

CULTURAL TENSIONS - EXPLORING CALL CENTRES IN THE PUBLIC SECTOR

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Abstract

The mostly private sector literature on call centre work suggests two distinct images: electronic sweatshops and customer focus (Deery & Kinnie 2002). In the public sector, call centres have become widespread as governments import private sector management practices. Under the rubric of New Public Management (NPM) contestability, and client focus require call centres and other public services to compare or at least benchmark against the private sector. However, the limited literature on public sector call centres highlights distinctive features of the sector along with the pervasiveness of private sector operational and managerial practices. This paper explores the cultural tensions between traditional public sector work organisation and the marketisation of public services through case studies of call centres in two large Australian government agencies. This discussion is organised around the themes of the characteristics and tensions of the call centres, the organisation of work, and the management of the employment relationship.

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INTRODUCTION

The exponential growth of call centres and call centre employment worldwide has attracted considerable academic interest with a range of themes and issues being explored. Predictably, this research has tended to overlook public sector call centres, though there are a small number of studies that highlight their distinctiveness, particularly in relation to employment related practices (e.g. Gelders & Walrave 2003; van den Broek 2003a). Call centres are widespread in both the public and private sectors in Australia. In the Australian Public Service (APS), a new public management (NPM) approach has been adopted since the 1980s, though with greater intensity since the election of a neo-liberal government in 1996. As part of a wider process of labour market and economic reform, this government has attempted to recast the management of public bureaucracies along the lines of business enterprises (Anderson, Griffin & Teicher 2002). Contestability and client focus, two core attributes of NPM, require public services, including call centres to compete, or at least benchmark, against the private sector. This environment raises pertinent questions about the operation of public sector call centres in Australia and whether and to what extent they differ from their private sector counterparts. This paper addresses the research gap on Australian public sector call centres by exploring the nature and organisation of work and the management of the employment relationship, in two large Australian government agencies.

LITERATURE REVIEW

Taylor and Bain (1999: 102) define call centres as a dedicated operation in which computer-utilising employees receive inbound or make outbound telephone calls. Despite the use of multiple theoretical perspectives to study call centres, the services marketing approach has been dominant (e.g. Gilmore 2001). In this paper we focus on the employment relations and labour process perspectives of call centres, which as Deery and Kinnie (2002) have commented, are not well understood. These authors categorise the wider literature on call centres around four central and recurring themes: the characteristics and organisational features of the work, the choices and strategies available to manage the work, the effects of work organisation on employees, and the responses and reactions of employees to their work and experiences. In this paper we use this as a framework to review the call centre literature in each of these interrelated areas.

Characteristics and Tensions of Call Centre Work

Research exploring the organisational characteristics of call centres has identified two distinct perspectives. On the one hand, call centres have been depicted as 'electronic sweatshops' in which employment arrangements are coercive, repetitive, stressful, poorly paid, and routinised (Taylor & Bain, 1999; Callaghan & Thompson, 2001). This perspective paints a picture of fragmented and low-skilled, dead end jobs, with no autonomy or status, low pay and little opportunity for career advancement (Deery & Kinnie, 2002; Russell, 2002). This body of research shows call centres as habitually employing rigid operating procedures and supervision in the form of strict monitoring of jobs (Gilmore, 2001; Houlihan, 2001).

On the other hand however, call centres have been described as a significant foray into the information and knowledge economy providing knowledge intensive support services (Shah & Bandi, 2003). The image of call centres which emerges from this literature depicts the work as diverse, challenging, and interesting, and in this environment, employees are acknowledged and valued. According to this model, the work is highly skilled and employees exercise judgement or discretion in service provision because customers' requirements cannot be standardised.

Despite the existence of two distinct organisational perspectives of call centres in the literature, Russell's (2002) study of Australian call centres depicted a blend of the old and the new. He argued that whilst call centre jobs are more holistic than the extremes of the manufacturing

assembly line and that workers have greater control over their jobs, the nature of the work in call centres is still routinised and training minimal. Similarly, Frenkel, Korczynski, Shire and Tam (1998) delineated a hybrid model of call centres, termed 'mass customised bureaucracies', in which work processes are standardised but products are customised. Korczynski (2001) further developed this model to describe a 'customer-oriented bureaucracy' that combines rational-legal rules and customer relationships, bureaucratic measurement of performance, and maintenance of internal stability while flexibly responding to customers. This bureaucratized hybrid model can be juxtaposed with the 'fun and surveillance' model, in which surveillance practices are utilised in combination with high commitment management practices (Russell, 2002). In this latter model, the social aspects of work are emphasised, and management reinforce this by creating games, awards and a team ethos to make the workplace fun. However, this 'fun' culture remains firmly embedded in surveillance and tightly controlled work practices.

The tensions embedded in the organisational characteristics of call centres and their employment arrangements are frequently attributed to competing objectives of quantity versus quality, or, service versus efficiency (Gilmore, 2001; Dormann & Zijlstra, 2003): that is, the need to be cost-effective by increasing the speed of call processing, versus a desire to be customer oriented by providing a quality service. These tensions have been captured empirically. Russell (2002) for example, found that 63 per cent of employees in call centres experienced conflict between providing high levels of customer service and meeting the volume of call demands. Van den Broek (2003a) found that outcomes based on the quantity rather than the quality of work often led to a feeling among workers that their skills and knowledge were not being well utilised.

Management of the Employment Relationship

Consistent with the continuum used to describe the organisational characteristics of call centres, the employment relationship can be designed so as to maximise autonomy and discretion (an empowerment approach), which is more likely to contribute to long term employee satisfaction and morale and long term customer satisfaction (Gilmore, 2001). At the other end of the continuum is the production line approach, which has been linked to narrowly defined jobs, limited career paths, extensive use of non-standard (e.g. part time and casual) labour, authoritarian management styles, individualised payment systems, physically and mentally demanding work, high rates of employee turnover, absenteeism and stress (Larner 2001; Gilmore, 2001). These two models do however, represent ideal types and in practice hybrid models are evident (Frenkel *et al.*, 1998; Russell, 2002).

The intrinsic nature of call centre work requires managers to place an emphasis on instilling a commitment to service quality among employees, even in low discretion call centres. Indeed, Callaghan and Thompson (2002) noted a focus on personality and behavioural traits (e.g. high level communication skills, active listening skills, highly developed questioning skills, problem solving skills, and an enthusiastic and positive attitude), and service-oriented attitudes in call centre recruitment processes, pointing to another tension synonymous with call centre work: the use of sophisticated recruitment techniques by management for routinised work.

The widespread use of monitoring and surveillance of employees has captured a great deal of attention and criticism in the literature (van den Broek 2003b; Gilmore 2001). For example, measures of criteria on quantitative dimensions may reveal excellent performance, whereas when measured on qualitative dimensions may reveal poor performance. Thus, the embedded contradictions manifest in the quantity versus quality debate place limitations on the measurement of call centre work. The more contentious issue with regard to employee monitoring has centered on the adoption of intense control techniques, such as the requirement to raise a hand when employees want to take a meal/toilet break or limiting these breaks to certain time periods (van den Broek, 2003b). Teams and the use of emotional labour (empathy) are also thought to play an important role in control through normative mechanisms, such as commitment to a team ethos and reliance on the emotional connections of operators to their callers (Russell, 2002; van den Broek, Callaghan & Thompson, 2004).

The extensive use of management control mechanisms has been linked to low levels of union density, union recognition and workplace organisation in the industry. The lack of collective organisation among call centre workers has been attributed to: a transient, white collar, relatively low skilled sector comprised primarily of young, female employees performing low discretion, tightly specified tasks; the high rates of labour turnover (employee exit strategies) in the industry; the organisation of work around team-based structures with an individualistic ethos; and, the spatial location of work (Russell, 2002).

Nature of the Work and effects on staff

Work in call centres is often organised into teams, however several studies have questioned whether the actual nature of work can be accurately characterised as teamwork (Korczynski, 2001; van den Broek *et al.*, 2004). Van den Broek *et al.*'s (2004) case studies found little evidence of interdependence between the tasks of operators, suggesting controls were exerted by management and information sharing limited, reflecting 'cosmetic' teams. This can be contrasted with Russell's (2002) case study which found a strong team ethos.

Call centre work is regarded as emotional labour, in the sense that employees are held accountable for their emotions in the delivery of service and need an emotional understanding of their client's needs, which requires a degree of empathy (Deery & Kinnie, 2002). Research has shown that the 'emotional labour' aspects of the work can have detrimental effects on operators (Dormann & Zijlstra, 2003). The routine nature of call centre work has also been found to have adverse effects on the health and well-being of employees. Routinisation, a lack of autonomy, inadequate training and an emphasis on quantity rather than quality are strongly linked to emotional exhaustion; specifically, absenteeism, anxiety, depression and job dissatisfaction (van den Broek 2003a: 250).

Houlihan (2001) explored the experiences of call centre work for middle managers and found that managers felt constrained by a focus on micro level issues and a lack of strategic support and development, due to standardisation and centralisation of core processes and deeply embedded goal conflicts; for example, quantity versus quality and staff motivation versus achievement of service levels. The dilemmas of call centre work for managers have also been addressed by Taylor and Bain (1999) who identified tensions between control and commitment ideologies, while Frenkel *et al.* (1998) framed the managerial experience in terms of tensions between standardisation and customisation.

Responses and Reactions of Employees

There is tremendous variation in the reactions, experiences and responses of employees to call centre work in general. Some employees find frontline service work rewarding, satisfying and fulfilling, particularly through social interaction and team based working. On the other hand, many studies point to a high incidence of stress levels, anxiety, depression, dissatisfaction and emotional exhaustion among call centre workers, stemming from work intensification and management pressure to maximise efficiency.

Despite the extensive use of monitoring in the call centre industry, this is not a primary source of employee concern. Employee responses vary considerably; for example, many studies point to employee apathy (Russell, 2002), whilst others point to overt employee resistance to managerially enforced output targets (van den Broek, 2003b). The literature identifies a range of actions and tactics that are used by employees to resist the monitoring and surveillance of their work, for example 'flicking' is a common tactic to control the pace of their work. This involves any one of: hanging up on customers, redirecting calls to other areas, or leaving customers waiting for long periods of time (van den Broek, 2002: 54-55).

The resistance of employees to managerial strategies and employment practices reiterates the conflicting dimensions of the employment relationship and another of the contradictory underpinnings that is embedded within call centre work: cooperation and commitment versus

control. Whilst it is widely accepted that managers have the capability to utilise extensive monitoring and surveillance within call centres, it must also be recognised that they are fundamentally dependent on the ongoing cooperation of employees for the call centre to function (Houlihan, 2001).

Public Sector Call Centres

There is a dearth of literature on public sector call centres, yet, a small number of studies have highlighted their distinctive characteristics, particularly in relation to employment related practices. For example, Gelders and Walrave's (2003: 178) study of a Flemish public sector call centre, noted the greater amount of customers' personal data that is available to operators and the higher qualifications of operators in the public sector. More highly skilled operators with specific knowledge were required in the public sector in order to deal with complex regulations underpinning service provision (e.g. sensitivity to societal problems and the ability to probe latent information needs). Similarly, in Australia, van den Broek (2003a: 236) found that a public sector call centre providing human services, was different from the private sector on the basis of operator qualifications, with operators required to use more considered decision-making skills. Nevertheless, she concluded that the nature of labour processes were strikingly similar, with management still attempting to reduce tasks to tangible and measurable products.

This paper addresses the gap in the literature to build an understanding of public sector call centres, by utilising the themes identified by Deery and Kinnie (2002) to explore two large Australian government agency call centres. We collapse Deery and Kinnie's (2002) themes into three, exploring the characteristics and tensions associated with call centre work, the organisation of work and the management of the employment relationship in the two government agency call centres.

METHOD

The data for this paper was collected as part of a larger project on the New Public Management in which we investigated the origins, patterns and processes of the restructuring of Australian Government Employment in general, and how this has impacted on management, organisations and the employment relationship. One aspect of restructuring in both agencies has been the establishment of large-scale networked call centres.

This research draws on a range of publications and primary sources, including published and internal agency documents as well as interviews with staff. Four interviews and two focus groups were conducted with Agency One call centre staff and five interviews and two focus groups were conducted with Agency Two call centre staff. Our informants ranged from senior management to call centre operators.

THE CALL CENTRES

At the time of the research there were 28 call centres in Agency One and they employed approximately 5000 staff, making it the largest single-purpose call centre in Australia. The 28 sites were networked in one virtual site managed centrally from the national capital. Calls were directed through the central virtual site to the operators with shortest waiting time. To prepare for major reforms in 2000, Agency Two established a network of call centres in 1999. This network provided call services to internal organisational units and these arrangements were managed through the service agreements between the unit and the call centre network. Employing over 1000, mainly permanent staff, the network had five locations. In addition to the network of call centres, some units within the agency have established their own call centres.

RESEARCH FINDINGS

Characteristics and tensions

Consistent with the tensions identified by Deery and Kinnie (2002), the agencies in this study were infused with competing objectives of cost-efficiency and customer-orientation. In addition quality, interpreted as accuracy, competed as a third priority. The importance of service, quality and cost as drivers of organisational performance was reiterated in all managerial level interviews and was also evident in the performance measures utilised by the agencies. Further the customer charters of both agencies commit to providing high standards of service, accuracy of information and efficiency. The national manager of Agency One elaborated:

you can't ever look at one without the others...the best managed call centres are ones where you are providing an excellent service to your customers, that service is cost effective – so the cheapest possible point – and you've got the highest possible outcomes (interview 1, 13 May 2003).

Importantly, rather than perceiving these as conflicting goals, Agency One managers suggested that they act in harmony, with one team leader explaining that, 'there has been a convergence of quality and quantity' (focus group 1, 13 June 2003). Focussing solely on costs, particularly when it is detrimental to staff development, was thought to reduce quality and service. However, at the workplace level the combined objectives of service, quality, and cost were experienced as conflict. As one operator explained, '[they] are a major contradiction...we're told that we have to spend so many minutes on each call, but then the quality of the call is deteriorating' (focus group 2 2003). Others experience the conflict as an unpredictable shifting of priorities amongst the three criteria, 'depending on the focus for this month...if the focus is on customer service then something that was focussed on last month will be wrong.'

In contrast, Agency Two focused strongly on providing service quality, defined as accurate information. None of the interviewees identified tensions between call handling time and service quality. The following comments were typical:

The driver isn't to get through 'x' amount of calls (interview 23, June 2003);

Here you can produce results that people are happy with (focus group, 23 June 2003).

While timing is a performance indicator in Agency Two, it is considered in the context of quality, with one team leader explaining that, 'I would prefer someone to take 35 good calls where there are no mistakes than someone taking 65-70 calls where there are a handful of mistakes' (focus group, 23 June 2003). Operators confirmed that the 'focus is more on quality than on quantity' (focus group, 6 June 2003).

A problem which had resonance with managerial staff and team leaders in Agency Two was the amount of time operators were logged-on to the system. A national manager expressed concerns about the inability of the agency to successfully benchmark against call centre industry standards. He advised that, '[Agency Two] pay their people for two 15 minute breaks, so that 16 staff with their breaks equates to one more person than the industry standard' (interview 21 May 2002). The push to move closer to industry standards was identified by the union delegate as a principal point of conflict, 'management want breaks and other leave arrangements to go as they are not an industry standard' (interview 15 October 2001).

Both agencies faced the prospect of competing against the market for the provision of their call services. As the national manager of Agency One explained:

[the call centre is] one area of government that could be picked off straight away and outsourced – so my challenge and what I constantly talk about with my managers about is - let's recognise that – lets make ourselves the best so that we couldn't be picked off – why

would anyone want to outsource us when no one else can do it better? (interview 1 13 May 2003)

An Agency Two national manager explained that in market-testing (the process of putting a service out to tender or comparing it against the market) the important issue was finding the right specifications of the service. This meant 'recognising that average call times can be 7 minutes, and not the 3 minutes as per the industry' standard, as well as ensuring that, 'people are logged on,' but most importantly, 'ensuring that people have a quality experience' (interview 29 May 2002).

Managers and operators in both agencies were of the view that the private sector could not ensure the security of large amounts of private information, nor provide confidentiality and probity. Further, as one call centre manager explained, 'it is much cheaper to do it from inside once standard of service, intelligence about the customer, understanding your business and managing your knowledge were considered' (interview 23 June 2003). Call centre services in Agency Two, which had been outsourced to a private provider to meet peak demands, were unsuccessful because the private provider could not meet the required level of accuracy.

Interviewees also indicated cultural differences between the call centres and the agency as a source of tension. As a call centre manager who explained, '[our] management practices are far more accountable than other areas which has caused resentment from elsewhere' (interview 23 June 2003). Team leaders elaborated, 'Everything is measured here. If you come in a few minutes late at another site it's not noticed' (focus group 1 13 June 2003). The issue was also framed in terms of respect 'we don't feel like we are respected by the rest of the agency' (focus group 23 June 2003). Similarly, operators reported that they felt that 'call centres were not seen as a desirable place to work...no-one transfers into a call centre' (focus group 6 June 2003).

A tension particular to Agency Two arose from its internal structure. In keeping with the tenets of NPM, a call centre would enter into service agreements with various internal organisational units for the provision of call services. A national manager explained that, 'paying for the service changes the relationship from co-operative to transactional' (interview 21 May 2002). As a result, there were various functions that operators could provide but from which they were prohibited doing by the terms of the service agreement. For example, a simple change to the records of a caller could not be made, unless this was specified in the service agreement, resulting in a tension between being able to provide a service but being constrained from doing so.

In summary, tensions between cost-efficiency, customer service and quality were experienced in Agency One, but in Agency Two, managers and operatives identified a clear prioritising of information accuracy. While operators and managers in both agencies believed that their agencies could successfully compete in a contestable environment, there was pressure to achieve industry standards. Tensions between the call centres and other parts of the agencies resulted from differing cultures. Agency Two interviewees identified tensions from internal service agreements which constrained the utilisation of skills and the provision of services. This tension did not appear to have been present in Agency One because the call centres did not depend on internal service agreements to detail and thereby constrain their tasks.

Work organisation

Operators in both agencies described their work as routine yet complex, suggesting that, 'there is some repetition, but there is diversity because of the complexity of the enquiries, the complexity of the changes and the complexity of the customers' (focus group 2 13 June 2003). All operators viewed their work as highly skilled emotional labour with one describing the skills as, 'listening and being able to comprehend, knowing when and where to escalate the call... to be able to deal with the emotions of people, and the ability to cope with change' (focus group 6 June 2003). Another operator explained, 'often callers are angry or depressed, the range of emotions...we need to be able to deal with the emotions of these people.' The national manager of Agency One provided a graphic illustration of this point:

I sat in on a call once;...her [the caller's] eldest daughter had left home and taken off with the defacto husband and he had been sexually abusing the other kids – so there is all the pension complications to be worried about, the daughters payment etc, and then the abuse – so complicated, horrible phone calls. The CSO was sitting there trying desperately to try to put them in touch with the right people. So I need people that have got all those personal skills and the ability to research is really important – trying to deal with all that. (interview 1 13 May 2003)

The nature of the technology also requires considerable skills, with operators in Agency Two navigating, 'fourteen main frame systems and a reference system that continually grows' (interview 23 June 2003). A manager described operators as, 'very bright, fast thinkers, needing to navigate, talk, and keyboard while being customer focussed' (interview 23 June 2003).

The complexity of the work is an important driver in the provision of learning and development opportunities for operators. Both agencies provided extensive induction programs and ongoing training. The national manager in Agency One reported that:

we are offering accredited training in our time to all operators and it's one of the benefits that [Agency One] offers staff that no-one else does, certainly not the private sector...every single person in the call centre gets 10 hours learning and development time a month. They have to have their 4-5 weeks induction...I don't cut corners with looking after staff, it's a false economy. (interview 1 13 May 2003)

Strategies for staff development in both agencies included performance monitoring and feedback. Operators did not experience monitoring as an intrusion. Indeed, most operators in Agency Two reported that the coaching feedback from monitoring was useful and instantaneous, although one reported a feeling of being watched by 'big brother' (focus group 23 June 2003). However, performance feedback was rarely a constructive experience for operators in Agency One:

the negatives are brought up more than the positives. You might have a couple of good stats in a month, but still have something highlighted on your sheet. There's not one month goes by that there's not something wrong. (focus group 2 13 June 2003)

A number of structural characteristics appear to hamper development opportunities in these agencies. Despite the extensive range of skills required and training provided, operators reported that, 'we are not encouraged to think outside the square; free thought is not encouraged' (focus group 6 June 2003). In Agency two the internal service agreements exacerbated these feelings of frustration. This bureaucratic restriction appears to be reinforced by the technology which provides a standardised script for operators. The union delegate expressed concerns that, 'the breaking down of knowledge into discrete components removes important conceptual understandings' (interview 15 October 2001). However, operators acknowledged that with, 'the law we have to be fairly rigid', accepting that the nature of the public sector inherently requires bureaucratic controls (focus group 6 June 2003).

Both agencies used teamwork as a mechanism to create a supportive environment. An Agency Two manager portrayed the team culture as, 'one of support in which work issues are shared' (interview 6 June 2003), describing emotional support that operators provide for each other after particularly difficult calls. According to the national manager of Agency One the, 'biggest shift is at the team...these people now see themselves as people managers...we are now seeing participation at all levels in direction setting and working' (interview 1 13 May 2003).

Team leaders in both agencies, however, did not characterise the teams as enabling participation. For example, team leaders described team meetings as, 'an opportunity for coaches to pass down information, rather than sharing work issues' (focus group 23 June 2003). Operators viewed the team structures as a means of establishing hierarchical control, perceiving teams as, 'a management thing; it's easy to manage people in teams' (focus group 2 13 June 2003). Another operator was of the view that, 'the rhetoric is there but they operate as a hierarchy. The team

leader is virtually just obsequious, to pass on decisions from above.' However, most interviewees acknowledged that a certain amount of rigidity is essential in the public sector.

In summary, call centre work is both complex and routine, requiring technical, legislative and conceptual skills, in addition to emotional labour. Legislation changes rapidly, but computer generated scripts enable accuracy. Both agencies seek to provide extensive skill development and training for operators, however performance feedback was experienced negatively in one of the agencies. Despite a commitment to skill development, bureaucratic rigidity, technological standardisation and internal service agreements constrained this development. Although work is organised into teams, there is little evidence of teamwork. Nonetheless rigidity, monitoring and hierarchical work structures are accepted by operators as an inherent part of public sector work.

The employment relationship

Call centres are often characterised as places of temporary employment, engaging staff as and when needed in response to business needs (Deery & Kinnie, 2002). However management of both agencies in this study were very clear that permanency is the preferred mode of employment. The national manager of Agency One explained:

we've tried bringing in temps for the peak season...but it's a false economy because it takes a good six weeks before a CSO is up to the point where they are reasonable operators...otherwise you just can't get the quality of the call. We're better off offering everyone a permanent position, investing properly in their training and not shortcutting. (interview 1 13 May 2003)

Both agencies sought to recruit operators who demonstrated strong customer focus, interpersonal skills, and flexible attitudes to working hours. As the national manager in Agency One explained, 'if they haven't got the personality, customer focus, or phone skills I don't take them'; and that 'we have a more fresh, can do enthusiastic group of people because they are recruited to be like that' (interview 1 13 May 2003).

As with the call centre industry generally, the problem confronting both agencies was turnover, but, unlike the private sector where staff leave the organisation, turnover involved movements within the agencies. The CEO of Agency One is reported to have viewed this positively, as the Agency as a whole retained highly trained people. However the national call centre manager was concerned that, 'while it is good for the rest of the organisation, it is not good for us...I am constantly retraining which I am paying for out of my budget and everyone else is getting the benefit' (interview 1 13th May 2003). Managers in Agency One, 'try to stop transfers...we need to keep them' (interview 3 13 May 2003). Centrally imposed barriers to internal staff movement within the organisation have caused resentment at operator level, with one operator stating that local managers, 'will intervene to suit their own budget, rather than...keeping morale high by allowing it' (focus group 2 13th June 2003).

Although a skilled and stable workforce is required in both agencies, they also need to respond to the peaks and troughs in demand. As noted above, in Agency Two certain call centre projects at peak times were unsuccessfully outsourced to private call centres. Another response has been to utilise staff from other sections of the agency, although this was resisted by staff. In Agency One, flexibility is achieved through natural attrition, whereby staff who leave are not replaced until the next peak time.

Varying the rosters of staff in response to peaks and troughs is a strategy used by both agencies. However, managers were concerned that staff with a history of working in the public sector were very resistant to this form of flexibility. A national manager explained that, 'for the people that came from the call centre industry this was bliss. But that's not the way it's done in the rest of [the agency]. They complain, 'why can't we decide when we start work, why can't we decide when we go home' (interview 29 May 2002). In contrast, operators saw rostering as an area where they had some control, albeit within the parameters set by senior management, stating that, 'we can do our

rosters in advance, but there are a specific number of hours and particular evening shifts that have to be worked...we work out the rosters to ensure the business is covered and to fit us' (focus group 2 13 June 2003).

One avenue of control open to operators is through union voice. As an operator in Agency One highlighted, 'they have a presence here, so you can actually address something that you would not necessarily stand up for in a private call centre' (focus group 2 13 June 2003). Most managers reported that they actively included the Community and Public Sector Union (CPSU) in workplace consultation and change: 'it's been the culture of the public sector for union involvement. If you want something implemented, include the unions...that's at the top level...and at local levels' (interview 3 13 May 2003). There is however resistance to unions in both agencies at middle management levels; for example a manager suggested that, '[the] CPSU are very effective at effective use of misinformation' (interview 2 13 May 2003).

While the union clearly retains a role in call centres in the public sector, it appears that their role may differ to other parts of the public sector. The Agency Two union delegate reported role recognition within the call centre, but pointed to difficulties in communicating with members during working hours, requiring meetings out of work time. He described negotiations as unilateral rather than cooperative, 'like going down on bended knee' and 'fighting every inch of the way to get concessions' (interview 15 October 2001). He compared this to his experience in other sections of the agency in which there was, 'opportunity to talk to staff' and 'mutual discussion and resolution of workplace issues' with management.

Collective union agreements are the main form of industrial regulation in both agencies. Operators are better paid and have a better package of working conditions compared to their private sector counterparts. A team leader in Agency Two described the call centres as, 'the king of the call centres, I think it's partly the conditions and pay and flexitime...plus the focus on quality rather than number of calls' (focus group 23 June 2003). In addition, the physical working environment in both agencies was considered by managers and staff to be superior to other call centres. Operators confirmed, 'we get a fair bit of flexibility, a lot of training, good wages' (focus group 6 June 2003). Nonetheless, operators in Agency Two were concerned that working conditions in call centres were not as good as other parts of the agency.

Some managers perceived the collective agreement as a barrier to variable hours, with a national manager in Agency One expressing the view that, 'it goes against the needs of the business... we can work much more effectively than this' (interview 2 13 May 2003). An Agency Two national manager was concerned that, 'we have to take public sector conditions and apply them...in the private sector you don't have full-time employees so you don't have the same restrictions on hours and paid leave, you don't have to pay sick leave' (interview 29 May 2002).

Both agencies provide employment opportunities for disadvantaged groups, and this is evidenced by the high level of representation of disabled, indigenous and workers from non-English speaking backgrounds when compared to the private sector. The Agency One national manager stated, 'we are a public sector organisation and we feel that staffing should reflect the community' (interview 1 13 May 2003). Local team leaders, however, were more circumspect, with one suggesting that, 'active diversity measures have been discarded and lost focus' (focus group 1 13 June 2003). A national manager in Agency Two pointed out, 'many disadvantaged groups would not survive mandatory market testing' (interview 21 May 2002).

In summary, workplace relations in both agencies are characterised by permanency of employment, regulation via collective agreements, favourable working conditions and union recognition. The major sources of tension are desires for flexibility versus traditional public sector conditions of work, and the loss of highly trained and qualified staff within the agencies. While commitments to workforce diversity are strong, they can be difficult to uphold, especially in the market-testing environment.

DISCUSSION

Consistent with Korczynski (2001), both agencies examined approximate the hybrid model of customer oriented bureaucracies and consequently, are not out of step with current practice in many call centres. There is evidence of recruitment of highly-skilled staff to deliver services accurately and efficiently. In addition to technical, legislative and conceptual skills, operators were required to engage in emotional labour, often dealing with difficult circumstances and over-wrought callers. Despite high levels of skill, many aspects of the work remain routine. Within the widespread use of the rhetoric of teams, work remains hierarchical and bureaucratised. Control is managed through technology (monitoring and workflows), technological standardisation (rules and scripts) and normative emotional control (personal commitment to callers). The employment relationship cannot be accurately characterised as exhibiting either the empowerment or cost minimisation approaches, but a blend of both. As a manager stated: it is 'not a chicken coop, but a good place to work' (interview 3 13 May 2003).

Although these agencies share many characteristics which are consistent with call centre industry norms, within this sameness there are many public sector-specific nuances. For example, although labour turnover is a problem, its manifestation and implications differ. There are also characteristics and tensions which appear to be public sector specific, for example recognition of the legitimacy of unions seems to be specific to public sector call centres. A discussion of these characteristics follows.

The most obvious distinguishing factor is the presence and acceptance of unions in public sector call centres. For the most part senior management and staff recognise unions as playing a legitimate role. This, in turn, results in collective industrial agreements which provide comparatively good wages and conditions, as well as other protections for staff. Another characteristic that is uncommon in private sector call centres is the commitment to equity. The public sector has a historic, and strong commitment to the provision of opportunities for disadvantaged groups. This commitment was strongly evident in the call centres studied, albeit under the regime of market-testing which has constrained the provision of such opportunities. Despite the marketisation of the public sector these traditional characteristics of unionisation, collectivity and commitment to equity remain in the call centres.

As in the call centre industry generally, there is constant pressure to achieve industry performance standards of service quality combined with cost effectiveness. However, the measure of utmost importance to the public sector is accuracy. In one agency this accounted for the absence of the tension between striving for both quality and quantity which pervades the call centre industry. Despite the drive for marketisation, this has not been at the expense of the traditional public sector priority of accuracy over efficiency.

Another distinguishing characteristic is the attitude of operators to routinisation and hierarchy, as explained by their perceptions of the nature of public service work. For example, the common practice of monitoring calls for the purpose of controlling standards and managing operator performance was accepted by operators as an inherent part of public service work, resulting from obligations to uphold laws with probity. Scripts enable accuracy in an environment of rapidly changing law and policy. Likewise the hierarchical structure of teams is perceived to be an inevitable result of the dynamic of public sector operations, that is a rules based culture which is reliant on checking and oversight at successively higher levels.

Unlike the rest of the industry, emotional labour in the public sector call centres does not seem to result in high levels of stress or ill-health. This may be explained by factors pertinent to the public sector, such as better working conditions. Despite the utilisation of market-driven managerial techniques the health of employees is apparently not compromised in these call centres.

The discussion so far would indicate that despite the drive to marketisation, the essential characteristics of the public sector remain. However, these case studies also reveal a number of characteristics that reflect a market approach to the management of the call centres. For example,

in common with the call centre industry at large, both agencies experienced problems with turnover; however two aspects of this problem are distinctive. First, turnover is internal; employees are not exiting, but developing their careers within the agency and senior level management are supportive of internal turnover as skilled employees are retained by the organisation. This reflects the traditional public sector characteristic of internal promotion. However call centre managers are frustrated at losing staff that have been trained from their budgets, suggesting that market concerns have inhibited opportunities for internal promotion.

Another aspect of the marketisation of the public sector which is evident in Agency Two has been the creation of internal service agreements between the call centres and other organisational units. This arrangement has intensified the already frustrating experience for operators, of not being able to fully utilise skills and abilities and provide a complete service.

The flexibility to respond to peaks and troughs is an important competitive strategy in the call centre industry, and under a marketisation regime, it is an important consideration for public sector call centres. However, unlike the private industry which utilises casual staff, these agencies achieve flexibility through attrition, multi-tasking and flexible rostering arrangements. This difference can be explained by two factors: the need to retain highly skilled staff, and, employment regulation through collective agreements which have curtailed casual and short-term employment.

Under market-testing requirements there are pressures for public sector call centres to compete with industry standards, while at the same time ensuring accuracy and professional service are provided. This pressure is manifest in demands to change working conditions, such as breaks, leave and rosters, so that they align with industry standards. Although managers and operators feel confident that public sector obligations, such as privacy, probity, and legal competence, ensure their competitiveness in the market, the need to compete with call centre standards is pervasive and is felt by the union delegate as the primary point of conflict.

While these public sector call centres recognise a legitimate role for unions and engage in collective bargaining, the nature of this relationship has changed. The relationship is no longer experienced as one of respect and partnership by one of 'going down on bended knee.' Marketisation of public services emphasises managerial prerogative and, even though unions are recognised, their role is no longer one of equal partners.

Another important tension particular to public sector call centres results from the creation of a workforce with a different culture to the rest of the agency. Management of both agencies have actively sought to create a new culture that resembles the call centre industry through recruitment and performance management techniques, particularly by encouraging customer-focused employees who are willing to respond to organisational demands under a regime of monitoring and tight control. Thus a workplace culture that significantly varies from the traditional public sector culture of merit-based recruitment and process-driven work is emerging. These differences have also led to attitudinal change. Call centre managers perceived the call centres as more accountable and able to deal with higher volumes of work, whereas other agency workers perceived call centre work as demeaning and resisted such work. Resultant tensions are manifested as lack of respect for call centre operators and their work. Barriers to career development and differing conditions of work for operators add to this culture clash.

In summary, the case studies confirm the distinctiveness of the public sector; these differences are associated with traditional public sector characteristics, such as commitments to accuracy, equity and collectivity, are evident in public sector call centres. However, marketisation has rubbed against these characteristics, resulting in a number cultural tensions. Internal career progression rubs against costs associated with skill development; a need for flexibility rubs against the need for a stable and skilled workforce; managerial prerogatives rubs against recognition of unions and collective agreements; public sector conditions of work rub against the drive for meeting industry standards; a public sector culture of accuracy and merit rubs against a culture of flexibility and a service personality.

CONCLUSION

These case studies reveal that the two large Australian public sector call centres do not fit the typical depictions of call centres; they are neither 'electronic sweatshops' nor 'fun' places to work. Highly skilled work in a complex environment is combined with routine and hierarchical work structures. Employees have relatively good working conditions, but control is removed from their purview. The typology that seems to best fit public sector call centres is the customer-oriented bureaucracy described by Korczynski (2001).

The case studies confirm that although there are many similarities, particularly in the labour process, there are important distinctions between private and public sector call centres. In the public sector, work focuses on accuracy, unions are often present, conditions are relatively good, work is mainly permanent, there are opportunities for people from disadvantaged groups and career development is available. These differences can be explained by legislative requirements, probity obligations and traditional understandings of the nature of work and industrial arrangements in the public sector.

The case studies also confirm that the marketisation of the public sector has ensured contestable and client focused call centres. This has not resulted in call centres that are identical to the private sector, but in call centres with tensions particular to a marketised public sector. This is evident in tangible ways, such as the push for industry standards in conditions of work, and intangible ways, such as changing cultures. Nevertheless, it is unlikely that 'fun and surveillance' call centres will emerge in the public sector as rules based bureaucracies with strong political accountability underpin the concept of team based work.

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INTERVIEWS AND FOCUS GROUPS

Agency One

National level manager, interview 1 13th May 2003.
National level manager, interview 2 13th May 2003.
Call centre manager, interview 3 13th May 2003.
National level manager, interview 4 13th May 2003.
Team leaders, focus group 1 13th June 2003.
Customer service operators, focus group 2 13th June 2003.

Agency Two

National level manager, interviews 21st May 2002 and 29th May 2002.
National level manager, interview 28th April 2003.
Call centre manager, interview 6th June 2003.
Call centre manager, interview 23rd June 2003.
Call centre team leaders, focus group 23rd June 2003.
Customer service operators, focus group, 6th June 2003.
Call centre union delegate, interview October 2001.