3	15.0
	2	3	15.0
	3	4	20.0
	4	6	30.0
	Total	16	80.0
Missing	System	4	20.0
Total		20	100.0

**Table 18 As a result of the research, have changes been made to how jobs are designed and managed in the last two years.**

Four participants either failed to rate the question, or provided qualitative responses instead. An example of a qualitative response is shown below:

*“Although I’m not familiar with the research we have had some changes made in regards to the environment and our HR policies. We have an attendance framework that we work by which is reducing our absenteeism. We have changed the environment to a coaching environment*

*where the Customer Service Professionals get 1 hour a week individual coaching with the team leader. We have also had changes to our organisation structure as well”.*

Participants were asked to advise what changes had occurred in their Contact Centres during the last two years as a result of the research. Again the qualitative responses tended to focus on similar genre: modifications to measurements, job enlargement and enrichment opportunities, the introduction of coaching and more staff involvement in communication forums. Examples of the qualitative comments received are recorded below:

*“Loosening of call quality measuring – not as scripted, we don’t look at average call length nor number of calls as a metric (used only for forecasting), introduced resolution rate measuring as a whole company”.*

*“Secondments to different roles, managing the e-mail channel, FAQ editing, back-up for rostering”.*

*“We have created more training and coaching. Have developed employee focus groups and a csr [sic] service improvement feedback mechanism. We have also implemented a post call survey tool which is linked back directly to csr performance at an individual level”.*

*“Exchange and work experience of staff from Head Office and Area Offices, incorporating Library work. Team is listened to and issues discussed with most decisions. Buy-in from all team members is an important aspect of our success. Improvement into the physical work area within our financial ability.”*

*“Profiling of staff to ensure we get the right people first time. Multi skilling of staff is back – we had gone to specific skill sets. Behaviour discussions not just operational Customer feedback is*

*shared with staff on the ground to ask how they can contribute to the changes our customers are wanting..... Process reviews are undertaken. On going learning is now a priority with our centres. [abridged].”*

*“multi skilled agents, multi skilled queues, designed clearer progression lines, instigated revolving team leader roles to build experience”.*

*“Change in KPI’s from traditional call centre metrics to customer outcome focussed metrics, significant change in rostering and flexible hours arrangements with staff.”*

Participants were asked, if changes had not been made in the last two years, what they would like to change as a result of the research. The following comments summarise the general comments made:

*“Less emphasis on statistics. Too much is set around talk time etc. customers feel hurried therefore they feel that they are not being listened too. We ignore talk time statistics because we believe in treating customers like we would want to be treated. This has had no adverse affect on call answering.”*

*“Standard shifts – we are still on rotating shifts – drives high absenteeism”.*

*“More job rotation”.*

*“Flexible working conditions” .*

Participants were asked to briefly describe what they felt were the constraints to making changes to the way the Contact Centre was managed. Four participants did not include qualitative responses.

Of the sixteen who did provide a response the majority indicated a preference for a reduction in the statistics driven approach to managing the Contact Centres. There was also a theme regarding resistance to change both at managerial and agent level. Cost containment was also a key driver constraining change. The terms politics, political correctness and senior management priorities were identified as constraints by four respondents. An example of the responses is included below.

*“Resources, business requirements – expense controls, tight recruitment markets”*

*“Meeting prescribed targets. Sometimes these need to be less of a driver”*

*“Sometimes what we would like to do is restrained only by the financial ability to make the changes / improvements.”*

*“Nature of the business – inbound voice is answered in real time; therefore workforce planning must match forecasted inbound voice.”*

*“I would like to see a working environment that is less based around statistics and reports, i.e. quality versus quantity. Often that requires buy in from the top which can be difficult because the gain cannot always be quantified.”*

*“The environment we operate in is relatively structured due to the variety of services provided and the call volumes received. KPI targets are aligned to the funding received so lack of resources can have an impact on what changes can be made.”*

*“Costs and the continual pressure on doing more with less. The complexity of products available means that customers need more support and for longer durations which increases the cost to support. Additionally managing customer expectation in a cost pressured environment is*

*challenging as their expectations of contact centres over the last 10 years have increased significantly.”*

*“Also technology and lack of investment in this area. Would like to offer alternative channels to offer customer choice and free up CSR’s to answer more complex queries.”*

## 6.2.8 Turnover and Absenteeism

Participants were asked to provide details of their annual turnover and absenteeism rates and to indicate whether these had declined, stayed the same, or increased. Absenteeism rates were calculated in a number of ways and it is not possible to determine the exact rate for those items highlighted in yellow. It is surprising that out of the sample 5 participants appear to not measure absenteeism as a statistic and this is across all size categories not just smaller Contact Centres.

Size of Call Centre	Annual Turnover rate %		Annual Absenteeism %	
<20 seats	<5%	Remained the same	Very Little	Remained the same
	50%	Remained the same	Unsure	Remained the same
	7%	Remained the same	Missing	Remained the same
	Missing	Declined	Out of three agents 1 sick day a week	Remained the same
	Missing	Remained the same	9%	Increased
20-49 seats	23%	Remained the same	Missing	Declined
	10%	Remained the same	6%	Remained the same
	8.80%	Remained the same	1 per day averaged	Remained the same
	5.00%	Remained the same	3.80%	Declined
	13%	Remained the same	5%	Increased
50-99 seats	56%	Declined	7%	Declined
	24%	Declined	Unknown	Remained the same
	25%	Declined	4.50%	Declined
	7%	Declined	3%	Remained the same
	Missing	Remained the same	14%	Increased
100 + seats	Missing	Declined	9%	Declined
	42%	Declined	7.20%	Declined
	9%	Declined	12 hours per FTE per month	Increased
	40.17%	Increased	6% per queue	Increased
	Missing	Missing	Missing	Missing
Average across All Centres	<b>21.66%</b>		<b>7%</b>	

## 6. DISCUSSION

The results of the survey indicate that there are some attempts being made to increase task variety, and communication but there is still a marked reluctance to provide autonomy or work discretion to Contact Centre agents.

Autonomy was initially viewed as the amount of freedom and independence an individual has in terms of carrying out his or her work assignment (Hackman & Oldham 1975). However, recent research has expanded this conceptualisation to suggest that autonomy reflects the extent to which a job allows freedom, independence, and discretion to schedule work, make decisions, and choose the methods used to perform tasks (Wall et al., 1995; Parker et al., 2001; Morgeson & Humphrey, 2006).

Discretion over the pace of work, work methods and procedures, and how agents complete a task was relatively low across all respondents. On average, managers rated agents' jobs, in terms of the agents' ability to control the timing of calls, at 2.8 on a five point scale. This is consistent with the recent Global Contact Centre Report (Holman, Batt, & Holtgrewe 2007) which rates discretion at 2.6 on the same scale. Contact Centre agents' jobs in New Zealand and in general provide relatively few opportunities for employees to exercise their independent judgement. Managers seem ambivalent to allowing agents to decide when they should take calls rating this at 2.5 on a five point scale.

Work is considered closely controlled if employees perform work tasks for a large part of the working day with little or no opportunity to influence:

- Timetable or work tempo;

- The order in which work tasks are performed;
- The way in which work tasks are performed;
- The timing of breaks and recovery periods, (Lewig & Dollard, 2003; Kinnie, 2003).

Task variety refers to the degree to which a job requires employees to perform a wide range of tasks on the job (Morgeson & Humphry; 2006). As such it is similar to notions of job enlargement. Job enlargement refers to increasing the motivational value of a job through the performance of a greater number and variety of similar-level tasks (Campion, Mumford, Morgeson, & Nahrgang, 2005).

Role breadth or boundary control is the degree to which employees are involved in tasks beyond their immediate job tasks, for example administrative or other support tasks (Malhotra et al., 2007). Expanding role breadth is a mechanism to enrich jobs. Job enrichment is the addition to a job of tasks that increase the amount of employee control or responsibility. It is a vertical expansion of the job as opposed to the horizontal expansion of a job (job enlargement), (Campion et al., 2005).

Skill variety or utilisation refers to the employees' perceptions of the extent to which a variety of skills and abilities are required to perform the job and the degree to which work is challenging and free from monotony (Malhotra et al., 2007).

Contact Centre agents carry out the same task over and over most of the time or a great deal of the time (mean 3.74). There was a positive correlation  $p=0.05$  (95% confidence interval) for real time monitoring of agents and the requirement for them to carry out the same tasks over and over.

This indicates that agents' do not experience a wide variety in their tasks. There have been attempts to increase the variety of tasks (mean 3.53), role breadth (mean 2.79), and skill variety (mean 3.47) through the introduction of some administrative tasks and multi-skilling. It appears however, that variations have not been "built" into agents' roles, rather they are adhoc tasks undertaken mostly when time permits (down-time) and may do little more than replace one boring task or responsibility with two or three boring tasks or responsibilities (Campion, et al., 2005).

The problem with this approach is that these initiatives do not necessarily provide for the work to be organised in such a way as to satisfy people's need for variation and recovery (Toomingas et al., 2005). The advice and guidelines for a sound working environment in Call and Contact Centres in Sweden indicate a basic rule for all work is to avoid or cut down work tasks that involve close control, a high level of restriction, or monotonous routine work (Toomingas et al., 2005, Norman et al, 2008; Norman et al. 2008).

Secondments are sometimes used in Contact Centres to provide a change of duties and introduce skill variety. A secondment is the transfer of a person from their regular role temporarily to other duties. Secondments offer different work situations and the opportunity to use different skills and therefore can be a useful tool in providing skill variety (Wood, Holman & Stride, 2007; Holman et al., 2007). The use of secondments in the current study was rated at 3.00 by survey participants. This indicates that, there is some awareness of the need to introduce variety. Increasing secondments and job rotation was also identified as changes several participants would like to make in the future.

One of the obstacles during a work design intervention is how to actually enrich a job instead of simply enlarging it. The key to increasing work and general satisfaction is the degree of enrichment in the work design rather than the extent of the enlargement (Axtell & Parker, 2003; Parker 1998). It is important to implement work designs that involve decision-making influence and control (Campion et al., 2005; Axtell & Parker 2003). Simply expanding the breadth of tasks (enlarging a job), without increasing motivational aspects (enriching the job), might actually reduce an employee's satisfaction and increase perceived overload.

Contact Centre managers should be looking for ways to allow agents greater control over the timing and methods of their work, providing a wide variety of tasks and extensive opportunities to solve customer related problems (Norman et al, 2008). Work can be made more varied by involving agents in other tasks and reducing the proportion of time they spend on the phones or rotating employees between different kinds of query so that they are dealing with more diverse problems. Many of the changes being introduced in the respondent Contact Centres are more around improving working conditions, rather than changing the design of work (Halliden & Monks, 2004).

Sprigg et al. (2003) have identified the following options available for reducing the risk factors of low autonomy, either at the individual or group level. These include:

- *Increasing Individual Autonomy*

The use of scripts for conversations with customers minimises call handler control and should be avoided wherever possible. Training employees so they are equipped with the knowledge and experience to deal with a range of queries gives greater opportunity for agents to use more of their skills, and it allows the company to recruit and retain

higher quality staff. Allowing agents to tailor responses to the needs of the customer can also improve customer satisfaction.

- *Increasing Group Autonomy*

If computer systems automatically route calls to the next agent free, the agent becomes passive in relation to work scheduling. Research shows that more active employees report less stress than passive ones and also work more effectively. If agents could be more actively involved in work scheduling, by giving teams the responsibility to plan job task allocation for a shift, including time spent on the phones and in other tasks such as administration and training, this would be beneficial.

Although Contact Centre managers indicate that they know the skills and abilities of each agent (mean =4.05), many had been in their roles for a short tenure in large contact centres. It would be reasonable, therefore, to assume that they more aware of the performance of the agent's than the skills and abilities they inherently have.

Feedback from the job is the extent to which a job imparts information about an individual's performance (Humphrey et al., 2007). This work characteristic is reflected in the agent's ability to receive timely and accurate feedback directly from the job he or she is performing. Timely feedback is central to motivational theories such as goal setting, as workers need this information in order to mark their performance in relation to the goals they are trying to achieve and modify their behaviours as appropriate (Morgeson et al., 2008).

While participants were not specifically asked about performance feedback, in terms of face to face feedback, they were asked if calls were tracked visually and whether agents' performances were tracked in real time. Participants indicated that the level of

monitoring is still very high with visual tracking of call queues at 4.63 (90% responding that calls are visually tracked all the time or most of the time). Real time monitoring of Contact Centre agents was also rated high at 3.89 out of 5.

There is still a perception that the level of measurement or statistical monitoring is excessive despite some efforts to reduce these being made. The level of monitoring or statistics was identified as a key area for future change by participants. The strong relationship between perceived intensity of monitoring and wellbeing has practical implications. The empirical evidence suggests that every effort should be made to reduce the number and type of performance measures used. Lowering the number and changing the type of performance measures may reduce the perception that every aspect of behaviour is monitored and decrease the monitoring system's pervasiveness (Taylor & Bain 1999; Taylor et al., 2003; Deery et al., 2002).

From a performance appraisal perspective, criteria need to be valued if they are to be used. Removing non-essential performance criteria should reduce the intensity and improve the performance appraisal process. Job control should also be increased by reducing restrictions on what employees can say and by involving employees in the design of the monitoring process. Performance monitoring should be recognised as being part of a system that aims to develop employees' skills and performance and should be closely linked to other support and development practices such as performance appraisal and coaching. By linking monitoring to these practices, the likelihood of monitoring being accepted, and its positive impact on wellbeing should increase (Bakker et al., 2003; Batt & Moynihan 2002; Frenkel, Orlitzsky & Wallace, 2006).

Participation in decision making is the degree to which frontline employees perceive that they are able to influence decisions about their job. In Contact Centres, where most of the work is standardised with the help of advanced technology and established procedures and guidelines, frontline employees need to be conversant with the internal processes, especially regarding any decisions that concern their role (Sprigg, et al., 2003). Survey participants advised that improvements in 'empowerment' and efforts to increase 'engagement' were being undertaken within the centres. This involved, including employees in decision making and in problem solving groups but this was more on a more ad hoc basis normally when time permitted. While employees were able to have some input, ultimately the decisions were made by managers.

Holdsworth & Cartwright (2003) found contradictions within empowerment practices in Contact Centres. While the message of the change initiatives was one of involvement, at the same time employees were confined to certain areas of activity. Their research together with this research indicates that the decisions about what elements of work organisation are open to an involvement process are very much decided by management. This raises concerns about whether these initiatives can reasonably be termed 'employee-centred', when the crucial issue for Contact Centre employees is the way in which their work is designed and the implications this has for issues such as stress and monotony (Halliden & McCabe, 2004).

One question that arises is whether employee wellbeing and performance are compatible aims in Contact Centres. For example, in Contact Centres serving the mass market, the small profit margins of the market served often means that there is a focus on reducing labour costs and on high call volumes to maximise customer throughput. These aims can be met in a variety of ways but are normally achieved

through the use of Tayloristic job design and low cost Human Resource practices (Batt & Moynihan, 2002; Taylor & Bain, 1999) . As a consequence the aims of employee wellbeing, cost minimisation, and operational efficiency appear incompatible in mass market service centres.

However not attending to the cause of employee wellbeing can also incur costs. Lower levels of wellbeing may increase absenteeism and turnover rates which, in turn, can increase staffing, recruitment and training costs. In competitive markets these costs can be exacerbated (Hyman et al., 2003; Deery et al, 2002, Rose et al. 2005; Sprigg et al., 2008). Lower wellbeing may also decrease the quality of the customer service and increase errors, leading to lower first call resolution and more unnecessary calls. As such lower employee wellbeing may increase total costs. Therefore employee wellbeing and performance may not be incompatible aims even in a mass service Contact Centre. It makes financial sense to introduce empowered job designs (Holman 2002, Morgeson & Humphrey, 2006; 2008; Kinnie, 2003).

The average annual agent turnover from the survey participants was 21.66% with a range of <5% to 56%. The majority advised that these rates had remained the same or were declining with only one participant advising an increase in agent churn. The New Zealand Contact Centre Report (2007) puts average turnover for the Contact Centre industry at 24% per annum, an increase from the previous year of 3%.

Holman et al. (2007) estimated the effects of turnover on operational costs, by asking managers participating in The Global Contact Centre Report to report how much it cost them to recruit, screen and train a typical employee. On average, replacing one agent equals 16% of the gross annual earnings of a Contact Centre agent – that is the simple

replacement costs of one worker equal about two months of typical workers pay. It also takes an employee almost 3 months to become proficient at work. So if the new employees are 50% as productive as experienced employees, then a new employee would cost an employer the equivalent of 1.5 months of pay more than the cost of an experienced worker. While these estimates vary across employers and countries, the combined cost of recruitment and training plus lost productivity may be the equivalent of three to four months pay of the typical Contact Centre employee.

While there is insufficient information to calculate exactly the cost of turnover for the respondents data; based on approximately 24,960 seats and an average annual salary of \$37,052 in New Zealand (New Zealand Contact Centre Report, 2007), this would equate to average turnover costs of more than NZ\$67m from NZ\$1.14b in wages and other human resource related expenses.

Several of the survey participants indicated that turnover also included Contact Centre agents who had been promoted to roles outside of the Contact Centre. While promotions may be positive for the overall company, as they help retain the skills and commitment of employees, they also require Contact Centre managers to replace agents, and therefore add to the challenges of ongoing recruitment, screening and training (Holman, et al., 2007).

Ongoing high levels of turnover also mean that agent stability is compromised. Holman et al., (2007) found that one third of Contact Centre agents across all countries surveyed had one year of tenure or less. Therefore these agents are less productive or less able to provide quality service because they do not have the knowledge of firm specific products and processes than more experienced workers have.

The costs of turnover also take their toll on managers, who end up spending the majority of their time dealing with churn of the workforce, rather than on proactive strategies to improve service quality and productivity. Labour already constitutes a high proportion of costs in service activities such as Contact Centres (average of 65% of total costs). Therefore, reductions in turnover costs can have a meaningful impact on the bottom line (Holman et al., 2007).

The number of sick days that an employee takes per year is an indicator of employee stress and dissatisfaction with the job, which translates into lost productivity. Because the measure of absenteeism was not consistent across survey participants, it is difficult to clearly quantify the current absenteeism rate across the survey group. However, as the turnover rates were consistent with both the New Zealand Contact Centre Industry Benchmarking Report (2007) and the Global Contact Centre Report (2007), a generalisation on absenteeism can be made. In New Zealand sick days remain at 8 per agent per year. In Contact Centres with 100+ seats the average number of days absent is 12. Using the NZ industry benchmarking data of 24960 seats, an average annual salary of \$37052 and an average absenteeism rate of 7%, the cost of absenteeism would be over NZ\$56m per annum across the New Zealand Contact Centre industry.

The bottom line cost for absenteeism and turnover alone in New Zealand Contact Centres is therefore approximately NZ\$123m per annum. In addition, employee withdrawal at work, reduced productivity, ongoing health costs and poor customer service can also be quantified in financial terms. If a chief executive or senior

manager were aware of this level of financial waste in an organisation, it would not be acceptable.

The level of awareness of the recommendations from previous research appears to be low, with a mean of 2.68 out of 5 or 70% of participants having very little or limited knowledge of the academic research. Having said that, some changes which have been made over the past two years indicate that Contact Centre managers are identifying the need to change their practices to create more motivating and empowering roles to retain employees. These changes included modifications to measurements, job enlargement and enrichment opportunities, the introduction of coaching and more staff involvement in communication forums. There was a positive correlation  $p=0.05$  (95% confidence interval) between familiarity with the research and timing and method control, despite the perceived lack of knowledge familiarity indicated by the study participants.

The constraints to change relate more specifically around senior management drivers (organisational strategies) within the participant organisations and the focus on cost containment, achieving prescribed targets, and focussing on the cost to serve (doing more with less). This is consistent with the mass production model based on Taylorist principles of economies of scale, efficiencies and minimal cost. This model is characterised by task routinisation, scripting, cost minimisation through volume of production, worker isolation, and electronic surveillance (Batt et al., 2002; Callaghan & Thompson, 2002; Taylor et.al., 2003). Further the level of turnover and absenteeism reported by survey participants indicates the “deliberate, frequent replacement of employees in order to provide enthusiastic, motivated customer service at low cost” (Wallace, et al., 2000).

There is evidence that participant Contact Centres are attempting to adopt some high involvement/commitment human resource management practices characterised by, task variety, and team work. However there is still resistance to provide autonomy, opportunities for discretion, worker collaboration, and incentives such as high relative pay and employment security to reward effort. (Holtgrewe & Kerst, 2002).

Contact Centre managers espouse that customer service quality is their highest priority. However, the prominence in many Contact Centres of statistics related to such things as mean call length, number of rings before answering, call abandonment rates, and percentage of handler time spent on calls give a powerful message to employees about what the real values of the organisation are (Frenkel et al., 1998; Knights & McCabe 1998).

## **8. STUDY LIMITATIONS**

This is first such study undertaken in New Zealand about this topic from a Contact Management perspective, so the findings are a valuable addition to the body of research previously undertaken. There are, however, several limitations to this study. Firstly it needs to be emphasised that this is a descriptive study. Secondly, the total sample size in this study is not large enough to establish definitive outcomes regarding the overall paradigm of Contact Centre management and design of Contact Centre agent jobs within the New Zealand Industry.

## 9. CONCLUSIONS

Despite over 10 years of academic research regarding the Contact Centre industry and recommendations on improvements, it is concluded that very little change has permeated through to Contact Centre practices. The level of awareness displayed by Contact Centre managers regarding the design of motivating and rewarding jobs appears, at best ad hoc, and reactive. There is still a consistent view that Contact centre agents should not have control over the timing or method of dealing with their work. Further, attempts to introduce task or skill variety tend focus on providing additional tasks which are similar in nature to those the agents perform on the phone (sitting at a computer answering emails, sending faxes or responding to queries does not address the psychosocial risk factors of the job). The level of Contact Centre agent turnover and absenteeism experienced by participant Contact Centres reinforces this view.

It is apparent that some effort is being made to introduce limited elements of the mass customisation or high commitment model of management. Attempts to increase task variety are being implemented on an ad hoc basis, but work redesign incorporating the Job Characteristics Model is not readily apparent in the Contact Centres surveyed. There is some attempt to increase worker involvement and decision-making, but not in the day to day decisions agents make on the job or how their jobs are structured, so autonomy and discretion is still very low.

The barriers or constraints to change are more organisational and to some extent founded on the mass production model of Contact Centre management. The majority of

the sample Contact Centres are characterised by the mass production model of management, with a focus on transactions, task routinisation, cost minimisation through volume of production and electronic monitoring. This appears to be the dominant model within New Zealand Contact Centres.

## **10. IMPLICATIONS FOR MANAGEMENT PRACTICE IN CONTACT CENTRES**

As the demand for Contact Centre staff grows, it will be organisations that provide healthy work environments that attract and retain the most valuable workers. The results of research show that both employees and organisations alike can benefit from the creation of service jobs that enrich the working lives of Contact Centre workers.

The job and organisational factors that have strong positive effects on employee wellbeing are:

- Having high control over work methods and procedures with regard to the freedom and flexibility provided in terms of 'how' they service the customers and 'what' they do in servicing them, and also in relation to the personal initiative allowed to be exercised while performing their duties
- Having a degree of variety
- A truly empowering and engaging environment
- A performance monitoring system aimed at developing individuals
- A performance monitoring system that is not perceived to be too intense
- A supportive team leader
- And supportive HR practices

There still appears to be a need to redesign Contact Centre jobs in terms of enhancing variety, promoting positive and constructive feedback, providing employees with enough discretion and autonomy while servicing customers, and encouraging employee participation in decisions concerning their job. Also, training is found to be crucial as it makes employees feel more satisfied and confident in their jobs, which enhances their commitment and obliges them to stay with the organisation.

The results of this study indicate that Contact Centres need to shift from the classic mass production approach, and adopt certain high-involvement work practices, as these have been found to enhance employee's organisational commitment. Managers have a choice in how to organise Contact Centre work and managers can take steps to actively design employee stress out of Contact Centre work. When organised that way, Contact Centre work does not have to be considered as harmful to employee commitment and wellbeing.

As Albert Camus noted (Morgeson, et al., 2008) "Without work, all life goes rotten. But when work is soulless, life stifles and dies".

## **11. FURTHER RESEARCH**

While this was a straightforward descriptive study, the writer set out to see whether the academic research regarding the impact of job design on the health and wellbeing of Contact Centre agents was achieving practical application in the work place.

Organisations have set out to achieve reductions in the costs of servicing customers, improving customer service facilities, and gaining new avenues for revenue generation

through the use of Contact Centre technology and management practices. What is evident from the research to date is that the human capital costs have not been included in the equation of value creation. Turnover and absenteeism have enormous financial, social and organisational consequences for firms. Those costs come directly off the bottom line.

Future research needs to financially quantify the impact of the current way Contact Centres are managed versus a more humanistic approach. When Senior Management can see the dollars walking out the door, they will soon sit up and take notice. Only then will we see a more concerted effort to change the work-life of our Contact Centre agents.

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**13. APPENDIX**  
 **Massey University**

**DEPARTMENT OF MANAGEMENT**  
**Private Bag 11 222**  
**Palmerston North**  
**New Zealand**  
**Telephone:64 6 356 9099 x 2777**  
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<http://management.massey.ac.nz>

**JOB DESIGN IN CONTACT CENTRES, MANAGEMENT SURVEY**

If you would like a summary of the research findings to be emailed to you please indicate by placing a tick in the box  ded

**Yes**  I would like to receive a summary of the Research findings

**No**  I would not like a summary of the Research findings

If you have answered yes, please provide your name: \_\_\_\_\_

By requesting this summary report, you acknowledge that the researcher will be able to identify you and your responses in the questionnaire, and that this information will remain confidential to the researcher.

**INSTRUCTIONS TO COMPLETE THE QUESTIONNAIRE**

There are 27 questions which should take you approximately 15 minutes. Please answer all the questions and return this questionnaire by clicking the submit button at the end. It would be appreciated if you would complete the questionnaire by 29 August 2008.

Thank you for your participation

Please circle your selected answer (as shown in the example below) to identify the degree to which the statements below indicate what currently happens in your Contact Centre.

1	2	<b>3</b>	4	5
Not at all				A great deal

1. *Can your customer service agents control how many calls they answer?*

1	2	3	4	5
Not at all				A great deal

2. *Do you think your customer services agents should have control over the number of calls answered?*

1	2	3	4	5
Not at all				A great deal

3. *Are calls waiting in queues tracked visually?*

1	2	3	4	5
Not at all				A great deal

4. *To what extent are customer services agents' performances monitored in real time?*

1	2	3	4	5
Not at all				A great deal

5. *To what extent do customer service agents carry out the same tasks over and over?*

1	2	3	4	5
Not at all				A great deal

6. *To what extent have you increased the variety of tasks available for customer service agents to undertake each day?*

1	2	3	4	5
Not at all				A great deal

7. *To what extent do customer service agents undertake functions off the telephone?*

1	2	3	4	5
Not at all				A great deal

8. *If customer service agents do undertake functions off the telephone, what types of functions do they undertake and how often do they undertake them?*

*Types of Functions*

*Please circle the frequency*

Hourly/Daily/Weekly/Fortnightly/When time

permits \_\_\_\_\_ Hourly/Daily/Weekly/Fortnightly/When time

permits \_\_\_\_\_

Hourly/Daily/Weekly/Fortnightly/When time permits

\_\_\_\_\_ Hourly/Daily/Weekly/Fortnightly/When time

permits \_\_\_\_\_ Hourly/Daily/Weekly/Fortnightly/When time

permits \_\_\_\_\_ Hourly/Daily/Weekly/Fortnightly/When time

permits

\_\_\_\_\_

9. *To what extent are secondments to other functions utilised in your Call Centre?*

1	2	3	4	5
Not at all				A great deal

10. *To what extent are employees able to influence decisions about the changes that might affect their work?*

1 Not at all	2	3	4	5 A great deal
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11. *Has employee participation in decision making changed over the last two years?*

1 Not at all	2	3	4	5 A great deal
-----------------	---	---	---	-------------------

12. *.If employee participation has changed, please briefly provide the reasons.*

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13. *To what extent do customer service agents make full use of their skills?*

1 Not at all	2	3	4	5 A great deal
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14. *To what extent do you know the skills and abilities of each of your customer service agents?'*

1 Not at all	2	3	4	5 A great deal
-----------------	---	---	---	-------------------

15. *A great deal of research into the job design and management of contact centres has been undertaken in the last 10 years. How familiar with the outcomes of this research are you?*

1 Not at all	2	3	4	5 A great deal
-----------------	---	---	---	-------------------

16. *If you are familiar with the research, have you instigated changes in the last two years to the way jobs are designed and managed in your contact centre?*

1	2	3	4	5
Not at all				A great deal

17. *If changes have been made in the last two years please briefly describe what changes have been introduced?*

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18. *If changes have not been made in the last two years, what would you like to change? Please outline below*

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19. *Please briefly describe what you feel are the constraints to making changes to the way contact centre agents are managed*

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20. What is your current annual turnover rate for contact centre agents in your organisation?

---

21. Has your turnover rate Please indicate by circling the closest answer

Increased

Declined

Remained the same

22. What is the current annual absenteeism rate for contact centre agents in your organisation?

---

23. Has your absenteeism rate. Please indicate by circling the closest answer

Increased

Declined

Remained the same

24. Please indicate the number of seats in your contact centre. (Please tick the box with the nearest match to your centre seats)

<20 seats

20-49 seats

50-99 seats

100+ seats

25. Which of the following best describes your position in your organisation?

(Please tick the box with the nearest match to your job title)

- Contact Centre Manager
- Customer Service/Care Manager
- Operations Manager
- Human Resource Manager
- Human Resource Advisor
- Contact Centre Supervisor
- Contact Centre Team Leader
- Workforce Management Coordinator

26. How long have you been in this role? (Please tick the box with the nearest

match to your tenure)

- Less than 12 months
- 12 months to 2 years
- 2- 5 years
- 5-10 years
- more than 10 years

27. Please select from the list below which best describes your organisations

industry by ticking the box.

- Government, Education, Health
- Finance, Banking & Insurance
- Contact Centre Outsourcing Bureau
- Transport, Freight
- Manufacturing
-

Telecommunication/Utilities

Retail/Wholesale

Hospitality, Tourism & Entertainment

Thank you for taking the time to participate in this survey. Your time is appreciated.

Please click on the submit button to complete