

# Call centres

## Places of large-scale job and skills development

Government sees call centres as huge job creators. Yet argues **Chere Monaisa** they are more than this. With enough resources they could become important centres for young people to develop experience and skills which could provide skilled workers for the economy as a whole.

A call centre is operated by agents in open workspaces with work stations that include a computer, a phone headset connected to a telecom switch, and one or more supervisor stations. There is massive potential for the call centre industry to contribute to economic growth and employment creation in South Africa. This has prompted government to identify BPOs (which relocate business functions to service providers, typically in low-cost locations) as a sector demanding priority attention under the Accelerated & Shared Growth Initiative of South Africa (Asgi-sa).

Asgi-sa seeks to escalate economic growth from 4 to 6% and cut unemployment by half by 2014. It argues that the call centre industry has the potential to create 100 000 direct and indirect jobs by the end of 2009.

If pressed for an answer to the question: "Are call centres the new sweat shops?" I would say "Yes". The industry is highly regimented, work is routine and stressful, trade unions are not welcome and there are few growth prospects. Here, however, I will focus on the empowering of the mainly black youth and female agents

through career pathing guidance and coordinated FET (Further Education & Training) and Skills Development programmes.

Structural unemployment is not a problem in the call centre industry. The problem is that there are not enough agents with the skills required for management positions and where centres offer agents training beyond the basics, there is a problem of other call centres poaching staff. This is especially so when companies have to meet government's Employment Equity requirements.

So the biggest concern is the shortage of good, experienced team leaders and middle management skills in an industry that has experienced rapid growth in recent years. The main source of new team leaders is from agent workers, while some middle management recruitment takes place outside the industry. According to the Deloitte 2006/7 BPO in Cape Town Report, it generally takes two to three years for an agent to make the successful transition to management. But because of its newness and rapid growth, over half of team leaders have no more than two years' experience.

### UNSKILLED ENTRY INTO JOB MARKET

Call centre jobs offer an 'urgent' boost to employment growth because it is estimated that 97 421 new jobs can be created. This is one industry that the country knows will be absorbing a reasonable number of unemployed youth in the short term.

Even though it is not clear whether a matric certificate makes better call centre employees, matric is still the basic entry level qualification for agents. Very few call centres in South Africa employ agents with technical degrees/certificates or university degrees. The figures in South Africa are lower than in other countries where call centres primarily employ university or college educated graduates for their workforce.

For people with matric, call centre work is marketed as an 'incredible entry level' job as it provides permanent work with opportunities to climb the corporate ladder in companies which they would otherwise not have access to. Once workers receive managerial training in order to become team leaders or floor managers, they can transfer such skills to any other industry.

This view promoted by government and the industry is also adopted by many agents who hope

to use their jobs as a stepping stone to more advanced employment opportunities, either within the call centre or elsewhere in the company or industry.

### TRAINING AND CAREER-PATHING

Call centre training involves induction which focuses on four topics: computer and systems, product, sales and customer service training, which often includes 'soft-skills' like communication, telephone and e-mailing etiquette and anger management. Some call centres provide training programmes for team leaders and supervisors. There are few external training programmes to train call centre workers.

In terms of career pathing, four of the five managers I interviewed said it existed, but this contrasted to five of the seven agents who said there is none. Some agents said there were no growth opportunities in the sector, while others said the number of upper levels to advance into was limited.

They argued that an agent can only move from agent, to team leader, supervisor and eventually a manager. Beyond this, there is nothing else as the hierarchical structure of call centres is flat and opportunities for promotion are rare. This leads to a disillusionment for call centre workers with their jobs and means that the company has problems with retaining their best workers due to a lack of career progression.

### EMPLOYMENT REALITY

Unfortunately, in South Africa because of inferior education agents seldom advance beyond agent supervisors or team leaders. In addition the 'factory' or 'assembly line' approach to work which does not recognise that the work is people-centred, erodes agents' motivation. This situation is made

worse by agents often not knowing their rights, they are scared and needy and will do anything to hold onto their jobs.

They also suffer from the threat of job insecurity and loss of benefits as government has out-sourced its call centre operations and more and more agents have been turned into part-time and temporary workers. Temporary workers are not entitled to the same leave, sick and maternity leave, social protection such as pension and provident funds or medical aid, as well as training and internal promotions as permanent workers.

### OPTIMISTIC VIEW

The majority of agents within the industry are performing either a sales or a service function. Fortunately, some managers believe that further and higher institutions of learning could play a beneficial role and suggest that government should promote better training.

There are a number of call centre agents who love their jobs and feel that their jobs require special interpersonal skills. Many also believe that they can do team leaders' work but the call companies doubt they are skilled enough. With the right training, there could be opportunities for many more young people to find meaningful jobs.

Call centres could be the training ground for an executive PA, a logistics and fleet manager, and a general or retail manager. Not all the skills for these jobs require a degree. Certificates and diplomas could offer career orientated skills and practical knowledge through a combination of theoretical input and practical experience on the job.

In call centres there is a captive audience of young agents. This is fertile ground. Government needs to change how it views their role and significance as citizens and see them

as agents of socio-economic development. While staff with enhanced skills may choose to take advantage of career prospects in other companies, government and call centre companies could view this as assisting in closing the skills gap. Call companies could thus see themselves as playing a more responsible role in the future of our economy.

### LOOKING AHEAD

South Africa has one of the highest wage gaps in the world. National accounts reveal that growth is skewed in favour of companies as they report a higher rate of profit in relation to the increase in employee remuneration. We cannot afford economic growth at the expense of the poor and unskilled and we cannot allow economic growth without dealing with the structural problems that hinder equitable and sustainable development.

Government needs to stop protecting big corporations who announce huge profits and thank their workers with a round of applause.

Government should consider expanding funding arrangements through partnerships where training grants underpin joint employer-union education and training programmes. Most companies complain about the heavy internal training burden they have to carry without subsidies. Training projects need to be properly funded and developed so that they provide basic skills (numeracy, literacy) up to degree courses in IT or telecommunications. LB

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