

Job Satisfaction and Demographics: Implications in Call Centers



Human Resource Management

KEYWORDS : Job Satisfaction, Attrition, Call Centers, Retention, Relation of job satisfaction with attrition, Relation of demographic variables with attrition.

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ABSTRACT

Job satisfaction represents a combination of positive or negative feelings that workers have towards their work. When a worker employed in a business organization, he brings with it the needs, desires and experiences which determinate expectations that he has dismissed. Job satisfaction represents the extent to which expectations are match with the real rewards. It is seen as an important organization performance indicator. Organizations are mainly interested in retaining existing employees, which can be attained mainly through satisfying employees. Measurement of employee's job satisfaction provides an indication of how successful the organizations are at providing high quality work environment to its employees. Job satisfaction can be considered as one of the main factors when it comes to efficiency and effectiveness of business organizations. In fact the new managerial paradigm which insists that employees should be treated and considered primarily as human beings that have their own wants, needs, personal desires is a very good indicator for the importance of job satisfaction in contemporary companies. When analyzing job satisfaction the logic that a satisfied employee is a happy employee and a happy employee is a successful employee is followed. This paper presents a study that determined the relationship of demographic variables and job satisfaction with its implications in call centers. The sample consisted of 500 call center employees of different call centers in Delhi/NCR. In order to study the employee's job satisfaction in call centers, 'Job Satisfaction Scale (JSS) H/E test' constructed and standardized by 'Amar Singh & T.R.Sharma' is used along with the interviews of Human Resource Managers. The study found that demographic variables and job satisfaction had a significant contribution and negative effect on attrition. An attempt has been made to suggest strategies to cope with the attrition in these call centers. The study revealed that job satisfaction accounted for larger variance in attrition than from any other job variables. Findings and implications for managerial practices in the study are discussed and put forward

INTRODUCTION

CALL CENTERS! One reads the word and myriad of well-groomed youth on calls, fast money, and phenomenal lifestyles seem to flash the mind in a moment. That's just the start. One reads it again, contemplates over it, dives into the unveiled afflictions, and gives it a second thought and a completely differing depiction blazes the mind. Lopsided working hours, unimaginable attrition rate, stress and burnout exhibit its ugly side. No matter how the see-saw balances between the pros and cons, the fact remains conspicuous, loud and unchanged. Call centers are the mantra of employment, the buzz of present, and the promise of future! The dramatic growth of the call centre industry is a world-wide phenomenon, fuelled by advances in information technologies and the precipitous decline in the costs of voice and data transmission over the last two decades. As part of this global industry, call centers in India have experienced spectacular growth in the last five years. They generate seventy percent of the revenues of the Indian Business Process Outsourcing (BPO) industry, according to estimate by Mckinsey (www.nasscom.org).

Attrition in call centres has terrible effects on the organization. The high attrition costs increases the costs to the organization considerably. They have to combat the amount of disruption due to unplanned exits. The more the people leave an organization, the more it is a drain on the company's resources like recruitment expenses, training and orientation resources and the time. The high attrition rate also affects the productivity of the organization. Therefore, it is extremely important to curb attrition not only for an individual firm but also for the industry as a whole. Many researchers have worked enormously on the call centres, citing its challenges, issues, and opportunities in and around employee performance, employee satisfaction, employee turnover etc. This study explored the relationship of demographic variables and job satisfaction and its implications in call centers.

Job satisfaction is a complex construct that has been widely researched over the years with a number of theories and views relating to it. However, job satisfaction in call centres has not been researched as extensively within the Indian context. More studies on job satisfaction of call centre representatives are necessary because motivated employees provide better customer service than unmotivated employees (Levin, 2004). Tidmarsh, (2003) claims that, for call centres to compete successfully, the

main corporate goal should be employees' satisfaction. Studies, according to Muchinsky et al. (1993) have also shown that attrition is correlated with job satisfaction. However, there are number of ways to combat turnover in call centres for example, improving recruitment practices. While there has been some research on job satisfaction & attrition rate in call centres, there is a lack of research on this topic in its relation to the Indian context.

HYPOTHESIS

H1: There is a relationship between demographic variables and job satisfaction

METHODOLOGY

Subjects and Sampling Procedure

This research work was conducted in six call centers in Delhi and NCR. Call centers were segmented into different categories on the basis of brand, Revenue, Pay & Growth Prospects and Headcounts. After the segmentation one call center in each category was selected randomly in all. A total of 600 questionnaires were distributed to respondents based on the simple random sampling. 500 usable questionnaires were returned and analyzed and representing a response rate of 83.3%. In order to find out the attrition rate secondary data was collected through newspapers and company magazines. The collected data were then summarized and analyzed using correlation and chi square test.

RESULTS

Respondent's Profile

The average age of the respondent is 22 years while the mean of job experience is 2 years. Majority of the respondents are male (54.6%) and followed by female respondents (45.4%). Most of the respondents (93.6%) are unmarried and 6.4% of them are married. The average mean of the respondents' pay is Rs 11,452 while the highest pay of the respondent is Rs 48,000 and the lowest pay is Rs 6,000.

Background Characteristics of the Subjects

	Mean	SD	N	%
Age	22	2.68	-	-
Experience	2	0.76	-	-
Male	-	-	273	54.6
Female	-	-	227	45.4

Unmarried	-	-	468	93.6
Married	-	-	32	6.4
Salary	11,452	7250		
Minimum Salary	6,000			
Maximum Salary	48,000			

Table 1: Salary and Job Satisfaction

Degree of Satisfaction Salary (in months)	Extremely Dissatisfied	Not Satisfied	Moderately Satisfied	Very Satisfied	Extremely Satisfied	O _i *	E _i **	χ ^{2***}
Less than 10,000	0	5	2	22	377	406	125	631.69
B/w 10,000 to 20,000	0	3	3	9	24	39	125	59.17
B/w ` 20,000 to 30,000	2	4	5	8	13	32	125	69.19
Above ` 30,000	0	3	1	8	11	23	125	83.23
Total	2	15	11	47	425	500		843.28

* O_i - Observed Frequency of respondents
 **E_i - Expected Frequency of respondents
 ***χ² = (O_i - E_i)²/E_i

$$\chi^2 = \sum \frac{(Observed\ Frequency - Expected\ FrequencyValue)^2}{Expected\ Frequency}$$

X2 = 843.28 or 8.43
 Df = 3
 p = 0.000

Table 2: Qualification and Job Satisfaction

Degree of Satisfaction Qualification	Extremely Dissatisfied	Not Satisfied	Moderately Satisfied	Very Satisfied	Extremely Satisfied	O _i *	E _i **	χ ^{2***}
Senior Secondary	0	0	0	1	49	50	125	45
Under Graduate	2	11	7	33	363	416	125	677.45
Post Graduate	0	0	2	0	1	3	125	119.07
Professional Degree	0	4	2	13	12	31	125	70.69
Total	2	15	11	47	425	500		912.21

* O_i - Observed Frequency of respondents
 **E_i - Expected Frequency of respondents
 ***χ² = (O_i - E_i)²/E_i

$$\chi^2 = \sum \frac{(Observed\ Frequency - Expected\ FrequencyValue)^2}{Expected\ Frequency}$$

X2 = 912.21 or 9.12
 Df = 3
 p = .000

Table 3: Gender and Job Satisfaction

Degree of Satisfaction Gender	Extremely Dissatisfied	Not Satisfied	Moderately Satisfied	Very Satisfied	Extremely Satisfied	O _i *	E _i **	χ ^{2***}
Male	2	12	11	36	212	273	250	2.116
Female	0	3	0	11	213	227	250	2.116
Total	2	15	11	47	425	500		4.232

* O_i - Observed Frequency of respondents
 **E_i - Expected Frequency of respondents
 ***χ² = (O_i - E_i)²/E_i

$$\chi^2 = \sum \frac{(Observed\ Frequency - Expected\ FrequencyValue)^2}{Expected\ Frequency}$$

X2 = 4.232
 Df = 1
 p = .040

Table 4: Designation and Job Satisfaction

Degree of Satisfaction Designation	Extremely Dissatisfied	Not Satisfied	Moderately Satisfied	Very Satisfied	Extremely Satisfied	O _i *	E _i **	χ ^{2***}
Customer Contact Employees	0	5	5	27	393	430	125	744.2
Team Leaders	1	4	2	5	9	21	125	86.53
Managers	0	1	1	8	3	13	125	100.35
Support Staff	1	5	3	7	20	36	125	63.37
Total	2	15	11	47	425	500		994.45

* O_i - Observed Frequency of respondents
 **E_i - Expected Frequency of respondents
 ***χ² = (O_i - E_i)²/E_i

$$\chi^2 = \sum \frac{(Observed\ Frequency - Expected\ FrequencyValue)^2}{Expected\ Frequency}$$

X2 = 994.45 or 9.94
 Df = 3
 P = .000

Table 5: Experience and Job Satisfaction

Degree of Satisfaction Experience (in years)	Extremely Dissatisfied	Not Satisfied	Moderately Satisfied	Very Satisfied	Extremely Satisfied	O _i *	E _i **	χ ^{2***}
Below 1	0	5	2	14	19	40	166.6	96.27

B/w 1 to 3								
Above 3	1	1	5	5	30	400	441	166.6
Total	2	15	11	47	425	500	166.6	678.64
Below 1	0	5	2	14	19	40	166.6	96.27

*O_i - Observed Frequency of respondents
 **E_i - Expected Frequency of respondents
 ***χ² = (O_i - E_i)²/E_i

$$\chi^2 = \sum \frac{(Observed\ Frequency - Expected\ FrequencyValue)^2}{Expected\ Frequency}$$

X2 = 678.64 or 6.78

Df = 2

P = .000

Table 6: Age and Job Satisfaction

Degree of Satisfaction Age (in years)	Extremely Dissatisfied	Not Satisfied	Moderately Satisfied	Very Satisfied	Extremely Satisfied	O _i *	E _i **	χ ² ***
Below 25	0	7	4	32	408	451	166.6	485.05
B/w 26 to 30	2	7	5	10	16	40	166.6	96.27
Above 30	0	1	2	5	1	9	166.6	149.16
Total	2	15	11	47	425	500	166.6	730.48

*O_i - Observed Frequency of respondents
 **E_i - Expected Frequency of respondents
 ***χ² = (O_i - E_i)²/E_i

$$\chi^2 = \sum \frac{(Observed\ Frequency - Expected\ FrequencyValue)^2}{Expected\ Frequency}$$

X2 = 7.305

Df = 2

P = .000

Table 7: Marital Status and Job Satisfaction

Degree of Satisfaction Marital Status	Extremely Dissatisfied	Not Satisfied	Moderately Satisfied	Very Satisfied	Extremely Satisfied	O _i *	E _i **	χ ² ***
Unmarried	1	10	5	37	415	468	250	190.09
Married	1	5	6	10	10	32	250	190.09
Total	2	15	11	47	425	500	190.09	380.18

*O_i - Observed Frequency of respondents
 **E_i - Expected Frequency of respondents
 ***χ² = (O_i - E_i)²/E_i

$$\chi^2 = \sum \frac{(Observed\ Frequency - Expected\ FrequencyValue)^2}{Expected\ Frequency}$$

X2 = 3.80

Df = 1

P = .000

CONCLUSION

The result of this study is robustly parallel with all the prevalent and established theories of motivation viz. Herzberg's theory, Maslow's theory, Alderfer's Theory, Mc Clelland's Theory discussed in this research. According to all these theories, the higher order needs revolve around self esteem, or self-actualization in one way or the other. According to Maslow's theory, the higher-level needs are self-esteem and self-actualization. Only when one need is satisfied, another higher-level need emerges and motivates the person to do something to satisfy it. A satisfied need is no longer a motivator. Only the next level of needs in the hierarchy will act as motivators. Once a level of needs has been satisfied they no longer act as motivators and the individual then directs attention towards the next level of needs in the hierarchy. Herzberg draws a parallel with Maslow's theory but with a subtle difference. According to his theory, motivator factors are factors that are intrinsic to the job, such as the content of the work itself and the availability of opportunities for responsibility, advancement and recognition for achievement. The motivator factors, which Herzberg described as "complex factors leading to this sense of personal growth and self-actualization", would then be able to act on that employee and increase job satisfaction and productivity. Thus, according to this theory, in order to motivate workers towards higher productivity, it is important to ensure that the motivators are utilized to arouse the instinct of the employees. Herzberg's motivator and hygiene factors can be mapped onto Maslow's hierarchy of needs with the motivator factors corresponding to the higher order needs of ego and self-actualization.

Next, according to Alderfer's ERG theory, growth needs involve the intrinsic desire for personal development and include the intrinsic element of Maslow's esteem category as well as self-actualization needs. Finally according to McClelland's theory, people with a high achievement need have a compelling drive to succeed. They strive for personal achievement rather than rewards and have a desire to do something better or more efficiently than it has been done before. They seek situations where they can attain personal responsibility for finding solutions to problems, where they can receive rapid feedback on their performance so they can tell easily whether they are improving or not, and where they can set moderately challenging goals.

The established theories correlate motivation with job satisfaction. The study done here finds the correlation between satisfaction and willingness to continue in the organization. It is an established truth, that if the employee feels intrinsically satisfied at their workplace and also engenders sense of belongingness and involvement with his work, he is likely to stay longer with the organization. The intrinsic motivation factors take account of the feeling of self-fulfillment, prestige inside the organization, opportunity for advancement, opportunity for growth, authority connected, feeling of self-esteem, role at the current job position and opportunity to help others. Factors like self-fulfillment, self-esteem, prestige, advancement, growth and authority are closely connected with the higher order needs of Maslow and Herzberg and growth needs or need for achievement by Alderfer and McClelland respectively. Thus, in a BPO job, in order to retain employees it is important to infuse the sense of fulfillment and esteem, by giving recognition, independence, job variety, expanding the span of their control. Their career graph has to be judiciously managed so as to provide them with a lucid picture of their growth and sustainability in the organization. Authority renders empowerment and empowerment inspires a positive feeling for the job and organization to the employee. All these factors, along with ingraining a spirit of involvement in the employee, can actually be utilized to retain the employees for a fairly longer term.

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