

MANAGING CUSTOMER QUERIES IN OUTSOURCED TELECOMMUNICATION
CONTACT CENTRES

by

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ABSTRACT

Call centres have been described as an enabling resource for enhanced customer service, as a cost saving strategy, and a combination of both. Call centres are people intensive, resource demanding environments with complex management challenges. The call centre industry is growing rapidly and South Africa is fast becoming a desired destination for outsourced call centres. The purpose of this study is to explore the perceptions of outsourced call centre management specifically regarding their roles and challenges experienced when executing their daily activities. This study contributes to the understanding of the challenges outsourced call centre managers encounter and provide suggestions to help address major challenges faced in relation to effective call centre management.

The methodology used was of a qualitative nature as data was gathered through semi-structured interviews. Inductive reasoning was applied in this study. The call centre managers were purposively selected for the study based on their experience within the industry. The data gathered was transcribed, coded and organised into themes, categories and sub-categories.

The study had five objectives and once analysed the following results were obtained: profiles of call centre management was determined, people management surfaced as a major challenge for call centre managers, numerous strategies are in place to deal with challenges, however they are limited due to company policies, cost efficiency was not the main reason organisations outsource their call centres and finally call centre managers perceive their roles to be the overall responsibility of the call centre, its employees and performance.

The results revealed that scientific management principles and continuous improvement are major focus areas within the call centre environment. This is mainly driven by the fact that outsourced call centres have contractual obligations that need to be met

otherwise they face financial penalties. The findings also revealed that being a manager in an outsourced call centre today is a dynamic and challenging task with many pressures both internally and externally. The study recommends that outsourced call centre managers be empowered and supported by the relevant support divisions as they assume a great responsibility while operating in a dynamic environment and they play a pivotal role in ensuring the success of outsourced call centres. The main limitation of this study is that it relies on outsourced contact centres situated in the Gauteng area that only services one telecommunication organisations customer queries limiting the ability to generalise to other populations.

DECLARATION

I, Deenan Gounder, declare that this research report is my own work, except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Magister Technologiæ at the University of South Africa, Pretoria. It has not been submitted before for any degree or examination to this or any other university.

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Signature

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Date

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LIST OF ACRONYMS AND ABBREVIATIONS

AHT	Average Handling Time
BPeSA	Business Processing enabling South Africa
BPO	Business Process Outsourcing
CAPEX	Capital Expenditures
CEO	Chief Executive Officer
CSI	Customer Satisfaction Index
DTI	Department of Trade and Industry
FCR	First Call Resolution
GEDA	Gauteng Economic Development Agency
HR	Human Resources
ICT	Information and Communication Technology
IT	Information Technology
IR	Industrial Relations
ICMI	International Customer Management Institute
JSE	Johannesburg Stock Exchange
KPI	Key Performance Indicator
MI	Management Information
QA	Quality Assurance
SACCCOM	The South African Contact Centre Community
SL	Service Level
SMART	Specific, Measurable, Attainable, Relevant and Time bound
TTV	Total View
UDZ	Urban Development Zone
WFM	Work Force Management

TABLE OF CONTENTS

ABSTRACT	i
DECLARATION	iii
ACKNOWLEDGEMENTS.....	iv
LIST OF ACRONYMS AND ABBREVIATIONS.....	v
CHAPTER ONE.....	11
INTRODUCTION	11
1.1 Background to the Study	11
1.2 Research Problem Statement	13
1.3 Research Purpose.....	13
1.4 Research Objectives	13
1.4.1 Primary Objective	14
1.4.2 Secondary Objectives	14
1.5 Significance of the study.....	14
1.6 Delimitation of the study	14
1.7 Definition of key concepts.....	15
1.7.1 Contact centres	15
1.7.2 Call centres	15
1.7.3 Outsourcing	15
1.7.4 Management	16
1.7.5 Telecommunications	16
1.8 Research design and methodology	16
1.8.1 Research design	16

1.8.2	Data collection	17
1.8.3	Population and sampling	17
1.9	Data Analysis	18
1.10	Chapter outline	18
1.11	Summary	19
 CHAPTER TWO		20
LITERATURE REVIEW		20
2.1	Introduction.....	20
2.2	Call centres	21
2.2.1	Definition of a call centre	21
2.2.2	The South African call centre industry.....	22
2.2.3	The location of call centres in South Africa.....	23
2.2.4	In-house versus outsourced call centres	23
2.3	The concept of management.....	24
2.3.1	The definition of management.....	24
2.3.2	The role of call centre managers	24
2.3.3	Scientific management	25
2.3.4	Scientific management today in the call centre environment.....	27
2.3.5	Challenges faced by call centre managers.....	29
2.4	Outsourcing	31
2.4.1	Definition of outsourcing	31
2.4.2	Possible reasons for outsourcing	32
2.5	The call centre environment in the selected telecommunications company .	35
2.6	Summary	36

CHAPTER THREE	37
RESEARCH METHODOLOGY	37
3.1 Introduction.....	37
3.2 Method of reasoning.....	37
3.3 Research methodology.....	38
3.3.1 Motivation for the qualitative research approach	38
3.3.2 Selection of outsourced call centres.....	39
3.3.3 Selection of participants	40
3.4 Data collection.....	40
3.4.1 Research instrument	40
3.4.4 Pilot study.....	42
3.5 Data analysis and Interpretation.....	43
3.6 Ethical considerations	43
3.7 Validity and reliability	44
3.8 Summary.....	45
CHAPTER FOUR	46
PRESENTATION OF RESULTS	46
4.1 Introduction.....	46
4.2 Section A: Biographical data	46
4.3 Section B: Roles, challenges, strategies employed and reasons for outsourcing.....	47
4.4 Data presentation, analysis and interpretation	81
4.5 Summary.....	82

CHAPTER FIVE..... 83

CONCLUSIONS AND RECOMMENDATIONS..... 83

5.1 Introduction..... 83

5.2 Outcomes of research objectives 83

5.2.1 Primary research objective 83

5.2.2 Secondary research objectives 83

5.3 Recommendations for effective outsourced call centre management 87

5.4 Limitations of the study..... 88

5.5 Suggestions for further research 89

5.6 Summary 89

REFERENCES 90

LIST OF TABLES

	PAGE
Table 4.1	Codes and details of the sample group..... 47
Table 4.2	Understanding the term “call centre management” 48
Table 4.3	Role perceptions 50
Table 4.4	Major focus areas..... 52
Table 4.5	Staff management..... 55
Table 4.6	Challenges experienced..... 58
Table 4.7	Causes of challenges..... 59
Table 4.8	Suggestions to deal with challenges 63
Table 4.9	Quality management 66
Table 4.10	Efficiency management..... 69
Table 4.11	Conflict between quality and efficiency management..... 71
Table 4.12	Strategies for effective call centre management 73
Table 4.13	Reasons for outsourcing 76
Table 4.14	Monitoring and measurement within call centres 78

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

There are numerous definitions of a call centre. Mandelbaum (2004) suggests that call centres may be regarded as a service network in which agents provide telephone based services or sometimes more general online-services with customers and servers being remote from each other. Call centres have been referred to as a type of helpdesk or “one-stop help shop” in which call centre agents attempt to answer and solve client queries, concerns or complaints in a friendly and timely manner or to provide information to the client (Badler, 2004).

South Africa’s international profile in the call centre industry is on the rise because it has the ability to deliver a competitive service based on quality and performance and at affordable prices (Searle, 2005). According to the Gauteng Economic Development Agency (GEDA, n.d.) report the vast majority of call centre sites in South Africa are to be found in the greater Johannesburg area. The South African call centre community has experienced significant growth since 1997, transforming into a large, mature and sophisticated industry. Call centres cannot be ignored and their significance in research and as a business function comes as no surprise. When it comes to customer service experience, call centres are involved in many business functions and have been identified as playing a role that is becoming increasingly important (Miciak & Desmarais, 2001).

According to the national agency known as Business Processing enabling South Africa (BPeSA), the business process outsourcing (BPO) industry contributed R1.7 billion to South Africa’s economy in 2010. The BPeSA promotes the sector in South Africa. The main reason for the tremendous growth of this sector is the incentive schemes offered by the National Department of Trade and Industry (DTI). Under this scheme, every 50

jobs created between 2011 and 2014 will attract about R112 000 in state subsidy. Nineteen projects were approved in 2011 at a cost of R175 million and approximately 14 309 jobs are expected to be created (DTI, 2010). BPeSA predicts that the sector will continue to grow in the Gauteng province at between 9% and 14% in the period from 2005 to 2014. Customer service is the most significant sector in the domestic call centre industry. Billing and account-handling is the second-largest area of work followed by technical support, telemarketing telesales and reservations. Gauteng is home to more than 70% of South Africa's call centres and the sector is still expanding. The province has high volumes of vacant prime office space in peri-urban areas and Johannesburg's Urban Development Zone (UDZ) has been earmarked for the development of information and communication technology (ICT) firms including call centres. The South African Contact Centre Community (SACCCOM) says that while South Africa has the potential to compete for world contact centre business, one of the challenges it faces is a shortage of middle management skills (SACCCOM, 2010).

Research on the role of middle managers is limited despite their function in linking top management and employees (Hoshino, 2010). In some cases, interviews with employees have revealed that their Chief Executive Officer (CEO) have little impact on them because it is the middle managers who are the "heroes" in their eyes (Brubakk & Wilkinson, 1996). According to Olum (2004), management is about solving problems that emerge continuously in the course of an organisation striving to achieve its goals and objectives. Therefore, the manager is the dynamic, life-giving element in every business. Without the leadership of the manager, resources of production remain mere resources and may never become productive. In a competitive economy, the quality and performance of the managers determine the success of a business; indeed, they determine its survival (Olum, 2004).

With the rapid growth of the outsourced call centre industry in South Africa and the critical role that management plays in its success, it is vital that more focus is placed on the roles and function of management in this sector. According to the International Customer Management Institute (ICMI), call centre management is defined as the art of

having the right number of skilled people and supporting resources in place at the right times to handle an accurately forecasted workload, achieving service level with quality (ICMI, 2012). The proposed research will address the gap on the role of contact centre management in an outsourced organisation dealing with telecommunication customer queries.

1.2 Research Problem Statement

The problem pertains to the skills shortage identified in middle to senior management as one of the key areas holding back South Africa's competitiveness in the global call centre industry (DTI, 2010). With the increase in globalisation, competition and the recent technology advances, businesses need to ensure that their call centres operate effectively and efficiently. They should enable an organisation to place customer satisfaction at the heart of their business. In addition, companies are continually looking at ways to reduce operating costs, which in this case would include capital expenditure (CAPEX) to maintain and upgrade current infrastructure, costs associated with implementing various modules within the respective call centre, staff costs and the actual call costs. The call centre manager plays a vital role in achieving these goals. Therefore it is imperative to conduct research and explore the role of contact centre managers in an outsourced organisation dealing with a telecommunication organisation's customer queries.

1.3 Research Purpose

The purpose of this study is to identify and investigate the role of contact centre management in an outsourced organisation dealing with telecommunication customer queries.

1.4 Research Objectives

The primary and secondary objectives listed below formed the basis of this research.

1.4.1 Primary Objective

To determine how contact centre management perceive their role in an outsourced organisation dealing with telecommunication customer queries.

1.4.2 Secondary Objectives

The secondary objectives focus on:

1. Determining the profile of call centre managers within outsourced call centres.
2. Determining the major challenges experienced by call centre management in an outsourced organisation dealing with telecommunication customer queries.
3. Investigating the strategies currently used by call centre management in an outsourced organisation to deal with telecommunication customer queries effectively.
4. Determining the reasons companies outsource the call centre function.
5. Establishing how call centre managers perceive their role within the organisation.

1.5 Significance of the study

South Africa continues to face a high unemployment rate. According to a labour force survey published by Statistics South Africa in 2012, approximately 25,2% of the population between the ages of 15 and 65 are unemployed (Statistics SA, 2012). The Government has introduced a number of strategies to counter unemployment and call centres have been identified as a potential vehicle to create jobs on a grand scale. The major challenge to call centre industry growth is the high telecommunications costs which can discourage foreign investors from investing in South Africa. The outcome of this research will highlight the impact of the role managers in outsourced organisations can play. Furthermore, the study will provide suggestions on how contact centre management can be improved to address major challenges experienced in effective call centre management.

1.6 Delimitation of the study

The study will focus on contact centre management in four outsourced call centres that deal with the selected telecommunication customer queries within the Gauteng

Province. The research findings will be geographically limited and not representative of the entire South African country.

1.7 Definition of key concepts

The following key concepts are explained in detail to provide a contextual framework to the study.

1.7.1 Contact centres

Contact centres are more than headset-wearing switchboard operators. The modern contact centre handles phone calls, emails, instant messaging and online communications (Avaya Inc., 2009). In this research, we will focus on call centres specifically as they deal with inbound customer queries via telephone technology.

1.7.2 Call centres

According to Connell and Burgess (2006), call centres are information and communication technology (ITC) based organisations that provide services to customers across locations via electronic media. The services provided include enquiries, billing, advice, bookings and complaints handling. These functions at one time would have been performed in-house, within the divisions of a large business. However, a function can now be separated from head office and relocated anywhere in the world as long as the required ITC and labour requirements are met.

1.7.3 Outsourcing

There is much debate in management literature regarding the definition of outsourcing (Gilley & Rasheed, 2004). Lei and Hitt (1995) define outsourcing as a “reliance on external sources for manufacturing components and other value-adding activities”. Sharpe (1997) defines outsourcing as transferring all non-core activities to a supplier. A company is also said to be outsourcing when it hands over non-critical functions previously performed within the business, as part of its value chain, to a company in another country but the product or service will be sold or consumed in the country of the outsourcing company (Herath & Kishore, 2009).

1.7.4 Management

Management can be defined as the process of planning, organising, leading and controlling the resources of an organisation to achieve the stated organisational goals as productively as possible (Smith & Cronje, 2009).

1.7.5 Telecommunications

Rouse (2007) defines telecommunications as the exchange of information over significant distances by electronic means. Hurdeman (2003) describes telecommunications as a technology that enables communication and eliminates distance between continents and people.

1.8 Research design and methodology

The research methodology and design applicable to this study is discussed briefly. Chapter three discusses the design and methodology in detail with regard to this study and its objectives.

1.8.1 Research design

A research design is used to structure the research and determines how all major parts of the research work together to address the central research questions (Kombo & Tromp, 2006). Kumar (2011) refers to research design as the plan, structure and strategy of an investigation undertaken to obtain answers to research questions or problems. The principle method of investigation in this study will be a qualitative exploration of the experiences of managers in a call centre environment. Qualitative research aims to answer the “why” and “how” questions and is usually done through the analysis of unstructured information. The analysis involves tools such as interview transcripts, open survey responses, mails, notes and feedback forms. It does not merely rely on numbers, which is the domain of quantitative researchers. It is mostly used to gain insight into people's attitudes, behaviours and values (McMillan & Schumacher, 2009).

This research will be based on qualitative analysis and involves detailed observations of the subject to be researched. This approach will consist of a detailed investigation coupled with interviews on the role of contact centre management in an outsourced organisation dealing with telecommunications customer queries.

1.8.2 Data collection

In order to understand the experiences of management, the research requires an interactive field study and face-to-face interaction between the researcher and the selected participants based on their position and experience in the call centre industry. This will be achieved by means of interviews which allows for an in-depth discussion with each manager, thus enabling the researcher to collect data on how the individuals made sense of their world (McMillan & Schumacher, 2009). This technique, although time-consuming, provides the researcher with the opportunity to obtain qualitative data in a manner that benefits both the interviewer and interviewee. It provides an overall view of the situation for the interviewer and gives the interviewee the opportunity to express their opinion and experience. Additionally, the interview is not restricted to the questions that the interviewer initially intended to pose. If issues arise during the interview process and they are deemed relevant to the research they will be pursued to the benefit of the study (Biggam, 2008).

A pilot study was conducted with one senior manager to test the interview guide and measure the duration of the interview. Interviews were then conducted with call centre managers to understand how they perceive their roles within the organisation. The general interview guide approach will be used. The issues to be explored with each stakeholder before the interview starts will be outlined in the interview guide.

1.8.3 Population and sampling

Sampling is the process of selecting a few participants from a larger group to serve as a source for data and insight into the research topic which will represent the situation of the larger group (Kumar, 2011). Purposive sampling will be used to select participants for this study. The telecommunications company selected for this study has four

outsourced centres in Gauteng and each centre has three to four managers. To identify a distinct group of information-rich participants the following minimum criteria will be used in selection:

- Position: The participant must be a call centre manager.
- Experience: The participant needs to have at least eight years' experience in the call centre industry of which three years must be at management level. This criterion is justified in chapter 3 (page 40 paragraph 3.3.3).

The identified sample will comprise of managers, both male and female, in outsourced call centres dealing with Vodacom customer queries in Gauteng. Interviews may be done in several ways including face-to-face interviewing, by telephone and also interviewing using the Internet (email and chat programmes). According to Opdenakker (2006), face-to-face interviews are the most common and will be conducted for this research. The main reason for using interviews is that it allows for collection of in-depth information.

1.9 Data Analysis

Once the interviews with relevant call centre managers are conducted, responses with regard to the perception of their roles will be evaluated to understand the roles that management plays in outsourced call centres. The information gathered will be used to provide summaries of the evaluation factors identified regarding the main reasons companies outsource. Interviews will also be conducted to obtain information on call centre management, the challenges experienced in the field and the best ways to address these challenges. These methods will assist the researcher to determine the differences between a well-managed and a failed contact centre project.

1.10 Chapter outline

- Chapter 1: Introduction

Chapter one introduces the study, provides a background to the study and gives an overview of the structure of the research study.

- Chapter 2: Literature Review

This chapter defines and give an overview of the call centre environment in Vodacom. It also outlines the literature available relating to management theories and outsourcing.

- Chapter 3: Research Design and Methodology

Chapter three describes and justifies the research design which will be used for this study and provides the steps for implementing the methodology.

- Chapter 4: Presentation of the Results

Chapter four will summarise and discuss the findings and literature review.

- Chapter 5: Conclusions and Recommendations

The final chapter provides the recommendations based on the primary and secondary objectives of the study.

1.11 Summary

Chapter one provided the orientation to the study including the statement of the problem, objectives and significance of the research. The key concepts were defined and the research design and methodology was indicated. In the following chapter a literature review will be presented that is relevant to the understanding of the field of study and to provide a theoretical background to this research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter focuses on the theoretical literature relating to management roles in an outsourced call centre. The literature review in this chapter is not exhaustive as there is a vast amount of literature available on the subject of management, call centres and outsourcing. However, the literature selected for review is appropriate because it provides background and context for the primary research question or assists to address some of the secondary research questions. Tuckman (as cited by Mushaandja, 1996) argues that a literature review should reflect the major variables of the study. It should be selective, systematically organised and structured so that the important information about the problem being studied might not be lost in the vastness of the literature.

The literature review is organised as follows:

- The first section is devoted to call centres focusing on the definition of a call centre, the South African call centre industry and location of call centres. In-house and outsourced call centres will also be compared.
- The second section is devoted to defining management and focuses on the role of call centre managers as well as the challenges that they face. This section also discusses scientific management within the call centre environment.
- The third section presents an overview of outsourcing and focuses on the reasons companies outsource their call centres.
- The fourth section briefly describes the telecommunication organisation call centre environment.

2.2 Call centres

Advances in information technologies and marketing techniques have led to a revolution in service delivery systems over the last decade. Whereas service delivery historically was decentralised and personal and service labour markets were local, advanced information systems and marketing techniques have now made centralised remote servicing via technology-mediated call centres the preferred mode of customer-provider interaction for many organisations (Batt & Moynihan, 2002).

The modern call centre is a complex socio-technical system. Some view call centres as the “business frontiers” but others as the “sweatshops” of the 21st century (Purcell, 2006). Either way, within our service-driven economy, telephone services are now unparalleled in scope, service quality and operational efficiency. Indeed, in a large best-practice call centre, hundreds of agents can cater to thousands of telephone callers each hour, agent utilisation levels can average between 90% and 95%, no customer encounters a busy signal and, in fact, about half of the customers are answered immediately, while the waiting time of those delayed is measured in seconds and very few abandon while waiting (Mandelbaum, 2004).

2.2.1 Definition of a call centre

There are numerous definitions of a call centre. Rouse (2007) suggests that call centres may be regarded as a physical place where customer and other telephone calls are handled by an organisation, usually with some amount of computer automation. Typically, a call centre has the ability to handle a considerable volume of calls. Call centres are used by many organisations including telemarketing companies, computer product help desks, and any large organisation that uses the telephone to sell or service products and services. Call centres have been referred to as a type of helpdesk or “one-stop help shop” in which call centre agents attempt to answer and solve client queries, concerns or complaints in a friendly and timely manner or to provide information to the client (Badler, 2004). Call centres may even deal with sales aspects of a product (Mandelbaum, 2004). A call centre is defined as a place where contacts are made and received. It is often the “front door” to a business and is the place where the most

crucial customer interactions take place. Therefore its effective and efficient operation is a key ingredient to the overall success of any organisation (Reynolds, 2010). Thus a call centre is described as a work environment in which the main business is conducted via telephone while simultaneously using display screen equipment.

2.2.2 The South African call centre industry

The first call centres in South Africa began to appear in the 1970s although it was only in the late 1990s that the combination of improved computer technology and reduced telecommunication costs contributed to a rapid growth in call centres. More recently, call centres have been widely promoted by an informal coalition of stakeholders with overlapping interests ranging from trade unions, provincial development agencies and national government (Benner, Lewis & Omar, 2007). The oldest call centre was established in 1976 but there was an increase in call centre creation in the early 1990s and another major growth spurt around 1999 (Benner et al., 2007).

South Africa is home to a large and mature call centre industry. Over the last five years, call centre, business process outsourcing and offshore activity has shown a very healthy growth rate, servicing both the South African market as well as foreign businesses (Banks & Roodth, 2011).

BPO contributed R1.7 billion to South Africa's economy in 2010. This is according to the national agency promoting the sector in South Africa Business Processing enabling South Africa (BPeSA, 2012). A major reason for the tremendous growth of this sector is the incentive schemes offered by the DTI. Under this scheme, every 50 jobs created between 2011 and 2014 will attract about R112 000 in state subsidy. Nineteen projects were approved in 2011 at a cost of R175 million and approximately 14 309 jobs are expected to be created. BPeSA predicts that the sector will continue to grow in the Cape province at between 9% and 14% in the period to 2014. Customer service is the most significant sector in the domestic call centre industry. Billing and account handling is the second-largest area of work, followed by technical support, telemarketing telesales and reservations (Tredger, 2012).

2.2.3 The location of call centres in South Africa

Call centre activity in South Africa is largely located in the major economic hubs of the country, with the country's economic heartland of Gauteng and Cape Town being the major sites of activity. The South African Call Centre Survey (2007) indicates that nearly 51% of firms are located in Gauteng. The Western Cape is the second largest with 38% of firms and another 8% are situated in Durban (Benner et al., 2007).

2.2.4 In-house versus outsourced call centres

One of the most important distinctions in types of call centres is between those that are run "in-house" versus those that are run as "outsourced" call centres. An in-house call centre is developed by the company itself. The operation is managed internally together with the other business function units. The business makes use of its own infrastructure and personnel (Benner et al., 2007).

Outsourced call centres are run by firms that specialise in providing this customer relationship and interface service for external clients. The call centre is responsible for providing the infrastructure and personnel for its client. A legal contract would be developed between the two and the outsourced call centre would take over that function of the client. A total of 19% of call centres in South Africa are outsourced compared with 17% in the United States but this is below the global average of 33% and well below the 80% of outsourced call centres reported in India (Holman, Batt & Holtgrewe, 2007).

The advantages offered to business by call centres make them desirable to organisations. These advantages include curbing expenditure, improving efficiency and productivity and thus allowing organisations to achieve a higher profit return (Holman, 2005). Call centres are now valuable in all sectors and in almost all national economies both in developing and developed countries (Holman, 2005). South African organisations have not been an exception as they have also experienced the growth in the use of call centres since the 1990s (SACCCOM, 2011).

2.3 The concept of management

Managing is one of the most important human activities. From the time human beings began forming social organisations to accomplish aims and objectives they could not accomplish as individuals, managing has been essential to ensure the coordination of individual efforts. As society continuously relied on group effort and as many organised groups have become large, the task of managers has been increasing in importance and complexity (Wehrich & Koontz, 2008).

2.3.1 The definition of management

There have been many attempts to define management. Parker Follett (1941) defined management as “getting things done through people” while Pearce and Robinson (1989) define it as “The process of optimising human, material, and financial contributions for the achievement of organisational goals” (in Wehrich & Koontz, 2008). Bush (2011) defines management as the attainment of organisational goals in an effective and efficient manner through planning, organising, leading and controlling organisational resources.

2.3.2 The role of call centre managers

Within a call centre there are common roles including the manager, team leaders and agents. There are also other functions such as Human Relations (HR), Training and Operational Management that play a vital role. The size of the centre will determine the number of team leaders and additional support functions required (Call Centre Helper Online, 2013).

A call centre manager is the person who is ultimately responsible for the overall performance and budget of the centre. The call centre manager will make decisions regarding the people, process, technology and customers that are part of the call centre. The manager also focuses on the future strategy and development of the centre. The manager is usually the person who liaises with other departments such as HR and Information Technology (IT) etc. Depending on the size of the centre, the manager will have a number of team leaders (or assistant managers for larger centres) reporting to

them. They will be responsible for the recruitment, development and coaching of those who directly report to them (Call Centre Helper Online, 2013).

A study conducted by Banks and Roodth (2011) among South African call centre managers in more than 44 different organisations found that the measures that direct the management practices of call centre managers demand a focus on cost and production efficiency.

According to a study by Robinson and Morley (2006), the major constraint call centre managers face in effective management is cited as budgetary in many cases. The concerns included a lack of capital investment in technology and a lack of commitment to funding requirements for increased staff specifically. Interestingly, in one call centre with a low level of staff turnover, job uncertainty is cited as the main constraint in allowing the call centre manager to do her job. A lack of understanding by senior management is described as a problem with three call centre managers explaining that their managers do not fully appreciate the pressures of the call centre and the impact that the call centre had on the entire organisation. Further questions in the interview study deal specifically with key performance indicators (KPIs) and management responsibilities. All six call centre managers discussed some aspects of customer service as an overarching management responsibility. Remaining within the financial budget is also nominated as a significant area of their management responsibility (Robinson & Morley, 2006).

2.3.3 Scientific management

Hartley (2006), in the journal of Management History, referred to Frederick Taylor as the father of scientific management who took a more quantitative approach to motivating people and managing business. A mechanical engineer with a Quaker background, Taylor was appalled at the inefficiency of workers. The terms: “working smarter” rather than “working harder” is Taylor’s concepts (Drucker, 1963). Taylor set out to correct the situation by applying the scientific method to jobs on the shop floor. Using quantitative measures and scientific procedures, he believed that he was able to define the best way

to do each job. Taylor argued that once the best way to do something was ascertained it could then be coupled with the selection of the right people and the right tools to provide the most direct path to efficiency and productivity. Taylor favoured incentive wage plans as a means to motivate employees because the purpose of work is partly remuneration. He also stated that the role of managers is to plan and control and the role of the workers is to perform as instructed (Hartley, 2006).

Taylor published *The Principles of Scientific Management* in 1911 which explained that applying the scientific management method to businesses could improve worker productivity (Taylor, 1911). Prior to the advent of scientific management, tasks were carried out by specialised skilled workmen who may have undertaken lengthy apprenticeships. As a result, decisions about how tasks were carried out in their specific field were made by them. Scientific management removed such autonomy and replaced it with a new method. Skilled techniques were now broken down into a series of uncomplicated tasks that even the unskilled employee could be trained to perform.

In response to inefficiencies in industrial practices, Taylor's scientific management was based on certain principles that were to be achieved in order to increase labour productivity and include the following:

1. Replace much-used “rules of thumb” or methods of doing a job with principles based on the scientific study of the tasks involved.
2. Select employees scientifically, based on specific job requirements and train them intentionally, rather than letting them train themselves or just hoping they learn how to do what they need to do.
3. Develop and provide detailed instructions for each task and supervise employees (measure) them in their performance.
4. Create an equal division of labour between management and workers, with managers applying the principles of scientific management to workers who do the work (Taylor, 1911).

2.3.4 Scientific management today in the call centre environment

Scientific management means knowing exactly what you want employees to do and seeing that they do it in the best and most cost effective way (Taylor, 1911). The qualitative change in the computerisation of the labour process in the early 1980s resulted in more attention being focussed on the application of new technologies, some directed towards monitoring employee output. There were, of course, those who argued that computerisation would remove repetitive tasks and so “free up” employees, transforming the nature of white-collar work and making it infinitely more rewarding (Mumford, 1983; Handy, 1984). There was a generally accepted perception that it is feasible to attain total knowledge, in “real time”, of how every employee’s time is being deployed through the application of electronic monitoring equipment (McLoughlin & Clark, 1988; Bain & Baldry, 1992).

Since the mid-1990s, the most dynamic area of growth in white-collar employment internationally has been in call centres (Datamonitor, 1999). While some have described the widespread, if not universal practice, of monitoring employee performance in these operations as having “rendered supervisory control perfect” (Ferne & Metcalf, 1998), others have characterised management’s role and objectives as being less “directive” and more “facilitative” (Frenkel, 1998).

Evidence presented in the case studies by Bain, Watson, Mulvey, Taylor and Gall (2002) clearly indicates that target-setting lies at the heart of management strategy in call centres. Furthermore, targets are applied not only in “hard”, orthodox Taylorist measures of employee performance such as the number of calls answered, the average handling time etc. The “soft” aspects are also deemed essential to the task and this includes establishing a “rapport” and taking “pride in the company”. In essence, the methods used to assess the “soft” items are equally firmly rooted in the application of Taylorist techniques in the disaggregation of employees’ tasks by management and the application of a numerical means of measurement to enforce, monitor and assess employee performance (Bain et al., 2002).

Peaucelle (2000) states:

“Conditions prevailing in this situation resemble those of Taylorian workshops, where work rates are close to the maximum that workers can manage. There are very few breaks in between different tasks and the deadlines create a high level of tension. Operators consequently respond to these hard working conditions with very high turnover rates and social movements”.

Callaghan (2002) argues that Taylorism, particularly as applied to white collar work in an “industrial office” context in the early years of the twentieth century, has found a place in the “modern” organisation, particularly in call centres.

In a study of four call centres in Gauteng, Fisher, Miller and Thatcher (2007) found that South African call centre management practices “have a historic disposition towards control and Taylorism” and focused on production irrespective of the conceptual service model.

The Global Contact Centre Report (Holman et al., 2007) explored 2500 call centres in 17 countries. They found that data from call centre technology is widely used. In another study, call centres in South Africa are ranked among those with the highest degree of monitoring (Benner et al., 2007).

While the range of services, functions and tasks carried out in call centres requires a high levels of skill, knowledge and experience, for most call centre workers, the future appears likely to continue to be characterised by target-setting and Taylorism (Bain et al., 2002).

Priestley (2005) argues that it is not difficult to find examples of scientific management in the 21st century and these are found in car and computer manufacturing plants, the

hospitals we are treated in and even some of the restaurants we might eat at. In fact, almost all work environments function more efficiently due to the application of scientific management (Priestley, 2005). These methods of working seem commonplace and logical to a citizen of the modern world that it is almost impossible to accept that they were revolutionary only 100 years ago (Priestley, 2005).

Therefore, it can be seen that scientific management is still very much a part of any organisation in the 21st century. It creates a divide between management and work functions that has been employed widely at all levels and in all industries (Priestley, 2005). In addition, its strength is in making organisations efficient through the replacement of rules of thumb with scientific fact and this has insured its widespread application (Priestley, 2005). However, it has bred the conditions that make it less applicable to modern organisations. It is perhaps better to accept that, as a complete theory, scientific management is not visible in modern organisations (Priestley, 2005). Elements of scientific management are still relevant and have become deeply ingrained in all modern organisations. These elements are the very reasons why management has taken on a new dimension in the 21st century (Priestley, 2005).

Although scientific management does play an obvious role in the 21st century, the method contains weaknesses that limit its influence in current work environments and consequently, not all of its tenants are applicable to modern organisations. Scientific management is perhaps best seen as an evolutionary stage in management's ever-developing history (Priestley, 2005).

2.3.5 Challenges faced by call centre managers

Managers of call centres face many challenges. They are responsible for operations that are capital intensive with a high demand for continual investment to keep up with rapid developments in technology. They are also responsible, in many cases, for large numbers of staff who often work in several shifts (Robinson & Morley, 2006).

According to Jack, Bedics and McCary (2008), there are four trends in the call centre industry that present significant challenges for managers. These are described below.

- Firstly, over the last ten years, customer expectations for high quality service in call centres have risen. Customers demand service quality, convenience, speed, accuracy and value.
- Secondly, there is a significant increase in the scale and scope of call centre operations. Today's call centres are asked to perform more and more non-traditional tasks with the same resource allocations. While the more traditional roles of call centres (such as collections and customer support) are still important, current trends suggest that more strategic roles (such as building customer relationships and selling company products and services) have become more prevalent.
- Thirdly, call centres have become multi-channel communication centres where several new technologies are used to provide a wide variety of services to customers. For example, fax, phone, internet, email and web chat are all used extensively to maximise opportunities for increased customer contact and assistance.
- Finally, a significant trend has arisen whereby call centre operations are outsourced to foreign locations. Advanced telecommunications systems have enabled companies such as Microsoft, Oracle and certain banks to outsource their customers support centres to off-shore locations. These locations include the Caribbean Islands, India and the Philippines. However, there is a growing concern expressed by companies such as Dell over the loss of articulation and empathy due to the use of off-shore locations.

Aksin, Armony and Mehrotra (2007) argue that call centre managers are increasingly expected to deliver both low operating costs and high service quality. To meet these potentially conflicting objectives, call centre managers are challenged with deploying the right number of staff members who have the appropriate skills according to a workable schedule in order to meet an uncertain, intermittent demand for service. Traditionally, meeting this challenge has required call centre managers to wrestle with classical operations management decisions about forecasting traffic, acquiring capacity,

deploying resources and managing service delivery. Call centres struggle with the challenge of properly forecasting technology and labour resources required to meet the daily fluctuating demands (Betts, Meadows & Walley, 2000).

The strategic role of call centres is changing. They have become the primary way of delivering services and the main source of contact for customers. Companies attempt to achieve customer satisfaction by offering their customers easy access to their services and products while lowering their costs through a consolidated approach (Banks & Roodt, 2011). This approach has its problems and managers struggle to balance the efficiency and quality imperatives of their businesses (Banks & Roodt, 2011).

The high call centre agent turnover (ranging from 15% to 35% per annum) is also a major challenge manager's experience (Robinson & Morley, 2006).

2.4 Outsourcing

In the 1990s some management theorists, like Prahalad and Hamel, argued that the important factor in maintaining competitiveness was differentiating between core and non-core functions and then transferring all the non-core functions to the specialists in that function. This is not a particularly new idea but it was certainly one whose time had come. Since then, a number of companies have been created based on the principle of outsourcing non-core functions (Heywood, 2001). Over the past decade, outsourcing certain functions or processes that were traditionally performed in-house has become popular and will continue to grow (Heywood, 2001).

2.4.1 Definition of outsourcing

According to Gnuschke, Wallace, Wilson and Smith (2004), outsourcing "occurs when an organisation transfers some of its tasks to an outside supplier and offshore outsourcing occurs when these tasks are transferred to other countries." Patel and Aran (2005) define outsourcing as the contractual service of transferring one or more business processes to a third party provider, where the latter takes over the management, continuous support and infrastructure of the entire processes. When

these processes are executed by vendors in a different country, it is known as offshoring (Patel & Aran, 2005).

Atluri and Nalli (2006) define outsourcing as assigning internal work to an external service provider to reduce costs and accomplish tasks more effectively and efficiently. Heizer and Render (2011) describe outsourcing as a creative management strategy which is applicable to firms throughout the world. They define outsourcing as procuring a service from an external supplier that is normally part of an organisation.

2.4.2 Possible reasons for outsourcing

In an increasingly competitive global marketplace, many companies are looking for an advantage over their competition (Favreau, 2007). The competitive environment challenges the industries to manage their operations in a cost-effective and flexible manner. Many companies are critically evaluating their value chains and often decide to reorganise them and this normally results in focusing on their core business (Favreau, 2007). Consequently, outsourcing of some non-core business activities and the creation of new partnerships and alliances are being considered by many organisations (Pintelon & Parodi-Herz, 2008). American companies are finding outsourcing to other countries (offshoring) to be a viable option for decreasing costs (Favreau, 2007).

The rapid growth of outsourcing suggests that both public and private organisations expect benefits from outsourcing. Naturally, different organisations in different circumstances will expect different benefits. It is impossible to exhaustively list every benefit but many of the desired benefits are general enough and shared across organisations (Kremic, Tukul & Rom, 2006). According to Vitasek and Manrodt (2012), there are a variety of common reasons for companies to outsource. These include:

- the reduction and control of operating costs,
- improving company focus on strategy and core functions,
- gaining access to world-class capabilities,
- freeing internal resources for other purposes,
- the lack of resources available internally,

- accelerate the re-engineering of benefits,
- difficult to manage/out of control functions,
- making capital funds available,
- sharing risks,
- cash infusion,
- to avoid being swamped with extra administration in a period of growth,
- accelerating a learning curve in a new business area or, conversely, cutting the need for investment, and
- improving the quality and efficiency of an existing outsourced service.

Bragg (2006) argues that a company will be more likely to outsource a function if there are multiple reasons. Bragg (2006) and Brock (2009) add to the abovementioned list the following reasons for outsourcing:

- **Acquire new skills.** In a fast-evolving market where new technologies are emerging, the knowledge and skills of individuals may be limited. Not every company is able to attract the right knowledge and skill base. When assessing the skills level, the company may find that it is inadequate for a given function. This may result in minimal improvements to the function in the future. The company can solve this problem by handing over the function to the outsourcing supplier specialising in that function. This reason is most common for functions that require a high skill level such as engineering and computer services (Bragg, 2006). The growing shortage of skilled maintenance workers and the aging utility workforce influence businesses in their decision to outsource. The many utilities being outsourced has led to a shift from primarily cost reduction to a combination of cost control and access to capital for technology investment and skills (Brock, 2009).
- **Acquire better management.** When poor maintenance performance is attributed to poor management, outsourcing the maintenance function to the supplier to gain access to the best and most experienced managers in a functional area is a viable

option. Some symptoms of poor management are high incidents of absenteeism, poor quality products and missed deadlines (Bragg, 2006).

- **Enhance controls.** Where the company management is concerned about its ability to provide sufficient control over its operations, some functions can be outsourced to a quality supplier whose operations can be readily certified. The pressure to maintain adequate controls could thus be alleviated (Bragg, 2006).
- **Avoid measure investments.** A function that is not efficient due to a lack of investment can be outsourced to prevent incurring a large investment. This can help the company to keep up with the latest technology. Suppliers also use the latest technology to drive the costs down (Bragg, 2006).
- **Assist in a rapid growth situation.** If the company is rapidly acquiring market share, there is a need to build the company up to handle the vastly increased volume of business. In this situation, the company may use a supplier that can take over a function so that management may focus its attention on a smaller number of core functions. This approach is useful when the suppliers have the pre-existing capacity to handle a major increase in the transactional volume of the company (Bragg, 2006).
- **Handle overflow situation.** A company may find that there are periods when an operation is overloaded for a reason that is beyond its control. It may be cost effective to retain the supplier to whom the excess work will be assigned when the in-house staff is unable to keep up with the demand. This is a more reasonable alternative than overstaffing the in-house function in order to deal with the overflow that may occur during a small percentage of time (Bragg, 2006).
- **Improve flexibility.** When an operation experiences an extremely large fluctuations in work volume it may be easier to eliminate the fixed cost of keeping internal staff and move the function to the supplier who will be paid according to the work done.

This converts fixed costs into variable costs which will change with the transaction volume (Bragg, 2006).

- **Enhance credibility.** Small companies can use outsourcing as a marketing tool. They can use the services of well-known suppliers and thus imply that its functions are of highest quality because a reputable supplier maintains them (Bragg, 2006).
- **Maintain old functions.** A company may find that in-house staff is unable to maintain an existing function while also shifting to the new technology. Outsourcing the old function will allow the company to focus its efforts on new technology while the supplier maintains the old function (Bragg, 2006).

2.5 The call centre environment in the selected telecommunications company

Since early 1995, mobile phone technology has made major inroads in the South African economic and social environment (Millennium Development Goals Report, 2011). The telecommunications company selected for this study is one of South Africa's largest cellular operators and one of the world's largest mobile communications companies by revenue, listed on the Johannesburg Stock Exchange (JSE) (Company Report, 2010). Their network covers nearly 70% of South Africa's geographical area and caters for between 80% and 90% of the general population. The majority of sales are initiated and processed by a number of call centre units situated in Cape Town and Johannesburg. The company has both inbound and outbound call centres (Company Report, 2010). Inbound call centres receive incoming calls from the outside caller, generally a customer, and an outbound system generates the calls from within the centre to the customer or public (Gans, Koole & Mandelbaum, 2003).

The South African Government launched a campaign in 1998 to create a conducive environment for the contact centre industry within South Africa. According to a 2006/2007 key indicator report by Deloitte and Calling the Cape (a body that works to promote call centre hubs in South Africa), the call centre industry employs over 200 000 people in South Africa directly and indirectly it is growing annually (Tredger, 2012). Effective, efficient communication channels between telecommunications organisations

and their customers include call centres, newspapers and the Internet. However, with the relatively low number of computers in South Africa compared to the population, the choice to use the Internet is limited and this renders call centres (contact centres) the preferred channel.

In 2008 alone over 50% of calls were outsourced and in 2012 over 80% of all calls were outsourced (South African Information Online, 2012). With the continuous focus on customer satisfaction and operational efficiency this trend will continue and therefore this study is relevant and important (South African Information Online, 2012).

2.6 Summary

Chapter two covers the literature review focusing on three specific areas namely call centres, management and outsourcing. The chapter explored the key concepts in detail to provide a foundation to the study. Now that the foundation has been laid the next chapter discusses the research methodology and data collection strategy that will be applied in this study.

CHAPTER THREE

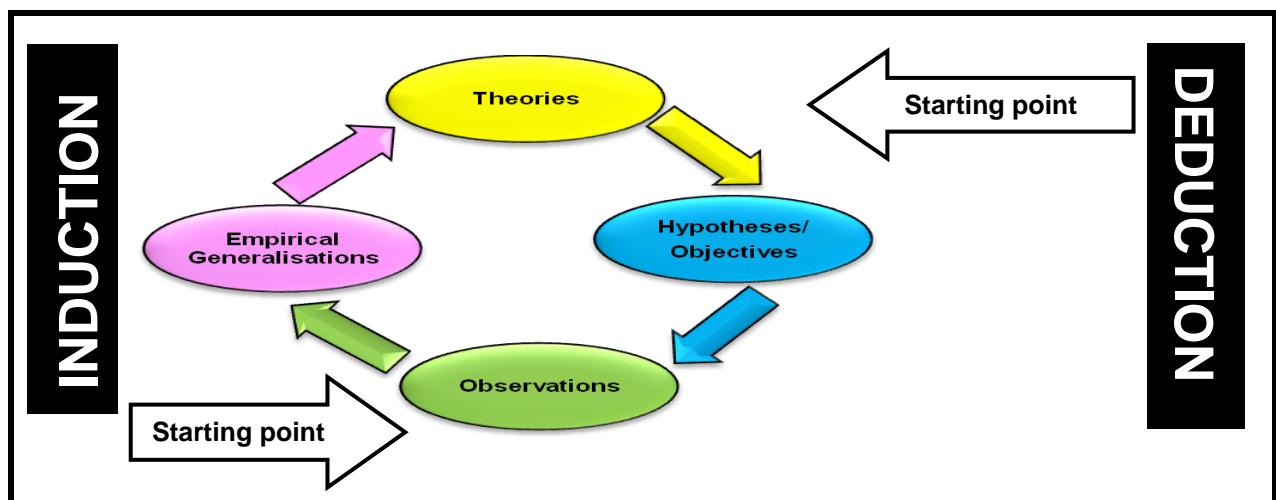
RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research design and methodology which includes the method in which data is collected from participants for analysis purposes. The method of reasoning, population, sampling, research instrument, validity and reliability as well as the data collection and analysis process is also discussed. The chapter concludes with ethical considerations.

3.2 Method of reasoning

The main research topic was identified after thorough consideration and narrowed to a more manageable aspect that could be properly studied and executed within the available time. The figure below depicts the differences between the deductive and inductive approaches, indicating the starting points of both approaches. Inductive reasoning occurs when an initial observation leads to the discovery of a particular pattern that allows tentative prediction(s) to be made, finally leading to a general theory about how things operate (McMillan & Schumacher, 2009 & Babbie, 2011).



Inductive *versus* deductive reasoning (Van Antwerpen, 2013)

Inductive reasoning in this study established the profile of call centre managers in outsourced call centres and how they perceived their roles within the organisation. Using inductive reasoning, the researcher started by:

- **observing specific problems relevant to this study:** Challenges experienced by outsourced call centre managers when executing their duties,
- **detecting patterns and regularities:** Tentative objectives were identified and served as questions in the interview guide. The aim was to determine possible reasons why companies outsource the call centre function, profile outsourced call centre managers, determine the major challenges they face, and investigate current strategies employed by call centre management, and
- **reaching general conclusions:** The relevant data had been collected during the interviews and was analysed. Conclusions from the findings served as recommendations for effective outsourced call centre management.

3.3 Research methodology

In order to address the research problem as set out in chapter one and to achieve the primary and secondary objectives of the study, a qualitative research methodology was followed. Explorative and descriptive approaches were used in order to understand and unravel the challenges faced by call centre managers and their perspectives regarding their roles in outsourced organisations dealing with telecommunications customer queries. Qualitative research methods used for this study include a literature review and interviews with selected call centre managers in Gauteng. A literature review refers to studying and analysing existing data which has been gathered by other researchers. According to Babbie (2011), a literature review assists in reviewing the designs of previous studies, what has been learned on the topic by past researchers and identifying gaps and inconsistencies among existing findings.

3.3.1 Motivation for the qualitative research approach

A qualitative design was regarded as the most appropriate and desirable route to be followed for this study because it allowed the researcher to enter into the natural setting (call centres) of the respondents (managers) to observe behaviour and listen to the

words that the respondents used to describe their own world. This is further emphasised by Rubin and Rubin (Maphila, 2000) who state that in qualitative research the researcher needs to visit the sites where there is action and to watch and observe in order to learn by being attentive to what is being said about the lives of the respondents and their opinions. According to Vithal & Jansen (2010), a qualitative design focuses on the actual experiences of the respondents in the context in which they interact with one another. Since the primary focus of this study was to gain a deeper understanding of the actual experiences of call centre managers from their own perspective and the intention was to shed light on the actual roles that they play in managing their respective outsourced call centres a qualitative design was selected.

According to Vithal & Jansen (2010), the purpose of applying a qualitative design is to get a detailed description of the experiences of respondents. In this study, the researcher intends to process and analyse what the call centre managers regard as their challenges in the management of the current call centres and their activities.

Qualitative research is used to help us understand how people feel and why they feel as they do. It involves asking questions that seek to understand not only how a person feels but why they feel that way. Sample groups tend to be much smaller than in quantitative research (Joubish, Khurram, Ahmed & Haider, 2011). The sample in this study is small and focused on the perceptions of call centre managers and their explanations thereof. The smaller sample was justified by the fact that the respondents were selected based on experience within the industry and the position they occupied in the outsourced call centre. They were the source of knowledge in the particular area under investigation and were willing to share their experiences.

3.3.2 Selection of outsourced call centres

The telecommunications industry in South Africa is extremely competitive. The researcher is employed by one of the telecommunications companies and this made it virtually impossible to obtain permission to conduct research within all the telecommunications companies. Therefore only one telecommunication's company was

selected that has four outsourced call centres within Gauteng. All four call centres were selected and participated in this study.

3.3.3 Selection of participants

According to McMillan and Schumacher (2009) a sample represents a small and distinct group of “information-rich informants” that would enable the researcher to “understand the problem in depth”. The criteria for selecting such an information-rich sample include participants who are knowledgeable, informative and willing to talk, among others (McMillan & Schumacher, 2009).

To identify a distinct group of information rich participants, the following minimum criteria were applied:

- Position: The participant needed to be a call centre manager or senior manager.
- Experience: The participant required to have at least eight years’ experience in the call centre industry of which at least three years must be at management level.

Based on the above-mentioned criteria respondents were able to draw on their experience and provided detailed and meaningful feedback. Two managers were eligible from each centre.

3.4 Data collection

Data was gathered to understand and explore the roles managers play in outsourced call centres in Gauteng dealing with a telecommunications organisation customer queries.

3.4.1 Research instrument

An interview was chosen as the research instrument for data collection in this study. Interviews resemble everyday conversations, although they are focused on the researcher’s need for data. They also differ from everyday conversations because the researcher is concerned with a more in-depth discussion and rigorous explanation in order to ensure reliability and validity (Brikci, 2007). An interview was deemed

appropriate because the study was of a qualitative nature, the phenomenon under investigation was complex and questions could be explained as in-depth information was required from the respondents. Prior to the interviews being scheduled, a pilot study was conducted with a senior manager to test the interview guide and ensure feasibility.

3.4.2 Interview guide

An interview guide containing the themes and sub-themes as well as open-ended and a few closed questions was used as a guide for all the interview sessions. The respondents were given the latitude to choose a suitable venue for their interview. This was allowed to make them feel more comfortable and confident as they discuss how they feel about their work and individual roles and did not influence the outcome of the results of this study. All eight respondents were interviewed at the various call centres that they manage. Six males and two females were interviewed.

3.4.3 Layout of the measuring instrument

The semi-structured interviews with the chosen managers included the questions listed below which were based on the themes from the literature review findings and objectives of this study. The questions were divided into two sections namely biographical data and questions to understand call centre managers' perceptions of their roles, challenges experienced and possible solutions. The interview guide was divided into two sections namely, section A which comprised of biographical data and section B which comprised of questions relating to roles, challenges and possible solutions regarding call centre management.

Section A: Biographical data

1. What is the size of your centre (number of seats)?
2. How many staff do you have?
3. How many years' experience do you have in the call centre industry?
4. How long have you been a manager in this call centre?
5. Male/Female interviewee?

6. What is your highest qualification?

Section B: Roles, challenges and possible solutions

1. What do you understand by the term “call centre management”?
2. What do you understand your role to be as a call centre manager?
3. What are your major focus areas?
4. What are the main KPIs and why?
5. How do you manage staff in your call centre?
6. List the major challenges that you face.
7. What makes them challenging?
8. What can be done to overcome them?
9. How do you manage quality?
10. How do you manage efficiency?
11. Is there a conflict between the two? Explain.
12. What strategies do you use to effectively manage this call centre?
13. What benefits do you as an outsourced call centre offer to businesses?
14. Describe monitoring and measurement within your centre.

The conversations were audio recorded and transcribed as soon as possible after the interview by the researcher.

3.4.4 Pilot study

Pre-testing is the collection of data prior to the experimental intervention, involving the feasibility of using a given instrument in a formal study (Polit & Beck 2008). Prior to the interviews being scheduled, a pilot study was conducted with a senior manager to test the interview guide. The language of the first draft interview guide that was used for the pilot study was edited in the second round after final changes had been made. The interview guide was scrutinised for spelling and grammar errors, for redundancies and ambiguity. Finally the time needed to complete the interview was calculated. Interviews were then conducted by the researcher with the eight selected managers.

3.5 Data analysis and Interpretation

The main purpose of this study is to investigate the role of contact centre managers in outsourced call centres dealing with customer queries in a telecommunications organisation. The empirical data was gathered during the interviews. The responses were analysed and interpreted. The research findings were then stated. Data analysis is a process of inspecting, transforming and modelling data with the goal of highlighting useful information, suggesting conclusions and to support decision-making (Leedy & Ormrod, 2013). According to Cohen, Manion and Morrison (2011), data analysis involves organising, accounting for and explaining the data. Terre-Blanche, Durrheim and Panther (2008) suggest that data analysis involves selecting, organising and sorting data to determine a pattern among the emerging categories.

The research process included interviews, transcription, data organisation and analysis. The duration of each interview was approximately an hour and the interview guide was used as a basis during the interviews. Each interview was recorded and transcribed into an electric format for further analysis.

3.6 Ethical considerations

The researcher has responsibilities to their participants but also to their colleagues and the people to whom the researcher presents their findings (Brikci, 2007). The topic under investigation was discussed with participants before they participated in the study and exactly what is required from them was made clear.

Smith (2003) indicates that researchers must ensure that participants are clear on the fact that participation is voluntary. Participation in this study was purely on a voluntary basis and participants were advised that they were free to take part or withdraw from the study at any time. The purpose of the research was explained to the participants. They were informed that the information gathered through the interviews would be treated with a high level of confidentiality including their identities. They were also advised that the data obtained in this study would not be used for any purpose other than to achieve the aims of this study and that the results would be explained to the

participants. The researcher has made a point of ensuring that no participant is physically or mentally harmed during the study (Davis, 2005).

According to Brikci (2007), it is not always easy or even possible to measure the dangers of a certain context or situation to a given population, let alone to individuals. It is therefore essential to protect the identity of the person from whom the researcher gathers information. The names of respondents will not be shared or disclosed to anyone. The rights of participants are thus duly respected in this study. Participants had direct contact with the researcher because data was collected face-to-face, ensuring that the participants knew and could identify the researcher.

3.7 Validity and reliability

Reliability implies that a measure is reliable if it gives the same result each time the same situation or factor is measured, and a measurement procedure is considered valid if it measures the characteristics or attributes that it is intended to measure (Polit & Beck 2008). The researcher ensured the reliability of the measuring instrument. All interviews were conducted at the respondent's place of work. To minimise data collector bias, the researcher was the only one who administered the interviews and who explained the questions to the respondents. The questions were clear, simple and self-explanatory for easy understanding by respondents.

Validity is the degree to which an instrument measures what it is supposed to measure (Polit & Beck 2008). Questions on various aspects of call centre management based on an extensive literature review were included in the interview guide to ensure content validity. The questionnaire was pre-tested by a senior manager within the call centre industry to ascertain content validity.

In order to address the dependability issue, the processes within the study will be reported in detail, thereby enabling a future researcher to repeat the work, if not necessarily to gain the same results.

The research methodology will be described in detail. Preliminary visits were made to the relevant organisations to gain a good understanding of the organisation and build trust. Participants will be encouraged to be frank, honest and will be given opportunities to refuse to participate in the project to ensure that the data collection involve only those who are genuinely willing to take part and offer data freely. Detailed descriptions will be an important provision for promoting credibility as it helps to convey the actual situations that have been investigated. Previous research findings will be examined to assess the degree to which the project's results are congruent with those of past studies.

3.8 Summary

This chapter gives an overview of the research methodology. Qualitative research is discussed and interviews were presented as the main data collection method. The chapter concludes with a description of the data analysis followed by a section on ethical considerations and validity and reliability. In the next chapter, the findings of this study are presented and discussed.

CHAPTER FOUR

PRESENTATION OF RESULTS

4.1 Introduction

In the previous chapter the research design and methodology were presented. This chapter focuses on the data analysis and includes a discussion of the findings. Data analysis is a process where a researcher organises, analyses and interprets the data (McMillan & Schumacher, 2009).

4.2 Section A: Biographical data

A qualitative research design very often involves fewer respondents with the intention of understanding and possibly developing a theory on the phenomenon (Schulze, 2003). In this study, the researcher intends to interview two call centre managers from each of the four outsourced call centres.

The codes denoting each of the call centres and the respondents who were interviewed in the Gauteng region are displayed in table 4.1 below. The gender, age and educational background of the respondents are indicated to provide an overall demographic picture of the individuals involved.

During analysis, the call centres were denoted with the letters A, B, C and D and the respondents were denoted by the numbers 1 to 8.

Table 4.1 Codes and details of the sample group

Call centre	Respondent	Call centre size (seats)	Experience in Call Centre industry	Gender	Age	Highest qualification
A	1	430	9 years	Male	27	Matric
A	2	800	11 years	Male	32	Degree
B	3	350	10 years	Male	28	Diploma
B	4	160	13 years	Female	35	Diploma
C	5	160	10 years	Male	31	Diploma
C	6	220	15 years	Female	35	Diploma
D	7	423	8 years	Male	28	Matric
D	8	160	8 years	Male	32	Diploma

The demographics of the participating sample are tabulated in table 4.1. The presented information is based on call centre size, manager's experience, gender, age and highest qualification. Six of the eight respondents were male suggesting that call centre management was dominated by males. Three quarters of the managers have post-matric qualifications, the highest being a degree. The most common qualification among the managers is a diploma. Many stated that they are currently in the process of completing their degrees. The size of the call centres varies from 160 seats to 800 seats with a staff compliment of 221 to 900 call centre agents. The age of the management team ranges between the late twenties and mid-thirties indicating that management within call centres are a relatively young workforce.

4.3 Section B: Roles, challenges, strategies employed and reasons for outsourcing

The responses to each question from the interviewees will be described in this section in a tabular form to make comparisons between the responses easier.

Table 4.2 below lists the responses from managers regarding their understanding of the term “call centre management”.

Table 4.2 Understanding the term “call centre management”

What do you understand by the term “call centre management”?		
Call centre	Respondent	Response
A	1	Call centre management means to take overall responsibility of the call centre performance and on-going development of the call centre functions, ensuring that one delivers on the contractual obligations.
A	2	Call centre management is managing a set of people within a call centre environment so that they are able to achieve certain key outcomes that determine the success of the call centre.
B	3	A call centre manager is a person who ensures that the call centre is well managed and supported to achieve its targets.
B	4	Call centre management means optimising performance and productivity within the call centre by efficiently managing the people, processes and technology.
C	5	Call centre management is having the right combination of people, process knowledge and technology coming together to enhance the productivity and value of the business operation while driving down the costs to a desired level.
C	6	It is the art of having the right number of properly skilled people and supporting resources in place at the right times to handle an accurately forecasted workload, within service level and achieving or exceeding the minimum acceptable quality standard.

D	7	Call centre management is a term used to describe the management of a call centre's key components including contractual KPIs and ensuring customer experience targets are met, staff costs are managed, IT and facilities infrastructure is maintained and support functions are facilitated to improve the people skills and process within the call centre.
D	8	Call centre management is the management of all call centres KPIs. All call centres have different drivers of performance and success. Call centre management strives to ensure that these are met through identifying risks, issues and areas of development, not only does this ensure that performance is on the increase it also ensures that staff morale is high, the business is improving and that all the customers served are receiving the best possible service from the centre.

When responding to their perceptions regarding the understanding of the term call centre management, all these managers were in agreement that it involved staff management, planning and most of all target achievement. Respondents A1 & A2 highlighted that it also involved striking the correct balance between resource availability and time. Table 4.3 below presents the responses from the managers regarding their perception of their roles within the call centres.

Table 4.3 Role perceptions

What do you understand your role to be as a call centre manager?		
Call centre	Respondent	Response
A	1	The role of a call centre manager is to take overall responsibility of the call centre, ensuring that we meet the contractual obligations set by the client. I also need to ensure that all functions within the call centre are managed effectively and they deliver on the key performance areas outlined in their job profile.
A	2	The call centre manager is responsible for the overall performance and budget of the call centre. They need to make decisions regarding the people, the process, the technology and the customers that are part of my call centre and the future strategy and development of the call centre. As the call centre manager, one needs to liaise with different stakeholders such as HR, IT and the sales and marketing departments, specifically regarding outbound sales campaigns.
B	3	The manager takes overall responsibility for the performance and on-going development of the contact centre functions, ensuring delivery of contractual obligations.
B	4	The manager drives customer experience, continuous training, development and mentoring of all staff. Managers keep staff motivation and morale at a high level and focus on continuous improvement of processes. Managers drive performance to meet service level targets agreed to with the customer and keep communication channels open.

C	5	The manager focuses on performance management, reducing cost, increasing efficiencies, client relationship management, optimise performance, account development, financial management and lastly people management.
C	6	The manager is responsible for the daily running and management of the centre through the effective use of resources. Managers ensure that the call centre meets all metrics put in place by the client by ensuring that staff answers all calls appropriately and within the correct time frames, as well as planning areas of improvement and development.
D	7	The manager needs to proactively and reactively provide the internal and external clients with recommendations, identified through investigation and analysis, to improve overall business including cost reduction and customer experience.
D	8	The manager's role is performance management, financial management, operational performance and client relationship management.

The majority of the respondents understood their roles to be taking total responsibility of the call centre, its people and performance. Table 4.4 lists the responses from managers when asked what their main focus areas are.

Table 4.4 Major focus areas

What are your major focus areas?		
Call centre	Respondent	Response
A	1	The major focus area is ensuring that KPIs are met within the operational area and I do this by ensuring policies and procedures are clearly defined and reviewed regularly; manage client engagements in a professional manner, ensuring that we have relevant reporting that will provide intelligence for operational improvements. People management is another focus area and with this I need to ensure that I display leadership skills, have the ability to retain staff, train and develop staff and ensure that I attract and select the correct staff.
A	2	Coaching, mentoring and the personal development of my staff, together with ensuring that all performance targets are met in the most cost effective way as possible.
B	3	A major focus is to create an environment that fosters team work and co-operation amongst team members by communicating effectively, building and maintaining relationships. Ensure consistent compliance to company policies and procedures, corporate governance and relevant legislation. Continually strive to up-skill and motivate staff through effective leadership, mentoring, coaching, performance improvement and the creation and implementation of individual development plans.

B	4	<p>A manager's main focus is driving customer experience, CSI (customer satisfaction index) and FCR (first call resolution). Other focus areas are achieving service level, training and development of the management team, business process improvements, exceeding the quality average and driving efficiencies and occupancy.</p>
C	5	<p>Major focus areas include increase efficiencies, increase revenue, reduce risks, increase customer satisfaction, operations management, managing call centre efficiencies, performance management, revenue versus cost, business development, succession planning, business continuation and client relationship management.</p>
C	6	<p>Staff satisfaction: ensuring that we understand our staff and know what they want. Being able to cultivate a competitive culture but still ensuring that everyone feels a part of the team and is engaged. Receiving insight from our staff on how to make processes more efficient to deliver quality service for our customers and ensuring they have all the correct tools to perform their duties.</p> <p>Efficiency: recruiting and retaining people with the right skill and attitude.</p> <p>Adhering to our documented processes to ensure consistency which assists us in identifying areas of improvements.</p> <p>Delivering excellent quality service the first time to our customers in the least amount of time, striking the balance so that it's not at the customer's expense.</p> <p>Quality: the call centre is our customer's first contact or touch point with the organisation, hence we are the ones who make the first impression on the customer to further develop business with us.</p> <p>Therefore managers ensure that our agents are the right fit,</p>

		understanding what customer service is and have the passion of executing it, they are well trained and have the necessary knowledge to assist our customers. Quality management systems are put in place and are effective to ensure that there is continuous monitoring and improvement.
D	7	My main focus is on customer experience metrics like FCR and CSI. Focus is also placed on system enhancements to improve customer and agent experience. Self-service channels aimed at reducing call centre volumes as part of value add to the external client are another focus area that I have looked at.
D	8	Managers focus on reducing cost of the operation, increase efficiencies, increase revenue, reducing risks and increasing customer satisfaction.

All respondents mentioned the targets set by the clients and employee management as being their main focus areas. Customer experience and continuous improvement also emerged as a new trend that is concentrated on. Table 4.5 represents the responses from managers regarding staff management in their respective call centres.

Table 4.5 Staff management

How do you manage staff in your call centre?		
Call centre	Respondent	Response
A	1	We have a solid structure within the call centre to ensure that our employees are well managed and supported. There are processes and guidelines in place to manage both the positive and negative. Engagement sessions are held between agents, team leaders, operations managers, call centre managers and the support areas. These sessions take place on an individual basis and crew briefs, huddles etc. The Team Leaders ensure that clearly documented action plans are in place for each of their agents and that goals are set for them to achieve and improve on the above KPIs. We have a solid reward and remuneration process for our top performers and also have a performance management process in place for our bottom performing agents with strict support measures to ensure improvement of the agents.
A	2	I manage my staff by empowering them. I believe that if I empower my employees, this will give them the ability to grow personally and professionally. I manage by a simple saying “If I fish for you, you will eat for a day. But if I teach you how to fish, you will eat for a lifetime”.

B	3	<p>I coach to ensure a full understanding of consequences of errors. I communicate effectively, building and maintaining relationships. I develop and empower people, recognising and rewarding value-added performance. I continually strive to up-skill and motivate staff through effective leadership, mentoring, coaching, performance improvement and the creation and implementation of individual development plans.</p>
B	4	<p>All staff signed KPI commitments so that they are well aware of what is expected of them. We clearly defined career-paths for the employees. We have a team of 10 to 14 agents reporting to a Team Leader and six team leaders reporting to an operations supervisor.</p> <p>Good performance is rewarded by monetary incentives, time off, extra weekends off and growth and development into other roles.</p> <p>Poor performance is addressed by coaching and following the counselling process. All communication takes place mostly by email and face-to-face. All agents work shifts that they receive three weeks in advance.</p>
C	5	<p>I do the following weekly one-on-one session, monitor their attendance, monitor adherence to schedule, monitor quality of training, quality, coaching and related material, Performance Management as per KPIs, collect weekly and monthly documentation and industrial relations (IR) management – conduct counselling sessions, exit interviews, return-to-work sessions.</p>

C	6	<p>My core focus is ensuring that our staff satisfaction levels are acceptable.</p> <p>That staff want to be there and when they are there, they deliver exceptional service to our customers. Keeping the communication channels open by ensuring that feedback positive or negative is given to staff, so that they are aware of their performance, and know what their deliverables are.</p> <p>Ensuring that they do not have any obstacles that are preventing them for doing their jobs. Providing them with the right processes, tools, environment, and support to flourish.</p>
D	7	<p>Through workforce management schedules based on forecasting. This provides the requirement from an agent headcount perspective based on volumes that will be coming through. Operational staff ensures these schedules are communicated to the agents and manage absence and adherence factors based on the schedules.</p> <p>There are a number of processes across all areas in place to ensure all staff is aware of the rules and requirements for their respective areas.</p> <p>Staff KPIs, which are linked to overall business KPIs, are also clearly documented and communicated.</p>
D	8	<p>Focus is placed on the following: Performance Management, poor performance Management, coaching and training, learning and development,</p> <p>Rewards and recognition and HR and IR policies.</p>

Respondents acknowledged that staff management formed an integral part of their duties and that they had clearly defined processes in place regarding this. They managed staff by setting clear goals and ensuring that policies and procedures are adhered to. Continuous monitoring and measurement of staff and regular feedback formed a vital part of staff management. Respondent A2 differed from the rest by adding

that he also believed in managing staff by empowering employees rather than restricting employees. Table 4.6 below represents the answers of the managers regarding the challenges they experience in their call centre.

Table 4.6 Challenges experienced

List the four major challenges that you experience		
Call centre	Respondent	Response
A	1	Effective communication, process adherence, time management and operational management.
A	2	Agent attrition, management skills and development, rapid expansion of the business and showing potential customers the flaws in the operation of their business and how we could assist them. Effective communication across large number of staff is also challenging.
B	3	Staff attrition, performance management, consistent compliance to company policies and procedures and continuous staff motivation.
B	4	The major challenges are time-keeping, getting agents to adopt a learning culture, reading emails and taking accountability for their jobs.
C	5	First call resolution improvement, career progression, attrition, effective communication and staff motivation.
C	6	Lack of advancement for tenured agents. Employees wanting salary increases and permanent employment. Effective communication. Balancing off-phone activities and service level pressures.

D	7	Communication filtering to all agents, consistency on continually driving initiatives, reducing costs and staff management.
D	8	High attrition, high absence, agent engagement and flat structures.

All the respondents agreed that managing the modern day call centre was extremely challenging. Effective communication emerged as a major challenge from most of the respondents. This is mainly due to the dynamic nature of the call centre environment and the large staff compliment. Additional challenges that surfaced included staff attrition, absence and staff management. The responses from managers explaining the challenges they experience is presented in the table below.

Table 4.7 Causes of challenges

Explain what makes them challenging?		
Call centre	Respondent	Response
A	1	<p>Effective communication: with the high competitiveness within the mobile network industry, communication on new products and services are released at the last moment to the call centre. Given our high number of staff it is difficult to communicate this and also take the high volume of calls that will be coming into the call centre due to the promotion.</p> <p>Process adherence: there are areas within the call centre that do not follow the given processes and procedures. These no-adherences cause challenges to many areas such as the customer experience, cost and in terms of performance.</p> <p>Time management: too much time spent behind the desk catching up with emails rather than time spent with the people to guide, coach and develop synergy between these aspects.</p>

		Support and operation: these areas seem to work in silos and we are not able to get the most effective way of ensuring higher performances and happy staff.
A	2	<p>Agent attrition: agents leave the organisation just for a R10 more on their salary, regardless of what additional benefits they receive from the company.</p> <p>Management skills and development: there is currently a lack of skills within my managers and this could influence how the centre is being managed. Rapid expansion: business is growing at a rapid rate and there is a fear that the most competent people are not being sourced quickly enough.</p> <p>Organisational development: certain organisations do not want to take advice and think that they are operating a perfect ship.</p>
B	3	<p>The contact centre industry has grown significantly and competitors in the contact centre space make it challenging to retain staff.</p> <p>Performance management processes and guidelines are not adhered to by all staff members, it's a continuous battle to get all staff members to comply with company policies and procedures, staff morale and motivation is also something that requires regular attention.</p>
B	4	<p>Most agents are between the ages of 21 and 30 years old so it seems like timekeeping is a generation issue. Completion of assessments and tests which are crucial to this environment need to be compulsory for all employees. Continuous learning needs to take place. Agents don't like reading electronic communications, especially work related black and white emails. It takes a few sessions for agents to realise that they could affect their jobs if they do not take their work seriously.</p>

C	5	<p>First call resolution is a challenge due to not being able to influence the back office or the response time from other departments.</p> <p>No new opportunities for staff-progression.</p> <p>Market challenges and competition amongst providers.</p>
C	6	<p>Certain percentage of tenure agents' inability to be flexible and change. They have been there for five years and longer and have become "stale" and immovable.</p> <p>All agents want to be made permanent and adjustments to be made to their salaries.</p> <p>Rapid and real-time communication to cascade information down quickly to reach all agents.</p> <p>It is a challenge taking agents off the phones especially when queues are mounting, and crucial briefs and coaching sessions are required.</p>
D	7	<p>It is challenging based on the amount of agents within the operation. Ensuring 578 agents all follow procedures correctly and religiously to attain maximum performance benefits is extremely challenging.</p>
D	8	<p>Absence: a shortfall of this magnitude can have a huge impact on quality of service. Because there are fewer staff available to handle customer interactions, waiting queues tend to increase and agents are put under pressure to spend less time on each call. Over extended periods of time, absenteeism can impact on staff morale and may even foster similar behaviour in those left to "carry the can".</p> <p>Attrition: high staff turnover can negatively impact on call centre quality because every time a trained agent leaves, fewer are on hand to ensure an optimum level of service. In addition to this, there are heavy costs associated with recruiting, hiring, training and developing new staff, not to</p>

		<p>mention the costs associated with the dip in productivity that is inevitable as new recruits battle to get up to speed.</p> <p>Agent engagement: call centre work can be monotonous due to the highly repetitive nature of the job. Another challenge is the stressful environment which can be attributed to the seemingly impossible targets and restrictions that some organisations place upon their staff. In both instances, call centres run the risk of their agents losing enthusiasm and becoming demoralised which in turn can lead to absenteeism and ultimately attrition.</p> <p>Flat structures: the volume of call centres planning to up-skill their agents increases year on year. However, less than a third actually defines a career development path for any of their staff. The problem, in essence, is that call centres are inherently flat structures. Career prospects are often limited and organisations risk losing their best people if they cannot provide adequate career opportunities. Talented staff might also become demotivated and stop working to the same high standards they achieved previously.</p>
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Call centres are dynamic environments characterised by a large staff compliment and this makes effective communication and staff management a huge challenge. Products change rapidly and agents do not have access to email hence communication needs to take place verbally. Call queues are frequently high which causes delays in providing a consistent message to all staff. Employee turnover is also a major challenge because most staff are employed on a temporary basis and there exists little opportunity for progression. Employees are always looking for permanent employment. Agents also see call centre work as an entry level position and want to move on career wise. The competition within the call centre industry is intense making staff retention very challenging. Staff motivation is a huge challenge as call centre work is highly

pressurised and staff must deal with demanding customers and repetitive work daily. Absenteeism is also rife as call centres are high pressured 24/7 environments. Interestingly no respondents from this study mentioned budget or finances as the major challenge. This is contrary to a study by Robinson & Morley, (2006) where the biggest constraint in allowing the call centre managers to do their job was cited as budgetary in every case. Table 4.8 below presents the responses from managers providing suggestions as to what can be done to overcome the challenges experienced.

Table 4.8 Suggestions to deal with challenges

Describe what can be done to overcome the challenges mentioned		
Call centre	Respondent	Response
A	1	<p>Effective communication: look at the various methods of communication within the call centre. Review communications process and amend this by using methods that are faster and also more user-friendly for agents such as our internal social technologies and electronic wallboards.</p> <p>Process adherence: ensure that processes are clearly defined and communicated to all when amendments are made.</p> <p>Ensure that tailored training is introduced to assist agents in being more knowledgeable and to assist staff in understanding the why.</p> <p>Time management: review the current KPIs within the environment to understand what is most relevant and what would assist in providing the best results. Do away with historical ways of leading people but ensure that KPIs are clearly defined.</p> <p>Create synergy between the support and operations divisions. Once there is understanding of the information that is provided operations will be able to use this information within</p>

		the operation to improve quickly on main KPIs.
A	2	<p>Staff retention: increase positive interaction between agents and supervisors. Introduce a pay-for-performance model. Offer family perks like a 24/7 crèche. Invest in education.</p> <p>Management skills and development: Ensure each manager, junior or senior, attends formal training. Guide managers to approach their duties differently.</p> <p>Rapid expansion: have effective change management discussions. Recruit the right people. Ensure cost containment.</p> <p>Organisational development: when approaching organisations, a proof of concept is required. You need to prove to the organisation that what you are recommending works better than the current processes.</p>
B	3	<p>Implement regular initiatives that keep staff motivated.</p> <p>Continuous re-iteration of performance management processes and guidelines. Good staff retention policies and plans.</p> <p>Strict discipline at all times.</p>
B	4	<p>Agents are micro-managed at first before they are given an opportunity to work independently. Make learning fun by incorporating different ways of completing assessments like quizzes, competitions and award prizes. Send email with colour, pictures and big fonts so that the agents are interested and curious to read it.</p>
C	5	<p>Holding the technical team accountable for failures.</p> <p>Create more business opportunities.</p> <p>Create a healthy working environment.</p>

C	6	<p>We have placed more focus on teams that perform poorly and in this way ensure that more coaching and training is done. Skip level meetings have been initiated to understand what the issues are and concurrent Performance Management sessions has been initiated.</p> <p>We have converted some of our agents onto a “permanent contract” and will be commencing with an exercise to review salaries.</p> <p>Non-performing agents will not be converted. They have been informed and the criteria explained and will be managed accordingly to control negative behaviours.</p> <p>Plans are in progress to have a call centre communications person. This will aid in the management and consolidating relevant information to be filtered in real-time in the most effective way and ensuring consistency.</p> <p>Adhering to the “pre-schedule” crew briefs granting minimum amount of time for interactions to continue albeit the queues. Relevant information needs to be filtered and regular sessions must be set with staff for feedback and coaching to assist them in delivering exceptional service to our customers.</p>
D	7	<p>Team work plays a vital role when dealing with a huge number of staff. Planning needs to be accurate and adhered to on a daily basis. Constant monitoring and measurement needs to take place and deviations must be addressed real-time.</p>

D	8	Organisations need to go back to the dynamics of making promotions gradually available to subscribers to avoid any challenges on delivering promotions to customers. This will aid the service providers to be able to utilise the shrinkage allocated daily at any given point without cancelling any sessions. This will also reduce the service-level pressures on any given day. In terms of motivation for the tenured agents, the view here is to move this staff to other areas within the business units to renew their motivation.
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Respondents spoke freely about the various ideas and methodologies that they employed within their call centre to manage the challenges experienced. Respondent D7 suggested that promoting teamwork plays a vital role when dealing with a large staff compliment. Staff management can be made easier when implementing an effective and transparent performance management process and rewarding excellent performance. Organisations should also consider employing staff on a permanent basis and creating a fun working environment. In the table below the responses from managers regarding the manner in which quality is managed are explained.

Table 4.9 Quality management

How do you manage quality?		
Call centre	Respondent	Response
A	1	Quality is managed by ensuring that engagement between the staff, team leader and quality department is consistent. This consistent engagement ensures that specific, measurable, attainable, relevant and time bound (SMART) goals are set for agents providing enough time to measure the successes. We also have surveys that are sent to customers that contact the call centre and this provides direct

		information on how the customer feels about the service that the agent has provided.
A	2	Quality is managed by ensuring that the customer's enquiry is answered according to their satisfaction, that the agents are always friendly and helpful and that further training needs are identified and conducted.
B	3	Using a set standard quality framework that monitors the advisors interaction with clients which are linked to all staff KPI and performance scorecards.
B	4	<p>We use quality as a process of continuous improvement and not a stick. A team of quality assessors assess calls randomly and give agents instant feedback. We also forward the call centre the quality champions for the week and the best call for the week.</p> <p>The teams are ranked from best to worst and this creates some healthy competition. Agents that receive poor scores are coached and counselled, depending on the severity. Agents that are consistent in their quality performance have the opportunity to become coaches.</p>
C	5	By conducting the following: assessing product knowledge, checking process adherence, interaction skills, call control, business trends, checking agents' behaviour trends, overall market intelligence, weekly calibrations and feedback session, constant training and conducting coaching and skills transfer.

C	6	<p>The continual monitoring and evaluation of all activities within our call centre enables us to gain valuable insight into internal systems, processes, agent's skills, behaviours and customer attitudes and behaviours. By monitoring the calls and the data entered into the systems we are able to gauge the effectiveness and the quality of service our agents are providing to our customers.</p> <p>Team leaders will evaluate two calls per agent per week, provide feedback in coaching sessions and set action plans to improve.</p> <p>Our QA (Quality Assurance) department provides insight on a site level of the call centre's overall services and provides us with reports on elements that they have picked up on, on agent- as well as customer-level.</p> <p>This information is then used by operations to set plans in motion to correct and improve to enhance both the agents' skills and better our customers' experiences.</p>
D	7	<p>This is done through a site and transactional based quality framework approach focusing on customer, business, regulatory and compliance components. Issues identified and filtered to the operation are used to coach agents.</p>
D	8	<p>Quality is measured through call handling process namely, telephone etiquette, knowledge and competency, error/rework rate, process adherence and resolution.</p> <p>Other methods used include call listen evaluations, calibrations, voice of customer sessions, side by side evaluations, remote call listening, coaching, feedback sessions and trend analysis.</p>

The quality management process within the call centres focused mainly on the interaction between the consultants and customers. These interactions are recorded,

monitored and evaluated continuously. Once evaluated, feedback is provided and initiatives are put in place for continuous improvement. Table 4.10 below outlines the responses from participants regarding efficiency management in their call centres.

Table 4.10 Efficiency management

How do you manage efficiency?		
Call centre	Respondent	Response
A	1	Efficiency is managed by us ensuring that we pay close attention to the call arrival pattern within the call centre. Once we understand these patterns we are able to schedule staff according to this pattern. During the scheduling phase we have some assumptions in place to ensure that we efficiently consider metrics such as; occupancy, absence and leave etc. We also measure schedule adherence within the call centre which ensures that we have the right number of people at the right time.
A	2	Ensure that the right people, quantity and quality, is at the right place at the right time. Cut out any unnecessary dialogue between agents and customers, but do not compromise on quality.
B	3	Using an operational scorecard on all levels and addressing poor performance using performance management techniques.
B	4	The call centre has a workforce management team that manages this internally. They ensure that off-phone activities are scheduled during quieter times to optimise efficiency and decrease wait time on calls.

C	5	Efficiency is managed by focusing on the following: AHT (average handling time), shrinkage, occupancy, schedule efficiency, schedule adherence, cost per call and work-time utilisation.
C	6	Recruiting and retaining people with the right skills and attitude. Adhering to our document processes to ensure consistency which assists us in identifying areas of improvement. Delivering excellent quality and service the first time to our customers in the least amount of time, striking the balance so that it's not at the customer's expense.
D	7	Efficiency is managed on a real time basis. Great emphasis is placed on real time monitoring and flagging of outages, volume under deliveries or over deliveries to ensure the correct business decisions are made to maximise revenue and reduce wastage. Findings from historical data and experiences are analysed to improve future scenarios. While the focus is on ensuring customer experience metrics are a priority cognisance must be taken with regard to the average handling time and service-level metrics.
D	8	Contact-handling measures provide a measure of efficiency for individual agents while resource utilisation and cost-efficiency measures are tracked to ensure overall operational efficiency.

It was evident that average handle time played a major role in managing efficiency within the call centre environment. Respondent A2 described managing efficiency by ensuring that you have sufficient staff scheduled at the correct place and time. Respondent C2 added that recruiting and retaining people with the right skills and attitude contributed to efficiency. Table 4.11 below represents the responses of

managers when asked if they experience conflict between managing quality and efficiency.

Table 4.11 Conflict between quality and efficiency management

Is there a conflict between the two (quality and efficiency)?		
Call centre	Respondent	Response
A	1	No, the output of quality is seen through metrics like FCR and CSI and in so saying, the two work very well hand-in-hand in our business unit. The more your quality improves, the better your FCR and CSI scores will be and to a certain degree your AHT. The more you are able to answer calls within SL (service level) the more compliant your call quality will be.
A	2	There is no conflict. The reason for this is that it is simply manageable. If it is effectively managed, you will be able to achieve both. Communicate what is necessary in the best way possible, ensuring that you have addressed everything that was required.
B	3	The conflict between the two lies in understanding the two components and thus aligning how these are going to be managed. Having an understanding as to what impacts efficiency allows you to create room to implement initiatives that will continue to drive both the quality being delivered and the efficiency at which it is being delivered.
B	4	There is no conflict. Quality service and performance should not be compromised at the expense of another metric. We thrive on finding a suitable balance between all metrics.

C	5	Call centres have not agreed on the balance between quality and efficiencies due to a silo approach between departments like quality, business intelligence and workforce management. This in turn means that certain individuals have different end targets which do not have a balance between quality and efficiency. The different departments therefore focus their energies in opposite directions, making the balance impossible.
C	6	No, it is all related to AHT and CSI. While driving AHT to ensure that we execute a call right the first time and maintaining a good quality by providing the right information. We at times risk comprising on the quality of service delivered. It is therefore important that we ensure that the agents understand the importance of striking the balance and that they have the necessary skills to be able to manage AHT effectively and still achieve their CSI targets.
D	7	Yes to a certain degree. Quality drives customer experience through process adherence and compliance. The focus is on assisting the customer regardless of the length of the call. Efficiency focuses on achieving maximum revenue through quick call handling and queue clearance while ensuring customer experience and quality is maintained. Efficiency focuses on waste reduction.
D	8	No, there is no conflict between the two metrics, they are measured separately.

It was interesting to note that only a quarter (2) of the respondents experienced conflict. Of the two the one emphasized it was only to a certain degree. The majority of respondents (6) indicated that it is manageable as different metrics influence quality and efficiency. These results contradict arguments by Aksin et al. (2007), that managing these two metrics creates conflict. However, it is interesting to note one of the

managers' statements regarding this: "conflict is created by the silo approach between departments such as workforce management, quality, operations and business intelligence". The respondent further states that, due to their targets not being aligned, their focus is in different directions making the maintenance of the balance difficult. The call centre managers were then asked about the management strategies they employed for effective call centre management. Table 4.12 below represents their responses.

Table 4.12 Strategies for effective call centre management

What strategies do you use to effectively manage this call centre?		
Call centre	Respondent	Response
A	1	The strategy that we use is to ensure that our people are happy within the environment. It was found that by driving performance results was yielded but it was also found to be a costly exercise in terms of not only productivity for the management team but also costly in terms of attrition and this increases training costs. We are currently looking at ways of making our environment a more people focused environment where our people understand their roles, are involved in the decision making and most especially happy to come to work. We believe that this will yield the results with lower costs.
A	2	I lead my team as manager. I facilitate the team's steps to completion. I provide specific means for completion and I monitor and evaluate processes continuously.
B	3	Effective performance management processes are followed. Continuous staff engagement, involvement and education is encouraged. Harnessing a culture of continuous improvement, learning and development.

B	4	<p>Open communication and transparency with the team.</p> <p>Empowering the team to make decisions. Continuous training and development of staff. Strict performance management processes. Respect and treat every individual with dignity. Initiate the fun aspect into the call centre. Encourage team work and team buildings. Share the call centre vision with the staff so that they are all working towards a common goal.</p>
C	5	<p>The following has worked for me: driving continuous improvement plans, promoting competition amongst staff, consistent performance management and effective succession planning.</p>
C	6	<p>Effective recruitment and selection results in hiring the right people and ensuring that they have the skills to work in the centres.</p> <p>Managing attrition, keeping staff happy and cultivating a personal development culture to retain staff and skills.</p> <p>Ensuring that all staff are aware of our key metrics (KPIs) that we drive within the call centre.</p> <p>Continuous business improvement by reviewing current processes to redefine and keeping it simple and more effective.</p> <p>Training and development, reviewing our training plans and ensuring that agents receive the required training to ensure that their knowledge levels are kept up to date.</p> <p>Developing our staff by assisting them with learnerships to further develop their careers and invest in our call centres.</p> <p>Monitoring, improving and rewarding good performance.</p> <p>To ensure that our staff are monitored, measured and feedback is provided to assist in improvement.</p>

		Rewarding and recognising staff is also one of our key strategies to instil a culture of excellence and competition.
D	7	<p>Promote performance, improve staff satisfaction. Implement an incentive model which encompasses key metric performance and efficiencies.</p> <p>Customer and client focussed: ensure that everything we do is focused on customer satisfaction.</p> <p>Efficiency: being the most efficient call centre. Driving a culture of efficiency.</p> <p>Transparency: being transparent between departments.</p>
D	8	<p>By fostering a positive work environment in order to improve employee satisfaction in the call centre.</p> <p>Review the call centre operation effectiveness regularly.</p> <p>Review the performance of each employee regularly and put plans in place for improvement.</p> <p>Analyse performance trends daily and provide feedback.</p> <p>Investigate the root causes of problems.</p> <p>Optimise the use of call centre resources.</p>

Respondents provided numerous suggestions for effective contact centre management. All respondents alluded to the fact that an effective communication and robust performance management process needs to be in place. Other suggestions that surfaced included, creating a conducive working environment, implementing an incentive programme rewarding excellent performance, empowering staff and considering a combination of temporary and permanent employment options. Table 4.13 details the responses of managers with regard to the reasons why organisations outsource.

Table 4.13 Reasons for outsourcing

Why do companies outsource?		
Call centre	Respondent	Response
A	1	Benefits that we offer to the business are; a more pleasant customer experience by ensuring that we answer the calls within the required time frame. We also ensure a pleasant customer experience by having processes and guidelines in place to assist the business in identifying areas that will improve the experience for the customer in terms of technology, system enhancements and process changes which ultimately reduce the call volumes. The other benefit for the business is that we are self-managed allowing them to concentrate on growing their business while we ensure that the current customer base is effectively managed .
A	2	We ensure that the organisation needs to “focus less on competitive advantage and more on growth that creates value”. We understand the clients’ needs and desires (Business Intelligence/ Insight). We ensure continuous improvement by knowing our customer, serving them better, retaining customers and fixing upstream processes. We apply the three “Sights” of Strategy; “Fore- Sight, In Sight and Cross-Sight, and Innovate.”

B	3	<p>Outsourcing provides the following value: long- and short-term cost saving, insight into customer and market trends.</p> <p>Technology infrastructure and solutions.</p> <p>Alignment to client's strategic objectives, think by delivering, designing and integrating customer experiences by means of business improvement methodologies and actions.</p> <p>Improved workforce management, quality management, technology management, communication, reporting and financial management.</p>
B	4	<p>To innovative and leverage business improvement ideas.</p> <p>Companies want consistent performance.</p> <p>To improve performance and reduce costs.</p> <p>Outsourcing provides value in terms of improving the company brand.</p>
C	5	<p>Reduce cost of the operation, increase efficiencies, increase revenue, reduce risk and increase customer satisfaction.</p>
C	6	<p>We think, design and deliver integrated customer experience.</p> <p>We have the facilities, infrastructure and solutions needed to provide exceptional service to our client's and our customers.</p> <p>We are the experts in call centre set-up, management and consulting and do it in partnership with our clients.</p> <p>We are committed to sharing best practises, delivering exceptional experiences and services to meet our clients' needs.</p>
D	7	<p>Outsourcing provides business insight based on volumes answered, proposals to drive down costs and improve customer and agent experience. Outsourcing delivers contractual targets while providing value adds.</p>

D	8	The outsource model reduces costs for businesses. Through the operating model that we have introduced, we offer increased efficiencies. We also have a support services division that focuses on areas such as; business improvement to constantly look for the value add that we can take back to business to improve their customer experience.
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All respondents feedback concur with Vitasek and Manrodt (2012) in that outsourcing is not just about lowering cost or sourcing additional production capacity but also about important factors such as improved customer experience, expertise and, insight into the latest trends and technology as elaborated on in the literature review. Table 4.14 below represents responses from managers when requested to describe monitoring and measurement within their call centres.

Table 4.14 Monitoring and measurement within call centres

Describe monitoring and measurement within your call centre		
Call centre	Respondent	Response
A	1	We monitor and measure by using various tools. These tools allow us to make informed decisions on how to ultimately improve the customer experience. We are also able to measure the impact of our decisions with the tools that we have. There are many ways that we monitor and measure in the call centre. We have reports generated by our management information (MI) team that allows us to measure the performance of agents and teams against the set targets We also have an incentive program which was introduced last year in October which allows us to measure the agent's productivity. We also have reporting that is provided by the

		<p>client's that allows us to measure and monitor the staff. From a WFM (work force management) perspective, the client has provided us with tools such as; Total View (TTV) that allows us to monitor the schedules and real time volumes. From a financial point of view, we have designed a financial calculator that allows me to monitor on a daily basis and forecast on a weekly and monthly basis costs. There are a number of other ways that we use that describe monitoring and measuring within the centre which are not limited to the aforementioned.</p>
A	2	<p>We monitor and evaluate processes continuously with KPIs. We ask questions respectfully and provide positive feedback. We also acknowledge progress and review current performance. We recommend any improvements and identify the next steps for completion. We re-initialise and re-set goals when preparing for entering any new phase.</p>
B	3	<p>Monitoring is done at a transactional level where we monitor the interaction between our agents and customers', measurement is done by means of tracking and measuring the outputs in a scorecard and compared against operational set targets and global benchmarks.</p>
B	4	<p>All reporting is provided. The reports are automated. We have set benchmarks that we need to meet as a team. This information, statistics, is forwarded to all agents, teams, team leaders and supervisors on a daily basis. This information is then given as feedback to agents on a bi-weekly basis.</p>
C	5	<p>We have wall boards around the call centre which we use for real time monitoring of service levels, abandoned calls, calls answered and calls waiting across all queues. We have a department that sends out statistics on daily basis and from those reports we are able to measure and track our</p>

		performance.
C	6	Managers review KPIs and ensure that they are met and exceeded daily. Many reports exist that provide measurements regarding staff outputs. Monitoring is done daily on a real time basis against targets and next steps are put in place.
D	7	Monitoring takes place through applications provided such as; call recording tools and reporting available for key metrics. Operationally and from a support perspective, these are used to measure against targets on a daily basis. A performance driven culture is created and an understanding of the consequence of non-performance against clearly documented targets is communicated. There is a real-time approach and drive created to curb negative behaviours as and when they occur and where necessary escalate to the client.
D	8	A huge emphasis is placed on monitoring our call centres on an intra-day, daily, weekly and monthly basis. We monitor and track a number of measures that is set out in the contract with our client. Our call centres are measured on the following: KPIs, SL, AHT, occupancy, shrinkage including paid and unpaid shrinkage factors, forecast variance, schedule flexibility, FCR and customer satisfaction.

The respondents agreed that continuous monitoring and measuring played an important role in call centre management. Respondent D8 indicated that all targets set by the clients are monitored and tracked. Various systems were available within call centres that made measuring and monitoring easy on a real time basis. In the work by Benner

et al. (2007), it is evident that a huge emphasis is placed on monitoring and measurement within the call centre environment. Managers clearly indicated that measuring and monitoring is done on a micro level, real time, daily, weekly and monthly. Call centre agents are micro-managed and continuously monitored. Employees are rewarded for performance and incentives are based on staff exceeding targets.

Staff need to adhere to specific call procedures and are allowed little room for initiative. This relates to Taylor's 4th principle mentioned in chapter two of this thesis: "Develop and provide detailed instructions for each task and supervise (measure) them in their performance" (Taylor, 1911).

Taylor's focus on target setting and continuous improvement are major focus areas within the call centre environment. This is mainly driven by the fact that outsourced call centres have contractual obligations that need to be met otherwise they will face financial penalties.

4.4 Data presentation, analysis and interpretation

The collected data was categorised according to seven major themes that are based on the topics in the interview guide. The major themes upon which the interview questions were based are as follows:

- the perceptions of call centre managers regarding their roles,
- the major challenges experienced in managing outsourced call centres,
- how contact centre management can be improved to address the challenges managers face,
- quality versus efficiency in call centre management,
- monitoring and measurement in call centres,
- the main reasons organisations outsource their call centres, and
- the managerial strategies currently employed by management within their call centres.

4.5 Summary

Chapter four presented the findings from the interviews conducted with management from the selected call centres in Gauteng. Each interview was recorded and transcribed into an electric format for further analysis. In the next chapter the findings are presented, recommendations for effective call centre management is discussed and a conclusion is presented based on the findings that came to light from the research results.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter offers an interpretation of the results presented in chapter four which is consistent with the research questions and objectives discussed in chapter one. While analysing the results to examine the main themes that were identified, the researcher was able to provide answers to the questions posed.

This chapter concludes with a discussion regarding the limitations of the study, recommendations to improve call centre management and recommendations for future research.

5.2 Outcomes of research objectives

In order to attain a full understanding as to whether or not the objectives were realised, the research objectives stated in chapter 1 (page 14) will be reiterated below and conclusions will be drawn according to each objective respectively.

5.2.1 Primary research objective

The primary research objective for the study was to determine how contact centre management perceive their role in an outsourced organisation dealing with telecommunication customer queries. For the primary research objective to be achieved, various secondary research objectives were formulated.

5.2.2 Secondary research objectives

Five secondary research objectives needed to be achieved for the primary objective to be validated. Each objective is stated below, followed by a conclusion supported by the data analysis described in chapter four.

Objective 1

The purpose of this objective as outlined in chapter one was to determine the profile of call centre managers within outsourced call centres. The demographics details obtained from the respondents were used to profile the call centre managers. Six of the eight respondents were male suggesting that call centre management was dominated by males. Three quarters of the managers have post-matric qualifications, the highest being a degree. The most common qualification among the managers is a diploma. Many stated that they are currently in the process of completing their degrees. The size of the call centres varies from 160 seats to 800 seats with a staff compliment of 221 to 900 call centre agents. The age of the management team ranges between the late twenties and mid-thirties indicating that management within call centres are a relatively young workforce.

Conclusion: Call centre management is dominated by males. Majority of the management have post matric qualifications, are relatively young and manage huge staff compliments.

Objective 2

The purpose of this objective as outlined in chapter one was to determine the major challenges experienced by call centre management in an outsourced organisation dealing with telecommunication customer queries. It was evident that managing the modern day call centre was extremely challenging. Effective communication emerged as a major challenge from most of the respondents. This is mainly due to the dynamic nature of the call centre environment and the large staff compliment. Additional challenges that surfaced included staff attrition, absence and staff management.

Conclusion: The major challenges call centre manages experience revolve around staff management, communication and high attrition. This becomes more challenging when you manage large staff compliments.

Objective 3

The purpose of this objective was to investigate the strategies currently used by call centre management in an outsourced organisation to deal with telecommunication customer queries effectively. Respondents provided numerous suggestions for effective contact centre management. All respondents alluded to the fact that an effective communication and a robust performance management process needs to be in place. Other suggestions that surfaced included, creating a conducive working environment, implementing an incentive programme rewarding excellent performance, empowering staff and considering a combination of temporary and permanent employment options.

Conclusion: The following strategies work well when implemented within call centres:

- Incentivising and rewarding excellent performance. The main barrier mentioned here was financial. However incentives can also be in the form of time off, preferred shifts, first choice when overtime is required etc.
- Temporary and permanent employment options. Call centres currently employ predominantly on a temporary basis. Employing a percentage of staff on a permanent basis results in lower staff turnover, improved motivation and in the long term is cost efficient as it is expensive to continuously recruit and train new staff.
- A robust communication process needs to be in place to foster open and honest communication ensuring that staff is aware, informed and able to be part of the decision-making process. This improves staff motivation and instils a sense of belonging. Happy, motivated and informed staff are more productive. Productivity is a huge focus area in outsourced call centres. Currently agents have little or no decision making power.
- A sound performance management process will ensure operational rigor which in turn promotes continuous improvement. Continuous improvement is a major requirement within the call centres. Call centres often track the incorrect performance metrics which drives the wrong behaviour by staff that impacts customers negatively.

- Empower staff as much as possible to solve customer problems. Policies are rigid and needs to be more flexible and reviewed on a yearly basis. Empowering staff will allow staff to better service customers improving customer experience and impact the brand positively.

Objective 4

The purpose of this objective was to determine possible reasons companies outsource the customer call centre function. Outsourcing is a common practice in the private sector and forms an important part of business strategy. The rapid growth of outsourcing suggests that organisations expect benefits from outsourcing. The most common benefits mentioned are reducing costs, providing enhanced customer service, leveraging expertise and best practices and gaining the competitive edge. This research finding concurs with Heywood's argument that the drive for greater efficiencies and cost reductions has forced many companies to outsource (Heywood, 2001).

Conclusion: The main reasons companies outsource are to reduce costs, improve service, leverage expertise and gain the competitive edge within the industry.

Objective 5

The purpose of this objective was to determine how call centre management perceive their roles within the organisation. When responding to their perceptions regarding the understanding of the term call centre management, all the managers were in agreement that it involved staff management, planning and most of all target achievement. Respondents also highlighted that it involved striking the correct balance between resource availability and time. The majority of the respondents understood their roles to be overall responsibility of the call centre, its people and performance.

Conclusion: Call centre managers understood their roles to be overall responsibility of the call centre, its people and performance. Target achievement was high on their agenda.

Having drawn conclusions regarding the various secondary research objectives listed in chapter 1 (page 14) and considering the analysis in chapter 4 (pages 49-51), one can

conclude that call centre managers perceive call centre management as taking total responsibility for the call centre, its employees and their performance. To an outsourced call centre manager, meeting contractual obligations and client needs is one of his/her primary goals.

All the respondents had a similar understanding when discussing their main functions. The major focus areas or functions within these call centres mentioned were achieving and exceeding all key performance indicators, increasing revenue, customer satisfaction, personnel management and finally improving operational efficiency.

5.3 Recommendations for effective outsourced call centre management

Based on the responses received and identified in chapter four, the following suggestions can be recommended for effective outsourced call centre management:

- Contact centre management has evolved over time at a rapid pace and is no easy task. Therefore outsourced call centre managers need to be understood and afforded the help and support in order to successfully cope in their respective challenging environments.
- The call centre is a high pressured stressful environment where a lot of focus is placed on productivity and target achievement. Little focus on employee needs leads to high levels of attrition which is costly and experienced staff are lost. Therefore it is suggested that a balance approach is adopted where the focus is on both performance and employee needs. Implementation of incentive programmes, progression models and personal development are also recommended.
- Five of the respondents (63%) revealed effective communication as one of their major challenges encountered; therefore it would be vital to ensure that an effective communication process is in place to foster open and honest communication ensuring that staff is aware, informed and able to be part of the decision-making process. This improves staff motivation and instils a sense of belonging.
- Ensure that a rigorous and effective recruitment and training process is followed as many people are not suitable for the dynamic and high pressured environment. Hiring the wrong people is not only costly due to attrition but also damages customer

experience as the wrong calibre of staff will perform poorly. All respondents cited flexi staffing as one of the main contributors to high staff turnover. Therefore it is recommended that a combination of flexi and permanent employment is adopted. Organisations should also consider offering fixed term contracts varying from one to five years.

- When considering management theories, one cannot ignore the fact that scientific management is deeply embedded in call centre management and operation. This was evident from comments like “A huge emphasis is placed on monitoring our call centres on an intra-day, daily, weekly and monthly basis “made by respondent D8. Respondent C5 concurred with this by stating that “we have wall boards around the call centre which we use for real time monitoring”. This is mainly because it works well in organisations where productivity and efficiency are high on the agenda. However, a balanced approach needs to be taken between productivity, efficiency and employee wellbeing.
- Policies and procedures are quite rigid within the call centres. Although these policies provide direction, they tend to be restrictive and prevent agents from going the extra mile. It is recommended that policies be reviewed annually and is more flexible to allow staff some discretion. This will not only motivate and empower staff but also allow them to better service customers improving customer experience.

5.4 Limitations of the study

- The study relies on the subjective experience of the researcher when analysing and interpreting results and this could have several limitations.
- The interviewees could have felt some pressure to be perceived in a certain way resulting in bias creeping in and therefore honest remarks may not have always been possible.
- The focus on few call centres within Gauteng limits the ability to generalise to other populations.
- The sample size of eight managers is relatively small from which to draw conclusions.

5.5 Suggestions for further research

The main limitation of this study is that it relies on outsourced contact centres situated in the Gauteng area that only services one telecommunication organisations customer queries.

Further studies should be undertaken that include a larger sample across different organisations and locations. This would be more meaningful and the results will be more verifiable.

5.6 Summary

This research provided insight regarding the perceptions of outsourced call centre managers about their roles and the major challenges they experience.

As mentioned by Priestley (2005), it is not difficult to find examples of scientific management in the 21st Century and this study revealed that this practice is relevant in the modern day outsourced call centre. This is mainly because there is a major focus on productivity, efficiency and continuous improvement. This is unlikely to disappear in the near future however; a lot more focus is being placed on the personal needs of workers which Taylor's scientific management theory ignored.

It was realised from this study that being a manager in an outsourced call centre today is definitely not an easy task. The research findings concur with the suggestion that call centres are people intensive, resource demanding environments with complex management challenges (Robinson & Morley, 2006). It is vital that outsourced call centre managers dealing with telecommunication customer queries clearly understand their roles and responsibilities. They need to be empowered and supported by the relevant support divisions as they assume a substantial responsibility while operating in a dynamic environment and play a pivotal role in ensuring the success of outsourced contact centres.

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