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Employee Retention in a Call Center

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ABSTRACT

One of the most important aspects of many businesses providing customer services are their call centers. These organizations employ millions of workers who are required to address customer queries and provide solutions to both existing and prospective clients. Customer service is looked at as key factor to keeping current customers. Worldwide, call centers comprise an ever-evolving and dynamic industry, yet researchers find that there is a high turnover rate among call center agents (Pierre & Tremblay, 2011). Facing customers and answering complicated queries are daunting tasks, this is made even more complicated by the fact that call center technology is being employed at a rapid rate and call center agents must keep abreast of these advancements to function more effectively and efficiently.

INTRODUCTION

In the legal industry, labor cost-cutting strategies led to an increase in retention rates of employees (Burmam & Konig, 2011). Many of the issues surrounding call center job satisfaction and retention are not easily quantified, and legal industry analysts recognize this fact (Burmam & Konig, 2011). Nevertheless, researchers aim to quantify the performance benefits to be gained from increased agent retention. The top reasons identified for employees leaving an organization whether these problems are related to the working conditions, other environmental factors or the nature of the job itself. The focus should be on work design (Bozinelos, 2008).

The purpose of this qualitative phenomenological study was to gain insight into the contributing factors that cause call centers in the legal industry to experience high employee turnover. The factors include the problems customer service representatives (CSR's) face on-the-job and whether these problems are related to working conditions, the nature of the job itself and other environmental factors (Davidson, Timo & Wang, 2010). The population for the study was 30 CSR employees of a law firm. The geographic region is Houston and its surrounding cities. The study forms an analysis of the low retention rate in legal call centers and identifies the areas that can be targeted for improvement. Legal organizations can use this information to develop strategies to increase their current levels of employee retention in call centers. This study was an attempt to understand better characteristics related to working conditions, environmental factors and the nature of the job itself that exist at many call centers (Bozinelos, 2008).

RESEARCH QUESTIONS

The research questions of the study were as follows:

RQ1. How do working condition factors contribute to legal call center CSRs turnover?

RQ2. How does the nature of the job itself result in cost factors that are associated with the high turnover rate of CSRs in legal call centers?

RQ3. How do environmental factors contribute to the call center CSRs leaving the organization?

LITERATURE REVIEW

Call Centers

The growing attention by marketers in organizations to the importance of call centers is not new. Call centers first emerged in the 1980s and proliferated over the next decade (Moss, Salzman, & Tilly, 2008). Since the 1990s, call centers have emerged as “the most important single source of customer contact in the developed information economies” (Russell, 2008, p. 195). As a segment of the job market, call centers are significant places of employment, becoming a worldwide service area that embodies the globalized marketplace (Batt, Holman, & Holtgrewe, 2009).

Call centers are often divided into two types, those that serve mass market customers and those serving a customized clientele (Thite & Russell, 2010). Market segment characteristics influence the operational requirements of Human Resource Management (HRM), such as work design and the degree of work discretion and performance. Mass market customers typically have simple, mundane needs, and centers serving this segment rely heavily on techniques for minimizing costs and maximizing efficiency, notably minimum employee discretion, and intensive performance surveillance. In contrast, CSRs in call centers serving a customized market are expected to perform complex tasks and build relationships with customers. Employees are awarded more latitude, are less subject to close performance monitoring, and HRM practices are designed to promote engagement and commitment.

There are numerous variations in the work design of call centers (Batt et al., 2009; Holman et al., 2009; Pierre & Tremblay, 2011; Russell, 2008). Companies such as American Express (Frauenheim, 2010), First Direct Bank (Woodward, 2009), and Unitil, a public utility firm serving New England (Bellino, 2013) are prime examples. They have developed exemplary work systems, resulting in high levels of employee engagement, high customer satisfaction, and low turnover rates. Nevertheless, call centers characterized by minimal task complexity, low discretion, and high levels of scrutiny seem to predominate. Call centers have been described as an advanced form of Taylorism (Bakker, Demerouti, & Schaufeli, 2003; Russell, 2008). They have been referred to as “new age sweatshops” or “high-tech sweatshops,” and their employees as “cyber coolies” (Budhwar, Varma, Malhotra, & Mukjerjee, 2009). One call center agent described the

work as “telephone waitressing” (Milner, Russell, & Siemers, 2010, p. 209). Some call centers do not even use the term call center to overcome their negative image (Pierre & Tremblay, 2011). American Express refers to their customer service strategy as Relationship Care, although the term is consistent with their emphasis on soft skills and employee autonomy and motivation (Frauenheim, 2010).

TURNOVER AND RETENTION

Holman et al. (2009) highlighted differences in the design of call center work environments and their effects on employee and organizational outcomes. Pierre and Tremblay (2011) further explored variations in call center operations and their impact on employee turnover and retention in a qualitative study involving call center agents and managers. Interviews were conducted with managers and agents from telemarketing call center. Two call centers were operated by a telecommunications firm (one involved in customer service and the other with invoicing), and other call centers operated by a Canadian federal administrative organization. A total of 20 interviews were conducted (including four with customers and four with economic developers). Three key themes arose from the discussion: (1) problems affecting attracting, involving, and retaining employees; (2) factors related to involvement and retention; and (3) practices to engage and keep call center agents (Pierre & Tremblay, 2011).

One factor that adversely affected employee involvement and retention was the practice of many call centers of recruiting students (Pierre & Tremblay, 2011). Some call centers deliberately recruited students beginning their university studies on the theory that they might remain until graduation. In general, however, the students provided a transient workforce, and relying heavily on young and inexperienced workers presented problems for management. New college graduates were another source of employees who typically stayed only a short time. An economic developer envisioned telecommuting to reach out to prospective employees who would work part-time at home.

Time pressures, sales pressure, and interactions with customers who were unpleasant, harassing, or in stressful situations were primary sources of stress (Pierre & Tremblay, 2011). The pace of work was often unduly hectic, and schedules often included night shifts, weekends, and holidays to the detriment of employees’ personal lives. Night work and rotating shifts could induce fatigue with damaging effects on job performance. Some call centers allowed employees to decide their work schedules, while others held agents to rigid schedules. In some centers, programs were implicated as the primary cause of turnover.

Work conditions varied across centers, with cramped or uncomfortable conditions inducing dissatisfaction, while employees at other centers enjoyed more spacious conditions and natural light (Pierre & Tremblay, 2011). Monotonous tasks, adherence to scripts, and close surveillance were an important source of dissatisfaction and turnover intentions. Indeed, the negative impact of low task complexity and intensive monitoring

is a ubiquitous theme in the literature on call centers. Limited prospects for advancement added to dissatisfaction as did low salaries and low status and recognition. The qualitative responses elaborated numerous factors associated with dissatisfaction and turnover in call centers as well as work conditions and HR practices that enhanced motivation, performance, and satisfaction (Pierre & Tremblay, 2011). However, there were clearly more negative comments than positive ones. To Pierre and Tremblay, the positive responses demonstrated that it is possible to adopt practices that encourage employee involvement and retention and benefit the organization by means of superior customer service and economic performance. The paradox remains that management is aware of practices that enhance employee job satisfaction, performance, and retention but relatively few call centers have invested in them (Pierre & Tremblay, 2011).

EMPLOYEE ENGAGEMENT

Promoting employee engagement is especially important in standardized work environments (MacLeod & Clarke, 2009). On average, employees are out sick 2.69 days per year compared with 6.19 days for disengaged employees. The additional absentee days place a substantial burden on the economy. Moreover, engaged employees are 87% less likely to leave an organization than their disengaged counterparts. According to some estimates, the cost of replacing an employee is equal to an annual salary.

Regarding work performance, 70% of engaged employees reported having a good understanding of how to meet customer needs, as opposed to 17% of disengaged employees (MacLeod & Clarke, 2009). Two-thirds of engaged employees are willing to advocate for their firm or organization compared to a scant 3% of those who are disengaged. More than three-quarters (78%) of engaged employees are willing to recommend their company's products or services, while only 13% of disengaged employees would do the same.

Managers from several leading companies reported a definite link between employee engagement and customer satisfaction (MacLeod, 2009). Fostering employee engagement is contingent on making workers feel they are respected and valued, involving them as active participants, and providing them with good leadership. Thus, the employees take pride in their performance and feel a sense of commitment and dedication to their work and the organization. The relationship between employee engagement and performance is consistent with Mahesh's (1993) argument for the benefits of intrinsic motivation on the individual and the organization.

METHODOLOGY

The study followed a phenomenological qualitative research design to study CSR feelings, values, and perceptions that underlie and influence their attitudes in a legal call center environment and the factors influencing their turnover. The goal was to generate

ideas for improvements to foster CSR retention and minimize new employee training costs.

SAMPLE

The sampling involved interviewing 15 CSRs representing a law firm within a specific area surrounding Houston, the Texas Metropolitan area. They answered the proposed research questions, examining their perceptions, experiences and observations regarding turnover and its causes in a legal call center environment. The researcher interviewed participants from diverse backgrounds, to contribute to the validity of the information gathering. Certain criteria were set for the participants. First the age limit for each respondent was between 18 and 45 years. Second, the call center must cater to legal matters. Finally, the respondents had to have been working with the call center for a minimum of six months prior to the interview.

The setting of the data collection site was the call center of the selected law firm. The company that was examined is a diversified employee benefits legal call center engaged in administration, network development, technology management and insurance. The company has five attorneys providing services to a modest amount of companies in a metropolitan area to a network of over 17,800 providers, assisting more than 12.8 million employees across several market segments and multiple products. The company has broad experience with small, medium and large clients in the public and private sectors, local, state and federal government offices, unions, employee assistance plans, work-life companies, and organizations.

INSTRUMENTATION MEASURES

The data was collected using a one-on-one, face-to-face interview. This type of qualitative methodology is commonly referred to the communication technique (Stake, 2009). The main advantages associated with using this data collection technique is its relatively low cost, requiring a minimal number of people to conduct the research and collect data. It is also considered to be an effective approach for maintaining the anonymity of study participants.

The interviews covered various aspects that the researcher has described through the conceptual framework for the study and covered the aims and objectives of the study which aligned the research question (McClelland, 2009). It specifically addressed the area of employee motivation within the context of a call center job and questioned the participants on both intrinsic and extrinsic motivational factors. The interviews also addressed job satisfaction.

INTERVIEW PROCESS

The researcher did initial interviews with legal call center participants to establish a limited relationship and build a familiarity with the purpose of the study. Each interview

began with the participant's affirmation of his/her willingness to participate in the research, as well as the receipt and return of the consent form. Further conversation regarding the confidentiality of the participants took place at the beginning of the interview process. This conversation provided the CSR with a sense of trust, as well as allowed the researcher and the participant an opportunity to develop a connection.

DATA COLLECTION

Using the phenomenological research design, the study asked 10 interview questions. The method involved asking employees to respond on a one to one basis to the interviewer who analyzed and evaluated the responses to reach a consensus on the topic (Liu & Batt, 2010). The interviews captured the opinions, views, and judgments using the experience and expertise of the participants (MacLeod & Clarke, 2009).

Analysis of the collected qualitative data was conducted using the NVivo 9 computer program, developed by QSR International. The analysis of qualitative data provided information collected from the participants through coded annotations during each interview. The NVivo 9 tool facilitated the examination and coding of the data through searches for patterns and explanations found in the data. Examination of the data collected allowed the identification of subtle trends and the frequency of inconsistencies in the legal call center environment that promote high turnover rates and the factors that contribute to their longevity. Baxter and Jack (2008) stated that consensus is a viewpoint accepted by a group or by an individual who may have more influence. In the study method, the purpose was to determine agreement among the experts on the given topic.

DISCUSSION OF RESULTS

Since their debut in the 1980s, call centers have come to symbolize the globalization of business and industry (Batt et al., 2009). Indeed, it would be unusual to find a consumer who has not interacted with the sector described as "the most important single source of customer contact in the developed information economies" (Russell, 2008, p. 195). From their origins in telephone customer service, call centers are continually evolving in response to new technologies and customer needs. Some call centers have become multi-channel contact centers in which CSRs interact with consumers through several channels including email, text messaging, and web chats in addition to telephone calls (Dimension Data, 2014).

RESEARCH QUESTION 1

Research Question 1 sought to discover how working conditions contribute to call center CSRs leaving the call center. Four key themes emerged from the analysis: *the job is stressful, high turnover impacts performance, heavy caseloads interfere with promotions, and problems with management.*

The job is stressful. The job is stressful, by far, was the most prominent theme, mentioned by all but one of the 15 participants and in a total of 33 quotes. One participant, for example, related the job stress directly to working conditions, commenting:

“Definitely makes it more stressful. Under so much stress it’s a little bit harder to focus and get everything done because we have certain limits that we have to exceed or meet, and different quotas. It definitely affects the work environment that way” (Paille, 2011).

The references to “limits” and “quotas” invoke the conception of call centers as high technology Taylorism that gives precedence to cost control and efficiency over employee autonomy and discretion (Russell, 2008). Findings from the Global Call Center Project confirmed that low task complexity and intensive monitoring are major sources of dissatisfaction and turnover among call center employees (Pierre & Tremblay, 2011). Limited prospects for advancement, low salaries, and low status and recognition added to dissatisfaction in the Global Call Center study and not unexpectedly, were cited by participants in this study as well. Notably, the same participant who described the stress of working under performance pressure and limitations connected this stress with inadequate recognition, commenting that “Because of the stress a lot of the employees feel like they may not be getting the respect or the benefits...that they, I guess, feel like they’re entitled to. The cumulative impact of these conditions on the CSRs thoughts and actions is “really negative.”

One participant reported that in the beginning “I loved it [the job],” which this participant did not perceive as particularly stressful or negative, but perhaps lacking in challenge. From the perspective of SDT, the call center employees are working under stressful conditions that depress autonomous motivation and foster alienation and disengagement (Deci & Ryan, 2008).

High turnover impacts performance. One participant directly related high turnover to job stress, noting that turnover “kind of puts stress on everybody” because having “people missing” translates into “more volume and more workload, essentially,” and thus “you do a worse job.” This leads to the second theme of *high turnover impacts performance*. High turnover impacted performance in several ways. From the perspective of customer service, a constant influx of new employees meant that callers were often dealing with inexperienced CSRs who lacked the expertise to effectively help them resolve their issues, leaving the customers feeling dissatisfied. Understaffing further undermined customer service by making more experienced CSRs feel rushed and impatient, producing frustration and irritation on the part of customers and employees alike.

As for the employees, according to one participant, being surrounded by coworkers who either view the job as a “temporary role” from the outset, or who “go in there as a more permanent fashion and subsequently leave abruptly...deters them from considering their

role permanent or somewhere where they can stay comfortably.” The implication from several responses was that turnover generates more turnover. In fact, one participant declared that the cycle should have been stopped when the constant churn became evident.

Heavy caseloads interfere with promotions. The third theme under Question 1 was that *heavy caseloads interfere with promotion*. Given the high turnover, the CSRs not only had to take on extra cases, but they were also expected to train new hires. This stifled their chances for upward or lateral moves. Indeed, one CSR was directly affected. As this participant related,

“Last year, a position came open in another department that I applied to. I actually was chosen for it but I was held back because of the caseload we had on our side.”

Interestingly, case studies of call centers operated by businesses in the retail, financial services, and telecommunications sectors across the U.S. revealed that most call centers began with non-hierarchical structures, but as the call centers grew the original models became dysfunctional (Moss et al., 2008). Instead, internal career tracks were implemented to provide opportunities for upward advancements. However, opportunities for upward promotion in call centers are limited in the U.S. and abroad. Findings from the Global Call Center Project confirmed that even with variations in work design, only a small proportion of workers at the call centers were promoted (Benner & Mane, 2011). Limiting opportunities for promotion not only inhibits autonomous motivation but also ignores individuals' needs for achievement, status, and recognition (Mahesh, 1993; Maslow, 1970; McClelland, 2009). The combination of heavy workload and thwarting of needs for accomplishment is a formula for disengagement and burnout (Schaufeli et al., 2009).

Problems with management. The issue of problems with management generated several subthemes. Perhaps this is not surprising given the popular saying that “people leave bosses rather than organizations.” Indeed, leadership is one of the most extensively studied aspects of human behavior. The first subtheme, which was mentioned nine times in seven interviews was *poor leadership styles create tension*, which in turn, contributes to CSRs leaving the call center. For example, one participant commented:

It [turnover] definitely creates a lot of tension because you're looking at your management team like, “I have so much that I'm doing and you're not really helping. You're telling me to reach out to you, but when I do you're not really giving me any great advice or anything that I should do. It's more like a, ‘Let me know so I can look at you work.’ Or something like that.”

This narrative suggests that managers displayed passive leadership styles, which are typically ineffective (Bass & Riggio, 2006). Laissez faire, which is virtually no leadership, and passive management-by-exception, meaning a leader acts only when a

problem arises (either one could be inferred from this comment) are the least effective leadership styles.

On the other hand, another participant described the negative response of employees when a supervisor who “was very laid back” was replaced with one who was “very authoritarian.” Perhaps even more unwelcome than the authoritarian leadership style was the “complete change in management.” What this participant (and indeed many employees) desired was a management style that was consistent. Several participants described managers whose (often negative) emotions affected their attitudes toward their subordinates. One veteran CSR described how a relatively new manager “put the load on me just to make his job easier...” and “to make himself look good as well.” Combined with few opportunities for promotion, it is not surprising that this should generate dissatisfaction with management.

A second, overlapping subtheme was *lack of effective management by managers*. Comments under this subtheme included inconsistent management styles, managers who failed to resolve fairly straightforward issues quickly and efficiently, incompetent managers who depress employee morale, and apathetic and disengaged managers who conveyed the message that “employees were disposable to them...if they leave, we’ll hire more people.” In response to the question of what would improve working conditions in the organization, one participant stated succinctly, “More people and managers who actually care about if we are overworked or if it’s stressful, just managers who actually care.” This comment invokes a desire for a transformational leader who is sensitive to employee needs, in particular one who displays individualized consideration (Bass & Riggio, 2006).

The third subtheme under problems with management was *lack of communication and transparency*. Based on the participants’ comments, a serious lack of communication and transparency contributed to employees’ distrust as well as dissatisfaction. The participant who described the firm as a small company striving for growth felt that “inclusion is very important,” but it was not practiced. Instead, “Every decision everything that’s done to make the company grow is done in the shadows.” Most employees were unaware of decisions affecting them until after things had already been changed. According to this employee, this “break between the people who are making the decision and the people it affects” was “a major player in the turnover.” Not having a say in decisions affecting one’s work is disempowering and demotivational (Deci & Ryan, 2008).

The participants decried “one-sided” communication that made them feel no one was listening; discussions with managers took place but nothing was done in response. The participants who mentioned this topic had ideas that could have been helpful (for example, new metrics for measuring workload) for improving customer service but they were thwarted by barriers to effective communication.

The final subtheme was *lack of understanding by management*. An overarching implication was that the managers were poorly trained and therefore lacked knowledge and understanding of call center operations, and more importantly, of the soft skills important for managing and interacting with employees. Effective leadership practices can be learned (Bass & Riggio, 2006; Morhart et al., 2009). Ironically, findings from the Global Call Center Project indicted that managers are aware of the practices that boost employee engagement and reduce absenteeism but make negligible effort to implement them (Pierre & Tremblay, 2011). This gap between awareness and practice may reflect the perception that call center employees are low-skilled and as one participant noted “disposable.” However, as the participants in this study recognize, and the empirical literature confirms, this attitude is counterproductive and rather than cutting costs, it increases costs through excessive absenteeism and turnover.

Like American Express, First Direct Bank is an example of a company that transformed its call center practices to produce high levels of employee engagement. Consultant Christian Roome credits First Direct’s leadership practices, declaring “Employees need to feel as if the business at a senior level takes their opinions seriously. That leadership is taking responsibility and taking the business in the right direction. That’s the culture of First Direct” (Woodward, 2009, p. 46). According to the comments of the legal call center CSRs, the management practices at the call center are antithetical to creating this type of positive culture.

RESEARCH QUESTION 2

Research Question 2 explored the issue of how the nature of the job itself result in cost factors that are associated with high turnover rate of CSR in legal call centers. Four primary themes emerged: *there is a heavy workload, lack of adequate training and preparation, interferes with work-life balance, and having to train people interferes with job responsibilities*.

Heavy workload. Overlapping with the theme of heavy caseloads, the theme of heavy workload was mentioned even more frequently, arising 50 times in interviews with all 15 participants. The overarching implication was that being burdened with too many tasks due to perennial staff shortages prevented the CSRs from focusing on their own cases and undermined their performance. This was exemplified by one participant who noted that, “When turnover rate is so high, you’re doing the job of five people, because five people should be her doing this job.” This situation made more employees want to leave; in short, the high rate of turnover drove more turnover.

Lack of adequate training and preparation. In terms of lack of adequate training and preparation, there seemed to be two major issues. The first was that the constant churn meant that “training schedules are rushed because we’re trying to fill that seat.” New employees were not provided sufficient time for learning and understanding the job. However, inadequate time did not seem to be the only problem. Rather there seems to be

a misalignment between the training and the nature of real world interactions with callers. The legal issues the CSRs had to deal with arose under this theme: clients in the midst of divorce, or having to deal with probate following the death of a family member, or whose spouse or child was in jail. According to the participant who brought up this topic, “Some people are just not built for that, but more importantly, a lot of people are not prepped for that.” Being poorly prepared for these cases is detrimental to both the caller and the CSR.

According to Chambel and Castanheira (2012), training signifies that managers are willing to invest in employees, thus making them feel that they are valued members of the organization. In their research with call center employees, Chambel and Castanheira found that training was inversely related to burnout (emotional exhaustion), and this association was mediated by perceptions that the employer had fulfilled both a balanced and relational psychological contract. Failure to invest in adequate training is symbolic of the idea that call center employees are replaceable, which in turn perpetuates high rates of absenteeism and turnover (Pierre & Tremblay, 2011).

Interferes with work-life balance. Job responsibilities interfered with work-life balance in two ways. One way was that the employees often did not leave work until later than they were supposed to; for example, one employee who was supposed to get off work by 4:00 or 4:30 pm often did not leave until 6:00 or even 7:00 pm “trying to finish up what I can’t get done during the day.” Implicitly this could be linked to the heavy workload due to short-staffing. However, even more insidious than simply working late was that stress and fatigue from the job spilled over into leisure time, inhibiting the participants from engaging in enjoyable recreational activities “because I’m just so drained and tired.” The negative impact of job stress on the CSRs’ personal lives was mentioned by several participants. Notably, a study of call center employees in India found that policies and practices supporting favorable work-life balance significantly reduced job stress, absenteeism, and turnover, while at the same time increasing individual and organizational productivity, employee job satisfaction, commitment, and loyalty, improving employees’ mental and physical health, and enhancing the firm’s reputation in the public perception (Chimote & Srivastava, 2013). Moreover, these practices made the company more attractive to prospective employees as well as retaining them longer. Once again, this finding invokes the notion that call center managers are aware of practices that boost employee retention but do not implement them (Pierre & Tremblay, 2011).

Having to train people interferes. Having to constantly train new employees is a consequence of the high turnover rate. One employee noted that gaining knowledge of “the legal ware, the insurance product...takes months, if not a year or longer.” Having to train new employees and provide them with information not specifically covered by training slowed productivity and turned the training into a repetitive and frustrating process that undermined their own job performance. This feeling was probably exacerbated by the inadequacy of the formal training as described by the participants.

RESEARCH QUESTION 3\

Research Question 3 explored additional workplace environmental factors that contributed to CSRs leaving the call centers. This question generated seven primary themes: *salary is not competitive, lack of motivation and morale, no opportunities for advancement, lack of appreciation and acknowledgment, no benefits, CSRs are over qualified, and no connection between employees.*

Salary is not competitive. This theme could be summarized by the description of one participant of the CSRs as “underpaid and overworked.” The adverse effect of low pay on employee morale and commitment was magnified by the fact that due to high turnover the CSRs were doing work that should have been done by multiple employees. Furthermore, they observed that “The access center makes a lot of money but it seems like it is not really trickling down to us.” The top executive enjoyed generous bonuses but despite having to take on extra job responsibilities the CSRs were not rewarded materially or otherwise. According to Adsit (2013), the most effective ways to increase retention of call center employees are improving pay and making the job less stressful, monotonous, and exhausting.

Lack of motivation and morale. The low pay and absence of benefits were cited as causes of low employee motivation and morale, along with job stress and the turnover itself. Seeing coworkers come and go all the time made even veteran CSRs feel that they wanted to leave, especially when someone landed “a new job with better benefits, more pay...” One employee gave a particularly vivid description:

My morale is below zero right now, minus something... There’s no motivation to do anything. I’m just here. I’m like a zombie. I come to work and I leave. There’s no push, there’s no drive.”

From the standpoint of SDT, the attitude of this participant, as well as several others, could best be described as *amotivation* (Deci & Ryan, 2008). Although the comments of several participants indicated they were intrinsically motivated to do a good job in helping clients, the workplace structures depressed intrinsic motivation and failed to provide extrinsic rewards such as competitive pay, bonuses, and recognition. Clearly, low morale was endemic and made even worse by the ongoing high turnover.

No opportunities for advancement. This theme is related to the negative impact of turnover on promotion that arose in relation to Research Question 1. The lopsided nature of turnover at the organization, specifically, high turnover among CSRs but low turnover among managers made opportunities for upward advancement scarce. Adding to the frustration of the CSRs, even when a supervisory position was available, the need for CSRs typically led to an outsider being recruited with veteran CSRs being expected to help train the new superior. As one participant summarized this situation: “We’re kind of just stuck... You really can’t move up. You’re just stuck there. There’s no advancement.”

For many employees, the only solution to being “stuck” in this situation is simply to leave.

Lack of appreciation or acknowledgment. A common perception was that the CSRs were consistently given more responsibilities but without any rewards or sign of appreciation. One participant specifically stated that the need for acknowledgment went beyond higher pay or promotions: “Maybe a gift card, or your name on the wall, or something like that. Verbal praise. Just letting your employees know that they are appreciated and that they are important.” Maslow’s (1970) hierarchy of human needs is built on understanding that fulfilling basic needs for food and security is insufficient; rather, people are intrinsically motivated by the uniquely human needs for esteem and self-actualization. Transformational leadership practices focus on helping employees achieve those higher needs (Bass & Riggio, 2006). As one participant succinctly stated, “I think the problem why people leave is because the company does not appreciate the employees.”

No benefits. This theme focused on the lack of extrinsic rewards for the call center employees. According to the participants, the inadequacy of benefits such as paid vacation, paid leave, or incentives contributed to the high turnover rate. As with the lack of competitive pay, a common perception was that the company was doing well financially, and while the executives enjoyed generous rewards, the CSRs gained no benefits despite their intensive workloads. The way the organization treated its call center employees was antithetical to the principles and practices of effective HRM, which are designed to promote employee engagement and commitment (Thite & Rusell, 2010).

CSRs are overqualified. This theme could be summarized by one participant who proposed, “I believe the reason why employee turnover is a big deal is because a lot of us here have degrees. We’re unable to use our degrees working in the center.” More than half the CSRs had a bachelor’s degree. Internal career tracks that lead to upward advancement could be ideal for retaining college educated employees (Moss et al., 2008). However, as virtually all participants pointed out, opportunities for advancement were nil.

No connection between employees. The final theme was that a lack of connection or attachment between employees contributed to the high rates of employee turnover. More aptly, the high turnover diminished a sense of attachment “because there’s a feeling that somebody’s going to leave already, so you don’t want to get too attached to another employee.” Another participant echoed this sentiment, asserting, “We try not to get too attached.” In fact, all the comments under this theme explicitly stated that the employees did not want to form relationships with each other “because nobody plans on being there for very long.

Implications

The overriding implication of this study is that the management of the legal call center allowed rampant turnover to go unchecked to create a cycle in which the turnover itself drives further employee turnover. The legal assistance the CSRs are expected to provide callers should ostensibly create a call center workplace environment in which employees have more discretion, greater autonomy, and opportunities for upward advancement (Holman et al., 2009; Moss et al., 2008). However, that is clearly not the case in the legal call center. Being subjected to heavy workloads due to staff member's constant leaving, being held back from advancement by these extra responsibilities, made even more burdensome by having to train new employees, and being overqualified for the job are not unexpected sources of frustration and dissatisfaction for call center employees. Moss et al. (2008) observed that call center structures are continually evolving, but not necessarily in a positive direction. It seems probable that the organization would have to create a radical restructuring of the call center work design to reduce the high rates of dissatisfaction, disengagement, and turnover.

That endeavor is not impossible as illustrated by companies such as American Express and First Direct Bank. In fact, the need to reduce high rates of turnover drove the work transformation at American Express (Frauenheim, 2010). Teamwork, recognition, and autonomy are key features of the call centers operated by American Express, First Direct Bank, and the utilities firm Unitil (Bellino, 2013; Frauenheim, 2010; Woodward, 2009). These attributes are absent from the legal call center; indeed, the negative impact of lack of recognition on the morale and motivation of the participants emerged in relation to several key themes. The neglect of employee needs for intrinsic and extrinsic rewards reinforces the notion that call center employees are low-skilled and replaceable (Pierre & Tremblay, 2011). It is hardly surprising that being perceived as disposable by management would cause employees to want to leave the organization.

Evidence from research conducted in the U.K. demonstrates that maintaining call center practices that produce high rates of absenteeism and turnover is counterproductive, driving up costs as opposed to being cost-efficient MacLeod & Clarke, 2009; Rayton et al., 2012). First Direct bank, which has won awards in the U.K., has adopted exemplary leadership practices combined with a work system that respects employees' autonomy and encourages high-involvement (Woodward, 2009). It is noteworthy that the theme of problems with management generated several subthemes, all highlighting ineffective practices. Perhaps the most important implication of this study is the urgent need for training for both managers and employees. It seems unlikely that there will be a significant change in work design of the call center without significant changes to management practices and attitudes to their call center employees. Effective leadership, like good customer service, can be learned providing the organization is willing to invest in its employees at all levels.

Recommendations for Future Research

Qualitative research is often a precursor for quantitative research. The findings from this study can be combined with the findings from previous studies (Thite & Rusell, 2010) to

create a survey tool for soliciting the perspectives, ideas, and recommendations of call center employees to redesign the workplace to promote employee satisfaction and retention (Pupo & Noack, 2009). There appears to be no prior study focused on call centers in the legal industry. Issues unique to this sector warrant further investigation. Additionally, studies can be conducted examining differences and similarities in call centers in this sector as there have been with call centers in other industries such as financial services and telecommunications.

Case study research would be useful for in-depth exploration of call centers with different types of work design and management structures with emphasis on the characteristics of companies that have successfully reduced high rates of turnover. Especially as call centers continue to proliferate and are being transformed into multi-channel customer contact centers it is important to discover best practices that can be applied and adapted across organizations.

Conclusion

This qualitative phenomenological study was designed to explore the perceptions of legal services call center employees regarding the factors contributing to the high rate of turnover in their organization. A series of interrelated themes arose from the interviews detailing rampant job stress, heavy workloads, poor management practices, few opportunities for advancement, and lack of intrinsic and extrinsic rewards. It is ironic that one of the outcomes of high technology and globalization is a reversion to Taylorism. The findings from this study strongly imply that call centers will continue to have high rates of employee turnover if they adhere to outmoded management practices and fail to recognize the qualifications and contributions of their employees.

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