Turning Call Centres Into Learning Organizations

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ABSTRACT

In today's service-based economy, call centres have become a focal point of the modern workplace. Poorly managed call centres carry a stereotype of being back office sweatshops: they have become the information-age assembly plant. This paper examines how learning organizations can be developed in the complex and challenging environments of call centres. The leadership process of call centres is viewed through the classic systems thinking lens of Peter Senge’s The Fifth Discipline (2006) and explores how call centres can become learning organizations by adopting Senge’s core disciplines of systems thinking, mental models, and personal mastery (pp. 7-9). This paper challenges the call centre design in a way that allows leaders to adopt the lens of Senge’s (2006) learning organization and shares how American Express built a learning organization in their Kuala Lumpur Global Services Centre, in doing so American Express, Malaysia was commended by Hewitt Associates as a Best Place To Work.

INTRODUCTION

Call centres are challenging environments to effectively lead; this real-time business that has evolved radically and will continue to do so. According to the Global Call Centre Report (2007) “media typically portray call centers as large warehouses providing low skill, high turnover jobs. Outsourcing and off-shoring are viewed as the dominant trends in what are considered low value-added activities” (p. 44). It is time for a change in call centre mentality and behavior. The difference between a call center manager and a call centre leader lies in whether the person reacts linearly or pursues change proactively. Many organizations are blind to the adage, “If you do what you’ve always done, you’ll get what you’ve got.” Call centres can break the sweatshop perception by leading through the lens of Senge’s (2006) learning organization: “Organizations learn only through individuals that learn” (p. 129). Wilson (2008) likewise concludes “Extraordinary management is only possible in environments that encourage increased productivity and creativity by allowing employees to question the organization’s current practices by developing new patterns of understanding, thinking and behavior” (p. 22). This paper focuses on new patterns of thinking that can convert the dysfunctional characteristics of call centres into becoming a learning organization.

THE CALL CENTER SYSTEM

The challenges of a call centre start with a workplace where employees tethered to phones work shifts in a 24 x 7 world while resolving hundreds of customer problems. Employees have talk time guidelines; they adhere to strict schedules; their calls are monitored; and they are discouraged from having any break between calls. Wilson (2008) described the profession: “Working in call centers can be particularly demanding because of the potential for rude and sometimes angry customers. Handling these calls without becoming emotionally involved but remaining empathetic to maintain the loyalty of the customer is a challenging task” (p. 2). According to Cleveland (2009): “This first decade of the 21st
The 21st century has been, in many ways, a challenging season for the management teams of call centres. In many cases, resources remain tight even as workloads continue to grow. And other factors have also added to the pressure, e.g., customer expectations continue to climb, upper-level management demand ever-better returns on investments, and contacts are becoming more complex”. (p. 269)

The call centre conjures up many stereotypical perceptions for the public. According to Hathaway, (as cited by Wilson, 2008, p, 18) the British editor of Call Centre Focus, “The British public hate call centres.” Wilson observed that “even before many customers make a call they anticipate problems and become defensive or aggressive, creating a hurdle too high for the advisor to overcome” (p. 18). The situation is worsened, noted Cleveland (2009), when, because “callers can’t see the queue; they often become impatient much more quickly than in settings where they can ‘see’ the line” (p. 29).

In 2008 Wilson published his comprehensive book emphasizing the need for more literature on training and development in call centres, Wilson explained: “Learning and development are essential ingredients that help to ensure the competitiveness and ongoing success of call and contact centres. Yet, although they are key requirements, there has been very little written to support customer service representatives, team leaders, managers, coaches and trainers working in call centers”. (p. 1)

Call centres are a relatively new workplace phenomenon, and the field has not had the history of traditional industries to refine itself. Wilson (2008) noted that “the growth of the contact centre industry has been rapid and has occurred in an ad hoc manner. The result is that it has often lacked the maturity and integrated nature found with more established industries”(p. 14). As a result, call centers are perceived to be a return to scientific management methods, resulting in workplaces that have a reputation for measuring everything “but an employee’s heartbeat.” Wilson elaborated: “Contact centres are often considered to be a classic example of Taylorism, which involves detailed work structuring and close monitoring of performance. As a result they have attracted negative comments and have been called “assembly lines in the head” (Taylor & Bain, 1999); “electronic sweatshops” (Garson, 1988); and “twentieth-century panopticans” (Fernie & Metcalf). (p. 19)

Call centre leaders have the capacity to overcome this tendency toward Taylorism and to build learning organizations in their complex environments. Cleveland (2008) argued that “successful organizations design their structures to fit their unique and evolving situation” (p. 325). They appear to adopt an iterative strategy that resembles Senge’s (2006) concept of systems thinking. Senge (2006) defined systems thinking as “a discipline for seeing the structures that underlie complex situations and for discerning high from low leverage change. That is, by seeing wholes we learn how to foster health. To do so, systems thinking offers a language that begins by restructuring how we think”. (p. 69)

Senge’s comment about needing to see the “forest and the trees” (p. 72) is relevant to discerning healthy change in a call center. Call centres represent a forest of interfaces for their customers. Successful centers have evolved from just focusing on the transaction, being limited to resolve only one customer problem at one place to creating a seamless customer experience by resolving all needs at the first point of contact. Cleveland (2009) noted, “Call centres have become increasingly vital to the organization’s ability to understand and serve diverse customers, capture marketplace intelligence and work across departments to improve products and services” (p. 201). Exceptional call centres understand they are more than just a cost centre function; customer centric companies understand the relational impact and consequences of each customer contact. Their customers don’t get lost in the forest or the trees.

In order to navigate the call centre forest Wilson (2008) described one of the most common paradoxes: “The call centre is a great example of contradictory demands and call centre managers have to
manage the constant tension between the sometimes opposing goals of service efficiency and customer service effectiveness” (p. 206). Call centre managers face a constant push and pull to figure out the right resources at the right time to deliver service 24 hours a day.

In a search for stability and survival in such a complex environment, the call centre manager may favor Senge’s (2006) description of linear thinking over a systems solution: “Most organizations are dominated by linear thinking, not systems thinking. The dominance of event mentality tells people that the name of the game is reacting to change, not generating change” (p. 215). Granered (2005) in contrast to linear thinking emphasized how a systems approach to learning can be developed in call centres: “It is true that training is something that we do to get our agents to use the systems in the call centre. However, we are not talking about reactive, occasional training, but strategic, ongoing learning. For learning to be strategic and ongoing, we need a systems approach to sustain it. By systems approach, I mean that there has to be a method in place to assess needs, track progress, and measure outcomes”. (p. 113) Freeing up agents to conduct off the phone training is difficult amidst the continuous inbound calling environment. System thinking calls centres utilize sophisticated scheduling approaches to proactively ensure training and follow up on the outcomes.

In order to develop systems thinking and break from traditional linear patterns, Senge (2006) proposed, a person must “shift from seeing the world primarily from a linear perspective to seeing and acting systemically” (p. 125). A similar perspective manifests at the macro level of companies by shifting their call center mentality from that of a cost centre to a relationship center. Customer centric companies understand the customer’s lifetime value and how a call centre can cultivate that relationship or sever it. According to Granered (2005) on the micro level best-in-class call centers figure out how to develop, schedule, and implement “learning management systems” (p.118). Customer-centric companies are shifting to a closed-loop system approach of linking multiple business disciplines through their call center. Cleveland (2009) reported on what makes the change look possible, “Call centre structures are being redefined. Many organizations are restructuring so that all channels of contact with customers are under the same management umbrella” (p. 370).

THE MENTAL MODEL BARRIER

Senge’s (2006) concept of mental models appears relevant to understanding the command and control style call center manager. Senge defined mental models as “deeply ingrained assumptions, generalizations, or even pictures or images that influence how we understand the world and how we take action” (p. 176). The prevailing mental model may be reflected in the frontline call centre supervisors and agent’s performance measures. Cleveland (2009) gave the following example: “Supervisors and agents may believe they are getting mixed signals from management: “Hey, you train us to do a quality job, but then you put a lot of emphasis on achieving an efficient service level and response time objective. You put queue displays all over the place and get unhappy when service level and response time drops. What do you really want?” (p. 224)

The dilemma of balancing quality and quantity becomes counterintuitive for management teams that think they are doing the right thing while they could actually be wrong. Chris Argyris described the concept of “skilled incompetence — teams full of people who are incredibly proficient at keeping themselves from learning” (as cited in Senge, p. 25). The presence of mental model barriers in call centre managers is not uncommon according to the research of Carlaw, Carlaw, Demming, and Freidman (2003). They reported: “One mistake common among contact centre managers is that they assume they know
what’s important to their employees, what they like and dislike, what they need and don’t need, and so on. In some cases this may be true, but we have found that managers are often wrong about what their agents want and how to motivate them”. (p. 14)

The difference between the mentality of a linear model and that of a learning organization, according to Senge (2006), is that while “‘linear thinking’ dominates most mental models used for critical decisions today, the learning organizations of the future will make key decisions based on shared understanding of interrelationships and patterns of change” (p. 190). The interface that call centre agents have with customers can provide a linearly reactive response or a proactive insight to patterns of change. Agents have a broad perspective of the business as a result of listening to hundreds of customers; agents understand the pulse of the system and often sense the early indicators of necessary change. Call centre leaders that tap into a collaborative approach to resolving their challenges through agents, supervisors, senior management and customers demonstrate the potential to break from the linear mode.

Successful call center leaders understand the magnitude of their centre’s role in being the company interface with the customer; simultaneously they represent the voice of the customer in company strategy. These leaders make the break from linear thinking by recognizing interrelationships within their sphere of influence and create environments that share in the needs for change. Clawson (2006) noted that “Leaders understand they do not have direct effects on their companies’ results or even on the development of the dominant cultures that operate in those companies. Rather they make design decisions that not only address the immediate problems at hand, but also leave a legacy that adds to, augments, or shift the momentum of the organization’s cultures and subcultures”. (p. 269) Call centre leaders have the capacity to be considered organizational architects, as Clawson asserts: “Organizational culture — the behavioral outcome of the collision between leader’s design decision and the people who work within them — can be an enormous help or a huge hindrance in realizing strategic intent” (p. 264). Linear thinking call centre managers can get stuck in a mental model, declare they are a victim of a system and blame that system for why they cannot move their organization forward.

Cleveland (2009) argued successful call centre leaders don’t follow traditional linear models, but rather adapt strategies for influencing their destiny by focusing on what is within their reach and striving to change what they must. He explained “they see the possibilities; they have invested in untold hours of training and equipping people. They have learned the nuances of forecasting, staffing and the behavior of queues. They continue to improve the process and find new and better ways to get things done. They are willing to experiment”. (p. 387) Best managed call centres, according to Cleveland (2009), “have an established, collaborative planning process, largely due to effective planning, great call centres work so well that they are almost transparent. The teams concentrate on delivering the organization’s services, and on building the organization’s value and brand — not on running call centres”. (p. 383)

Cleveland proposes that best-managed call centres “have a supporting culture” and “know that their people are the key to success” (p. 379). Cleveland observed: “seasoned call centre managers agree that shaping culture — or, more correctly, enabling it to flourish — is a primary leadership responsibility. Leading call centres go to great lengths to see that their employees feel welcomed, valued, supported and included in a positive business”. (p.379)
THE GOAL OF ENGAGEMENT

Research from a Towers Perrin global workforce study has emerged that supports the wisdom to follow Senge’s (2006) lead to break from mental models and “distinguish learning organizations from traditional authoritarian ‘controlling organizations’” (p. 5). Senge’s (2006) philosophy emphasizes the importance of giving leaders support and autonomy in building learning organizations. Cleveland’s observations about successful call centres suggest successful leaders know this. The correlation between a leader’s ability to develop employees and that leader’s impact on overall employee satisfaction was confirmed by the Towers Perrin Global Workforce Study (2007). The Towers Perrin study of approximately 86,000 people was “the largest ever single survey of employees working for midsize to large companies in 16 different countries across four continents” (p. 1). The study reported, “People are more likely to stay with companies they perceive as ‘talent friendly’ and progressive in terms of having leading-edge people practices and work environment” (p. 4).

Engagement has become the ultimate workplace goal, as defined by Towers Perrin (2007): “there is a world of difference between “willing” and “engaged,” and it’s a difference employers need to address if they want to realize a genuine performance lift from their people. Willing people get the job done as required. Engaged employees redefine the job to improve efficiency, effectiveness and results. Willing employees do what’s necessary, but often no more. Engaged employees seek opportunities to go beyond — to try new approaches, test boundaries, challenge the status quo”. (p. 9)

The Towers Perrin research reinforces an approach towards engagement that has been practiced by successful call center leaders, a practice that required call centres to break from their old linear ways.

ACHIEVING PERSONAL MASTERY IN THE CALL CENTRE

In addition to overcoming the linear patterns associated with mental model barriers Senge (2006) proposed that one must first gain “personal mastery” (p. 129). Personal mastery is “the process of continually focusing and refocusing on what one truly wants, on one’s visions” (p. 139). Keeping a centered focus on the big picture in the complex world of call centres is extremely difficult. Cleveland (2009) observed that “some call centre managers view the future with apprehension” (p. 387) as “they contemplate the increasingly diverse interactions their call center will handle. They wonder how they’re going to keep up in an environment that changes so quickly, so persistently” (p. 388). In order for the best managed call centers to succeed, Cleveland asserts, “organizations need professionals who can help them sort through the changes and make sound business decisions. Professionals who see possibilities ahead” (p. 388). Exemplary leaders see potential, according to Senge (2006), they operate based on a “calling rather than simply a good idea”; also, they “feel as if they are part of a larger creative process, which they can influence but cannot unilaterally control” (p. 132).

Mihaly Csikszentmihalyi’s (1997) described a way to achieve personal mastery related to Senge’s notion of a calling. Csikszentmihalyi (1997) stated: “If work and relationships are able to provide flow, the quality of everyday life is bound to improve. But there are no gimmicks, no easy shortcuts. It takes a total commitment to a fully experience life, one in which no opportunities are left unexplored and no potential undeveloped, to achieve excellence”. (p. 115)
FINDING FLOW

Flow and learning are interconnected. Flow happens when your inner and outer game are at their peak. Senge (2006) noted that “everyone has had experiences when work flows fluidly: when one feels in tune with a task and works with a true economy of means” (p. 138). Traditional linear ways of thinking can prevent one from being in tune with a task under the intense demands of call center environments.

However, accomplished call centre leaders understand the impact a workplace has on an employee’s life and adapt their strategies accordingly. Employees appreciate leaders who understand the purpose of a learning organization as articulated by Senge (2006): “why we encourage our people in this quest is the impact which full personal development can have on individual happiness. To seek personal fulfillment only outside of work and to ignore the significant portion of our lives which we spend working, would be to limit our opportunities to be happy and complete human beings”. (p. 134)

Effective learning organization leaders pursue flow for themselves and others. I have personally observed the fulfillment of personal mastery based on flow in call centers. Senge (2006) explained the types of mastery I observed: “personal mastery is the phrase we use for the discipline of personal growth and learning. People with high levels of personal mastery are continually expanding their ability to create the results in life they truly seek. From their quest for continual learning comes the spirit of the learning organization”. (p. 131)

Such spirit can be identified as contagious effectiveness. It is evident in call centre environments where employees are listened to, are developed, and have a sense of purpose; in such places, the enthusiasm of the leader becomes contagious. Leaders who are contagiously effective understand the concept of flow and navigate their journey through applying a theory called “self leadership” or “superleadership” developed by Manz and Sims (2001, p. 3). Self-leadership theory embodies Senge’s concept of personal mastery for both leader and followers. Manz and Sims described its effect on people in positions of power: “the concept appears to move them to take a penetrating look in the mirror, which helps free them to empower others while moving themselves toward becoming highly effective leaders – Super leaders. Many seem to realize for the first time that the best measure of their own leadership effectiveness is not how much they personally excel and receive acclaim. Instead, the effectiveness of leadership can be measured by the success of others”. (p. 3)

THE ROLE OF SELF-LEADERSHIP IN A CALL CENTRE LEARNING ORGANIZATION

A self-leader, according to Manz and Sims (2001), “is one who leads others to lead themselves” (p. 22), but “before we can lead others, we must learn to lead ourselves” (1996, p. 11). Self-leadership is an extension of self-management theory, according to Manz (2001), who added: “Self managing teams had a slow start in the United States. Eventually, media interest helped — now teams are recognized as an important organization design feature and used in most major industries” (p. 170). The success of self-leadership is contingent on the two-way relationship and development between a leader and follower, according to Hackman and Johnson (2004). Hackman and Johnson explained, “followers who become self-leaders (those who take charge of their own thought and behaviors) involved modeling the desired behaviors, providing guidance, and creating a climate that promotes independent thought and action. Followers can become self-leaders with the help of their superiors if they engage in such self-behavior modification strategies”. (p. 150)
Environments strong in teaming are conducive to self-leadership, according to Manz and Sims (2001): “One of the prominent indicators of a self-leadership culture is the presence of quite a few teams” (p. 171). Self-leaders demonstrate Senge’s (2006) personal mastery and become what Clawson (2006) referred to as “architects of effective organizations” (p. 269). Personal mastery and self-leadership are concepts I have seen applied effectively in call center environments. During the span of a twenty-five-year career, I have worked with a dozen different call-centre-related businesses. My own personal mastery challenge came in 2001 when I accepted an assignment with American Express to build a global service centre in Kuala Lumpur, Malaysia. I had a clear calling to build the world-class contact centre. Finding what Csikszentmihalyi identified as “flow” took a process of four years. During those four years the American Express Kuala Lumpur Global Services Centre grew by 400% into a worldwide servicer of twelve countries across four continents in six languages and achieved the highest employee and customer satisfaction in Asia and won the Hewitt Associates Best Employer award in Malaysia (Hewitt Associates Asia, 2005). None of this could have been achieved without applying the concepts of Senge’s (2006) learning organization and Manz and Sims’ (2007) self-leadership.

Today’s best corporate employers like American Express invest in feedback tools that allow a leader to quickly conduct an organizational needs analysis based on employee satisfaction surveys, workplace climate studies, team assessment tools, 360-degree feedback, talent management plans and customer surveys. According to Marquardt (2002), learning organizations “create an iterative process of delivery, feedback, and redesign for achieving effective and timely learning that keeps pace with shifting business goals” (p. 84). Customer feedback tools have evolved with the service industry and they continue to become more sophisticated. The practice of collecting employee satisfaction surveys at American Express emerged in the 1990s; this process has remained in place at American Express.

According to the Towers Perrin Employee Report’s the top employee satisfaction drivers are “challenging work” and “learning and development opportunities” (2007, p. 16). The work by the human resource consultancy group Hewitt Associates (2005) also reinforces the Towers Perrin findings showing that being a best-in-class workplace requires providing learning and development opportunities to help individuals build valuable skills and inspiring people to do their best every day. Survey data on these key questions allows a leader to get a sense of his or her call centre climate and focus accordingly on what is needed. Achieving high engagement scores is critical, according to Towers Perrin (2007): “the consequences of lower engagement can be significant. In addition there is a growing body of evidence including our own linkage analysis conducted in 2003 in the US and 2004 in the UK with prior employee data that clearly shows that companies with higher level of engagement tend to outperform those with lower employee engagement on key financial measures, relative to industry benchmarks”. (2007, pp. 9-10)

The American Express Kuala Lumpur Global Services Centre implemented comprehensive training programs for technical customer service skills and soft skills used in organizing effective teams. The specific organizational tools utilized were those of the affinity process (Balanced Score Card, 2009, p. 2), nominal group techniques (American Society for Quality, 2009), and quality circles to facilitate collaborative actions. Since employee development was a critical driver of engagement, American Express practiced what Sarah Cook (2008) referred to as a “characteristic of organizations with a high level of engagement,” which is that “employees are asked what training they want (rather than forced into something that may not help) and their transferable skills are improved” (p. 149). The organizational tools helped to draw out employee feedback and prioritize business needs.

After completing an organizational need analysis with 100% employee input, American Express addressed a need by developing a comprehensive self-leadership training curriculum that senior
leadership learned, practiced, and cascaded by mentoring front line employees. Wilson’s (2008) call centre findings endorse the concept of leading others to lead themselves: “The research findings indicate that organizations’ productivity significantly increases when employees see the senior managers and line managers prioritizing and taking responsibility for the development of others” (p. 222). Consistent with Senge’s (2006) argument that local management needs autonomy to do what’s best, American Express leadership was given full accountability and support to build a workplace culture of continuous learning. My experience in being part of American Express’s Kuala Lumpur Global Services Centre and winning the Hewitt Best Place to Work Award reinforced my belief that call centres could become learning organizations.

CONCLUSION

The structural design of a call center lends itself to be associated with the scientific management practices of Taylorism. According to the Global Call Centre Report (2007) “the emerging international call center sector is a complex and rapidly changing landscape, far from the stylized facts portrayed in the mainstream media” (p. 45). This paper was not an orientation or debate of the common call center technical disciplines such as forecasting, scheduling, ACDs (Automated Call Distributors) or shrinkage (the scheduled time people are not on the phone). This paper challenges the call centre design in a way that allows leaders to adopt the lens of Senge’s (2006) learning organization. It offers an applied perspective on how to overcome restrictive workplace designs and convert them into great places to work.

Call center environments are capable of becoming exceptional workplaces where employees are continuously engaged and learning while delighting customers. A learning organization, noted Senge (2006), “is a place where people are continually discovering how they create their reality. And how they can change it” (p. 12). Effective application of Senge’s core disciplines of systems thinking, mental models, and personal mastery can create that change within call centers.

REFERENCES


