

JOB SATISFACTION OF CALL CENTRE REPRESENTATIVES

by

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A mini-thesis in partial fulfilment of the requirements for the degree of Master of Arts in the Faculty of Industrial Psychology, University of the Western Cape.

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MARCH 2006

ABSTRACT

While there has been some research on job satisfaction in call centres, there is a lack of research on this particular topic in its relation to the South African context. Rose and Wright (2005) claim that call centre representatives (CCRs) are generally associated with low levels of job satisfaction because of the fairly low skilled nature of their work. They further state that there is sociological research evidence showing that low-skilled work does not result in intrinsic satisfaction. As such employees are led to seek extrinsic satisfaction through pay and other compensatory mechanisms.

The aim of the present study was to prove that a correlation exists between job satisfaction and the levels of absenteeism, turnover, performance and customer satisfaction.

The sample consisted of 132 participants at various categories such as age, race, gender and shift.

Data were collected using the Job Satisfaction Survey (Spector, 1997) which is a self-administered questionnaire to measure job satisfaction of call centre representatives. Additional data were collected using the company's existing measures for measuring absenteeism, turnover, performance and customer satisfaction. The study revealed the average for total satisfaction of call centre representatives at the present company is 136.5, which is the same as the norm of the Job Satisfaction Survey. The results show that the overall level of job satisfaction amongst CCRs at the present company is quite high although CCRs were not satisfied with all nine facets of job satisfaction as measured by the Job Satisfaction Survey. The study found a relationship between job satisfaction and performance, between job satisfaction and turnover and between job satisfaction and customer service. However, no relationship was found between job satisfaction and absenteeism, which is consistent with previous studies.

Keywords: Call centre, Job satisfaction, Absenteeism, Turnover, Performance, Customer Service, Customer Satisfaction, Customer, Call Centre Representative, Service quality



DECLARATION

I, the undersigned, hereby declare that Job satisfaction of call centre representatives is my own work, that it has not been submitted for any degree or examination in any other university, and that all the sources I have used or quoted have been indicated and acknowledged by complete references.

MARCH 2006

MICHELLE GORDI

SIGNED.....



ACKNOWLEDGMENTS

As I complete my mini thesis, there are a few special people I would like to thank, but before I mention these specific people, my thanks goes first and foremost to our heavenly Father, Lord Jesus Christ, without whom none of this would be possible. It is through the love and guidance of our Heavenly Father that I was able to complete my mini thesis in spite of the serious setbacks I suffered. In striving to achieve a goal we are sometimes faced with many adversities. In my case, I suffered a temporary loss of vision, followed by the passing on of my grandfather, Arumagam (Dicky) Naidoo, on the 17th of January 2005. He is sadly missed. Thereafter my computer crashed and set me back somewhat.

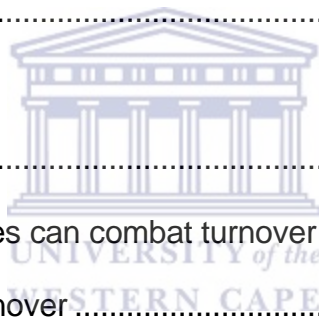
Next, I would like to thank my darling mother, Veronica Naidoo, whose invaluable support and encouragement provided me with the inspiration and motivation to succeed. My thanks goes out to my grandmother, Elizabeth Naidoo, too for her support and understanding during the challenging time I had writing up my thesis. Then I would like to thank my uncle, Norman Saunders, for his assistance and contribution. Also, Janice Rowland and George Halliford for allowing me extended use of their computers when mine crashed. Their generosity and kindness is much appreciated and will never be forgotten. I would also like to thank all the people and companies in London who allowed me to use their computers to finish my thesis.

Last but certainly not least, I would like to thank my supervisor, Professor Fatima Abrahams, for her cooperation, assistance and valuable contribution she made in the successful completion of my mini thesis. Thank you ALL. I could not have done it alone.

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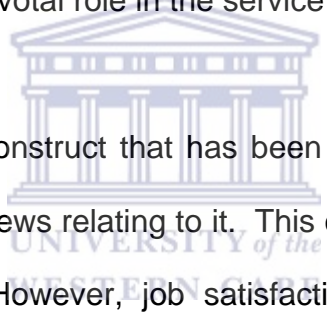


CHAPTER 1

INTRODUCTION

1.1 BACKGROUND AND SIGNIFICANCE OF THE STUDY

A wide variety of industries are seeking alternative means of operation because of the changing approaches to business and consumers' needs (Holdsworth & Cartwright, 2003). Customers expect and even demand 24-hour electronic service, which has resulted in an exceptional increase in service-based call centres. While many researchers have investigated job satisfaction over the years, "the impact of call centre workplace upon employee satisfaction or well-being is beginning to attract the attention of researchers" (Rose & Wright, 2005, p.136). Call centres have become an integral part of most organizations today, playing a pivotal role in the service delivery chain.



Job satisfaction is a complex construct that has been widely researched over the years with a number of theories and views relating to it. This complex construct has been widely researched over the years. However, job satisfaction in call centres has not been researched as extensively within the South African context. More studies on job satisfaction of call centre representatives are necessary because motivated employees provide better customer service than unmotivated employees according to Levin (2004). Tidmarsh (2003) claims that for call centres to compete successfully, the main corporate goal should be employee satisfaction. Although previous studies have shown inconsistent relationships between job satisfaction and absenteeism, evidence shows that a relationship between these two variables exists. Research, according to Muchinsky (1993); McCulloch (2003) and Spector (1997) has also shown that turnover is correlated with job satisfaction. However, there are number of ways to combat turnover in call centres for example, improving recruitment practices.

Various studies have shown inconsistent relationships between performance and job satisfaction (Robbins, 1996); however, some studies have shown a positive relationship between these two variables (Dunette, Campbell & Jaastad, 1976 & King, 1970 as cited in Ehlers, 2003). Muchinsky (1993) concludes that the debate as to whether performance causes satisfaction or satisfaction causes performance will never be completely resolved.

Customer satisfaction is another critical factor in call centres and a related to it is customer service. Moshavi and Terborg (2002) claim that customer satisfaction is dependant on the level of job satisfaction and motivation of the service provider. Customer satisfaction is critical to business success.

Brown (2004) reports a rapid growth rate in the call centre industry in the Western Cape hence this industry in particular, gives rise to interesting research. Holdsworth and Cartwright (2003) claim that call centre managers are continuously exploring alternatives to combat intrinsic, work related issues within the industry. With unemployment being the largest challenge South Africans face today in South Africa, contact centres and the business process outsourcing industry now provides the most promising solution to combat these high unemployment rates (Brown, 2004).

1.2 STATEMENT OF THE PROBLEM

Job satisfaction is a factor affecting call centre representatives. Rose and Wright (2005) state call centres are generally associated with low levels of satisfaction due to the fairly low skilled nature of their work. Other factors that are often associated with call centres are; high stress levels, high staff turnover and emotional burnout. These factors impact negatively on job satisfaction therefore the researcher will investigate absenteeism,

turnover and performance in terms of the relationship these variables have with job satisfaction. It is also necessary to explore the relationship between customer satisfaction and job satisfaction as Moshavi & Terborg (2002) claim customer satisfaction is dependent on the level of job satisfaction and motivation of the service provider.

While there has been some research on job satisfaction in call centres, there is a lack of research on this topic in its relation to the South African context.

1.3 AIMS OF THE STUDY

Compared to job satisfaction, which is “one of the most researched areas in I/O psychology” (Muchinsky, 1993, p .299) call centres are a relatively new area of research. Rose and Wright (2005) suggest that the impact of call centres on job satisfaction is only beginning to create a centre of attention for researchers. It is with this in mind that the researcher attempts to investigate job satisfaction of call centre representatives.

According to Holdsworth and Cartwright (2003, p.133), “high turnover and absence rates are key issues for call centre managers” hence it would be beneficial to investigate the effect these rates have on job satisfaction. Since call centres are there to provide a service to customers, the level of customer satisfaction cannot be overlooked. Marr and Neely (2004) claim that call centre performance is critical in delivering customer service and according to Moshavi and Terborg (2002) customer satisfaction is dependant on the level of job satisfaction and motivation of the service provider. However, there is a lack of research on customer satisfaction within the South African context.

The study aims to determine if such a relationship exists between job satisfaction and the other identified variables.

1.4 OBJECTIVE

The research objective is to determine the levels of job satisfaction for call centre representatives, to determine the relationship between biographical variables and job satisfaction and to determine whether there is a relationship between job satisfaction, absenteeism, turnover, performance and customer satisfaction.

1.5 HYPOTHESES

The following four hypotheses will be investigated:

H1. When job satisfaction is high, performance will be high.

H2. When job satisfaction is low, turnover will be high.

H3. When job satisfaction is low, absenteeism will be high.

H4. When job satisfaction is high, customer satisfaction will be high.

1.6 DEFINITION OF TERMS

ABSENTEEISM can be defined as “an unplanned disruptive incident; but more precisely, it can be seen as non-attendance when an employee is scheduled to work” (Van der Merwe & Miller, 1976, p. 9).

CALL CENTRES are defined as “a physical or virtual operation within an organization in which a managed group of people spend most of their time doing business by telephone, usually working in a computer-automated environment” (Marr & Neely, 2004, p. 5).

CALL CENTRE REPRESENTATIVE refers to the individuals employed to work in a call centre and deal with the customers' concerns and requests telephonically.

CUSTOMER SATISFACTION is defined "as an evaluation of product or service in terms of whether that product or service has met their needs and expectations" (Marr & Neely, 2004, p. 7).

JOB SATISFACTION is a rather complex construct fraught with many definitions. Job satisfaction can be defined as the "extent to which a person derives pleasure from a job" (Muchinsky, 1993, p. 290) or "as a pleasurable or positive emotional state resulting from the appraisal of one's job" (Friday & Friday, 2003 as cited in Locke, 1969).

PERFORMANCE refers to how productive an employee is at work.



TURNOVER refers to permanent withdrawal from work according to Van der Merwe (1976).

1.7 OVERVIEW OF CHAPTERS

Chapter one describes job satisfaction; call centres and the effect of job satisfaction on call centre representatives. The motivation of the study, statement of the problem, aims, objectives and definitions of terms used are outlined.

Chapter two presents a review of literature concerning call centres, job satisfaction as well as variables affecting job satisfaction namely, absenteeism, performance, turnover and customer satisfaction.

Chapter three outlines the research design and methodology, the research instruments used to gather the data (questionnaires) as well as the methods used to analyse the data. Reliability and validity of the Job Satisfaction Survey is discussed. Customer satisfaction, absenteeism, turnover and performance were measured by the company using their own research instruments.

Chapter four presents the results of the data from this study.

Chapter five discusses the results and implications of the study, proposes ideas for future research and offers recommendations.



CHAPTER 2

REVIEW OF LITERATURE

2.1 INTRODUCTION

Call centres provide an alternative means of doing business by striving to provide fast and efficient service to customers and serves as an integral part of many organizations. There is a great demand for call centre representatives as the growth rate of call centres continues to increase around the globe.

This section commences with a definition of call centres, followed by a general discussion about it. Thereafter some insight will be shared into the nature of call centres in South Africa and this section ends with a discussion about call centre representatives.

2.1.1 DEFINITION OF CALL CENTRES

Call centres are “specialized organizational units providing telephone-based customer services” (Kleemann & Matuschek, 2002, p.1). The Call Centre Association defines a call centre as “a physical or virtual operation within an organization in which a managed group of people spend most of their time doing business by telephone, usually working in a computer-automated environment” (Marr & Neely, 2004, p. 5). The word ‘call centre’ is sometimes used synonymously with ‘contact centre’ and ‘helpdesk’. Taylor and Bain (1999) cited in Dean (2002) define call centres in terms of three components. Firstly, the call centre is a dedicated operation where the central focus of call centre representatives, is on customer service. Secondly, these representatives make use of the telephones and computers simultaneously. And thirdly, “the calls are processed and controlled by an automatic distribution system” (Dean, 2002, p. 414).

Kleemann and Matuschek (2002) mention that call centres can either be in-house call centres or external call centres. In-house call centres refers to a specialized department of a large organization whereas external call centres refers to an independent firm contracting for other companies. Kleemann and Matuschek (2002) suggest that working conditions in in-house call centres are notably better than that in external call centres. While the core focus of in-house call centres is to improve customer service for their products, external call centres focus more on providing uncomplicated services at affordable rates to a large clientele (Kleemann & Matuschek, 2002). Generally the tasks in in-house call centres are more complex than those in external call centres. Irrespective of whether call centres are in-house or external, more and more companies are accepting the idea.



2.1.2 A GENERAL OVERVIEW OF CALL CENTRES

Call centres are key to customer satisfaction as well as improved revenue. As such, call centres are largely responsible for an organization's success by acquiring and retaining customers. Call centres usually operate 24-hours a day, 7 days a week, 365 days of the year (Marr & Neely, 2004).

There is a vast operational difference between call centres and any other service industry or traditional administrative business units. Unlike other workplaces, Tidmarsh (2003) suggests that call centres are known to display high levels of technology utilisation while being subject to demands for high levels of productivity, customer service, high levels of stress and turnover. These features result in call centres being extremely challenging environments to manage (Tidmarsh, 2003). In managing call centres, organizations strive

to satisfy both budgetary and service priorities, which often result in conflicting situations between hard and soft goals as well as intangible and tangible outcomes (Dean, 2002).

The central aim of call centres is to enable an organization to foster better customer relations by providing answers to customers' complaints and solutions to their problems quickly and with the required information. For this goal to be achieved, Call Centre Representatives (CCRs) need to be adequately trained so that they have the necessary information at their disposal. The strong focus in call centre environments on efficiency and control is not only reported to result in high levels of employee stress and turnover, but also on a lack of focus on customer orientation and service priorities, which contributes to the difficulty frontline staff have in being customer orientated (Knights & McCabe, 1998; Taylor & Bain, 1999; Wallace et al., 2000 all cited in Dean, 2002).

Marr and Neely (2004) report on a study conducted by Purdue University in which it was found that 92% of American customers formulate an impression about an organization as a result of their individual experience when utilizing the services of the organization's call centre. This study further shows that 63% of customers cease using an organization's products or services based on negative call centre experiences.

The challenge for call centres today is to find a means whereby they can train employees and motivate them thereby creating successful interaction with customers (Tidmarsh, 2003). Tidmarsh (2003) explains that servicing customers telephonically is vastly different to servicing customers in face-to-face interactions. In fact, call centres seem to have the potential to replace daily face-to-face interactions since approximately two-thirds of all customer relations in the UK now take place only through call centres (Barker, 1998) (as

cited in Malhotra & Mukherjee, 2004). Call centre representatives are faced with challenges such as a limited time to address the customer's query while effectively controlling the call and adjusting the tone of their voice accordingly.

Call centres are an integral part of most organizations today, playing a pivotal role in the service delivery chain. Today's call centres are predicted to develop into "the customer access centre of the future" (Anton, 2000; Feinberg et al., 2000 cited in Dean, 2002, p. 414) thereby providing another competitive basis for many organizations. In many organizations, call centres are the initial source of contact for customers (Marr & Neely, 2004). Marr & Neely (2004) state that the incredible growth in the call centre industry on both sides of the Atlantic is set to continue. They report that the entire Western European call centre market is forecasted to grow by 12% annually. Moshavi and Terborg (2002) claim that approximately 3% of the US working population was employed in call centres in 2002. In 2001, 2.2% of employees in the UK were working in call centres (Marr & Neely, 2004) and the UK call centre industry is reported to be growing at a 50% annual rate (Moshavi & Terborg, 2002). Figures for 1998 show that there were between 75 000 and 80 000 call centre workplaces in Germany and, between 150 000 and 240 000 employees working in call centres (Kleemann & Matuschek, 2002). One hundred thousand new jobs were created in India in the last quarter of 2002 within the greater call centre industry (Jones, 2003).

In spite of the growth rate in UK call centres, which employ almost 800 000 people, call centres in the UK are regarded as "modern-day satanic mills" (Call centres are modern, 2004). It is reported that working conditions in some of the UK call centres are appalling. This, accompanied by low wages and repetitive tasks, has been found to result in

decreased levels of job satisfaction and high levels of depression. The Health and Safety Laboratory in Sheffield, reports call handlers to be at risk of higher mental health problems than in other occupations. Poor psychological well-being of call centre representatives can be attributed to working in call centres that employ more than 50 staff, working on a permanent contract and having to adhere to scripts strictly when handling calls as one's performance is measured. Call centre representatives' sense of powerlessness and frustration is exacerbated by automated systems that permit them merely a few seconds between calls. Employees in call centres spend an average of two years in the industry before moving on (Call centres are modern, 2004).

It is claimed that India was customarily at the head of call centre outsourcing, however increased competition from emerging locations poses a threat to India as a top location for call centres (South Africa, 2004). According to Jones (2003), infrastructural irregularities such as electricity, transport and telecommunication as well as health-related issues and travel difficulties such as obtaining a visa, are creating bias in decisions to invest in outsourced contracts in India or elsewhere. He further suggests that the threat of the Indian-Pakistani conflict in recent times is considered to be a deterrent to some outsourcers. Even though South Africa's operational costs are approximately 20% higher than that of India, South Africa is a strong competitor as a call centre destination because of its time-zone advantages and good quality infrastructure (MacMillan, 2004).

Jones (2003) provides seven insightful factors that are critical in selecting call centre locations locally or internationally. He says that an individual has to consider the availability and cost of modern telecommunications. Then an individual needs to consider the availability, cost, skill attainment and reliability of local labour. Another important factor

is whether the site is accessible by public transport as this is linked to labour availability. The cost and availability of existing properties or sites cannot be overlooked. Investors also need to look at the availability of local business support network as well as the State, Provincial and Local government incentives. Finally, investors need to consider incentives and subsidies.

In sum, the major difference between call centres and any other industry is that it operates 24 hours a day, 7 days a week and 365 days of the year while displaying high levels of technology utilization and providing customer service mainly via telephone. Call centres are fast becoming the *modus operandi* of today's organizations. A review of call centres in South Africa in the following section sets the context for the call centre used in the present study.

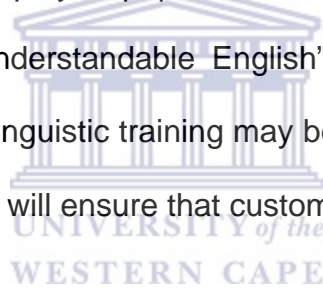


2.1.3 CALL CENTRES IN SOUTH AFRICA

At the European Call Centres conference held in Amsterdam in 1997, Jones raised the issue that the South African call centre industry was falling short of facilities and requirements to provide for outsourced call centre facilities but, it had the potential to become a “major provider of call centre services to European and North American operators” (Jones, 2003, p.1). According to Jones (2003) senior management from two major (unspecified) multi national call centre operating companies were sent to South Africa in 1998 to investigate the possibility of establishing call centres in the country but nothing substantial arose from the visits. In the following years up until 2003, South Africa faced major barriers in their quest to become a leading call centre location.

Jones (2003) provides five obstacles South Africa had to overcome. These are: prohibitive international telecommunication tariffs; lack of cohesive South African call centre industry “export” policy; lack of support from South African call centre professional bodies and industry associations; lack of support from South African vendors and service providers and, lack of support from local and national government. He claims that a substantial effort has been made to alleviate many of these problems from mid 2003 onwards.

With unemployment being the largest challenge an individual face today in South Africa, contact centres and the business process outsourcing industry now provides the most promising solution to combat these high unemployment rates (Brown, 2004). Even though a large percentage of the unemployed population in South Africa is Black, most of the Black people speak “a very understandable English” (Kjellerup, 2001, p.1). Kjellerup (2001) reports that while some linguistic training may be necessary, the innate friendliness and empathy these people have will ensure that customer service training is a simple task.



In 2001, Kjellerup (2001) estimated that South Africa had between 12 000 and 15 000 call centres that employed around 20 000 to 30 000 people. MacMillan (2004), however, claims that in 2003, there were only 452 call centres registered in South Africa, most of which were local. There has been a tremendous growth in the call centre industry in South Africa lately (Brown, 2004) and internationally (Moshavi & Terborg, 2002). A growth rate of 25% for the past year in the call centre industry in the Western Cape created over 1 000 permanent jobs, employing 11 000 people in the call centre industry in Cape Town alone (Brown, 2004). The vast majority of these call centres in the Western Cape are local, however, there is great interest from companies in America, the United Kingdom and

Europe. The greatest interest has been expressed from the Netherlands and Germany (MacMillan, 2004).

Call centres in South Africa are located within a variety of sectors namely, the financial, insurance, mortgage, airline, cellular phones and Internet, amongst others. Kjellerup (2001) reports that new call centres are being set up in South Africa every week. He claims that many banks, insurance companies and government have bought into the concept of call centres.

Kjellerup (2001) reports that Johannesburg and Cape Town are in direct competition with each other to become the top call centre destination. Investing in call centres in South Africa is particularly convenient for United Kingdom and European investors as South Africa is two hours ahead of London's time zone in the British winter (November to March) and one hour ahead in the British summer period (from March to October). MacMillan (2004) states that several foreign investors would rather consider Cape Town and Johannesburg instead of Indian and Chinese venues. It is claimed that the initiatives leading South Africa's contact centre outsourcing business are the Department of Trade and Industry, services Services Sector Education and Training Authority and regional forums such as Gauteng Economic Development Agency (Gauteng), CallingtheCape (Western Cape) and Kwazulu Natal onSource (eThekweni/ Durban Investment Promotion Agency initiative) (Bizworks Launches, 2004).

The decision by investors to invest in South Africa is partly due to the similar time zone and culture that South Africa shares with the United Kingdom (South Africa, 2004). It is reported that in 2004, call centres in South Africa received a rating of 51.1% for the high

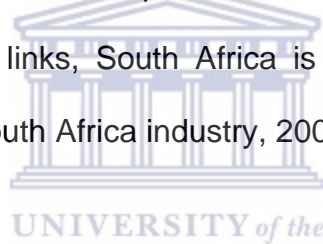
quality call handling standards as well as the strong technological infrastructure and the linguistic capabilities of call centre representatives (South Africa, 2004). With all the advantages South Africa has to offer, it is not surprising that South Africa has reportedly been voted, by an unknown source, as the top offshore contact centre location thereby putting India in second place (South Africa, 2004). South Africa was claimed to be emerging as the second most preferred call centre venue with its market share well below that of India, only months prior to the announcement that South Africa beat India as the most preferred call centre venue (Bizworks Launches, 2004).

There are several reasons investors consider South Africa to be an ideal location for call centres (Jones, 2003). Firstly, there is the financial aspect meaning that it costs 50% less to operate call centres efficiently in South Africa than it does to operate them in Europe or America. Secondly, there is the favourable rate of exchange between the South African Rand and many major international currencies. Thirdly, South Africa is rich in the amount of skilled labour for the call centre environment. Fourthly, South Africa is a highly cosmopolitan country with historically strong links to the UK and the USA and a vast number of the population is equipped with European and African language skills. Fifthly, the South African telecommunications industry is said to have “the most advanced technologies in the world with superb cable and satellite links to all major countries” (Jones, 2003, p. 5).

In addition to this, the carrier tariffs and attractive incentives that apply to international companies result in South Africa being considered a premier location (Bizworks Launches, 2004). It is further claimed that the South African government is committed to creating a call centre labour force through its free training and development programmes since South

Africa has a large amount of skilled and trainable call centre staff (Bizworks Launches, 2004). Bizworks has launched a state of the art operation in order to attract international contact centre and business process outsourcing operations. Besides attracting international investors the operation at Bizworks is geared at creating job opportunities for previously disadvantaged communities. Their environment is reportedly set up so as to create an atmosphere conducive to job satisfaction.

As a top call centre destination, Africa offers surprisingly high rates of fluency in English, a population that is largely Information Technology (IT) –literate and a significant number of IT companies that offer competitive prices for their services (South Africa industry, 2003). By establishing a second undersea fibre optic cable along the east coast of Africa in order to improve the communication links, South Africa is in a highly favourable position to exploit the European market (South Africa industry, 2003).



Jones (2003) states that on average a call centre manager in the UK, Ireland or the Netherlands earns three times more than a call centre manager in South Africa and the cost for a South African call centre representative is even lower. It is stated that a call centre representative in South Africa would earn approximately five times less than a call centre representative in the UK, Ireland or the Netherlands (Jones, 2003).

Kjellerup (2001) located one call centre, Global Telesales, which he found to be functioning very successfully in South Africa. Global Telesales, a division of the German airline organization, Lufthansa, handles calls from Europe at roughly 60 % of the cost (Kjellerup, 2001) and the average amount of calls that Global Telesales handles per month ranges from 100 000 to 120 000. Jones (2003) suggests that it was through the

establishment of this 100-seat call centre in Cape Town and the 200-seat Qualifier Alliance, now known as MindPearl by late 2000, that the world started taking South Africa seriously. Other call centres in South Africa as stated by Kjellerup (2001) are Dialogue Communications, Active Contact Solutions, Absa Direct, Standard Bank, Solus Telemarketing and Spescom.

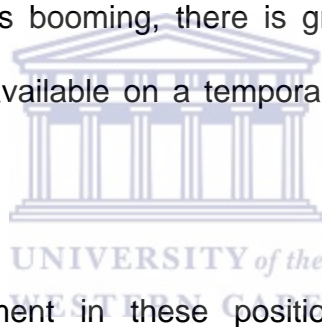
In February 2004, Budget Insurance, which is a UK insurance broker, invested 100 million Rand in a 200-seat call centre in Cape Town, and there are plans for this to treble in size (Macmillan, 2004). Mills, of industry development agency, CallingtheCape, is of the opinion that the contact centre industry could grow by as many as 10 000 seats by 2008. It is reported that Dialogue UK intends to invest R20bn in a Cape Town call centre in order to provide a better service to a wider range of international as well as local clients (South Africa industry, 2003). Reportedly, Cape Town's rapidly increasing contact centre industry has gained another high-profile international client (Call centres, 2004). It is reported that Sales Engine won the contract to be the provider of telesales services to two state lotteries situated in Germany (Call centres, 2004). The call centre set up at Sales Engine, is the first one in Cape Town making outbound calls to Germany. It is further stated that the telecommunications liberalisation announced in September 2004 should lower the per-minute cost of an international call (South Africa industry, 2003).

Since the call centre industry in South Africa is increasing rapidly, thereby aiding in job creation, the researcher sheds some light on call centre representatives and the nature of their work in the next section.

2.1.4 CALL CENTRE REPRESENTATIVE

Employees in call centres are commonly referred to as call centre agents (CSA) or customer service representatives (CSR). Call centre representatives (CCRs) are those individuals who are employed to work in the call centre and deal with the customers' concerns and requests telephonically. According to Malhotra and Mukherjee, (2004) CCRs have a very important role since it is them who represent the organization, and it is them who have the potential to directly influence the customers. As such, companies are paying increased attention to customer-contact employees in an attempt to achieve the required profit and market share objectives (Malhotra & Mukherjee, 2004).

Since the call centre industry is booming, there is great demand for good CCRs. The many positions for CCRs are available on a temporary or permanent basis (Moshavi & Terborg, 2002).



In order to procure employment in these positions, one has to have excellent communication and people skills. Being multi-lingual is an advantage if you want to apply for positions at an international call centre. Most CCRs are required to work shifts and are required to spend long hours in front of the computer screen. CCRs deal with a huge volume of customer complaints; hence they need to be able to remain calm under very pressurized circumstances. Kleemann and Matuschek (2002) mention that many CCRs stress the importance of having fun while they work. CCRs should be able to anticipate the customer's personal needs as well as business needs through continuously listening for all the facts (Gallagher, 2004).

Although the work of a CCR is highly pressurized, it is also fairly standard as the CCR handles calls by making reference to a set script, then capturing the data on a computer (Moshavi & Terborg, 2002). They mention that CCRs deal with incoming calls by referring to a script while entering the data on the computer. CCRs are expected to deal with inquiries and complaints in a friendly and knowledgeable manner (Moshavi & Terborg, 2002). Thorough procedures and continual monitoring considerably control the way service is provided in call centres, therefore a CCR's job is considered to be one of low complexity (Kinnie et al., 1998 as cited in Moshavi & Terborg, 2003). The level of complexity required by a CCR remains relatively low, even in high quality call centres. Specialized technical skills may be appreciated but are not essential for CCRs since a large part of their job requires that they deal with routine, clerical work (Kleemann & Matuschek, 2002).



According to Tidmarsh (2003), good CCRs are becoming increasingly hard to find because of the high demands placed on them. Tidmarsh (2003) claims that winning organizations are those that are competitive in the recruitment market. He further mentions that in order to compete successfully, the main corporate goal should be employee satisfaction. Successful call centre managers are thus, those that recognise the key factors driving profitability such as, investing in people, technology supportive of frontline workers, improved recruiting and training practices, and reimbursement that matches performance of employees at entry level (Heskett et al., 1994 as cited in Malhotra and Mukherjee, 2004).

From the literature, it is evident that the works of CCRs is fairly pressurized in spite of the low level of complexity surrounding the nature of their work. Since the work in call centres

does not require specialized skills, call centres are key in curbing the high unemployment rate in the country. This concludes the review of call centres. The researcher will now discuss the literature around job satisfaction.

2.2 JOB SATISFACTION

As job satisfaction is rather complex, this section will start by defining it. This is followed by a discussion of job satisfaction relating to previous research and theories. Following this, a review of job satisfaction in call centres will be given but since this is a relatively new topic, there is only limited information about it. Given that job satisfaction has been assessed by means of various instruments for example, the Job Descriptive Index, the researcher will provide some insight into the various methods of assessing it including the advantages and disadvantages of using an existing scale.



2.2.1 DEFINITION

As job satisfaction is a widely researched and complex phenomenon it follows that there are numerous definitions for the construct. Job satisfaction can be defined as the “extent to which a person derives pleasure from a job” (Muchinsky, 1993, p. 290) or one can say it is the difference between a desired outcome a person receives and the desired outcome the person believes he or she ought to receive (Grobler, Wörnich, Carell, Elbert & Hatfield, 2002).

Locke (1969 as cited in Friday & Friday, 2003, p. 429) defines job satisfaction “as a pleasurable or positive emotional state resulting from the appraisal of one’s job.” Cranny et al., (1992 as cited in Friday & Friday, 2003) mentions that job satisfaction consists of overall or general satisfaction and a range of satisfaction facets. The researcher will

comment on overall levels of satisfaction in this study. As such job satisfaction can be regarded as a multidimensional construct. Friday and Friday (2003) claim that some of the most important facets of job satisfaction are the ones measured by the Job Descriptive Index (JDI). These facets include; satisfaction with the work itself, satisfaction with pay, satisfaction with promotions, satisfaction with supervision, satisfaction with co-workers and job satisfaction in general.

There is no one unanimous definition for job satisfaction (Gruneberg, 1979). He mentions that the difference in definitions of job satisfaction lies mainly in the various ways in which aspects of job satisfaction come together.

2.2.2 EXISTING THEORIES AND VIEWS OF JOB SATISFACTION

According to Muchinsky (1993), job satisfaction has been a subject that has interested researchers over the years for three reasons. Muchinsky (1993) classifies the first reason as *cultural* saying that as a nation, America, places importance on individual freedom as well as personal growth and opportunity.

The second reason is *functional*, since job satisfaction as a concept has intrinsic value but it is also related to other significant variables such as performance, absenteeism and turnover. While there is no proof that job satisfaction has a causal relationship with absenteeism or performance or turnover, Muchinsky (1993) claims that there is an association between high levels of job satisfaction and certain levels of the aforementioned variables. By increasing levels of job satisfaction, companies might achieve less absenteeism, less turnover and better performance (Muchinsky, 1993).

The third reason why researchers have been interested in job satisfaction is due to *historical* reasons. Muchinsky (1993) claims that the Hawthorne studies, which began in the 1920s, caused many psychologists to shift the variables they studied considerably. The core of current work on designing jobs to improve work life can be founded in early research (Muchinsky, 1993). The Hawthorne studies started by investigating ways in which changes in physical conditions affected the level of production. In the first studies, changes in illumination were made, which resulted in changes in productivity regardless of the direction of the change in illumination. Irrespective of the reason, when subjects in experiments show enhanced performance due to the experimental situation, it is referred to as the “Hawthorne” effect (Gruneberg, 1979).

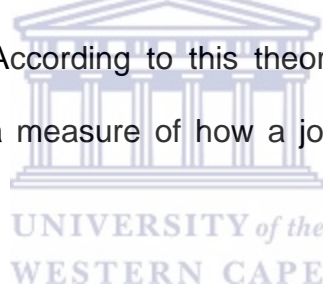
Job satisfaction is without a doubt a topic that is studied most frequently in organizational behaviour research and psychology (Gruneberg, 1979; Spector, 1997). According to Muchinsky (1993) the reasons why researchers should be concerned about job satisfaction can be found in the humanitarian and utilitarian perspectives. While the humanitarian perspective trades on the premise that all human beings deserve respect and fair treatment, the utilitarian approach is centred more on the implications of job satisfaction on organizational effectiveness. In support of the utilitarian approach the key focus for most managers is on productivity, hence it follows that they are in favour of a workforce that is satisfied as opposed to one that is dissatisfied (Organ, 1990). The old model, which states that a happy worker is a productive worker “was rejected as simplistic” (Organ, 1990, p. 109).

According to Muchinsky (1993) job satisfaction is a complex phenomenon with multiple

theories and each theory contributes to one's understanding of the concept of job satisfaction. The three approaches that Muchinsky (1993) reviews are, the Intrapersonal Comparison Processes, the Interpersonal-Comparison Processes and the Two-Factor Theory. These approaches are known as content theories.

2.2.2.1 CONTENT THEORIES

Firstly, *Intrapersonal-Comparison Processes* compares a person's wants that is, the standard to what the person actually receives. A small difference reflects a high degree of satisfaction (Muchinsky, 1993). Some researchers argue that the standard is derived from human needs, while others argue that it is derived from human values. Needs are easier to assess than values as individuals all have the same basic needs but individuals do not all share the same values. According to this theory, job satisfaction is an individual process in that satisfaction is a measure of how a job satisfies needs or complies with values (Muchinsky, 1993).



Secondly, *Interpersonal-Comparison Processes* differs from the first in that job satisfaction is determined based on an individual's perceptions of others and not on individual needs or values per se. The basis of this theory is that people make comparisons between themselves and others in similar roles and use that to determine their own feelings of job satisfaction. This theory views job satisfaction as a social process by postulating satisfaction is obtained by making a comparison with others in similar jobs (Muchinsky, 1993).

Thirdly, there is the controversial *Herzberg's Two-Factor Theory*, which presents two classes of work variables. The first is satisfiers (for example sense of recognition,

achievement and the intrinsic interest of the work itself). These satisfiers, or motivators, as referred to by Gruneberg (1979) correspond to the higher levels in Maslow's hierarchy of needs, which is further mentioned in the following section. When these satisfiers are present in a working situation, they lead to job satisfaction but when they are absent they do not lead to job dissatisfaction. The second is dissatisfiers (for example, good salary, pleasant working conditions), which corresponds to the lower levels in Maslow's hierarchy. These factors result in job dissatisfaction when they are inadequate, but do not result in job satisfaction when they are adequate (Gruneberg, 1979).

Herzberg suggests that these two factors determine how satisfied or dissatisfied an individual will be in his or her job and proposes working conditions as the basis of job satisfaction. It is thus the difference between satisfaction and dissatisfaction (Gruneberg, 1979). This theory has however been criticized for inadequate data collection techniques and failure to replicate it (Muchinsky, 1993). In spite of this, Herzberg's theory has impacted positively on research on job satisfaction and is the most popular theory of job satisfaction. According to Thomson (1993), Herzberg proved that increased performance is not necessarily the result of increased job satisfaction, since other factors; for example, appropriate reward systems also need to be taken into account.

2.2.2.2 PROCESS THEORIES

The aim of process theories is "to describe the interaction between variables in their relationship to job satisfaction" (Gruneberg, 1979, p.19). The difference between content theories (such as Maslow and Herzberg) and process theories is that content theories focus on distinguishing the factors that contribute towards job satisfaction and dissatisfaction. Process theorists on the other hand, believe that job satisfaction is not

only determined by the nature of the job and its context, but also by the “needs, values and expectations that individuals have in relation to their job” (Gruneberg, 1979, p.19). For example, some individuals have a greater need for promotion than others and if the job does not satisfy the specific need then the individual is likely to be more frustrated. Gruneberg (1979) claims that all process theorists believe that job satisfaction is dependant on the relationship between the individual and his or her working environment, however, they share differing views as to which process relates to job satisfaction. The theories discussed below are Expectations and Equity Theory, Reference Group Theory, Needs/Value Fulfilment Theories and Maslow’s Needs Hierarchy Theory.

The *Expectations and Equity Theory* is one of the more well-known discrepancy theories, which argues that job satisfaction is caused by “the inverse of one or more discrepancies between the perceived nature of the job and some other state” (Beehr, 1996, p. 70). The lower the discrepancy, the more satisfied the employees are. According to Beehr (1996) discrepancy theories of job satisfaction are frequently used by organizational psychologists to explain job satisfaction.

Gruneberg (1979) claims that one’s surroundings have a direct impact on the way individuals behave. When the happenings in the world are different from the individual’s frame of reference, he or she is often discontented, which sometimes results in the individual modifying his or her interpretation of the world. It is claimed that if an individual finds that he or she is getting less than another, that individual becomes dissatisfied since individuals relate what they are getting with what others are receiving. It is claimed that the core belief of the equity theory is that “we have a concept of what is reward for our efforts” (Gruneberg, 1979, p. 20). In other words, a psychological contract is established between the employer and the employee suggesting that for a certain amount of effort there should

be a certain amount of reward. It is claimed that satisfaction will be achieved only when rewards and efforts are viewed as reasonable in terms of the rewards of others such as friends or colleagues. The one major problem with the equity theory is that it is **so broad** that it is able to account for anything (Locke, 1976 as cited in Gruneberg, 1979). While the equity theory is able to account for some facets of satisfaction, it is not able to account for them all. Beehr (1996) states that research on the equity theory has decreased over the past years possibly due to the complexity in conducting research in the topic.

It is claimed that several theorists are of the opinion that reference groups, that is groups to whom the individual relates, is crucial in understanding job satisfaction (Hulin & Blood, 1968 as cited in Gruneberg, 1979) but the *Reference Group Theory* fails to answer several relevant questions. For example, do individuals have a choice in determining the reference group to which they belong? It is suggested that this theory is inadequate as it is only able to provide a limited explanation of how individuals view the inputs and rewards of the job as fair.

Gruneberg (1979) claims the extent to which individuals are satisfied with their jobs is affected by the different meanings individuals attach to what they value in a job. The *Needs/Value Fulfilment Theories* are another version of the discrepancy theories. The discrepancy involving needs was once a very popular means of measuring the discrepancy between needs and actual job situations but are no longer in favour by organizational psychologists although they still view “the general idea of discrepancies and of job satisfaction as some sort of need satisfaction” (Beehr, 1996, p. 72). According to Gruneberg (1979), several theorists have argued that the degree to which the job satisfies needs is a determinant of job satisfaction. Vroom (1964 as cited in Gruneberg, 1979)

investigated two forms of the need fulfilment theory, namely, the subtractive model and the multiplicative model. Both theories however, are ineffective and it is suggested that need fulfilment models have more of intuitive appeal.

In addition to the theories reviewed by Muchinsky (1993) above, Gruneberg (1979) reviews *Maslow's Needs Hierarchy Theory*. This was one of the first theories that proposed a needs hierarchy; with needs split into lower order and higher order needs. The needs, as identified by Maslow (1943 as cited in Gruneberg, 1979) are basic psychological needs; safety and security needs; social (affection) needs; esteem needs and self-actualisation needs. The first three are the lower order needs and the last two are the higher order needs. According to Gruneberg (1979), Maslow suggests that man is only able to be concerned with the fulfilment of higher order needs if the lower order needs are met first. How this relates to a job situation is that once lower order needs for payment and security have been met, will the employee look for job satisfaction. While Maslow's theory was not developed to account for job satisfaction, several theorists have used his theory in this manner (Gruneberg, 1979).

From all the above-mentioned approaches there is no doubt that job satisfaction is indeed a dependent variable, that is, the variable being measured and one that is not under the experimenter's control (Howell, 1989). According to Robbins (1993), managers should be concerned with the level of job satisfaction for three main reasons. Firstly, there is clear evidence that dissatisfied employees skip work more often and are more likely to resign. Secondly, it has been demonstrated that satisfied employees have better health and live longer. Thirdly, satisfaction on the job carries over to the employee's life outside the job.

According to Muchinsky (1993), job satisfaction in a group can yield different results to job satisfaction in an individual, since job satisfaction is an individual response. He further mentions that the converse is also true. Early findings of job satisfaction led researchers to believe that employees could have an overall level of job satisfaction that ranged from very low to very high, but later studies showed that several factors contributed to the way a worker feels about his or her job.

Muchinsky (1993) provides the example that two employees can have totally different feelings about their co-workers and their pay but, in fact both contribute to the overall feelings they have about their jobs. Therefore, two people can have the same level of overall satisfaction but the reasons for this can be totally different. Muchinsky (1993) raises the issue that a person is genetically predisposed to feel satisfied or dissatisfied while Strümpfer, Danana, Gouws and Viviers (1998) claim that job satisfaction and dissatisfaction can be attributed to the nature of the person's job or their working conditions.

After conducting a study on 16,266 workers in the United Kingdom, Allen (2003) claims an employee's salary contributes insignificantly to his or her level of job satisfaction while rank contributes to an employees' job satisfaction by 50 to 60 percent. However, it is claimed that South Africans "rate pay more highly than job satisfaction as employers cut company perks" (Vaida, 2004, p. 2.). Vaida (2004) claims that companies are cutting back on the benefits they offer hence the reason employees are placing such strong focus on their financial package.

Expanding on Muchinsky's (1993) claim that genetics determines the level of satisfaction one feels, racioethnically-diverse individuals derive various levels of job satisfaction and intrinsic motivation from their jobs (Friday & Friday, 2003). Racioethnic diversity refers to minority groups, immigrants and expatriates. Results also show that one's national culture controls the relationship of leadership behaviour with job satisfaction, to some degree (Yousef, 2000). Friday and Friday (2003) claim that it is necessary to examine the racioethnic diversity since today's global workforce is made up of growing racioethnic heterogeneity.

Research by Hackman and Oldham (1974 as cited in Friday & Friday, 2003) suggest the motivation potential of a job is a forerunner to job-related outcomes such as job satisfaction, organizational commitment, burnout, absenteeism and intent to stay. If the job is not motivating to the employee, the outcome would be lowered levels of satisfaction, reduced performance quality, increased levels of absenteeism, and as such employees will be more inclined to leave the organization (Friday & Friday, 2003). Given that these variables are associated with high organizational cost, the bottom-line of the organization could indeed be negatively affected.

From the aforementioned reasons that managers should be concerned with employees' level of job satisfaction, it becomes apparent that job satisfaction is related to absenteeism and life satisfaction. According to Naumann and Giel (1995, p. 374), employee satisfaction comprises of a number of interrelated variables such as "employee attitudes about the overall satisfaction with the workplace; the type of work that is done; how the work is done; and how the compensation and benefits systems treats the employee."

Thomson (1993) identifies 5 key job characteristics of well-defined jobs. These are skill variety, task identity, task significance, autonomy and feedback. These five core dimensions are central to Hackman and Oldham's (1974) job characteristics model, which suggests that autonomy, feedback, skill variety, task identity and task significance can affect personal as well as work-related outcomes such as work motivation and job satisfaction (Friday & Friday, 2003).

Hackman and Oldham (1974 as cited in Friday and Friday, 2003, p. 428) provides brief definitions for the five, core dimensions above.

Autonomy is "the degree to which a job provides freedom, independence, and discretion."

Feedback is "the degree to which an individual obtains direct and clear information about

his/her performance effectiveness." *Skill variety* refers to "the degree to which an individual is required to use a number of different skills and talents to perform a variety of different activities." *Task identity* has been defined as "the degree to which the job requires completion of a whole and identifiable piece of work." Lastly, *task significance*

refers to "the degree to which the job has a substantial impact on the lives or work of others."

Fried and Ferris (1986, 1987 as cited in Friday and Friday, 2003) claims that the five dimensions listed above, are broadly accepted as the core job dimensions although these five job characteristics do not provide a thoroughly comprehensive list of all the possible job characteristics. Research indicates a significant relationship between "the situational variables of autonomy, feedback, skill variety, task identity, and task significance, and job satisfaction" (Andersen, 1984; Colarelli et al., 1987 as cited in Friday & Friday, 2003, p. 430).

Thomson (1993) claims that there are several advantages to the organization, manager and employee that result from increased job satisfaction. She suggests that employees are able to align themselves more closely to the organization's goals when they experience a high degree of satisfaction in the work and working environment. Managers, in turn, can expect to receive enhanced quality performance from employees who are satisfied with the work they are doing (Thomson, 1993).

Amidst the theories reviewed in this section, were the Hawthorne studies, Herzberg's Two-Factor theory and Maslow's Needs Hierarchy Theory. It was also noted that job satisfaction between employees might differ significantly due to a number of reasons. It was also mentioned that job satisfaction is a dependent variable and comprises of a number of interrelated variables. Before discussing the interrelated variables (absenteeism, turnover, performance and customer satisfaction) used in this study, the researcher will provide a discussion around job satisfaction in call centres, since this is the focus of the present study.

2.2.3 JOB SATISFACTION IN CALL CENTRES

According to Rose and Wright (2005), CCRs are generally associated with low levels of satisfaction because their work is fairly low skilled and they claim that there is sociological research evidence showing that low-skilled work does not result in intrinsic satisfaction. As such employees are lead to seek extrinsic satisfaction through pay and other compensatory mechanisms. Holdsworth and Cartwright (2003) report that lack of control and the CCRs feelings of stress are particularly associated with reduced levels of job satisfaction.

Levin (2004) purports that there is a direct connection between job diversity and CCR satisfaction. In a study done on more than 1 000 CCRs, the participants were given one hour off each shift to work on off-phone projects. An estimated 85% of the participants reported increased job satisfaction (Levin, 2004). Levin (2004) suggests that CCRs be empowered with interesting work offline such as putting them in charge of the recruitment and selection of CCRs and creating a frontline customer relationship team.

Motivated employees have a reciprocal effect on the entire organization. Levin (2004) claims that motivated employees provide customers with better service than unmotivated employees. Customers who are pleased with the service he or she receives are therefore inclined to buy more products and remain loyal in using your services. When customers buy more, the organization's profitability and chances for success naturally increase. According to Tidmarsh (2003), by simply adding or maintaining employee satisfaction programs organizations can significantly improve the bottom line by reducing high levels of staff turnover and absenteeism, while maximising the output.

According to Thomson (1993), the high stress levels experienced by CCRs can be attributed to the highly repetitive and boring nature of their work. Marr and Neely (2004) mention that management approaches in call centres are mainly focussed on operational measures therefore CCRs are motivated by being successful service providers and by a strong need to serve the customer (Marr & Neely, 2004). Call centres are often associated with factors such as high stress levels, high staff turnover and emotional burnout, which impact negatively on job satisfaction therefore the researcher will look at absenteeism, turnover and performance in terms of the relationship these variables have with job satisfaction.

2.2.4 MEASURES OF JOB SATISFACTION

Since job satisfaction is a frequently studied variable, it is necessary to review the existing scales that exist. Job satisfaction is generally measured by interviews or questionnaires that are administered to the employees. While interviews are time consuming, they do provide more in depth information because respondents disclose more information about the issues under discussion (Spector, 1997). He mentions that the easiest way to measure job satisfaction is by using one of the existing scales as these scales have already been tried and tested and their reliability and validity have already been established.

There are many scales that abound for measuring job satisfaction. According to Muchinsky (1993), the literature on job satisfaction is confusing because some researchers measure satisfaction on a global level, while others measure the facets of job satisfaction with the result that the facets being measured are not necessarily the same. A review of three popular scales according to Muchinsky (1993), will provide some insight into the measurement of job satisfaction. These three scales are the Job Descriptive Index, Minnesota Satisfaction Questionnaire and the Faces Scale.

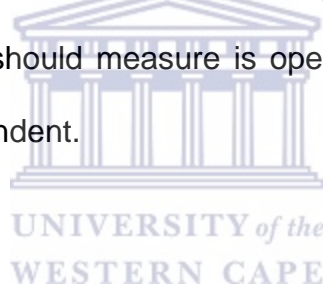
The Job Descriptive Index (JDI)

This JDI is the most frequently used survey and researched measure of job satisfaction. It was originally developed by Smith, Kendall and Hulin (1969) and later revised by Smith (1985). The JDI measures five specific facets of job satisfaction namely, satisfaction with work itself, supervision, pay, promotions and co-workers. Each individual facet comprises of either 9 or 18 items. The test-retest reliability of 0.57 for this scale was reached after a 16-month interval and researchers felt this score was high enough “to justify the JDI in

longitudinal studies because satisfaction can change over time” (Muchinsky, 1993, p. 297).

Minnesota Satisfaction Questionnaire (MSQ)

According to Muchinsky (1993), this is the second most popular scale. The MSQ, developed by Weiss, Dawis, England and Lofquist in 1967 was designed to measure job satisfaction with 20 facets of a job. Each 20 facets are made up of five items to which an individual is to respond on a five-point Likert scale. The MSQ comes in two forms namely, the 100-item long version and the 20-item short version. The scale ranges from *very dissatisfied* to *very satisfied*. While the MSQ is more time consuming than the JDI, four of its scales corresponds with that of the JDI. Muchinsky (1993) claims that the number of facets a job satisfaction scale should measure is open to debate since data has shown that these facets are not independent.



Faces Scale

According to Muchinsky (1993) this scale was developed by Kunin in 1955 and is vastly different to the two discussed above, as it measures global satisfaction as opposed to facet satisfaction, which uses words or phrases. According to Muchinsky (1993), this is the third most popular scale. The advantage of this scale is that it allows less room for ambiguity since the individual simply selects the picture face that reflects how he or she feels at that moment.

In addition to the three scales reviewed above, a few other existing scales are mentioned below.

According to Spector (1997) *The Job Diagnostic Survey (JDS)* is a tool that was developed to measure job characteristics on people. This scale covers areas of job satisfaction such as growth, pay, security, social and supervision.

Spector (1997) states that *The Job in General Scale (JIG)* is the same format as the JDI and contains 18 items. This scale was designed to measure overall job satisfaction instead of facets of job satisfaction. *The Michigan Organisational Assessment Questionnaire Subscale* is a short scale containing a three item overall satisfaction subscale.

The Job Satisfaction Survey (JSS)

The Job Satisfaction Survey developed by Spector (1985 as cited in Spector, 1997) measures nine facets of job satisfaction. The nine facets measured in the scale, includes the five facets measured by the JDI, mentioned above. The JSS will be discussed in greater detail in Chapter 3, *Research Design and Methodology*.

Muchinsky (1993) reports that there is no one best measure of job satisfaction. The researcher should use the questionnaire that measures the facets of job satisfaction that are relevant to the study providing that the questionnaire the researcher uses is reliable and valid measures of assessment. Some advantages and disadvantages of using an existing scale are mentioned below:

2.3 ABSENTEEISM

In this section, the researcher discusses the relevance of absenteeism to the present

study including a definition of absenteeism. This is followed by measures and norms of absenteeism.

It is a logical conclusion that dissatisfied employees are more likely to withdraw from the work situation, either temporarily or permanently (Gruneberg, 1979 & Beehr, 1996). Gruneberg (1979) claims that some researchers view absence as a small symptom of choice undertaken by an employee to leave the organization while other researchers are of the opinion that absence is another form of withdrawal behaviour to resignation, which occurs when procuring alternative employment.

Absenteeism can be defined as “an unplanned disruptive incident; but more precisely, it can be seen as non-attendance when an employee is scheduled to work” (Van der Merwe and Miller, 1976, p. 9). According to Van der Merwe and Miller (1976), it is important to note that not all non-attendance can be regarded as absenteeism. When an employee is away from work due to holiday leave, suspension, military service and block leave the employee is not regarded as absent (Van der Merwe & Miller, 1976).

It is necessary to record absence within organizations, as it is an indicator, that is “a measure of something that is happening within an organisation of people” (Van der Merwe & Miller, 1976, p. 8). They suggest a high level of absenteeism in an organization is a sign that a problem exists in the organization that needs to be addressed and it is viewed as “one of the most obvious costs of stress to employers” (Arnold, Cooper & Robertson, 1998, p. 427.). According to Spector (1997), absence can result in increased labour costs thereby reducing organizational effectiveness and efficiency hence organizations that keep track of absenteeism are better able to manage the absence of each person and

keep a record of trends and statistics over a period of time (Van der Merwe & Miller, 1976).

Spector (1997) states that various studies have shown inconsistent correlations between job satisfaction and absence. It is possible that the correlation between these two variables is inconsistent “because absence is a complex variable that can have multiple causes” (Spector, 1997, p. 60). Besides absence being a complex variable, Muchinsky (1993) claims that there is evidence indicating the different facets of job satisfaction to be differentially related to absence.

A study by Ilgen and Hollenbach (1977) cited in Muchinsky (1993) resulted in a correlation of 0.09 for the relationship between satisfaction and absenteeism. The reason for this low correlation is twofold. Firstly, when companies allow frequent absences such as sick days or excused absence, employees will take advantage of it irrespective of satisfaction. Secondly, if rewards or sanctions were linked to absenteeism no relationship would exist between satisfaction and absenteeism. Ilgen and Hollenbach (1977 as cited in Gruneberg, 1979) conducted another study on a group of female clerical workers in a university. In this study, no relationship was found between absenteeism and job satisfaction.

One can understand how employees who do not like their jobs will be absent more often than those that like their jobs, since absenteeism is a symptom of dissatisfaction according to Thomson (1993). While this may or may not be true, research has shown the correlation between satisfaction and absenteeism to hardly ever exceed 0.35, according to Muchinsky (1993). However, Gruneberg (1979) suggests that there is a relationship between job satisfaction and absence even though the size of the relationship is small. Some

researchers (Alder & Golan, 1981; Blau, 1985; Sagie, 1998; Ulleberg & Rundmo, 1997 as cited in Ehlers, 2003) have found that job satisfaction influences perceived absenteeism rates. Alder and Golan (1981 as cited in Ehlers, 2003) discovered that employees with low levels of job satisfaction possessed greater non-attendance behaviour than employees who had high levels job satisfaction. Their study was conducted on 131 female telephone operators over a period of two years. In their study, they measured lateness and days absent with or without a medical excuse. Blau (1985 as cited in Ehlers, 2003) investigated whether different forms of employee withdrawal traits could be determined by the relationship these withdrawal traits have with demographic, intrinsic or extrinsic predictors. The withdrawal traits included in the study are, unexcused absence, excused personal absence, excused sick family absence and unexcused tardiness. The study was performed on 82 registered nurses and obtained hospital records in order to examine the absenteeism rates. Sagie (1998 as cited in Ehlers, 2003) considers absence to be either voluntary or involuntary and, explored the relationship between job satisfaction and absenteeism in his study. The study comprised of 140 participants and predicted that voluntary absenteeism could be determined by job satisfaction as well as organizational commitment.

Beehr (1996) suggests that the relationship between job satisfaction and absenteeism can best be explained by the expectancy theory, that is, if the expectancy that going to work will result in valued outcomes is less than the expected value of some other activity, for example, sleeping in, then the person will choose the other behaviour. In so saying, if the job satisfaction is low “employees have probably not received valued outcomes from the workplace” (Beehr, 1996, p. 114). This then lowers the expected value of going to work.

Absence and turnover both refer to the withdrawal from work, according to Van der Merwe and Miller (1976). They claim that high levels of turnover correspond with high levels of absence. As mentioned previously, call centres have historically been associated with high levels of stress and turnover. Since withdrawal from work includes turnover and absenteeism and high turnover rates are associated with call centres, it is logical to conclude that high absenteeism rates are also associated with call centres.

Mayben (2004, p. 14) claims that “recruiting the right people for the job and making sure they have the tools to succeed” are the two things that can minimize absenteeism in call centres. Gaines, Call Centre Manager in Seton Hall University’s department, gives evidence of this. She turned her call centre around from one plagued by chronic absenteeism to one where there is now little absenteeism amongst CCRs (Mayben, 2004). The two major things she did to achieve this turnaround were, recruiting the right people for the job and ensuring that they are equipped with the necessary tools to succeed. Spector (1997) states that while job satisfaction may have been the key to absence, this notion has been replaced in recent years by other extenuating factors such as, having primary childcare responsibilities.

In sum, the relationship between satisfaction and absenteeism is not overly strong even though researchers have suspected that job satisfaction is a motivator in employees’ attendance at work (Beehr, 1996). While some researchers have found inconsistent relationships between job satisfaction and absenteeism, others claim job satisfaction to be an influence in perceived absenteeism rates.

2.3.1 MEASURES OF RECORDING ABSENTEEISM

Van der Merwe and Miller (1976) claim the general reason companies record absenteeism is to identify areas for possible action. The subdivisions of the records should show this. The subdivisions Van der Merwe and Miller (1976) refer to should include at a minimum, the race and sex of the employee. According to Van der Merwe and Miller (1976), the conditions for the subdivided groups are that the group is large enough to obtain reliable figures and that the subdivisions are a reflection of human beings and not cost centres. Van der Merwe and Miller (1976) provide some insight into how companies would typically calculate absence levels.

Appendix 1 depicts a form used as an Absence Summary sheet. Van der Merwe and Miller (1976) say that a separate form will be used for the subdivided groups. After entering each individual absence on the employees' folder, the absences are added up on a summary sheet, which is done on a weekly and monthly basis. This allows for monthly percentages to be derived at for total absence accounted for by each category. At the end of each month, the Gross Absence Rate (GAR) and the Absence Frequency Rate (AFR) can be calculated, according to Van der Merwe and Miller (1976).

$$\text{GAR} = \frac{\text{Total days lost through all absences}}{\text{Total possible man-days}} \times 100$$

The total possible man-days = average in employment x total working days in a period. For "total days lost through all absences", an absence of greater than 20 days is counted as 20 days. While the GAR is calculated monthly, this figure provides no indication of the reason for the absence, "and it tends to be distorted, particularly in smaller groups (under 50) by single, long absences" (Van der Merwe & Miller, 1976, p. 21).

$$\text{AFR} = \frac{\text{Total no. of absence incidents over period}}{\text{Average in employment for that period}} \times 100$$

AFR is also calculated monthly basis. When calculating AFR “each absence irrespective of length, is counted as one incident” (Van der Merwe & Miller, 1976, p. 21). The Absence Frequency Rate is a ratio used to show the number of times an individual is absent for a month. Since individual employee records could not be obtained for this study, the researcher will report on the overall findings.

2.3.2 NORMS OF ABSENTEEISM

Van der Merwe and Miller (1976) claim that it is not possible to provide norms for absence levels because absenteeism in itself is affected by several factors. Firstly, the socio-economic background of the group of workers and the cultural attitudes they have towards their work could differ regionally or locally. Where employees work shifts, higher levels of absenteeism are experienced, according to Van der Merwe and Miller (1976). Therefore the nature and conditions of an organization may influence the levels of absenteeism within a particular organization. Thirdly, the level of absenteeism is affected by the “economic conditions in the labour market at any time” (Van der Merwe & Miller, 1976, p.29). If, for example, an employee fears a threat of dismissal or that he or she may not find another job easily, they will be less likely to resign.

In view of the above, Van der Merwe and Miller (1976) suggests that each organization develop its own norms. The organization should be cognisant of changes in levels of absence rather than in absolute norms.

Van der Merwe and Miller (1976) provide some general indicators of whether the absence levels are serious or not. He suggests that “a gross absence rate of 10% is serious by any standards” (Van der Merwe & Miller, 1976, p. 30). While an absence rate exceeding 5% is indicative of a situation requiring some investigation, an absence rate below 3% is regarded as satisfactory although he specifies this for non-White groups only. Non-White groups refer to everyone that is not Caucasian origin, for example, Coloureds, Blacks, Indians.

An AFR exceeding 1.0 “indicates absence taking is far too widespread” (Van der Merwe & Miller, 1976, p.30). The next section addresses withdrawal from work in terms of labour turnover.

2.4 LABOUR TURNOVER

This section addresses four aspects of turnover namely turnover itself, ways in which call centres can combat turnover, norms of turnover and measures of turnover. The discussion begins by clarifying what is meant by turnover along with previous findings of turnover and job satisfaction.

While absence refers to the temporary withdrawal from work, labour turnover is permanent withdrawal. Van der Merwe and Miller (1976) states withdrawal is a function of the person-work relationship, and, as such is related to absence. Where absence levels are high, a corresponding high level of turnover can also be expected (Van der Merwe & Miller, 1976).

After having done several studies, Muchinsky (1993) concludes that there is a direct relationship between job satisfaction and turnover. What this means is that the more people dislike their jobs; the more likely they are to resign. Robbins (1996) says that the correlation between satisfaction and turnover is stronger than that between satisfaction and absenteeism.

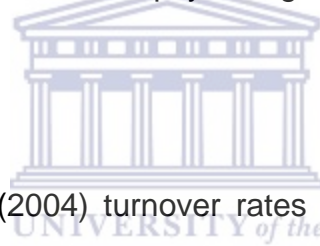
On average, the correlation between satisfaction and turnover is 0.40 according to Muchinsky (1993). According to McCulloch (2003), job satisfaction is significantly correlated with workforce retention. Spector (1997, p. 62) confirms these findings stating, "people who dislike their jobs will try to find alternative employment." So, in order to reduce turnover, organizations should put fun activities into work since happy CCRs reduce turnover (McCulloch, 2003).

Mobley (1977) in Muchinsky (1993) reports that people are spurred on to search for alternative employment by feelings of dissatisfaction in their current job, however, the actual decision to quit is influenced by one crucial factor, namely the cost of actually resigning. The person may re-evaluate his or her decision to quit based on the costs of resigning. If the costs are too high, the person will have to re-evaluate the job but if the costs of quitting are relatively low and he or she has a better offer, this will result in the person actually quitting.

"Satisfaction is a determinant of turnover, but the economic context must also be considered" (Muchinsky, 1993, p. 311). According to Muchinsky (1993), turnover will be a better predictor of job satisfaction when the unemployment rate is low. When the unemployment rate is high, people would rather be employed and contend with feelings of

dissatisfaction than be unemployed. When there is an abundance of jobs and the economic conditions are good, people are more likely to resign and seek other employment. Carstens and Spector (1987 as cited in Muchinsky, 1993) found that the correlations between job satisfaction and turnover ranged from 0.18 to 0.52 in a study they conducted over a 36-year period during diverse economic conditions.

Call centres are associated with high turnover rates, which are “often associated with the work being controlled, not by workers, but rather by computerised scripts” (Mehandjevic & Odgers, 1999, pp. 72-73). Kleemann and Matuschek (2002) conclude that high turnover in call centres can be attributed to feelings of burnout after two to three years in the same job. Burnout is “a distressed emotional/psychological state experienced on the job” (Spector, 1997, p. 65).



In a study done by Gallagher (2004) turnover rates as high as 40% were reached for CCRs in insurance organizations in America. Even in high quality call centres, turnover remains rather high (Kleemann & Matuschek, 2002). High quality call centres are those “where rather complex services are being delivered to the customer” (Kleemann & Matuschek, 2002, p. 4) thus requiring technical knowledge about the area under discussion. In 1999 turnover ranged between 15% and 50% per year in German call centres (Kleemann & Matuschek, 2002, p. 3). Studies by Kleemann and Matuschek (2002) show that the high turnover rate can be attributed to several reasons. First, university students working in call centres leave after a few years. Second, CCRs with a purely instrumental work orientation leave seeking better career prospects. Third, the inevitability of burnout after two to three years in the same job irrespective of the humanization efforts (for example, job rotation and job enrichment) made by management.

In spite of the above-mentioned reasons for high turnover, Levin (2004) argues that no one strategy can guarantee that a call centre will achieve reduced levels of burnout and turnover. However, implementing a strategic rewards and recognition program could assist call centres in achieving those goals” (Levin, 2004). The previous statement is supported by McCulloch (2003, p. 1) who claims that happy CCRs reduce turnover and claims that job satisfaction is significantly correlated with workforce retention so “if you want to reduce turnover, put on those fun activities to lift satisfaction.”

Levin (2004) suggests some ways that successful call centres have used rewards and recognition ideas worldwide. He suggests that representatives’ contributions are cited in the organization’s newsletter or on the Internet, lunch or dinner for top performers, agent(s) represent the call centre at an interdepartmental meeting, plaques or framed certificates of achievement, a day at the spa and handwritten “thank you” notes.

McNealy (1996) sums up the value of reward and recognition ideas in the following phrase:

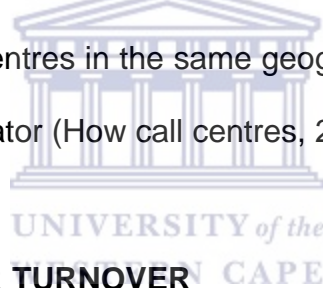
“What gets rewarded and recognized gets repeated” McNealy (1996, p. 57).

2.4.1 WAYS IN WHICH CALL CENTRES CAN COMBAT TURNOVER

It is reported that call centres can attribute the high turnover rate to the recruitment practices (How call centres, 2002). This article further mentions that high turnover in call centres has been a universally accepted problem for the call centre industry even though the level of turnover may differ between countries. The turnover problems commence with the recruitment practices because potential employees could be mismatched to the job specifications and it ends with the retention tools implemented by the call centre. The mismatch occurs as CCRs have a very glamorous image of call centre work. Mapping

out a career path for CCRs and by clearly defining the parameters of performance appraisals and growth within the organization are ways in which organizations can combat high turnover rates. By conducting training sessions at night to prepare the CCRs for the night shifts before going on duty, high turnover rates can be combated. In addition to this, separate training programs for experienced and inexperienced recruits should be designed (How call centres, 2002).

Call centre turnover can be dealt with to a large extent by recruiting candidates with good people skills, the right attitude, skills related to spoken English and a willingness to learn. In order to recruit the right candidates, skills assessments such as aptitude and attitude to work in a particular industry, should be included. When recruiting, one needs to examine the rates offered by other call centres in the same geographical area and/or industry since money still remains a key motivator (How call centres, 2002).



2.4.2 MEASURES OF LABOUR TURNOVER

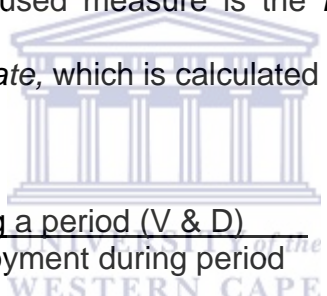
As in the case of absenteeism, turnover measures also serve as indicators, which “may be used to locate problem areas within an organization, and to diagnose possible causes” (Van der Merwe & Miller, 1976, p. 32). While turnover measures are a function of the person-work relationship, turnover will only result if other suitable employment is available. The person-work relationship is defined as the interactions between man and the job that may result in “either satisfying outcomes and integration into the work force; or to tensions and dissatisfactions which may result in withdrawal” (Van der Merwe & Miller, 1976, p. 32).

Since labour turnover is a final event, it is easier to measure it objectively than it is to measure absence. In order to locate problems in terms of meaningful variables, the

measures used to indicate labour turnover should show the number of persons leaving, what sort of persons and for what reasons.

Van der Merwe and Miller (1976) claims there are several different approaches to measuring labour turnover however they only include labour turnover that is a function of the person-work relationship in their analyses. They refer to this as *controllable turnover*. Controllable turnover refers to dismissals, voluntary terminations or resignations and retrenchment, whereas uncontrollable turnover refers to resignations due to illness, retirement, death or pregnancy.

They say the most commonly used measure is the *Labour Turnover Rate* (LTO) also referred to as *The Separation Rate*, which is calculated by the following formula:


$$\frac{\text{Number of Leavers during a period (V \& D)}}{\text{Average number in employment during period}} \times 100$$

The labour turnover rates can be calculated at various intervals namely, monthly, quarterly or annually. Turnover rates can further be calculated for the entire organization or, for specific groups within the organization, which can be divided according to race, sex and department. Since monthly rates are prone to fluctuation, it is recommended that the organization use quarterly rates, which prove to be more reliable (Van der Merwe & Miller, 1976). It is important to note that annual labour turnover rates should be used for comparative purposes.

2.4.3 NORMS OF LABOUR TURNOVER

Before commenting on turnover norms, Van der Merwe and Miller (1976) provide three reasons that labour turnover is advantageous to an organization. They mention that

labour turnover is actually needed as it adds to industrial efficiency by bringing “new blood” into the organization and also creates career advancement opportunities for existing employees. Secondly, turnover makes it possible for new organizations or expanding ones, to acquire labour. Lastly, employing new staff ensures that the age structure of the organization does not become heavily skewed on the side of the older workers. These advantages are, however, “outweighed by the costs, inconveniences and adverse effects of high labour turnover” (Van der Merwe & Miller, 1976, p. 51). In order to determine what high turnover really is, one has to consider a few factors.

Van der Merwe and Miller (1976), suggest the state of the economy in a country is a major determinant of the general level of turnover. In addition to this, one needs to be cognisant of the nature of the work done by a particular organization as well as the working conditions. Certain industries such as call centres are known for their particularly high turnover rate. This point has already been mentioned but one must be aware that the high turnover rate in certain industries can be attributed to the unpleasant working conditions or continuous shift work that may be required of a particular job. Taking the above factors into account, each organization will then need to establish its own norms.

According to Van der Merwe and Miller (1976) a general indication of high turnover is an annual rate of 50% for hourly paid workers irrespective of race and sex. While a turnover rate of 100% is indicative of serious problems within the organization, 30% is considered good as this reflects some degree of stability within the labour force. On the other hand, salaried workers can expect a much lower turnover rate. The average turnover rate for salaried workers is between 15% and 20% per year.

In sum, high turnover rates are associated with call centres. The discussion on turnover indicated that turnover is significantly correlated with job satisfaction. McCulloch (2003); Muchinsky (1993) & Spector (1997) confirm that a direct relationship between job satisfaction and turnover exists. The various ways by which call centres can combat turnover were discussed. While no one strategy can guarantee reduced levels of turnover, it is essential that organizations have some measures in place such as training, career pathing, and ways to recruit the right people for the job.

2.5 PERFORMANCE

The researcher discusses performance by reviewing the relationship it has with job satisfaction and then by looking at its significance in call centres. The section ends with measures of performance in call centres.

According to Muchinsky (1993), the relationship between job satisfaction and performance has sparked much interest because most organization would like to have workers that are satisfied as well as productive. Early views of the relationship between job satisfaction and performance can be summarized in the statement “a happy worker is a productive worker” (Robbins, 1996).

While the happy and productive worker may be what organizations want, studies have found a low correlation between performance and job satisfaction, which could be the result of biased supervisor ratings since supervisor ratings have been most frequently used as a measure of job performance (Spector, 1997). Earlier studies in the 1950s and 1960s also found no consistent relationship between job satisfaction and performance (Robbins, 1996). Robbins (1996) explains that a correlation exists between satisfaction

and performance although it is consistently low at approximately +0.14. The notion that a “happy worker is a productive worker” has been rejected (Organ, 1990). Robbins (1996, p. 194) concludes that the “belief in the happy worker thesis was based more on wishful thinking than hard evidence.” However, it is claimed that some researchers found a positive relationship between employee satisfaction and productivity (Dunette, Campbell & Jaastad, 1976; King, 1970 both cited in Ehlers, 2003) although prior research by these authors report inconclusive results for the relationship between job satisfaction and specific variables. Whether a strong correlation for the relationship between job satisfaction and performance exists, remains to be found.

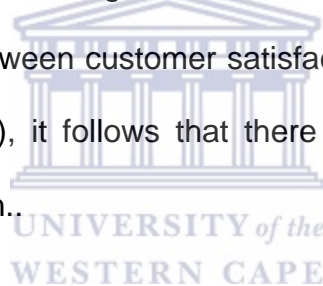
According to Muchinsky (1993), there are certain categories of performance that are more closely related to satisfaction than other categories. Muchinsky (1993, p. 311) reports a controversy that arose “over whether satisfaction causes performance or performance causes satisfaction” but this case has not yet been resolved since a causal relationship is difficult to prove. As a result of the implications surrounding this controversy, Muchinsky (1993) concludes that the debate will never be completely resolved.

According to Robbins (1996), the reason researchers have not obtained strong support for the satisfaction causes productivity thesis is that instead of studies focussing on the organization, studies focussed more on the individual. In so doing the complexities of the work processes and interactions are not taken into consideration.

An early pioneer of performance management was Frederick Winslow Taylor. Performance management is defined as “the process of quantifying the efficiency and effectiveness of past action” (Marr & Neely, 2004, p. 6). According to Marr and Neely

(2004) Taylor's view of performance management was merely to match people to a given task thereafter supervising, rewarding and punishing them according to their performance. Taylor was later criticized for his theory that "there was one single best way to fulfil a particular task" (Marr & Neely, 2004, p. 5). Marr and Neely (2004) report that performance systems used at that time was a reflection of this view and placed a strong focus on operational efficiency.

The evolution of business performance management continued in a different vein when Henri Fayol recognised the "esprit de corps" as a vital aspect for organizational success (Marr & Neely, 2004). Businesses started to recognise that there were other factors that contributed to overall performance of organizations besides efficiency and financial output. Since there is a relationship between customer satisfaction and job satisfaction according to Moshavi and Terborg (2002), it follows that there should be a relationship between performance and job satisfaction.



In sum, the relationship between satisfaction and performance is relatively low however there are certain categories of performance that are more closely related to satisfaction than others. Marr and Neely (2004) found that performance criteria now include customer satisfaction, amongst others. Customer satisfaction will be explored later in the present study. The discussion continues with performance in call centres.

2.5.1 PERFORMANCE IN CALL CENTRES

Marr and Neely (2004, p. 3) claim that call centre performance is critical in delivering customer service and the performance measures of the call centre "needs to reflect the strategic direction of the entire organization." Since a call centre forms an integral part of

the business unit, it cannot be measured in isolation. Call centres typically generate several performance measures where the majority of measures are operational efficiency measures. While there are other aspects that affect performance, these are addressed very seldom in call centre performance measurement systems (Marr and Neely, 2004).

According to Marr and Neely (2004), it does not appear that call centres have moved away from Taylorism and scientific management of mass production organizations when one looks at the way call centres measure and manage performance. Performance measures in call centres are “dominated by stopwatches and measures, such as time to answer a call and call duration” (Marr & Neely, 2004, p. 5).

A critical measure of performance is customer satisfaction, since it is a “strong predictor of customer retention, repeat sales, and positive word-of-mouth recommendations to other potential buyers” (Frenkel et al., 1998; Heskett et al., 1997 cited in Moshavi and Terborg, 2002, p. 335). According to Marr and Neely (2004), best practice for measuring performance is to monitor the performance and interactions of the following areas namely, employee satisfaction, service quality, customer satisfaction and satisfaction of other stakeholders such as financial performance. Marr and Neely (2004) claim that CCRs would normally be measured by the number of calls taken, the ability to answer a customer’s query and the number of productive hours against the number of hours worked. However, these measures provide little insight when measuring value.

While it is difficult to separate the quality of service delivered from the quality of the service provider, in this case the CCR, it is impossible for management to control every single behaviour and action of the CCR (Malhotra & Mukherjee, 2004). Tidmarsh (2003) claims that high performance call centres empower CCRs through information, thereby allowing

them to feel that they are making a worthwhile contribution. Through effective rewards and recognition programmes CCRs don't feel like "just a cog in the wheel" (Tidmarsh, 2003, p. 2). Instead CCRs feel that what they are doing at work is important and as a result they start to feel a sense of pride in what they are doing.

In terms of call centres, McCulloch (2003) found no relationship between CCR levels of satisfaction and performance ratings in his study on reps i.e. sale people. What this means then, is that "happy" CCRs can be either productive or unproductive. However, it is reported that there is "a weak-to-moderate but positive relationship between employee job satisfaction and job performance" (Iaffaldano & Muchinsky, 1985; Judge et al., 2001 as cited in Moshavi & Terborg, 2002, p. 335).

From the above discussion, it is understood that performance is key in delivering customer service in call centres. As such, call centres have several means of measuring performance. As mentioned previously, customer satisfaction is a critical measure of performance.



2.5.2 MEASURES OF PERFORMANCE IN CALL CENTRES

Performance measurement can be described as "the process of quantifying the efficiency and effectiveness of past action" (Marr & Neely, 2004, p. 6). Marr and Neely (2004) argue that assessing CCRs measures normally used, such as the total number of calls made, is of little worth when it comes to measuring value. In order for managers in call centres to manage well they "need to ensure that the measurements accurately portray what management wants to be measured" (Marr and Neely, 2004, p. 5). Marr and Neely (2004) state that call centres produce many measures of performance with the majority of the measures being operational ones i.e. having to do with the telephone (for example

average talk time). Some measures for managing and measuring performance in call centres include, the Balance Scorecard, the Skandia Navigator, the Knowledge Asset Map and the Performance Prism (Marr & Neely, 2004).

Gilmore and Lesley cited in Marr and Neely (2004) have identified common measures, which appear on wall displays in various call centres. These are: the number of calls answered within past ten minutes, calls waiting to be answered, that is “in the queue”, the number of representatives currently taking calls, the number of representatives waiting to take calls (free CCRs), the number of ‘not ready’ agents and lastly, by the number of agents on outgoing calls or on a call to another agent.

Other than the operational measures of performance stated above, there are other elements that affect performance, however these are rarely addressed in call centre performance measurement systems. These aspects include the links between the following: customer satisfaction and both profitability and loyalty, service quality and customer satisfaction and, employee satisfaction and service quality.

Marr and Neely (2004) suggest that call centres could use the four scale model as the basis for performance measurement, not only to identify the training needs of CCRs but also as a recruitment and selection guide for CCRs. The four-scale model includes the following subscales, namely, adaptiveness, assurance, empathy and authority. Adaptiveness refers to customers’ expectations of CCRs to modify their behaviour so as to deal with interpersonal situations and adapt to various other situations. Assurance refers to the CCR’s ability to provide explanation and security thereby ensuring customers of confidentiality and also, the agent’s ability to treat information discreetly. Empathy is regarded as a subscale since customers expect CCRs to empathise with their emotions

and current situations. Lastly, customers expect that CCRs have the necessary authority in order to handle their problems or concerns.

The above discussion highlighted the many methods of measuring performance in call centres and ends the discussion on performance. The researcher will now provide the reader with some insight into the last section of the literature review, customer satisfaction, which will be explored under the umbrella term of customer service.

2.6 CUSTOMER SERVICE IN CALL CENTRES

2.6.1 CUSTOMER DEFINED

It can be argued that everyone in the organization is in fact a customer. There are many different views of what or who a customer really is. Naumann and Giel (1995, p. 192) claims that a customer could be either an individual or an organization that has used a product at least once during the past year or, a customer could be “a regular user of a product, perhaps on a daily basis.”

Most organizations are driven by external customers (that is, consumers of the goods sold) and very seldom focus on their internal customers. This theory is supported by Naumann and Giel (1995, p. 364) who say, “in theory, we should be customer driven for both internal and external customers. In practice, such is rarely the case.” For the purposes of this study, ‘customer’ will be used to mean external customers since the key focus of call centres is to satisfy the needs of the customers who buy their products or services.

2.6.2 QUALITY OF CUSTOMER SERVICE IN CALL CENTRES

An increasing number of companies are realizing the importance of customer service in their organizations. "Today's call center customers want better service" (Marr & Neely, 2004, p.7). Customer service is "all about ensuring that the customer is completely satisfied" (Lyons, 1997, p. 3). Naumann and Giel (1995) suggest that there is a major paradigm shift in traditional practices taking place in organizations resulting in businesses becoming more customer -driven. Hence the need for customer services in call centres should be no different, since the key function of call centres is to provide outstanding customer service to its clients. If CCRs understand what matters to customers, they will be able to "identify the problem, fix it, and take the necessary actions to prevent it from recurring" (Leslie, 2004, p. 2). McNealy (1996) mentions that the number one reason why organizations lose customers is as a result of customer service problems, which in turn lead to customer dissatisfaction.



Bennington, Cummane and Conn (2000) report call centres and web based service methods are fast becoming the norm since new technologies and different forms of delivery are altering the experience of both customers and employees in the service sector. Bennington et al. (2000) claim call centres have several benefits to the customer. Firstly, it's more cost effective to the customer as they don't have to go to the actual organization and, hence call centres are more convenient. Secondly, the time taken for each transaction is minimized since customers do not have to travel to their destination and once they are connected telephonically, services should be provided fairly quickly. The added advantage of call centres is that the customer can select the service to be provided in his or her preferred language. Lastly, Driver and Johnston (1998) cited in Bennington et al. (2000) note that service quality of call centres are rated higher for

service quality, by some customers, than in-person contact. In a nutshell, call centres allow for greater efficiency and effectiveness by being able to serve a larger number of customers at any one point in time. Dean (2002) argues that call centres focus on efficiency while sacrificing effectiveness, which is reflected by traits such as customer orientation, service priorities and quality.

In spite of the advantages that call centres bring to customer service, Bennington et al., provides several disadvantages of call centres that directly impact customer service levels. First, call centre technologies are not necessarily well accepted by all cultures resulting in an unwillingness to cooperate with service providers via modern technology. Centrelink (1998) cited in Bennington et al. (2000) claims 60% of customers prefer to deal with service providers in person than to deal with them telephonically. Difficulties arise for the customer when they are unable to plot their course to the desired service provider by keying in the instructed numbers on the keypad. Further difficulties arise, as some older phones do not have the facility to key in the numbers.

Second, customers' expectations of the services to work every time they need to access them results in them becoming vexed when technological problems occur. Call centre customers today demand services to be performed better by having easier methods of ordering products and services, "timely responses to queries and to be treated better" (Calk, 1998 in Bennington et al., 2000, p. 163).

Third, while there are a number of difficulties in providing consistent and responsive service, many customers do not expect nor do they condone delays. Since call centre clients do not have any visual cues as to what is actually taking place at the call centre,

their anxiety levels may well be heightened and chances are that any length of time the client has to wait will be regarded as too long (Bennington et al., 2000).

Jon Anton (cited in Marr and Neely, 2004) of Prudence University in Indiana provides some measures that help to track the quality of call centre service. These are; ASA (average speed of answer); queue time (amount of time caller is in the line for answer); percentage of callers who have satisfactory resolution on the first call, abandonment rate (the percentage of callers who hang up or disconnect prior to answer); average talk time (total time caller was connected to telephone service representatives); adherence (are agents in their seats as scheduled?); average work time after call (time needed to finish paper work, do research after the call itself has been completed); percentage of calls blocked (percentage of callers who receive a busy signal and could not even get in to the queue); time before abandoning (average time caller held on before giving up in queue); inbound calls per telephone service representative eight-hour shift; telephone service representative turnover (the number of telephone service representatives who left in a period of time usually annually); total calls; service levels (calls answered in less than x seconds divided by number of total calls).

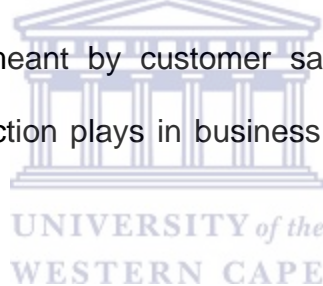
While the methods of tracking call centre service quality cited above measures the service provided by the call centres and, in turn, customer service, research done by Miciak and Desmarais cited in Marr and Neely (2004) claim that only two of the 13 operational determinants have a statistically significant, though weak influence on customer satisfaction. The two determinants are “percentage of calls closed in first contact” and “average abandonment”. A study done by Feinberg et al. (2000) cited in Dean (2002, p.

415) discovered that the operational determinant that had the most significant relationship with caller satisfaction was “the percentage of calls closed on first contact.”

The aim of customer service is to ensure that the customer is completely satisfied. By this, it is clear that customer service and customer satisfaction are interrelated. While call centres offer several advantages in terms of customer service, the disadvantages that call centres bring to customer service has also been highlighted. The above discussion also highlighted the many methods used to measure customer service in call centres.

2.6.3 CUSTOMER SATISFACTION

Even though customer satisfaction and customer service are interrelated, this section begins by clarifying what is meant by customer satisfaction and then discusses the important role customer satisfaction plays in business as well as its relationship with job satisfaction.



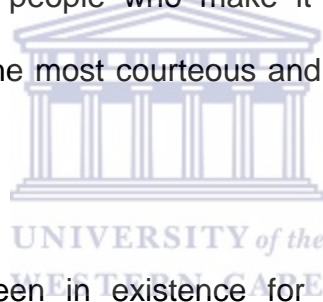
Some experts define customer satisfaction “as an evaluation of product or service in terms of whether that product or service has met their needs and expectations” (Marr & Neely, 2004, p. 7) while others define customer satisfaction “as the result of a customer’s assessment of a service based on a comparison of their perception of service delivery with their prior expectations” (Marr & Neely, 2004, p. 7). Simplistically stated, customer satisfaction can be described as the extent to which the customer is satisfied with the product or service provided in terms of his or her expectations. This idea is supported by Naumann and Giel (1995, p.13) who adds “it costs five times as much to obtain a new customer than it does to retain current customers.” The essence of customer satisfaction is “that we are delighting our customers by exceeding their needs and expectations”

(McNealy, 1996, p. 20). In a nutshell, customer satisfaction is “the discrepancy between a customer’s expectations and perceptions” (Moshavi & Terborg, 2002, p. 340).

Customer satisfaction is critical to organizations as it has a significant impact on customer retention and repeat business (McNealy, 1996, p. 27). According to Moshavi and Terborg (2002), customer satisfaction is dependant on the level of job satisfaction and motivation of the service provider since satisfied employees are more likely to cooperate with the customer in a helpful manner. Studies report customers experience higher satisfaction and quality of service when the employees serving them are satisfied at work (Moshavi & Terborg, 2002). Hersch (2003) claims companies spend about 96% of their budgets to staff in compensation, training and equipment and a mere 4% of that budget on the actual building in which the employees work. He suggests that simple changes such as installing adjustable chairs or creating attractive cubicles and workspaces can result in positive outcomes such as increased agent retention, improved productivity and customer satisfaction. In terms of call centre service, customer satisfaction is notoriously low with customer satisfaction levels reaching only 54% according to one study (Anton, 2000 cited in Malhora and Mukherjee, 2004).

Studies by Bennington and Cummane (1998a) in Bennington et al. (2000) state customer satisfaction is notably higher with face-to-face services than with call centre services in the human arena. McNealy (1996) further mentions that world class organizations view customer satisfaction as the critical tool in achieving their objectives. Naumann and Giel (1995) mention that customer satisfaction is strongly related to employee satisfaction. Moshavi and Terborg (2002) mention that customer satisfaction is a critical measure of performance for CCRs, hence the reason for including this variable in the present study.

Malhotra and Mukherjee (2004, p. 163) state the importance of job satisfaction of CCRs mentioning that “satisfied customers can only be created by satisfied employees.” Marr and Neely (2004) report customer satisfaction measures should begin with an understanding of customers. Since good communication skills is a core competency of CCRs, the importance of listening to the customer is of paramount importance as this will help the CCR to “understand the customer’s needs and requirements from their perspective, detect failures, bottle necks, or improvement potential deliver service that satisfies the customer” (Marr & Neely, 2004, p. 4). McNealy (1996) claims that if an individual is truly committed to achieving customer satisfaction, an individual will see the customers as the most important person in any business, people upon whom individuals are dependent, the person or people who make it possible to pay our salaries and someone who is deserving of the most courteous and attentive treatment individuals can give them.



Although call centres have been in existence for many years and are growing at extraordinary rates, “relatively little is known about customer satisfaction with this method of service delivery” (Bennington et al., 2000, p. 162).

2.6.4 MEASUREMENT OF CUSTOMER SATISFACTION

In order for a customer satisfaction measurement program to be of value “it must flow from and be embedded in the firm’s corporate culture” (Naumann & Giel, 1995, p. 12). The aim of such a program can be described as a formal tool for generating new ideas for improvement and innovation from customers. The basic methods of collecting data from customers are via mail, telephone, and personal interviews and through modern technology such as e-mail and Internet. The majority of companies make use of customer

satisfaction surveys (Marr & Neely, 2004). Marr and Neely (2004) claim that many call centres believe that operational measures (for example call duration, average time to answer) are indicative of levels of customer satisfaction, however they are merely measures of efficiency.

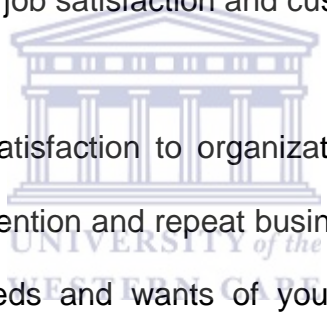
Naumann and Giel's (1995) ten basic rules for a good customer satisfaction program are; involve top management; know the customers; let the customers define what attributes are important; know the customers' requirements; expectations and wants; know the relative importance of customers' decision criteria; gather and trust the data; benchmark the data against the competitors'; identify the competitive strengths and weaknesses, develop cross- functional action plans that enhance strengths and correct weaknesses, measure performance continually; spread the data throughout the firm; and be committed to getting better and better.



2.7 SUMMARY

From the literature above, one can conclude that call centres are the latest business trends on a global scale. Call centres have taken off in such a large way that they can be either in-house or external, based on an organization's needs and requirements. Call centres in South Africa have provided job opportunities, which curbs the extremely high unemployment rate in the country. South Africa is now proving to be a strong competitor to the call centre capital, India, because of the favourable time zone amongst other reasons. In a quest to provide good customer service and hence customer satisfaction, the demand for good CCRs is becoming increasingly high.

Job satisfaction is one of the most frequently studied variables in organizational behaviour. While the humanitarian perspective favours human beings right to fair treatment, the utilitarian approach is centred more on the implications of job satisfaction on organizational effectiveness. Three approaches to job satisfaction were highlighted, namely, intrapersonal, interpersonal-comparison processes and Herzberg's Two-Factor Theory. Job satisfaction is of interest to managers since it has a reciprocal effect on everyone and everything in the organization. Previous research has shown that absenteeism, staff turnover and employee's performance affect job satisfaction. Job satisfaction in call centres is an interesting study since call centres are fraught with high turnover rates, high stress levels and emotional burnout. From the literature above, there is a positive correlation between job satisfaction and customer satisfaction.



The significance of customer satisfaction to organizations cannot be understated, as it impacts directly on customer retention and repeat business. Customer satisfaction should start by understanding the needs and wants of your customers. In a bid to provide excellent customer service, call centres are usually open 24 hours a day, 7 days a week and 365 days of the year. The literature reveals that management of performance and customer satisfaction is critical to the majority of organizations.

The literature in this study has addressed job satisfaction in call centres by looking at issues that impact both call centres and job satisfaction of CCRs. Retaining customers and acquiring new customers are keys to the success of the call centre industry; therefore some explanation was given as to what a customer is. Along with the definition of a customer, two interrelated areas, namely customer service and customer satisfaction were

discussed. Naumann and Giel (1995) mention that customer satisfaction is strongly related to employee satisfaction.

Job satisfaction was addressed by looking at the meaning of job satisfaction as well as job satisfaction in call centres. Absenteeism, staff turnover and performance have been addressed in many studies on job satisfaction therefore a discussion around these three variables were given as they are known to be particularly pertinent issues to call centres. The research carried out in this study intends to show that a positive correlation exists between performance and job satisfaction as well as between customer satisfaction and job satisfaction. The study also intends to show that a negative correlation exists between turnover and job satisfaction as well as between absenteeism and job satisfaction.



CHAPTER 3

RESEARCH DESIGN AND METHODOLOGY

3.1 INTRODUCTION

This chapter focuses on how the hypotheses of this study were investigated by referring to the sample group of respondents used in the study, the procedure that was followed for conducting this study and the measuring instruments used. Statistical analysis was conducted in conjunction with the literature review undertaken.

3.2 METHOD

3.2.1 SAMPLE

The retail company used in the present study, accommodates five in-house call centres namely, Financial Services; Information Technology; In-the-bag; Customer Service Centre (CSC) and My school. The total number of call centre staff employed across all call centres is 445.



Their services consultants provide both inbound and outbound customer service and receive calls directly from consumers. The largest call centre is the Financial Services call centre, which comprises of 300 CCRs. The Financial Services call centre, deals with card loans, new business, credit card, unit trust, correspondence, customer administration, legal/fraud, credit management inbound correspondence, credit management collections, dialler, recoveries and Nationwide Recovery Services (NRS).

The annual staff turnover rate ranges between 10 per cent and 18 per cent. While the call centre at the present company does not provide a 24-hour service like most call centres, it operates 13 hours per day from 08h00 to 21h00. The call centre offers a seven-day

service to its customers, operating from Mondays to Sundays. Data were collected from a large, retail company which houses a single-site call centre. Participants included 132-employees (30% of the total number of CCRs) at various categories such as age, race, gender and shift. The majority of these CCRs were female. The ratio of male to female participants was 34 percent to 66 percent. The age of the participants varied from 20 years to over 50 years.

3.2.2 PROCEDURE

Data were collected in South Africa, from a large retail company. After a meeting with the researcher and the respective line managers, it was agreed that the line managers distribute the job satisfaction questionnaire to their respective teams. If the participants agreed to be part of the study, they were provided with a written explanation outlining the purpose of the study (Appendix 2) and by completing the questionnaires they were providing their consent to be part of the study. The questionnaires were distributed to all call centre employees, who were asked to complete them on a voluntary basis. The completed questionnaires were collected from the Resource Manager. Confidentiality and anonymity of the participants were protected as their names were not required on the questionnaires.

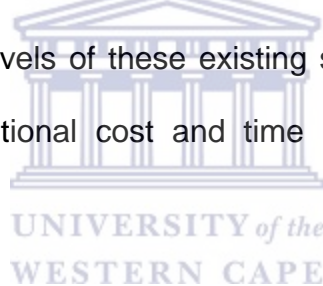
3.2.3 MEASURING INSTRUMENTS

3.2.3.1 THE JOB SATISFACTION SURVEY (JSS)

The measuring instruments used in the present study are questionnaires. Previous research on the link between job satisfaction and performance suggests that “demographic variables of age, race and gender should be included as controls” (Cranny et al., 1992; Ellingson et al., 1998 cited in Moshavi & Terborg, 2002). Moshavi and

Terborg (2002) suggest that some characteristics have been shown to influence the outcomes of employee and customer satisfaction. Therefore the present study will include a demographic profile of CCRs. The researcher compiled a short biographical questionnaire (Appendix 3) to determine the percentage of age, gender and race of the sample group.

Since most job satisfaction surveys are done using questionnaires, an existing job satisfaction questionnaire, the Job Satisfaction Survey, was used in this study. There are advantages and disadvantages of using an existing scale. Firstly, available scales cover major facets of satisfaction. The Job Satisfaction Survey covers 9 facets of job satisfaction. Secondly, existing scales have been used a sufficient number of times to provide norms. The reliability levels of these existing scales are acceptable and lastly, it saves the researcher the additional cost and time required to develop a scale from scratch.



In spite of the advantages of using an existing scale, using these scales is not without its disadvantages. The scale is limited to only those facets that the developers choose to place in their instruments therefore will not include more specific areas of satisfaction or dissatisfaction that are issues for certain types of organizations or particular organizations. Job satisfaction scales are not necessarily tailored to contact centre experience, therefore it doesn't always address every issue that affects the day-to-day life of a CCR.

In choosing an appropriate scale an individual also has to look at issues of reliability and validity. Spector (1997) states that most job satisfaction studies are done using questionnaires, as interviews are not only time-consuming but expensive too. The

questionnaire that was used was *The Job Satisfaction Survey* (Appendix 4). The Job Satisfaction Survey measures 9 facets of job satisfaction, which includes the 5 facets measured by the Job Descriptive Index, namely work, supervision, pay, promotion and co-workers (Hanisch, 1992). The 9 facets in the JSS are pay, promotion, supervision, fringe benefits, contingent rewards, operating conditions, co-workers, nature of work and communication.

The researcher has chosen to use this particular survey to measure the job satisfaction of the staff, as it is affordable, is reported to have a high degree of validity and reliability and it is appropriate for the study. While the same can be said for the commonly used JDI, the researcher has opted to use the JSS because it assesses 9 facets of job satisfaction whereas the JDI only assesses five facets.

The reliability of the JSS can be evaluated in terms of internal consistency reliability and test-retest reliability. The former refers to how well the items of a scale relate to each other and for that, the JSS scores range between 0.60 and 0.91. According to Spector (1997), the accepted minimum standard is 0.70. Test-retest reliability “reflects the stability of the scale over time” (Spector, 1997, p.11) and in this area the JSS scores range between .37 and .74, which is relatively stable since the time-span was eighteen months and during this time several major changes occurred (Appendix 5).

Validity on the other hand “concerns our interpretation of what a scale actually assesses: That is, does our job satisfaction scale assess people’s feelings concerning their jobs” (Spector, 1997, p.6). Five of the JSS scales correlate well with the corresponding subscales of the JDI and these correlations range from 0.61 for co-workers to 0.80 for

supervision. The JDI has been used in South Africa (Westaway, Wessie, Viljoen, Booysen and Wolmarans, 1996) and in Africa (Okpara, 2002) as an acceptable scale for measuring job satisfaction. Westaway et al. (1996) concluded that the JDI was a useful measure of job satisfaction. Since the scales of the JSS correlates well with those of the JDI it can be deduced that the JSS is also an acceptable scale to use for measuring job satisfaction in South Africa. Therefore the researcher is able to use the JSS in the present study.

3.2.3.2 ABSENTEEISM

The Gross Absenteeism Rate (GAR) is the measure used to measure absenteeism in the present study. When somebody is absent from work, it is recorded in the system and expressed as a percentage. The percentage is derived by dividing the total days lost through all absences by the total possible man-days, then multiplying it by 100. The GAR is measured on a monthly basis but does not provide any information as to the reason for the absenteeism. The daily absenteeism rate at the present company ranges between 3% and 10% of the total workforce.

3.2.3.3 LABOUR TURNOVER

The Labour Turnover Rate, alternatively known as the Separation rate, is the most commonly used measure of labour turnover. The percentage is calculated by dividing the total number of leavers in a period by the total number employed during that period then multiplying that figure by 100. Labour turnover, which is referred to as “Attrition” in the company, is measured according to this system that is Labour Turnover Rate (LTO), at different levels in the company for the present study, by comparing the number of resignations to the total number employed. Reports are compiled on a biannual basis.

The first period is from January to June and the second period is from July to December. The reports are further subdivided into the various divisions within the call centres. By reviewing the attrition for one year with that of the previous year, one is then able to make comparisons and detect trends in the data.

3.2.3.4 PERFORMANCE MEASUREMENT

For the present study, various existing performance indicators will be used at the company to measure the performance of the CCRs. Quality Assurance Managers measure the rate at which the CCR answers the phone as well as his or her *availability*. A CCR's availability is determined by whether they arrive at work on time. When one excludes the lunch and tea breaks, the average percentage a CCR should be available is 75% of the time while on duty. A high quality CCR is available 90% of the time. The CCR is expected to answer 80% of the calls within 20 seconds. These statistics are reviewed on a weekly basis by the Quality Assurance Managers. Reports are compiled on a monthly basis. Each CCR is assessed approximately five times, depending on the line manager's focus.

3.2.3.5 CUSTOMER SATISFACTION

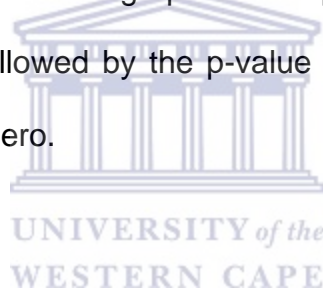
Customer Satisfaction in the present study is determined from the existing questionnaires and surveys used in the company. The customers who were assisted by the respondents who participated in this research, were selected from the existing client base. Respondent lists are drawn from each of the call centres separately. Evaluations of all the respective aspects of call centre service included the functional aspect (that is handling of queries, speed of service et cetera.), and the emotional aspect (that is how the client was

dealt with and made to feel during the contact). Respondents were then drawn at random off the database lists.

The questionnaires were designed in-house and approved by the department. Respondents were contacted by telephone using the company's call centre infrastructure and utilizing trained research interviewers. The interviews took place after hours for the duration of one week. This is done quarterly. Data was then captured and analysed.

3.2.4 STATISTICAL ANALYSIS

The data is interpreted using the SPSS (Statistical Package for Social Sciences) and the results is shown by means of tables and graphs. The Spearman Rank Correlation matrix is used to show the correlation followed by the p-value (level of significance) and whether the correlation is different from zero.



3.3 CONCLUSION

This chapter explained the research design, the sample, the procedure used to gather data, the measuring instruments used and the statistical techniques.

CHAPTER 4

RESULTS

To examine job satisfaction, descriptive statistics of the derived subscales of job satisfaction were examined. Correlations among the subscales of job satisfaction are also shown. Absenteeism, turnover, performance and customer satisfaction were examined by the information presented by the company as the researcher was not allowed to play an active role in gathering the data. Results point out that employees in the organization investigated are satisfied with their jobs, however absenteeism was somewhat high. The overall turnover rate was low, while performance and customer satisfaction was quite high.

4.1 DESCRIPTIVE STATISTICS

4.1.1 BIOGRAPHICAL DATA

Descriptive statistics of each of the nine derived measures (or scales) were determined for the complete sample and a histogram was supplied for each of these measures.

Table 4.1 AGE AND GENDER CLASSIFICATION OF RESPONDENTS

	Gender		
	Females	Males	All
Frequency of Participants	87	45	132
Average of Age	29.24	28.16	28.87
Std Dev of Age	6.82	6.06	6.57
Min of Age	20	20	20
Max of Age	52	48	52

There were a total of 87 female respondents (65.9%) and a total of 45 male respondents (34.1 %). The average age of the female respondents was 29.24 years, while the average age of the male respondents was 28.16 years (Table 4.1). The females were less than a year older than the males. The differences in age and gender were not considered to be a factor in determining job satisfaction.

Table 4.2 AGES AND RACIAL CLASSIFICATION OF RESPONDENTS

	Race				
	African	Coloured	Indian	Other	White
Frequency of Participants	16	98	4	5	9
Average of Age	27.56	29.34	30.75	29.60	24.89
Std Dev of Age	5.72	6.75	11.59	3.21	3.22
Min of Age	22	20	24	26	20
Max of Age	44	52	48	33	30

In terms of race according to the Employment Equity Act of 1998, the total number of respondents comprised of 16 Africans (12.2%), 98 Coloureds (74.2%), 4 Indians (3%), 9 Whites (6.8%) and 5 respondents (3.8%) who did not want to state their racial classification (Table 4.2). The Indian workers were the oldest (30.75 years) followed by the Coloureds (29.34 years). The Whites were the youngest (24.89 years). “Other” refers to the respondents who did not want to disclose their race. The sixteen African respondents had an average age (27.56 years) close to that of the Coloureds.

Histograms of the distribution of the 132 respondents for each subscale are provided. A thin curvilinear line covering the range of each subscale depicts the density estimate i.e. the range in which most of the responses lie.

4.1.2 DERIVED SUBSCALES OF THE JSS

The overall results are represented below by histograms and tables. The overall results reflect the general level of satisfaction of the respondents but do not provide an indication of the individual level of satisfaction. These results indicate that CCRs are satisfied in all areas except fringe benefits, co-workers and nature of work.

The results show that CCRs are satisfied with their level of pay. Table 4.3. shows that the average level of satisfaction with pay is 12.3, which is close to the norm of the JSS, which is 11.8 (Table 4.3).

Figure 4.1 HISTOGRAM OF PAY

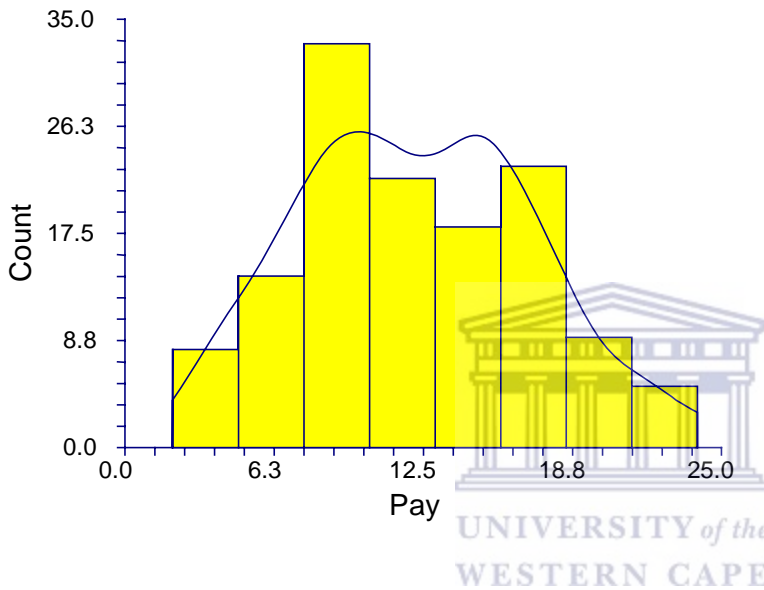


Table 4.3 DESCRIPTIVE STATISTICS OF JOB SATISFACTION SUBSCALE“PAY”

Count	Mean	Standard Deviation	Median	Minimum	Maximum	Range	Interquartile Range
132	12.3	4.9	12	2	24	22	7
Norm							
8 113	11.8	2.6					

The results for promotion indicate that CCRs are satisfied with their chances of promotion (Figure 4.2). The average level of satisfaction with promotion was 11.9, which is very close to the norm of the JSS, which is 12.0 (Table 4.4).

Figure 4.2 HISTOGRAM OF PROMOTION

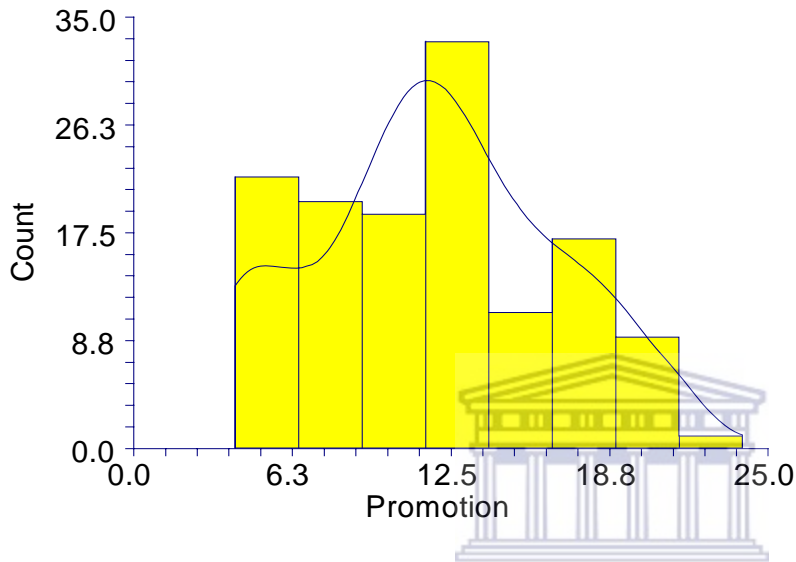


Table 4.4 DESCRIPTIVE STATISTICS OF JOB SATISFACTION SUBSCALE “PROMOTION”

Count	Mean	Standard Deviation	Median	Minimum	Maximum	Range	Interquartile Range
132	11.9	4.8	12	4	24	20	6
Norm							
8 113	12	1.9					

In general, CCRs were satisfied with their level of supervision (Figure 4.3). The average level of supervision is 19.1, which is close to the norm of the JSS, which is 19.2 (Table 4.5).

Figure 4.3 HISTOGRAM OF SUPERVISION

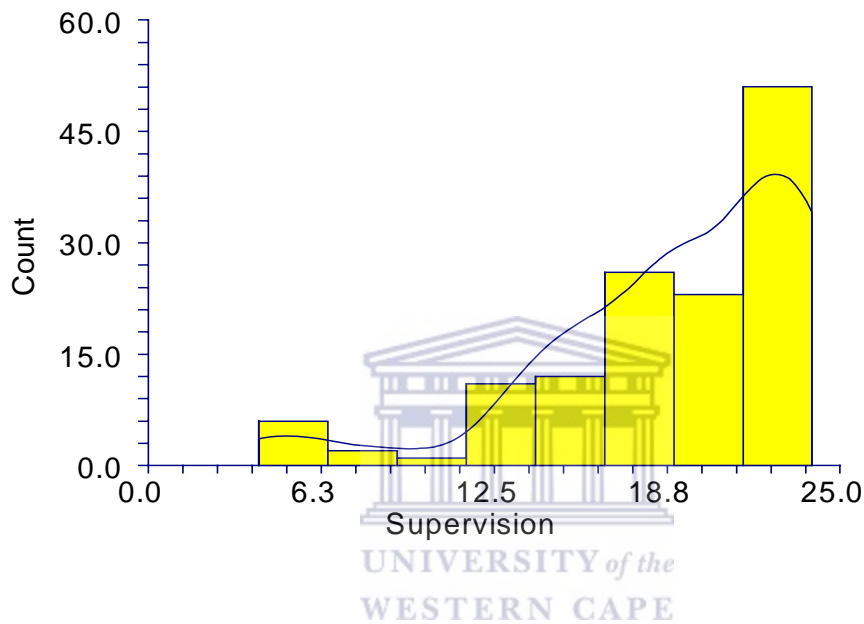


Table 4.5 DESCRIPTIVE STATISTICS OF JOB SATISFACTION SUBSCALE “SUPERVISION”

Count	Mean	Standard Deviation	Median	Minimum	Maximum	Range	Interquartile Range
132	19.1	4.8	20	4	24	20	6
Norm							
8 113	19.2	1.5					

In terms of fringe benefits, CCRs were not satisfied (Figure 4.4). The average level of satisfaction with fringe benefits is 14.5, which falls out of the range of the norm of the JSS, which is 19.2 (Table 4.6).

Figure 4.4 HISTOGRAM OF FRINGE BENEFITS

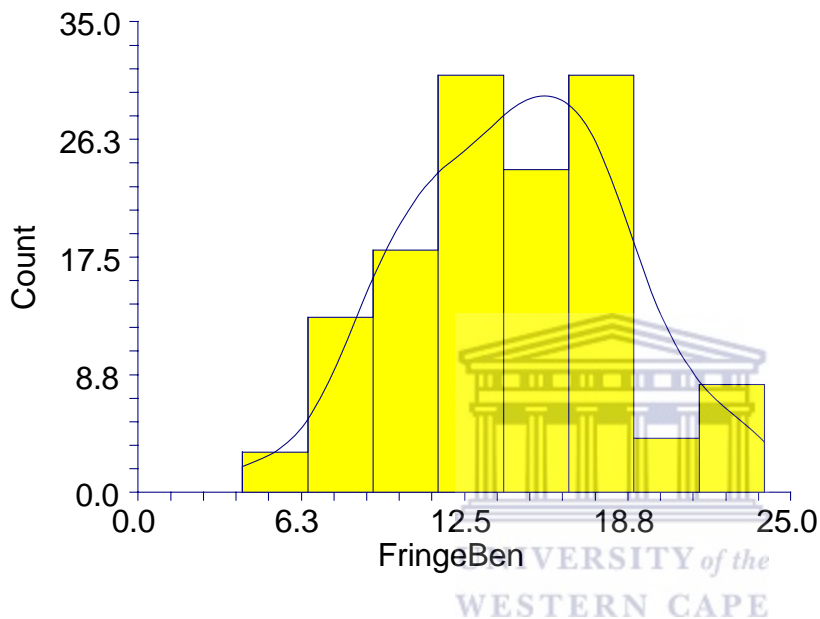
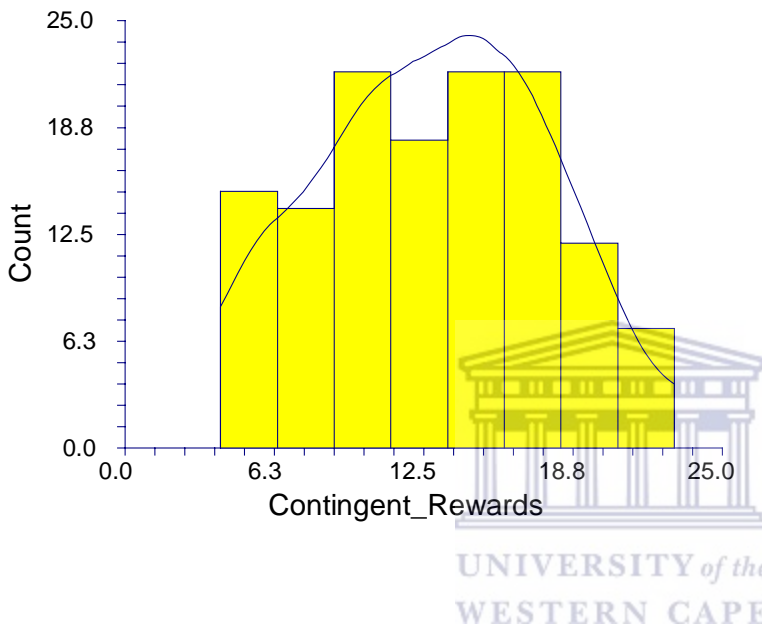


Table 4.6 DESCRIPTIVE STATISTICS OF JOB SATISFACTION SUBSCALE “FRINGE BENEFITS”

Count	Mean	Standard Deviation	Median	Minimum	Maximum	Range	Interquartile Range
132	14.5	4.1	15	4	24	20	6
Norm							
8 113	19.2	1.5					

The results for contingent rewards indicate that CCRs are satisfied with the rewards they receive (Figure 4.5). The average level of satisfaction is 12.9, which falls within the range of the norm of the JSS, which is 13.7 (Table 4.7).

Figure 4.5 HISTOGRAM OF CONTINGENT REWARDS



**Table 4.7 DESCRIPTIVE STATISTICS OF JOB SATISFACTION SUBSCALE
“CONTINGENT REWARDS”**

Count	Mean	Standard Deviation	Median	Minimum	Maximum	Range	Interquartile Range
132	12.9	4.8	15	4	23	19	6.8
Norm							
8 113	13.7	2.2					

The results for operating conditions yielded a high level of satisfaction for CCRs (Figure 4.6). The average level of satisfaction with operating conditions is 15.7, which is higher than the norm as determined by the JSS, which is 11.8 (Table 4.8).

Figure 4.6 HISTOGRAM OF OPERATING CONDITIONS

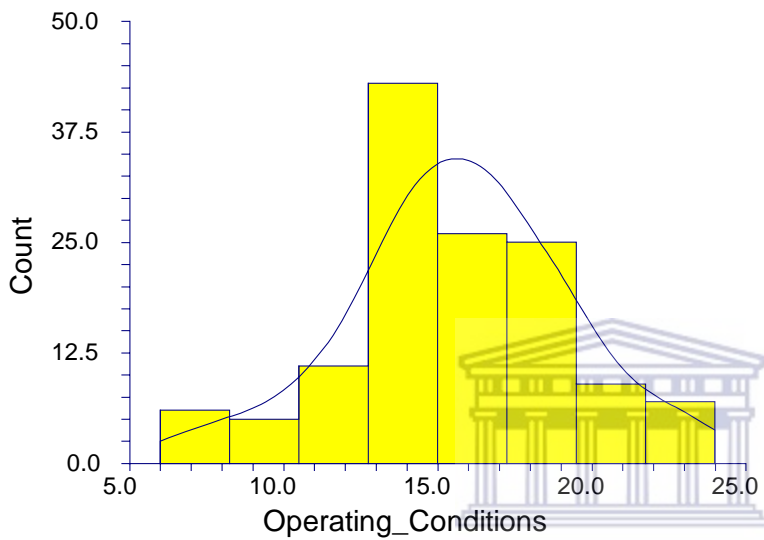


Table 4.8 DESCRIPTIVE STATISTICS OF JOB SATISFACTION SUBSCALE “OPERATING CONDITIONS”

Count	Mean	Standard Deviation	Median	Minimum	Maximum	Range	Interquartile Range
132	15.7	3.6	16	6	24	28	4
Norm							
8 113	11.8	2.6					

On the whole, CCRs were not satisfied with co-workers (Figure 4.7) since the average level of satisfaction of 15.7 fell well below the norm of the JSS, which is 18.3 (Table 4.9).

Figure 4.7 HISTOGRAM OF CO-WORKERS

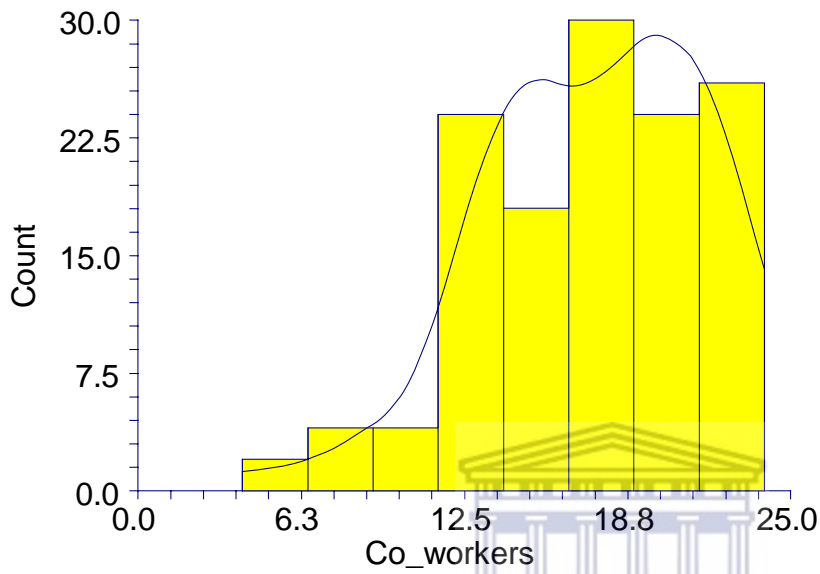


Table 4.9 DESCRIPTIVE STATISTICS OF JOB SATISFACTION SUBSCALE “CO-WORKERS”

Count	Mean	Standard Deviation	Median	Minimum	Maximum	Range	Interquartile Range
132	15.7	3.6	16	6	24	28	4
Norm							
8 113	18.3	1.1					

The results for the nature of work yielded an unfavourable result as CCRs were not satisfied with the nature of their work at the present company (Figure 4.8). The average level of satisfaction with nature of work is 16.9, which is lower than the norm of the JSS, which is 19.2.

Figure 4.8 HISTOGRAM OF NATURE OF WORK

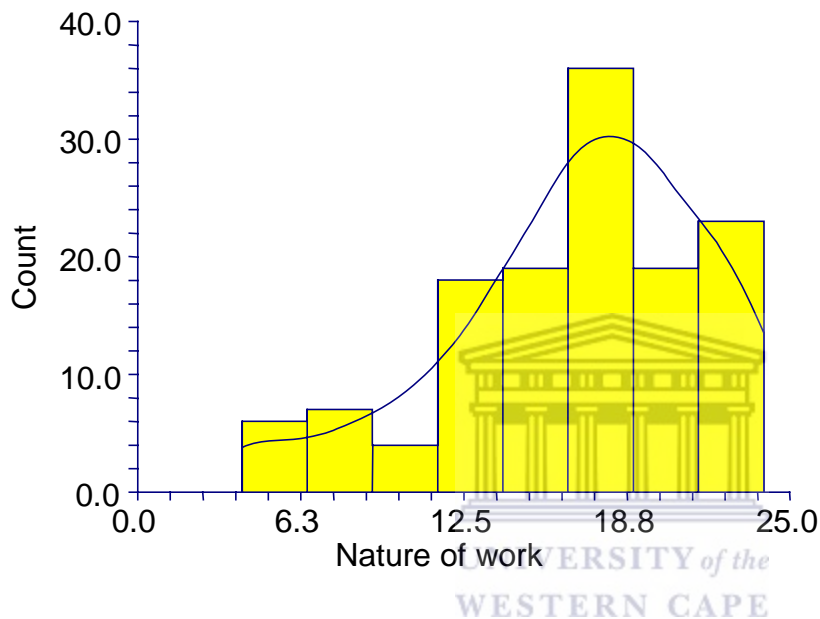


Table 4.10 DESCRIPTIVE STATISTICS OF JOB SATISFACTION SUBSCALE “NATURE OF WORK”

Count	Mean	Standard Deviation	Median	Minimum	Maximum	Range	Interquartile Range
132	16.9	4.9	18	4	24	24	7
Norm							
8 113	19.2	1.3					

From the results it is evident that the CCRs are satisfied with the communication at the present company as their average level of satisfaction is quite high (Table 4.11). The average level of satisfaction for the CCRs is 15.7, which is above that of the norm of the JSS, which is 14.4.

Figure 4.9 HISTOGRAM OF COMMUNICATION

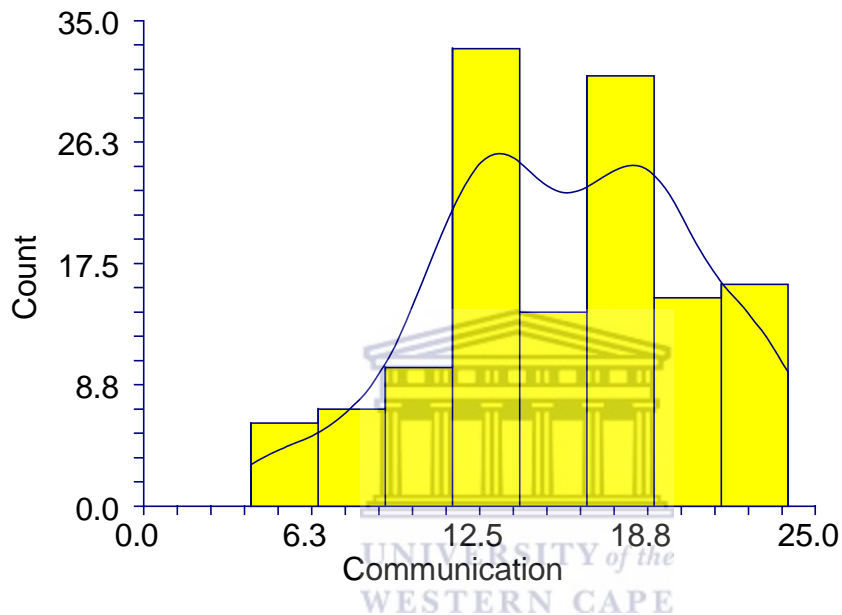


Table 4.11 DESCRIPTIVE STATISTICS OF JOB SATISFACTION SUBSCALE “COMMUNICATION”

Count	Mean	Standard Deviation	Median	Minimum	Maximum	Range	Interquartile Range
132	15.7	4.8	15.5	4	24	20	7
Norm							
8 113	14.4	1.8					

On the whole, CCRs are satisfied with their jobs (Figure 4.10). The average for total satisfaction of CCRs at the present company is 136.5, which is the same as the norm of the JSS.

Figure 4.10 HISTOGRAM OF TOTAL SATISFACTION

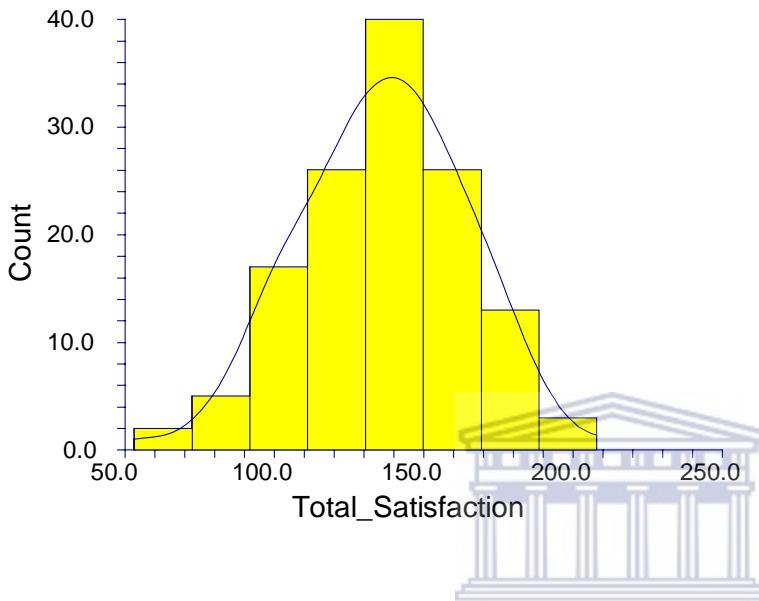


Table 4.12 DESCRIPTIVE STATISTICS OF JOB SATISFACTION SUBSCALE “TOTAL SATISFACTION”

Count	Mean	Standard Deviation	Median	Minimum	Maximum	Range	Interquartile Range
132	136.5	27.4	137.5	53	208	155	42.5
Norm							
8 113	136.5	12.1					

4.2 CORRELATIONS

Most of the Spearman Rank Correlations displayed strong positive correlations between the 10 derived scores for this sample of 132 subjects. Only “Nature of Work” and “Operating Conditions”, and “Pay” and “Operating Conditions” did not show significant correlations. The rank correlations of “Pay”, “Promotion”, “Contingent Rewards” and

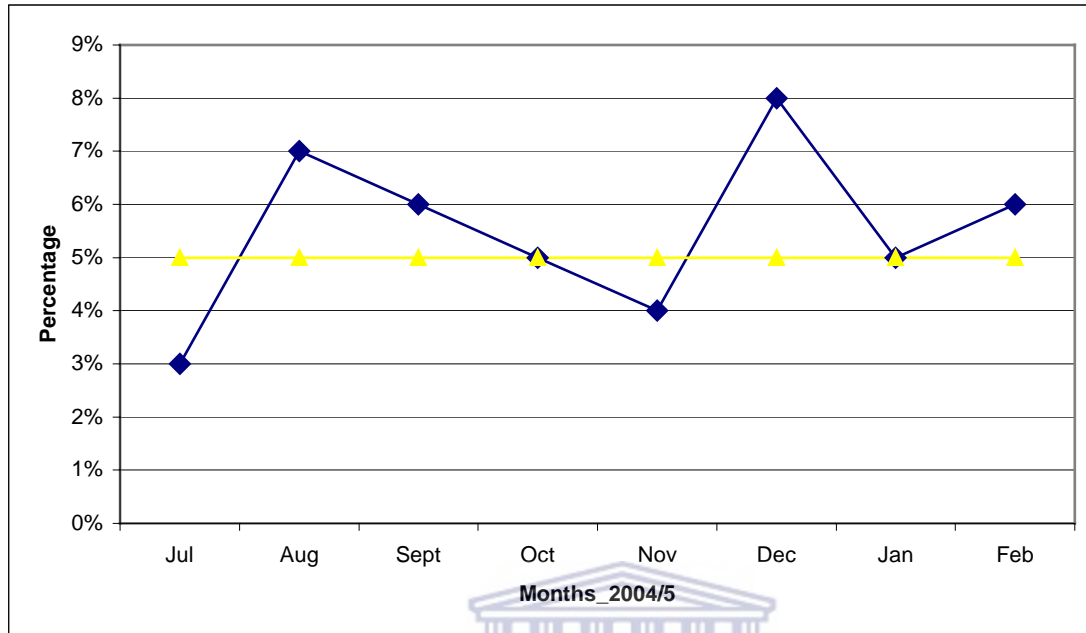
“Communication” with “Total Satisfaction” were more than 0.70. This is to be expected because the nine components were summed to form “Total Satisfaction”. The strongest positive correlation between the nine components occurred between “Contingent Rewards” and “Pay”.

Table 4.13
CORRELATION MATRIX OF THE TEN SCALES “PAY” TO “TOTAL SATISFACTION”

	Pay	Promotion	Supervision	Fringe-Benefits	Contingent Rewards	Operating Conditions	Co-workers	Nature of work	Communication	Total Satisfaction
Pay	1 0 132	0.57 0.0000 132	0.30 0.0005 132	0.36 0.0000 132	0.61 0.0000 132	0.12 0.1794 132	0.32 0.0002 132	0.55 0.0000 132	0.47 0.0000 132	0.75 0.0000 132
Promotion	0.57 0.0000 132	1 0 132	0.44 0.0000 132	0.39 0.0000 132	0.54 0.0000 132	0.16 0.0622 132	0.31 0.0003 132	0.29 0.0008 132	0.42 0.0000 132	0.71 0.0000 132
Supervision	0.30 0.0005 132	0.44 0.0000 132	1 0 132	0.19 0.0268 132	0.45 0.0000 132	0.23 0.0068 132	0.57 0.0000 132	0.27 0.0017 132	0.55 0.0000 132	0.66 0.0000 132
Fringe Benefits	0.36 0.0000 132	0.39 0.0000 132	0.19 0.0268 132	1 0 132	0.33 0.0001 132	0.17 0.0532 132	0.19 0.0256 132	0.28 0.0013 132	0.33 0.0001 132	0.52 0.0000 132
Contingent Rewards	0.61 0.0000 132	0.54 0.0000 132	0.45 0.0000 132	0.33 0.0001 132	1 0 132	0.17 0.0481 132	0.33 0.0001 132	0.34 0.0001 132	0.44 0.0000 132	0.73 0.0000 132
Operating Conditions	0.12 0.1794 132	0.16 0.0622 132	0.23 0.0068 132	0.17 0.0532 132	0.17 0.0481 132	1 0 132	0.22 0.0125 132	0.13 0.1453 132	0.33 0.0001 132	0.38 0.0000 132
Co workers	0.32 0.0002 132	0.31 0.0003 132	0.57 0.0000 132	0.19 0.0256 132	0.33 0.0001 132	0.22 0.0125 132	1 0 132	0.39 0.0000 132	0.55 0.0000 132	0.65 0.0000 132
Nature of work	0.55 0.0000 132	0.29 0.0008 132	0.27 0.0017 132	0.28 0.0013 132	0.34 0.0001 132	0.13 0.1453 132	0.39 0.0000 132	1 0 132	0.41 0.0000 132	0.62 0.0000 132
Communication	0.47 0.0000 132	0.42 0.0000 132	0.55 0.0000 132	0.33 0.0001 132	0.44 0.0000 132	0.33 0.0001 132	0.55 0.0000 132	0.41 0.0000 132	1 0 132	0.75 0.0000 132
Total Satisfaction	0.75 0.0000 132	0.71 0.0000 132	0.66 0.0000 132	0.52 0.0000 132	0.73 0.0000 132	0.38 0.0000 132	0.65 0.0000 132	0.62 0.0000 132	0.75 0.0000 132	1 0 132

4.3 GENERAL ABSENTEEISM LEVEL OF THE PRESENT COMPANY

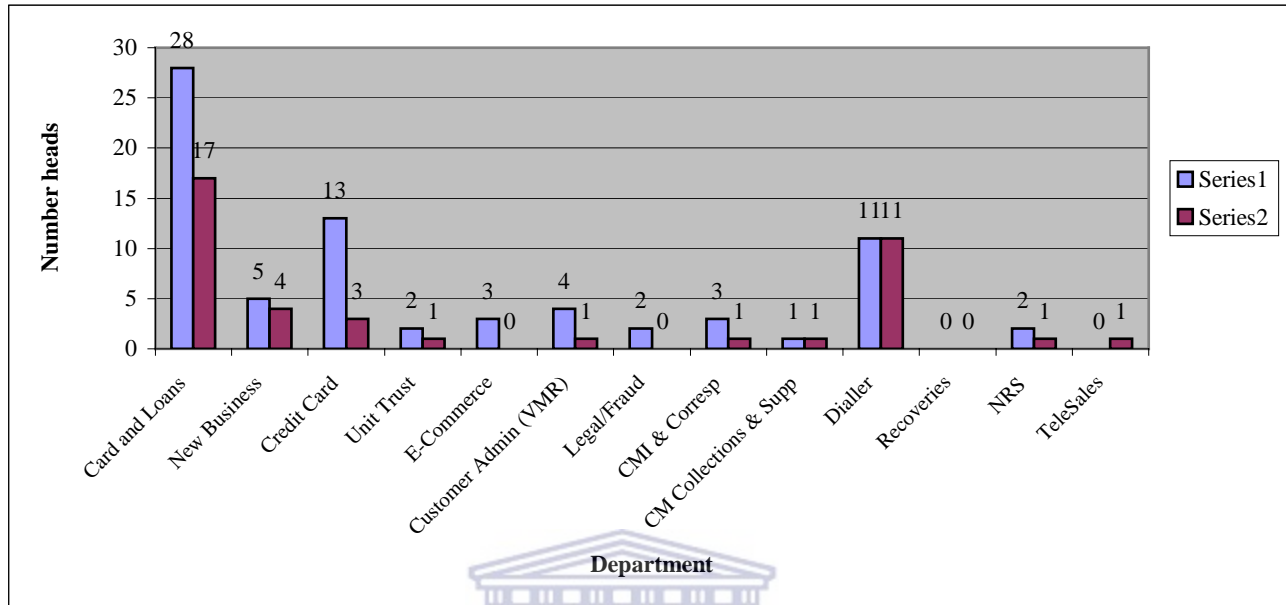
Figure 4.11 ABSENTEEISM FROM JULY 2004 TO FEBRUARY 2005



The results reflect absenteeism levels from July 2004 to February 2005 (Figure 4.11). During this period, the average level of absenteeism for CCRs at the present company was 5.5%, which is close to the company's standard of 5%. Absenteeism was at its highest in December 2004 and was also quite high in August 2004. In February 2005, at the time of administering the questionnaire, the absenteeism rate increased to 6%, which is rather high since any absence rate exceeding 5% is indicative of a situation requiring some investigation (Van der Merwe & Miller, 1976).

4.4 TURNOVER (ATTRITION) OF CCRs AS MEASURED BY THE PRESENT COMPANY

Figure 4.12 ATTRITION OF THE SUB-DIVISIONS WITHIN THE CALL CENTRE

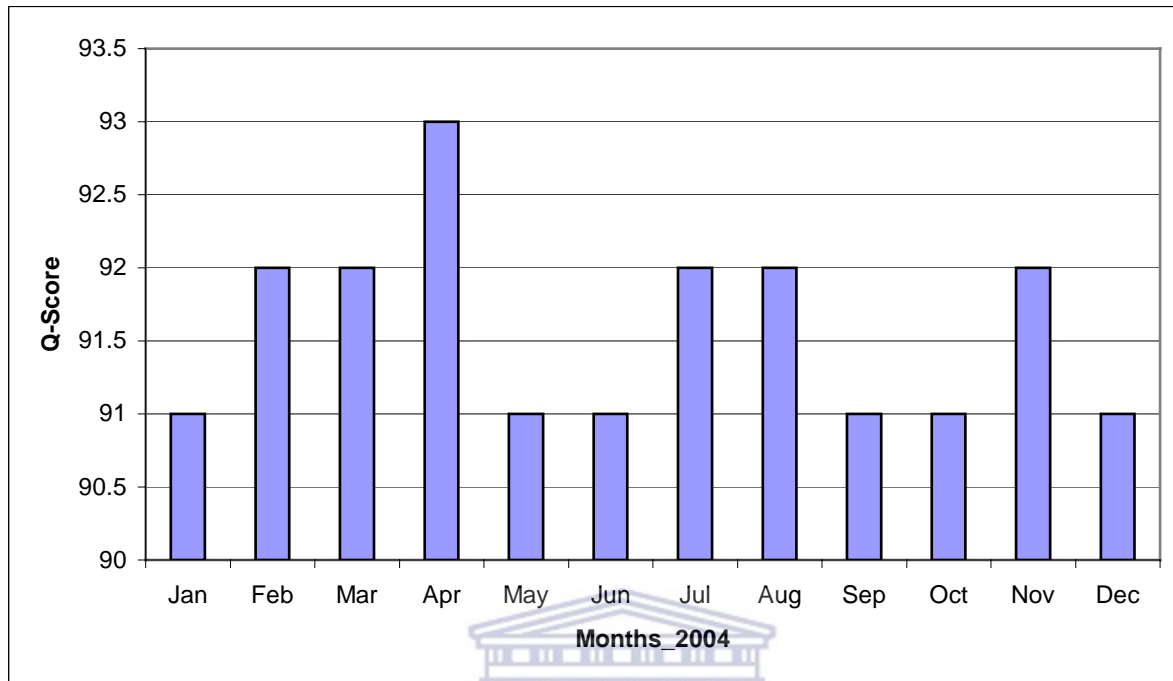


Series 1 = July 2003 to June 2004 Series 2 = July 2004 to December 2004

Reports at the present company are compiled on a biannual basis; hence the researcher used the turnover rates for the period from July to December 2004 (Figure 4.12). The average turnover rate for the period from July 2004 to December 2004 was 10%, which was lower than the previous period between July 2003 and June 2004, when it was 20%. Figure 4.12 shows the absence levels in percentages across the various divisions within the call centre. The average turnover rate of CCRs is relatively low.

4.5 PERFORMANCE LEVELS AS MEASURED BY THE PRESENT COMPANY

Figure 4.13 PERFORMANCE OF CALL CENTRE STAFF



There was hardly any variation on the Q-Score scale for performance, indicating that there was no trend during the months of the 2004 calendar year (Figure 4.14). The average level of performance is 91.6%, which is slightly higher than the standard, determined by the company, which is 90%. This indicates an above average level of performance of CCRs at the present company.

4.6 CUSTOMER SATISFACTION AS MEASURED BY THE PRESENT COMPANY

Figure 4.14 CUSTOMER SATISFACTION AS MEASURED BY THE PRESENT COMPANY

	2004	2003
UT	4.48	4.75
Store Card	4.62	4.71
Credit card	4.40	4.47
Personal Loan	4.77	4.81
New Business	4.50	4.72
Collections inbound	4.48	4.72
All the scores are lower than 2003		

Average rating received = **4.62** out of 5 i.e. 92.4%

Customer satisfaction was derived by obtaining a general average rating from the customers for service the company provided (Figure 4.14). The general average rating of call centre service in the table above was slightly lower than 2003. In spite of this, the average rating was quite high at 4.62 out 5, which is 92.4%. Respondents were also asked if their expectations were met in terms of the overall service: 96% gave a positive response compared to 95% in 2003.

A general satisfaction rating of 89% (compared with 78% in 2003) was achieved in terms of the way the client received their reply via e-mail, phone etc. All the clients felt it was easy enough to access the contact number for the call centre, compared to 93% in 2003.

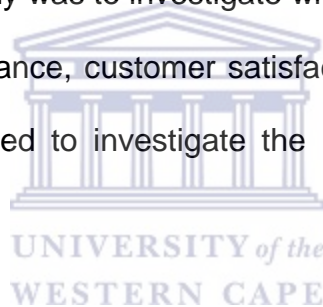
CHAPTER 5

DISCUSSION AND IMPLICATIONS

This section begins with a discussion of the four hypotheses mentioned in chapter three. The discussion will confirm whether the various hypotheses have been accepted or rejected. Following this, the limitations of the study will be discussed along with the possibilities for future research. Some recommendations about the results are also provided.

5.1 DISCUSSION

The primary purpose of this study was to investigate whether a relationship exists between absenteeism, turnover, performance, customer satisfaction and job satisfaction of CCRs. Four hypotheses were postulated to investigate the relationship between the variables mentioned.



The hypotheses postulated were the following:

H1. When job satisfaction is high, performance will be high.

H2. When job satisfaction is low, turnover will be high.

H3. When job satisfaction is low, absenteeism will be high.

H4. When job satisfaction is high, customer satisfaction will be high.

The results show that the overall level of job satisfaction amongst CCRs at the present company is quite high. This is inconsistent with past research as call centres are generally associated with low levels of satisfaction, which is due to the low skilled nature of their work (Holdsworth and Cartwright, 2003; Rose & Wright, 2005). It is also surprising

that the levels of job satisfaction are high because the turnover and absenteeism levels were reportedly quite high.


Even though the results reflected an overall high level of job satisfaction of CCRs they were not satisfied with all nine facets of job satisfaction as measured by the JSS. CCRs at the present company were not satisfied with fringe benefits, co-workers and nature of work.

The nature of work of CCRs involves repetitive tasks and this, accompanied by low wages has been found to result in decreased levels of jobs satisfaction. According to Kleemann and Matuschek (2002) an individual can understand that CCRs are not satisfied with the nature of their work if an individual considers that they are required to work shifts (including evenings and weekends) and spend long hours in front of their computer screen. Added to that, they also deal with a high volume of customer complaints. Moshavi and Terborg (2002) claim that the work of a CCR is highly pressurized. Rose and Wright (2005) also mention that the low-skilled work typical of CCRs does not result in intrinsic satisfaction.

The relationship CCRs have with their co-workers is equally important. Kleemann and Matuschek (2002) claim that all employees appreciate a good team spirit and amicable social relations among the agents and, when CCRs feel the company understands their worth and rewards their contributions; they have a higher level of job satisfaction. In light of this, fringe benefits would contribute to job satisfaction of CCRs. It is reported that while the majority of managers “believe that employee recognition and incentives are important,

many don't put that belief into practice, or do so poorly" (Levin, 2004, p.3). The reason for this is in some part, due to the lack of time reported by managers and also because some managers do not know how to provide recognition effectively.

Marr and Neely (2004) claim that job satisfaction of CCRs is not a measure regarded as critical, however some call centres realize the importance of high levels of job satisfaction of CCRs. Bizworks has set up their environment to create an atmosphere conducive to job satisfaction (Bizworks Launches, 2004). In order for organisations to compete successfully Tidmarsh (2003) believes that the main corporate goal should be employee satisfaction.



Performance levels were high at the present company. The results show that there was a consistently high level of performance of CCRs throughout 2004. The present study found a positive relationship between performance and satisfaction. This is consistent with previous research (Robbins, 1996; Spector, 1997). These studies show that a relationship exists between these two variables. Results for this relationship are further supported by Dunette, Campbell and Jaastad (1976) and King (1970 as cited in Ehlers, 2003). An interesting finding by Moshavi and Terborg (2002) in their study on job satisfaction and performance of contingent and regular customer service representatives was that job satisfaction and performance were positively related. Contingent workers refer to those employed in a temporary capacity or part-time work, whereas regular workers refer to those employed on a full time basis. Muchinsky (1993) provides evidence that certain categories of performance are more closely related to satisfaction than other categories. It would thus be interesting to investigate exactly which categories are related to

satisfaction. Based on this evidence, the hypothesis H1 is accepted i.e. when job satisfaction is high, performance will be high.

The overall turnover rate at the present company is 10%, which is quite low for a call centre while job satisfaction is high. This shows that there is a negative relationship between job satisfaction and turnover and it is logical to find a negative relationship between these two variables since employees who are satisfied are unlikely to leave the company. Since high turnover rates are typically associated with call centres (Tidmarsh, 2003), it is surprising to find that the call centre used in the present study has a low turnover rate. Other researchers (McCulloch, 2003; Muchinsky, 1993; Robbins, 1996; Spector, 1997) have found a correlation between these two variables. Since Muchinsky (1993) suggests that the economic context of a country must also be considered when examining turnover, the high unemployment rate in South Africa cannot be ignored. Examining the relationship between turnover and job satisfaction when the unemployment rate is low might shed some new light on the relationship between these two variables. The evidence presented thus indicates that when job satisfaction is high, turnover is low. Therefore it follows if job satisfaction is low, turnover is high. Hence the hypothesis H2 is accepted i.e. when job satisfaction is low, turnover will be high.

The results did not support a relationship between absenteeism and job satisfaction. The overall levels of absenteeism and job satisfaction were both quite high at the time of administering the questionnaire. The results therefore provide no evidence that a correlation exists between absenteeism and job satisfaction. This is therefore in keeping with previous research by Ilgen and Hollenbach (1977 as cited in Gruneberg, 1979) who

found no relationship between absence and job satisfaction. Previous research (Muchinsky, 1977 & Porter and Steers, 1973 as cited in Muchinsky, 1993) claims that when a correlation between job satisfaction and absenteeism, have been found, the correlation was very low, not exceeding .35. Although this study did not show a correlation between the overall levels of job satisfaction and absenteeism, it is possible that certain facets of job satisfaction correlate with absenteeism (Muchinsky, 1993). This hypothesis H3 is therefore rejected i.e. when job satisfaction is low, absenteeism will be high.

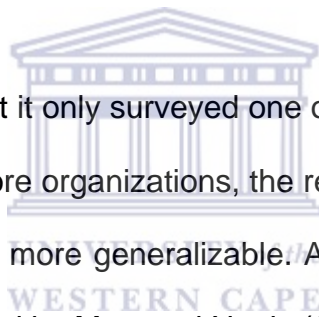
Customer satisfaction is very high in the present study, which indicates a positive relationship with job satisfaction. The ratings obtained by the customers for both the services provided by the company and the way the client received their replies, were very high. This is consistent with the findings of previous studies that show customer & Giel, 1995; Malhotra & Mukherjee, 2004). Past research also confirms a positive relationship between these two variables at the group level of analysis (Heskett et al., 1997; Schmit & Allscheid, 1995; Schneider & Bowen, 1995; Schneider et al., 1998 as cited in Moshavi and Terborg, 2002). This hypothesis H4 is therefore accepted i.e. when job satisfaction is high, customer satisfaction will be high.

The results presented in this study were able to confirm three of the hypotheses namely, H1: when job satisfaction is high, performance will be high, H4: when job satisfaction is high, customer satisfaction will be high and H2: when job satisfaction is low, turnover will be high. It is important to note that this study did not look at individual levels of absenteeism, turnover, performance and customer satisfaction hence the study was only able to present overall levels of these variables.

5.2 LIMITATIONS

Although this study confirmed all the hypotheses except one (*H3*: when job satisfaction is low, absenteeism will be high) it is not without limitations.

One limitation of the present study is that the sample group was quite small ($n=132$). With such a small sample group, it is difficult to generalize the results to the entire population which, in this case was 445 CCRs. Some caution therefore needs to be taken in interpreting the results. Increasing the size of the sample group could yield more statistically significant results.



Another possible limitation is that it only surveyed one organization. By conducting a larger study that incorporates a few more organizations, the researcher could avoid this limitation and assist in making the results more generalizable. An example of such a case study is the multiple case study conducted by Marr and Neely (2004) that encompassed 20 leading call centres. However, previous studies on job satisfaction in call centres have been done in a variety of settings such as banks (Kleemann & Matuschek, 2002; Malhotra & Mukherjee, 2004), alarm and security division of a large international organization (Holdsworth & Cartwright, 2002) and retail clothing organization (Moshavi & Terborg, 2002). Reviewing the large number of settings where these studies have occurred can assist in generalizability of the present study.

One aspect that cannot be overlooked is that the present study only presented overall results for absenteeism, turnover, performance and customer satisfaction. Having

individual results would assist in establishing the significance of the correlation between these variables and job satisfaction.

In addition, job satisfaction is a very complex concept since definitions cannot be refined to certain variables listed by the researcher. Any attempt to define these variables would not be not easy as each individual has their own perception of what satisfaction means to them. Therefore, determining what exactly satisfies employees can be considered to be somewhat subjective.

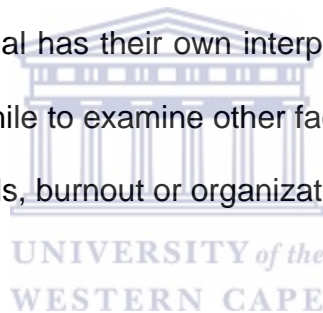
5.3 FUTURE RESEARCH

A prospective study dealing with absenteeism, turnover, performance, customer satisfaction and job satisfaction in which the researcher has access to employee records could serve as a prospective study. Obtaining access to a company's personnel records could result in more accurate data for absenteeism, turnover, performance and customer satisfaction rates however it is very difficult to obtain such information. If one could however, obtain access to this data it could produce a solid study.

Conducting a longitudinal study would be beneficial because it would provide a more in-depth investigation into the relationship between absenteeism, turnover, performance, customer satisfaction and job satisfaction. A longitudinal study would also enable the researcher to identify major trends over a period of time and could give the researcher the opportunity to examine how long lasting the relationship is between the aforementioned variables. This could yield interesting conclusions.

Moshavi and Terborg (2002) suggest that the finding that job satisfaction and performance are positively related raises the question posed by Ellingson et al. (1998 as cited Moshavi & Terborg, 2002) as to whether the relationship between job satisfaction and performance might be stronger for contingent workers than for regular workers. This could greatly enhance current knowledge about how performance measures change over time with work status.

In addition, the researcher could look at various factors that could potentially affect previously mentioned variables. Understanding these factors could have a significant bearing on call centres. The major challenge when examining factors involved with job satisfaction is that each individual has their own interpretation of what satisfaction means to them. It may also be worthwhile to examine other facets other than the ones mentioned in this study namely; stress levels, burnout or organizational commitment.



5.4 RECOMMENDATIONS

Since the present research has shown that there is a relationship between performance and job satisfaction, turnover and job satisfaction, and customer satisfaction and job satisfaction, an individual can understand the importance of job satisfaction in companies. If organizations focus on increasing the level of job satisfaction of their employees, they could potentially reduce the level of turnover and increase the levels of performance and customer satisfaction within their company. In so doing, organizations will increase their overall productivity and performance.

A closer look at the factors leading to high job satisfaction could result in the present organization becoming a high performance call centre. The results in chapter four show that CCRs are satisfied with most facets of job satisfaction as measured by the JSS. The facets that CCRs were not satisfied with are fringe benefits, co-workers and nature of work. In order to increase the level of job satisfaction of CCRs, the present organization would need to look at the three facets of job satisfaction that their staff was not satisfied with. An improvement in these areas could result in increased job satisfaction. Levin (2004) claims that the ways in which call centres can recognise valued staff is limitless. Some ways call centres can reward or recognise their CCRs are by giving them gift certificates to local stores, a lunch or dinner for top performers, a day at the spa, an annual awards dinner, to name but a few.



Since turnover rates in call centres are reportedly very high, the organization used in the present study could stand to gain a competitive advantage in the call centre industry by keeping their turnover rates low. As mentioned earlier, low turnover rates correlate with high levels of job satisfaction. In order to achieve lowered turnover rates “call centres need to offer attractive incentives to retain their staff and stave off competition” (Customer contact centres, 2004, p. S.7).

It is reported that more and more managers are realizing that in order to address employee retention, the overall quality of work needs to be improved. Some call centres in the UK offer crèches, gyms, hairdressers and restaurants. These relatively minor competitive advantages can thus combat the staff attrition problem. In addition, career development and training is “being deployed as a significant motivator and retention tool”

(Customer contact centres, 2004, p.S.7). Vertex employs 10 000 staff in its call centres and this contact centre is seeing results through identifying and segmenting different groups and their needs in a two year training programme. Levin (2004) suggests that CCRs be put in charge of recruiting and hiring because they know better than anyone else in the organization what it takes to be successful in the call centre. It is reported that call centres who have “implemented agent-led hiring task forces often report lower turnover among new-hires” (Levin, 2004, p. 11).

According to Mehandjiev and Odgers (1999), the high turnover rates in call centres can be attributed to the work of CCRs being controlled by computerised scripts instead of by the workers themselves. By equipping the CCRs with more control over their work, companies may reduce their turnover and, in turn increase the job satisfaction of CCRs.

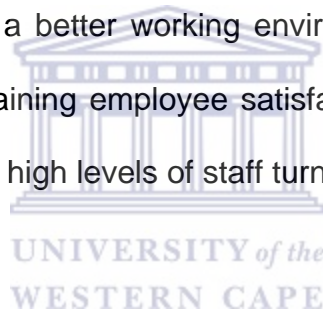
There are further implications of high job satisfaction levels for the company used in the present study. If customer satisfaction is high, the company will increase customer loyalty thereby retaining long standing customers. Since all companies, especially call centres, need customers to keep the company in business, it is worthwhile having long standing customers.

5.5 CONCLUSION

The research conducted in this study illustrates the importance of job satisfaction in a call centre environment. Since a large number of people work for half their life, it is important to consider ways of improving their satisfaction. From the research one can conclude that it is important to keep job satisfaction high so as to reduce turnover levels in call centres.

Evidence has been presented showing that high levels of job satisfaction correspond with high levels of customer satisfaction. As mentioned in chapter two, call centres contribute largely to a company's success through the acquisition and retention of customers. Since the data presented shows a relationship between job satisfaction and customer satisfaction, it follows that it is important for a company to ensure that their employees are satisfied in their jobs. This then indicates that employees who are satisfied in their jobs are more likely to serve customers well, which is imperative in call centres especially.

Since call centres are the major customer interface for many organizations, their management therefore merits significant investment. Working towards enlightening call centres on the importance of job satisfaction and which specific variables assist in creating the satisfaction, could result in a better working environment. As mentioned in chapter two, by simply adding or maintaining employee satisfaction programs, organizations can maximise the output and reduce high levels of staff turnover and absenteeism.



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Appendix 1: Absence Summary Sheet

ABSENCE SUMMARY SHEET: MONTH RACE

WEEK ENDING	UNEXCUSED		SICK CERTIFIED		SICK ADVISED		AUTHORISED		TOTAL	
	DAYS	FREQ	DAYS	FREQ	DAYS	FREQ	DAYS	FREQ	DAYS	FREQ
TOTALS										
									(A)	(B)

AVE NO. IN EMPLOYMENT

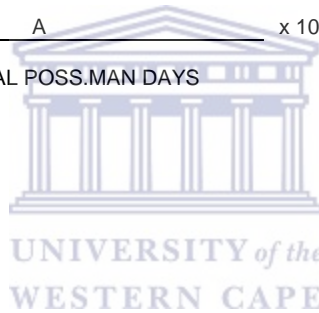
GROSS ABSENCE RATE

ABSENCE FREQUENCY RATE

NO OF DAYS WORKED

$$\frac{A}{\text{TOTAL POSS.MAN DAYS}} \times 100 =$$

$$\frac{B}{\text{AVE. EMPLOYMENT}}$$



Appendix 2

Research Study

Dear Call Centre Representative:

I am an Industrial Psychology Masters student at the University of the Western Cape. One of the requirements of the course is to conduct a research study at a company or companies.

I am currently doing research on “*Job satisfaction of Call Centre Representatives*” and would be grateful if you would assist me by completing the attached questionnaires.

You will find that the questionnaire is easy to read. It should take a few minutes to fill out.

Please complete the attached questionnaires carefully:

- The Job Satisfaction Survey- 36 questions
- The demographic profile of Call Centre Representatives – please note that the information required here is purely for statistical purposes.

The results of the questionnaires will be used purely for **academic purposes** and will not impact your current jobs in any way or form. All information obtained will be treated with the strictest confidence.

Please hand in the completed questionnaires to your supervisor. If you have any queries please do not hesitate to contact me.

I appreciate your feedback and thank you for taking the time to share your opinions with me.

Sincerely,

Michelle Gordi
STUDENT PSYCHOLOGIST

Appendix 3

Kindly complete the information below for statistical purposes.
You are **not** required to state your name

Instructions:

1. Mark the applicable blocks with an X
2. Please indicate the time of your shift you work.

Race		Gender		Shift	Time	Age
White	<input type="checkbox"/>	Male	<input type="checkbox"/>	Day	<input type="checkbox"/>	_____
Coloured	<input type="checkbox"/>	Female	<input type="checkbox"/>	Evening	<input type="checkbox"/>	
African	<input type="checkbox"/>					
Indian	<input type="checkbox"/>					
Other	<input type="checkbox"/>					

Thank you for your participation.



Appendix 4

JOB SATISFACTION SURVEY Paul E. Spector Department of Psychology University of South Florida Copyright Paul E. Spector 1994, All rights reserved		Disagree Very Much	Disagree Moderately	Disagree Slightly	Agree Slightly	Agree Moderately	Agree Very Much
PLEASE CIRCLE THE ONE NUMBER FOR EACH QUESTION THAT COMES CLOSEST TO REFLECTING YOUR OPINION ABOUT IT							
1	I feel I am being paid a fair amount for the work I do.	1	2	3	4	5	6
2	There is really too little chance for promotion on my job.	1	2	3	4	5	6
3	My supervisor is quite competent in doing his/her job.	1	2	3	4	5	6
4	I am not satisfied with the benefits I receive.	1	2	3	4	5	6
5	When I do a good job, I receive the recognition for it that I should receive.	1	2	3	4	5	6
6	Many of our rules and procedures make doing a good job difficult.	1	2	3	4	5	6
7	I like the people I work with.	1	2	3	4	5	6
8	I sometimes feel my job is meaningless.	1	2	3	4	5	6
9	Communications seem good within this organization.	1	2	3	4	5	6
10	Raises are too few and far between.	1	2	3	4	5	6
11	Those who do well on the job stand a fair chance of being promoted.	1	2	3	4	5	6
12	My supervisor is unfair to me.	1	2	3	4	5	6
13	The benefits we receive are as good as most other organizations offer.	1	2	3	4	5	6
14	I do not feel that the work I do is appreciated.	1	2	3	4	5	6
15	My efforts to do a good job are seldom blocked by red tape.	1	2	3	4	5	6
16	I find I have to work harder at my job because of the incompetence of people I work with.	1	2	3	4	5	6
17	I like doing the things I do at work.	1	2	3	4	5	6
18	The goals of this organization are not clear to me.	1	2	3	4	5	6
19	I feel unappreciated by the organization when I think about what they pay me.	1	2	3	4	5	6
20	People get ahead as fast here as they do in other places.	1	2	3	4	5	6
21	My supervisor shows too little interest in the feelings of subordinates.	1	2	3	4	5	6
22	The benefit package we have here is equitable.	1	2	3	4	5	6
23	There are few rewards for those who work here.	1	2	3	4	5	6
24	I have too much to do at work.	1	2	3	4	5	6
25	I enjoy my coworkers.	1	2	3	4	5	6
26	I often feel that I do not know what is going on with the organization.	1	2	3	4	5	6
27	I feel a sense of pride in doing my job.	1	2	3	4	5	6
28	I feel satisfied with my chances for salary increases.	1	2	3	4	5	6
29	There are benefits we do not have which we should have.	1	2	3	4	5	6
30	I like my supervisor.	1	2	3	4	5	6
31	I have too much paperwork.	1	2	3	4	5	6
32	I don't feel my efforts are rewarded the way they should be.	1	2	3	4	5	6
33	I am satisfied with my chances for promotion.	1	2	3	4	5	6
34	There is too much bickering and fighting at work.	1	2	3	4	5	6
35	My job is enjoyable.	1	2	3	4	5	6
36	Work assignments are not fully explained.	1	2	3	4	5	6

Appendix 5

TABLE 2.3 Internal Consistency Reliability for the Job Satisfaction Survey

	Subscale Retest Reliability	Coefficient Alpha	Test-
Pay	.75	.45	
Promotion	.73	.62	
Supervision	.82	.55	
Benefits	.73	.37	
Contingent rewards	.76	.59	
Operating procedures	.62	.74	
Coworkers	.60	.64	
Nature of work	.78	.54	
Communication	.71	.65	
Total	.91	.71	
Sample size	2,870	43	

NOTE: Test-retest reliability was assessed over an 18-month time span.

TABLE 2.4 Total Norms for the Job Satisfaction Survey

	Subscale deviation across samples	Mean	Standard
Pay	11.8	2.6	
Promotion	12.0	1.9	
Supervision	19.2	1.5	
Benefits	14.2	2.2	
Contingent rewards	13.7	2.0	
Operating procedures	13.5	2.2	
Coworkers	18.3	1.1	
Nature of work	19.2	1.3	
Communication	14.4	1.8	
Total	136.5	12.1	

NOTE: Norms based on 8,113 individuals from 52 samples.