



Call Centers: How to Reduce Burnout, Increase Efficiency

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The front lines of a corporate call center are often charged with emotion, and companies need to account for that when hiring and training workers to take on this critical role in customer contact, according to speakers at a recent Call Center Industry Forum sponsored by Wharton's Financial Institutions Center.

“There is a growing need for workers who have to deal constantly with the public to manage emotions – and this is especially true for those on the phones,” said [Steffanie Wilk](#), a Wharton management professor who has done extensive research on call centers.



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With an estimated 3% of the U.S. workforce employed in call centers, the emotional labor of dealing with customers can lead to costly employee burnout and high turnover rates, according to Wilk. It's important, she said, to figure out ways to counter stressful situations so that employees “are not feeling overwhelmed by their work, so they are not building up more steam.”

[Nancy Rothbard](#), professor of management at Wharton, presented the results of research on workers' mood, performance and burnout conducted by her and Wilk at a large property and casualty insurer. During three weeks in May 2003, a group of 40 call center workers received computer prompts to answer four short questionnaires at the beginning and end of the day, and another two at random times, to gauge their mood. In addition, the researchers taped the workers during the period and are coding 6,000 calls to develop an objective measure of the emotions evoked during those calls. Each worker's overall positive or negative personal nature was also evaluated and controlled for in the research.

"When we think about call center workers, one of the biggest challenges is remaining resilient to the anger and hostility that can come their way. That's the negative side," said Rothbard. "But what about the positive side? If a client is pleasant and cheerful, does that infuse you with energy in the way I found it does when a positive mood from home spills over?"

The BMW Hostage

Rothbard recalled one conversation in which a caller accused the call center worker of keeping her BMW hostage at a body shop for three weeks. "What we really heard in the calls we listened to, and in focus groups, was that there is a wide variety of emotions, from very negative hostile ones to very sad ones." In addition, there were “incredibly difficult calls” coming in that referred to events surrounding the Sept. 11 terrorist attack, said Rothbard.

Earlier work, she added, shows an emotional spillover between home and work for employees. She suggested that problems at home do not necessarily lead to problems at work. "I found there was more

evidence of enrichment – where positive emotions from home spilled over and caused people to be more engaged with work. Negative emotions also spilled over and caused people to be more engaged with their work. Employers fear spillover from home will cause workers to be disengaged, but people try to escape from a negative experience by throwing themselves into another role."

Preliminary results of the insurance company call center research show that workers' moods coming into the job surface throughout the day, Rothbard said. If workers arrived in a positive mood, they were likely to stay that way and the same held true if they arrived in a bad mood. As for the contagion effect of customers, Rothbard said there is spillover, but more for positive interactions than for negative ones. "My guess is [employees] are skilled and able to segment that away from themselves, but they let in the positive if the customer is cheerful and happy ... Perhaps it's a coping mechanism."

In focus groups, according to Wilk, call center workers routinely say the hardest part of their job is that they know how to help the customer, but do not have the authority to take action, such as waiving a late fee. This forces the customer to get angry enough that he or she asks to speak to a person who has authority." "It's incredibly frustrating" for the initial call center representative.

Wilk said call center processes and operations should be better designed to anticipate callers' needs and make sure those calls are routed most effectively to people who can actually help the customer. "In the command and control model, in essence you set it up so that the customer has to get angry or upset with you before his or her issues can get resolved. You're signaling to the customer that talking loudly and screaming gets you what you want."

With the increasing use of foreign call centers, U.S. workers can feel even greater pressure, which then leads to burnout, added Wilk. "Only a small percentage of these workers are in a union. With technology, a flick of a switch can move their jobs away. Workers say that they are afraid to complain" for fear of being let go.

Hiring and Training

According to Daniel J. Ostgaard, president of Human Resource Advisors in Minneapolis and a consultant to several large call centers, it is important for companies to stick to fundamentals when hiring and managing call center employees.

First, he said, companies must understand their own organization in order to select the right person for the job. "If we focus on understanding the job and build a selection system, we want to start with the biggest impact and build on that," said Ostgaard. For example, companies should consider whether the job opening is team-based or individually oriented when drafting selection criteria. "I think it makes a great deal of difference what product people are supporting," he said.

Ostgaard also questioned the practice of moving customer service representatives into sales positions in which people who are courteous and friendly may be uncomfortable selling. In addition, he said an overemphasis on courtesy can be damaging. "The danger is you have people with great courtesy and presentation on the phone and they give bad information all the time." Ostgaard urged employers to create ways to measure and evaluate their call center hiring. Call center managers, he said, focus on many metrics. "Why don't we do [the same thing] for the selection process? We probably know the manager that consistently makes the best quality hires. We should, and we can, measure that."

Ostgaard also cautioned employers against falling for vendors who emphasize speedy analytical technology over fundamental selection assessment. “Vendors promote their product on instantaneous results and an easy-to-read and easy-to-interpret report. Great. Now I can make a bad decision faster and easier.”

Culture Fits, and Misfits

Malcolm McCulloch, senior research consultant at LIMRA International in Hartford, Conn.— a non-profit research organization for the life insurance industry – suggested companies make a better effort to hire employees who will fit into the culture of their organization. Call centers, he said, typically experience a 30% annual turnover in employees. “It’s very costly. Anything over 5% is pain and I’ve seen it where the mean is 17 days.”

McCulloch defined what he calls “person-organization fit” as the match between an individual’s values and preferences and the characteristics of the work organization. He used the example of a claim center where accuracy and attention to detail are important. An individual who avoids risk and accepts supervision is likely to feel satisfied and comfortable in the job and develop a commitment to the organization.

“On the other hand, a misfit at the claim center may have an entrepreneurial spirit. They’re not going to be happy campers. They won’t commit to the organization and they will soon leave.”

Companies should develop measures to test for organization fit in hiring new employees, he noted. “In the business world a lot of people assume they know fit and talk about fit, but they really don’t put a lot of rigor around it. They use a lot of subjective techniques. They say, ‘My gut [tells me],’ or ‘My sense is.’”

According to McCulloch, companies can use front-line managers to develop a set of “descriptors” defining the company’s culture. For example, one descriptor might be the word “predictable” – defined as an environment in which representatives know what to expect day to day. In a research project, Limra used 54 descriptors to create profiles of 11 companies that were matched against 360 employee responses. The employees were grouped into seven categories assessing the level of cultural match. Of the employees who were an extreme mismatch, only 11% were still on the job a year later. Of those with a very strong match to the organization’s culture, 81% were still at their jobs a year later. Of those in the middle of the spectrum, with a moderate match, 68% were on the job a year later.

“The moral of the tale is that in an applied sense the person-organization fit was a significant predictor of turnover,” said McCulloch.

Pros and Cons of Scripting

Once workers are selected for call center work, most are trained for their specific jobs, but they should also be given a larger sense of the organization, said Larry Hunter, professor of management, University of Wisconsin-Madison.

Hunter has researched the role of scripts in call center work and found some contradictions. While

workers say using scripts improves their skills and makes it easier to do their jobs, they also react negatively to scripting and report that it leads to lower morale over time.

Describing research developed from 800 responses at a large telecommunications company, Hunter said scripts help employees interact with customers and improve product knowledge. Workers with more scripting agreed more strongly that scripts are restrictive and reported that the amount of scripting was not related to the perceived helpfulness of the scripts. Employees with longer time on the job also tended to like scripts less. “We see that scripting builds skills and managers have a reason to want them, but there is a downside,” said Hunter. “More scripting is associated with lower job satisfaction, greater burnout and a higher intention to quit the job.”

Hunter said companies should try to preserve the benefits of scripting, while protecting against the downside, by using two levels of training. The first level involves simple training in how and when to use the script. This is frequently done, but not always. In second-level training, workers are given a deeper understanding of why the script is being used and how it relates to efficiency and other goals of the organization, such as cross-selling. This kind of training is unusual for call center employees, said Hunter. “If you can do that, I suggest you will cut turnover and increase efficiency. Where people don’t think scripts are going to reduce their autonomy, where they have the big picture ... they are less likely to be burned out and less likely to quit.”

The two-level approach to training could be used in many elements of call center work, not just scripting, he noted. “Helping people understand why they are doing these kinds of things is critical in helping them to survive what can be a really stressful environment.”

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