Can I help you?
Call centres and job satisfaction

They’ve been described as electronic sweatshops, the dark satanic mills of the 21st century; some critics see them as battery farms where humans are kept in cells and force fed calls while pecking at a key board. There’s no shortage of arresting - and uniformly negative - images both in the academic and popular press. It’s perhaps not surprising then that the main effects of these ‘sweatshop’ conditions on employees are thought to be high levels of stress and poor job satisfaction, especially in comparison with other jobs. David Holman and Sue Fernie set out to test these assumptions.
Call centres are the fastest growing occupational sector in Britain, already employing more than 400,000 people – almost 2% of the working population. There’s no doubt that for those of us who don’t work in them, call centres conjure up an image of oppressive, stifling working conditions, constant surveillance, poor job satisfaction.

But is this negative image deserved? Until now, very little academic research has been conducted into this industrial phenomenon, and almost none of it has focused on employee well-being. We set out to fill in some of the gaps: to find out whether call centre work is as unpleasant as commentators suggest, and to discover what life in a call centre is really like. Our findings were surprising.

Most accounts of call centres focus on the negative characteristics that they are all assumed to share: repetitive, short and boring calls; the need for call centre operators to follow a specific script; constant management demands to handle calls quickly within a given time; technology that enables management to monitor every aspect of employee behaviour, including how calls are handled and how long each call takes; and part-time and short-term contracts allied to low pay. The implicit assumption is that one call centre is pretty much like another, that they are all managed in the same way. We wanted to test this assumption. We also wanted to test how stressful call centre work is, especially when considered in relation to other jobs. And what causes stress at call centres? Is it the need to answer calls within a specified time, and stick to a script? Or is it the loss of control and autonomy?

Preparing the ground

The research we conducted took place in three different call centres of a major U.K. financial institution, each organised around a different type of business. We will refer to the three centres as Bank-call, Mortgage-call and Loan-call. All three shared some common features, but they also had important differences. In all three, call centre agents (CSAs) spent about 80-90% of the time answering incoming calls that were mainly from external customers. The remaining time was spent in team meetings and on ‘off-line’ administration. When ‘on-line’, CSAs could not choose whether to answer a call or not – they had to answer the next caller in the queue. Call times and call quality were closely monitored by team leaders at each site. Team leaders spent most of their time coaching CSAs, collecting and analysing the statistics of each CSA (e.g., the number of calls handled per hour, average handling time), dealing with team matters, answering customer queries and complaints and attending meetings.

Because of the nature of the business they were handling, Mortgage-call employees required the most extensive product knowledge; Bank-call employees required the least. Only one of the sites, Loan-call, insisted that CSAs follow a call script and aim to finish a call within a set time target. While Bank-call and Mortgage-call did not specify an exact time, there was an expectation that CSAs should complete a certain number of calls per hour.

The call centres were chosen because we believed that they were fairly representative of the different types of call centres that exist in the U.K. It could be argued that Bank-call typifies the ‘sweatshop’ end, with short call times, low pay and repetitive work. Mortgage-call could be seen to represent the ‘upper’ semi-skilled end with longer and more complex calls and good terms and conditions. Loan-call represents somewhere in between these two ends of the continuum with good terms and conditions, fairly repetitive and short calls and call scripting.
Data were collected from interviews and a questionnaire that was completed by 628 CSAs and team leaders. This represented a response rate of approximately 80% of those employed at the three sites. We focused on four commonly used measures of employee well-being: job-related depression; job-related anxiety; job satisfaction; and general mental health. The measures of depression and anxiety are self-explanatory. Job satisfaction covers an employee’s reaction to job features that are integral to the work itself (e.g., variety, responsibility) and those features that are external to the job (e.g., pay, hours of work). General mental health covers a person’s general feelings of anxiety, confidence and ability to cope. We were able to make comparisons with the experience of other types of workers using a database of 40,000 respondents that has been built up by the Institute of Work Psychology over the last 25 years.

The first surprise
Contrary to much of what had been previously written about call centres, our results revealed that levels of employee well-being in the call centres we studied compared favourably with that experienced by office workers and manufacturing shop floor workers. More specifically, we found that levels of anxiety, depression and general mental health were similar to office and shop floor manufacturing. In some instances, for example at Loan-call, the level of depression was significantly lower in comparison with other occupations and with the other two sites. CSAs at all three call centres also reported fairly high levels of job satisfaction. This was particularly so at Mortgage-call and Loan-call. At these sites CSAs generally expressed satisfaction with their terms and conditions, relations with their co-workers and relations between employees and management. A staggering 76% stated that they were satisfied with their level of pay at these two sites. CSAs tended to be less satisfied with some of the intrinsic aspects of their job, such as the level of responsibility, variety and opportunities for promotion.

The level of job satisfaction at Bank-call was significantly lower. CSAs here were much less satisfied with their terms and conditions, level of pay (here 64% said they were dissatisfied) and the intrinsic nature of the work. These differences were attributable to the different type of contract used and the more repetitive low-skilled nature of the work at Bank-call.

Identifying the stress factors
This is not to say that working in call centres is stress free. The second stage of our research was to identify which factors cause stress for CSAs. Lack of employee control over the timing of calls and the way in which they may handle calls has often been blamed by commentators. Many of the CSAs we studied were under pressure to finish a call within a specified time or, if not a specified time, were ’coached’ if their call times were too high. Some CSAs were also required to follow a script, limiting their ability to vary the way in which they could talk to customers. Other sources of stress identified in the past have included the nature of the support offered by team leaders and managers, the level and type of monitoring and the type of human resource practices used e.g., payment systems, performance appraisal, training and coaching.

As far as job control is concerned, the results from our research show a clear pattern. Call centre agents will experience higher anxiety and depression, lower job satisfaction and lower general mental health when they have less control over their work. Specifically, CSAs who had greater control of the timing of their calls and whose calls were less scripted experienced greater well-being. These results are in line with the results of other research on stress that demonstrates a clear link between job control and well-being. We also obtained, from the computerised records of the call centres, the average call length for each CSA over a three month period. Our analysis of this data suggested that the longer the call, the less depressed and more enthusiastic CSAs were.

In our survey, call centre agents were asked to rate the extent to which their team leader and managers provided them with the support to do their job. This included communicating what was expected of them, discussing and solving problems, being open to constructive criticism and stressing call quality not quantity. Again the results clearly show that when team leaders or managers provided proper support, CSAs experienced lower anxiety and depression, higher job satisfaction and better general mental health.
We also examined the impact of human resource practices on well-being. We asked agents whether the level of training and coaching they received was adequate, whether they thought the payment and bonus system was fair, and whether their performance appraisals were useful. We discovered that of these three practices, the adequacy of the coaching and training had the strongest relationship to well-being. Adequate coaching and training was associated with lower anxiety and depression, higher job satisfaction and higher general mental health. This association probably reflects the fact that training and coaching increases agents’ skills and abilities. As a consequence, this enables CSAs to cope with the demands of the job more successfully. What’s more, the contribution of these practices to employee well-being was independent of both the design of the job and team leader and management support. Effective coaching and training appear to be crucial human resource practices in call centres.

The perception that the payment and bonus system were fair and performance appraisals were useful was also significant for employee well-being. Our results show that it is not the absolute levels of pay and bonuses that affect well-being. CSAs are clearly realistic about what type of reward they can expect for the sort of work they do: what matters is that their pay and bonuses are seen to be fair and equitable. Further analysis also revealed that, with regard to these two factors, the design of the job and the support of managers and team leaders appeared to play a more important role than financial reward in contributing to employee well-being.

The Big Brother effect
We asked the call centre agents to rate the extent to which they felt they were monitored. We also asked whether they felt that when their calls were monitored the results were used to punish them or used to develop their skills and abilities. Across all three sites, CSAs felt that they were monitored too much. But the agents also stated that, on the whole, call monitoring was used to develop their skills and abilities rather than used as a means to punish them. It is perhaps because of this that CSAs often went on to point out in our interviews with them that, although they were monitored too much, they had nothing to be afraid of and they did not find the level of monitoring too intrusive. Indeed, some actually welcomed call monitoring: not only did they see it as a means by which they could develop their skills, but they also saw it as a fair way in which they could demonstrate their level of competence.

Nevertheless, a high level of monitoring was associated with high levels of anxiety and depression, and with low levels of job satisfaction and general mental health. The same pattern was evident when CSAs thought that call monitoring was used to punish rather than develop them. A test to reveal which factor had most bearing on well-being, suggested that the purpose of call monitoring had a more significant effect than the actual level of monitoring.

We also found that monitoring had by far the biggest effect on well-being - greater than employee control, the support offered by managers and team leaders, and the perception of human resource practices. If call centre managers monitor too much and use call monitoring punitively well-being is likely to be low – even if they provide employees with high job control, supportive managers and well-run human resource practices. Monitoring clearly does play a critical role in call centres. If managers get it wrong, particularly if monitoring is used punitively and not developmentally, then it can have serious negative consequences on CSAs’ well-being.

Sweatshops or?
The evidence from our research would indicate that not all call centres are ‘sweatshops’. The levels of depression, anxiety, job satisfaction and general mental health we found were no worse than in other comparable forms of work. Indeed, in some instances, levels of depression were significantly lower and levels of job satisfaction significantly higher. But a degree of caution is needed in the interpretation of these results. The measures of well-being may not capture all the different ways in which stress and well-being might be experienced.

More significantly perhaps, all three call-centres had reasonably high absence rates; and Bank-call had an extremely high turnover rate. This could mean that employees were managing their stress at work either by reporting in sick, or, in the case of Bank-call, by leaving to go to another job. The excellent pay and conditions at Loan-call and Mortgage-call meant that leaving was often not a viable option for CSAs at these places.

Our findings appear to dash the hopes of those who love to strike a uniformly gloomy note about modern industrial practices. Of greater interest in the long term, however, is our finding that certain management practices can have a big impact on CSAs’ well-being. Our research shows that, even within the limits of the job to be done, call centres managers always have a choice in how they design agents’ work and how the agents are managed. Moreover, just because information technology enables you to monitor almost all your employees’ actions doesn’t mean that you should. The way in which agents are monitored is probably more important than the extent to which they are monitored. If call centre managers want to stop their employees from calling in sick, then they will need to address and manage successfully the human side of call centre work.

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