

Original Paper

Impact of Outsourcing on Effectiveness of Call Center Services

Kamil Oygur Yamak¹

¹ Assistant Professor of Management, School of Business Administration, Marmara University, Istanbul, Turkey

Received: November 24, 2021 Accepted: December 3, 2021 Online Published: December 23, 2021
doi:10.22158/jar.v5n4p29 URL: <http://dx.doi.org/10.22158/jar.v5n4p29>

Abstract

Call center is the frontline of communicating with customers. This paper reports the findings of a survey on service effectiveness of call center operations of mobile communication service providers in Turkey that either use in-house or outsourcing method. The primary objective of this paper is to explore how the customers of mobile communications service provider companies perceive the inbound call center processes for speed, easiness of use, first call resolution, effective inquiry and in doing that what qualities they display. For this purpose a survey was conducted with the customers who use call centers either to make an inquiry or to complain about the services. The aims were: to specify the typical behavior of mobile communications service users; how the firms handle inquiries or complaints; if they solve the problems for good and in what time or how long it takes to get an answer practically useful; to reveal the speed and timeliness of the processes. The survey was conducted with the mobile phone users in a highly populated area of Istanbul.

Keywords

call centers, GSM operators, mobile communication service providers, call center representatives, call center outsourcing service providers, Call Center Service Quality

1. Introduction

Although some parties may call it “contact center” while some others “customer interaction center” and the like, “call center services/operations”, the term I prefer to use in this article, makes companies understand how their product or service is perceived by their customers and how it is acknowledged by them. Indeed, today call center services is an indispensable part of any operational Customer Relationship Management (CRM) system. It is a critical area where the customer’s experience and attitude towards the company are developed by transferring the complaints or requests of the customer to the headquarters where all the operations are planned and executed as a whole; the quality of

customer service basically depends on the effectiveness and responsiveness of the system to customer inquiries.

The call center is often the first and only link a customer uses to a business. In everyday operations it is the exclusive means of collecting customer contact information. It is critical because a customer's experience on the phone can directly affect the perception of the company. A major element of any effective call center operations is its capability to respond back as quickly as possible with a welcomed solution. From the call center representatives' view, effectiveness of a call center is accepted as the complete understanding of the problem or issue, finding quick and tailor-made solutions and immediate response to customer inquiries. From the customers' angle it is easy access to the center, less menu, less waiting on the line and surely seeing that problem is solved or inquiry is fulfilled.

Ever since the 1990s, the role of call centers has been transformed from simply dealing with customer inquiries to performing integrated marketing functions. The modern call centers manage a wide array of customer interactions including voice, e-mail, online interaction, self-service assistance, and collaboration. It also serves "customers" other than consumers, including business partners, employees, and field agents. Firms are starting to view contemporary call centers as preferred and prevalent channels to acquire and retain customers, enhance customer relationship and grow long-term revenue, rather than thinking of it as a cost to be minimized. The management of call centers has become an important part of CRM strategy.

Customer experience is defined and informed mostly via the interactions customers have with the employees. Sadorf (2009) states that arming call center employees with an understanding of customer requirements remain top priorities for ensuring the call center is leveraged as an asset for improved customer relationships and driving business results.

Customer call centers run into trouble when they deviate from the service expected; ironically most businesses are aware that it's easier to retain a customer than go for a new one. If you can't retain why go after another. Thus, retaining customers is undoubtedly a vital task for any company to survive. To keep customers on hand is a function of the quality level of customer service. Better customer service means higher customer satisfaction, more loyal customers and longer loyalty of customers.

Call Center Representatives (CCR) have a significant influence on service recovery, customer satisfaction, and firm profitability. Data shows that customers' perceptions of a firm are strongly influenced by the interpersonal interactions that they experience when they voice complaints to a live person (Tax, Brown, & Chandrasekharan, 1988). Indeed, firms that fully compensate customers fail to get a return of investment if their customer-contact employees are rude and unsympathetic (Tax & Brown, 1998). Increasingly, complaint management and service recovery are accomplished through inbound call centers (Schmid, 1997; Tippen, 1996). Research has verified that complaint resolution by a centralized call center is a cost-effective way to increase the probability of customer repurchase decisions and to deliver significant financial benefits (Oetting, 1997; Stuller, 1999).

Mattila & Mount (2000) examined the impact of call centers on the processes of handling customer complaints. The main objective was to examine how this “final opportunity” might influence guest return intentions and perceptions of the hotel chain. The results of a phone survey suggest that positive customer responses to call center interactions might depend on the complaint responses and the perceived resolution of complaints. Full reimbursement and partial compensation had a significant positive impact on the intent to return and on chain image measures. Finally, in the minds of customers, unresolved complaints are easily equated with a failure in service recovery. These double failures to reestablish the company’s reliability tend to have a negative impact on the company’s image.

One thing that customer service call centers dread is customer backlash and this is something that is becoming all too common for call centers all over the world. Bakshi argues that disgruntled customers choose to do business with a rival instead of you because you could not offer them the after-sales service that you promised. When customers consider their trust to be breached their reactions include a poor perception of your company, reduced likelihood of doing business with your company, and almost no chance of recommending your company to a friend. Bakshi also believes that poor customer perception of business call centers is not industry-specific. It’s spread across industries covering businesses of all sizes. Too often, businesses lose sight of customer requirements and in an effort to improve operational efficiencies they cut corners and try to reduce costs. This affects call center performance.

2. Quality in Call Center Services

Call center service is basically one of the economic ways of saving some of the valuable time that a customer spends (therefore pleasing customer) and also saving office personnel’s time (therefore cutting costs). Certainly there are other parameters to have and operate a successful call center. Before anything, it should be designed and to solve problems of customers quickly, precisely according to their needs. But how do we define effectiveness?

Effectiveness is a measure of how system performs or if a system achieves its predetermined goals and it is usually measured as outputs produced in a certain time limit. Effectiveness in call center operations are directly related to the number of customers served, number of customer problems solved, number of inquiries done, and of course the speed and accuracy of all these work. *Call center* metrics are key performance indicators that help reveal the *effectiveness* of a *call center*. *Call center* metrics include average speed of answer, hold time, abandoned time, number calls per customer etc.

Govender and Essop (2016) defines customer experience from two perspectives namely, operational service quality and customer perceived quality. Operational service quality is the operations’ assessment of how well the service was delivered, for example speed of answer, First Call Resolution (FCR), and abandonment rate. This includes all input resources such as labor, technology, processes, people and information which directly impact customer experience. Whereas the customer experience

is their personal interpretation of the service and quality provided by the organization.

Staples (2006) argues that although efficiency never loses its importance in business but in an industry that's largely transitioned from one-dimensional call centers to e-mail, web chat and the full-fledged multimedia contact center, making a center more efficient isn't enough to make it competitive. As technology continues to empower consumers with e-services and multimedia interaction options, efficiency-driven metrics such as average talk times don't always gauge an agent's actual performance. Nor do they reflect the customer pulse needed to improve service levels across multiple channels.

McMurray (2008) insists that the cost-effectiveness of a call center is to be measured accurately if a company wants to know how well its call center is functioning. First of all, is it an inbound or an outbound center or a virtual call center? The way to measure the call center's cost will vary according to its type. If company has an outbound call center, it is probably involved in telemarketing, sales or customer-information verification. Cost-effectiveness of these centers is calculated simply on how much revenue is generated versus the call center's overhead. To improve inbound call center effectiveness it is important to be aware of customer expectations. One should always remember that it is easier to retain a customer than to acquire a new one. How many calls must be made to gain or retain a customer? In this case, the efficiency and skill of call-center personnel will be keys to its success. Inbound call centers will entail more complex measurements involving customer retention and satisfaction, as well as generation of new business. These types of centers are likely to be related to help desks or customer inquiries. Metrics may reflect customer retention or the opportunity to identify customer concerns.

Managing any call center operation today means walking three tightropes pitting efficiency (which is all too easy to calculate) against effectiveness (harder to measure and repair). This applies to sales efforts, in support, and in overall operations. It also cuts across different kinds of centers, whether they are multi-site captive (in-house) or outsourced, inbound or outbound (Price, 2005). Today in so many organizations efficiencies are often measured in talk time per hour. What is often forgotten is the concept that a representative simply multiplies or amplifies an existing process with its existing efficiencies (or inefficiencies). What is equally important is the effectiveness of the process in producing the desired result.

Too much focus has been placed for years on call-handling efficiency; handling the maximum number of calls at the lowest cost. On the other hand, not enough time or effort goes into improving the effectiveness of the business processes, the people executing them or the ways in which they use technology. Typical efficiency measures in an inbound environment include average handle time, talk time per hour, calls per hour etc. On the other hand, effectiveness measures may include: ratio of satisfied customers, resolutions made per hour etc. The simple method of calculating the effectiveness at a customer service call center is to count the number of calls and time per call. In fact the length of time spent on a call is probably the worst measurement of the effectiveness of the call center. Another method

of calculation for the effectiveness of the call center is based on determining the level of customer satisfaction with the call itself.

McGarahan (2007) points out that contact centers over-emphasize quantity or volume type metrics. They look at how many calls, average speed to answer, time in queue, call duration. This is over-emphasizing only one perspective. Nadorf (2009) remarks that the majority of performance measurements in the call centers today are “efficiency” metrics. Such performance measurements and metrics are focused on wait times, abandon rates, first call resolution, etc. While these performance measurements are important, the most effective performance measurements we can use are those that incorporate qualitative feedback directly from the customer-performance measurements that provide insights into the “effectiveness” of call center operations.

How well are we building customer relationships? How satisfied is the customer with the treatment and engagement they have with the call center representative? How does the customer rate the overall experience? If call centers are able to measure the quality of a representative sample of their support contacts from post-contact customer satisfaction surveys, then it would be possible to schedule the “speedy” and “slower” representatives in a way to get maximum productivity and quality performance. McGarahan (2007) suggests that one should focus on both efficiency metrics and effectiveness metrics. Now contact centers are starting to understand the difference between efficiency-cost per call and cost per case, rate of success on the first call, do I have a way of pointing my customer to self-service tools and how effective is that-and effectiveness-what is my closure rate, what is my resolution time? McGarahan again warns that if you are not aware of the effect of one metric on another, you could create behavior that allows you to achieve that metric but sacrifices some other type of important behavior. In other words, the emphasis on quantity sometimes sacrifices the quality of the experience. You need a quantity/quality balance, an individual/team balance, a cost/effectiveness balance, and of course you need to look at the efficiency and effectiveness of representatives as well.

The key factor is to determine what the real objectives of your call center and how the call center measures results? If it is to retain customers and is measured by first call resolution, routing to the right person, less number of repetitive calls. By aligning the call center’s objectives with its measured results and taking into account effectiveness as well as efficiency, a call center can optimize its true production.

3. Outsourcing: Is It an Effective Alternative?

According to Bendor-Samuel (1999) when companies treat their call center as a liability or as a “cost of doing business”, its effectiveness is limited. One option to consider is outsourcing. This enables outside experts to handle the process - experts whose core function is the proper operation of a call center.

Putting a company’s IT functions in the hands of qualified professionals also provides a business with the ability to concentrate on its strategic functions. Instead of spending time and energy operating a call-center, a company can invest those resources in marketing strategies or improving the company’s

product which in the process may reduce the calls that come into the call center. With both sides, the customer and the vendor, specializing in the activities they do best, the highest-quality product can be produced and marketed. Outsourcing of the workforce management function allows companies to gain access to workforce management capabilities without the cost of purchasing and supporting new technology and the need to hire, train and support internal staff. Outsourcing gives smaller organizations the ability to increase their service levels and reduce labor costs without making a substantial investment in technology. (Cuccinelli, 1999)

A call center outsourcing offering designed to improve revenue opportunities and optimize customer experience while reducing support costs and investment requirements is preferred by many organizations. On the other hand, one counter idea to this is that outsourcing staff does not know the products well enough to support the customer service.

Outsourcing proves to be a useful tool in many cases not just for removing the need of keeping extra workforce but it also generates the possibility of operating from a point where the employee costs are less in comparison. *Today a lot of companies send their call-center operations overseas that most people no longer expects to talk to a native English speaker when they place a call to a customer-service hotline.* For instance, one notable Japanese computer company has been carrying out call center operations worldwide from an operations base located in Istanbul. India is probably the best example of this. *But that's not the problem. The problem is that so many companies decide to export flawed call-center practices along with the jobs. Slack (2009) indicates that outsourcing isn't going to solve a company's problems if it has inadequate analysis procedures, agents who don't know products or poorly configured automated software solutions.*

Outsourcing has grown enormously over the past few years, however, most of the attention so far has focused on the economics of the transaction, and much less on the human element involved in the transaction. Raghuram (2006) suggests that it is challenging for the representatives to identify with client organizations because of cultural differences, tacit contexts and lean communication media used to connect across vast geographical distances. The weak client identification may result in poor performance, inability to build trust with customers and long-term customer satisfaction. However, skillful individuals and organization initiated practices such as careful employee selection, intensive training help a lot to deal with these challenges.

Yet there has been limited research on the influence of call center representative behaviors on the effectiveness of service recovery. Since the voice of the customer service representative is the only element on the front stage of the service operation, Pontes & Kelly (2000) propose that the oral competencies of these agents would have a significant influence on customers' perceptions of the firm. The goal of their research project is to address this gap in the literature. Their study proposes to identify the customer relationship management and oral communication competencies of customer service representatives that significantly increase callers' repurchase intentions.

The outsourcing of any technology-oriented business process is quite critical. Whether a company is outsourcing the call center or the entire IT department, there are certain guidelines that must be followed to ensure a successful outsourcing relationship. The service should be well integrated into the company's business operations to keep the customer service flowing uninterruptedly.

4. Methodology

This paper presents a study which explores the differences of outsourcing and in-house call center operations in the Global System for Mobile communications (GSM) sector in Turkey. Today there are 3 operating GSM companies, of which Turkcell is dominating the Turkish market and has the biggest share of the domestic market with almost 63% of the mobile users. According to 2007 figures Turkcell has 31.8 million customers, Vodafone comes second with 12 million and Avea is third with 7.5 million customers. Turkcell has a strong lead with a clear margin. At the end of 2008 phone number transferability has begun but Turkcell's leading position didn't changed although market share has shrunk some.

Turkcell and Vodafone are pursuing different policies in call center operations; Turkcell outsourced so-called operations to a third party while the latter is using its own staff to handle this formidable task. What we try to achieve, in this paper, is whether these two different organization types operate differently in enhancing effective customer experience. Thus, this study can be regarded as a preliminary analysis exploring the current status. In this study a statistical package (SPSS 12.0) is used to analyze data. A survey is designed to be carried out with two leading GSM companies in Turkey with inbound call centers to see if there is a meaningful difference on either way between using in-house or out-sourced services.

4.1 Data Collection Procedure

In this survey which is based on a descriptive research model, the population consisted of randomly selected respondents who either use Turkcell or Vodafone GSM services. The main question at the beginning was where and how to carry out the survey. Since the research was about how the customers perceive the call center services asking questions directly to the users of this service was to be the best possible way to conduct the data collection process.

A questionnaire was decided to be the main tool for data collection and Bakırköy area was selected as the survey field not just because it is the biggest province of Istanbul but also represents the city's diverse population fairly well. The questionnaires were filled in simply by directing questions to the participants and 95 completed questionnaires were then taken for the final work-out. This figure is reasonable and within the survey standards, thus acceptable for evaluation in the later stages of the research.

4.2 Research Design

The questionnaire developed for the research consists of 20 questions and it has basically two sections. The first group of questions was the main section of the research which aims at disclosing the reasons for inquiring, the steps taken by the call center representatives in handling the inquiries/complaints; if reached the right person at first contact, the duration and number of calls that inquiry/complaint is solved/answered, the probable causes of unsolved complaints in to customer's opinion, the result of customer contact (satisfied with the outcome), the state or action of customers (no action, dissatisfied, switching brand) if the outcome is not as expected. A few questions in the second section aim to identify the general characteristics of the respondents, namely age, education and job status.

4.3 Findings of the Survey

Among the people who took participation in the survey, majority was subscribers to Turkcell with 70 (73.7%) and the rest is Vodafone with 25 (26.3%). Survey respondents' distribution according to education status is as follows: elementary school (9.5%) high school (38.9) college or university (48.4) postgraduate (3.2).

Table 1. Cross Tabulation of the Preferences of Communication Channels by Customers

		Preference of inquiry channels			Total
		Call center	Other channels	None	
Turkcell	N	52	11	7	70
	%	54.7	11.6	7.4	73.7
Vodafone	N	15	8	2	25
	%	15.8	8.4	2.1	26.3
Total	N	67	19	9	95
	%	70.5	20	9.5	100

The age group which gets the most markings was 15-25 range with 54.7 per cent. Next one is 26-35 range with 27.4 and as the age group gets higher the ratio gets down; 36-45 with 12.6, 46-55 with 4.2 and over 55 with 1.1 per cent. Overwhelming majority of the respondents (75 persons with 78.9 per cent) stated that they have a job and while only 20 persons (21.1 per cent) were not working and only 2 of them were jobless, 4 of them housewives and 13 of them students.

Among the group, 29.5 per cent did not mention using call center as the main inquiry channel while 70.5 per cent have actually used the service. Of the respondents not used call centers 20 per cent preferred channels other than call center for inquiring or complaining about the service they were getting and only 9.5 per cent said that they didn't have any reasons to use the service (see Table 1).

In order to see if there is any dependency between the company using outsourced call center and the company using in-house call center on the basis of communication channel preferred by their customers, the chi-square test has been carried out and found out that there is no dependency. Therefore the customers' choice of communication channel is not dependent whether the company uses in-house or out-sourced call center.

Table 2. Frequency Distribution of Actual Inquiries

Top six reasons for calling	GSM companies		Call/inquiry frequencies	Percentage of participants
	Turkcell	Vodafone		
To get information about promotions	28	8	36	37.9
Problems related to product/service	9	3	12	12.6
Technical Support for service	6	4	10	10.5
Registering for new service	6	2	8	8.4
Inadequate information on promotions	3	2	5	5.3
Technical Support for different device	3	1	4	4.2

To get information about product/services is the most frequently inquired subject with 37.9 per cent of the all responses. The product/service relating problems account for 12.6 per cent of the inquiries. Technical support is the third with 10.2 per cent. Cross tabulated data shows that the frequency of inquiries is almost identical for both companies especially for the most frequently asked questions. Figures show that the first three items cover almost 61 per cent of the inquiries (see Table 2).

The need of communicating with call center is examined for age, education and job status of the respondents. When chi-square test applied it is found out that type of inquiry is not dependent of age and job status but dependent on education.

The reason for calling Call Centers is also investigated for both out-sourced and in-house services. Chi-square test indicates that need of calling is independent of the choice of outsourced and in-house operations. This implies that there is no meaningful relationship between the type of inquiries and having out-sourced or in-house call centers. To sum it all up we can say that the age, education and job status were found to have no effect on the choice of outsourcing and in housing of the call center services.

4.4 Effectiveness

There is a significant relationship between the representative's problem-solving initiatives before the conversation ends and the type (out-sourced or in-house) of the call center services according to customer perception. This means that customer perceives that outsourced call center is more effective than the in-house call center in solving customer's problem during the first call (see Table 3).

Table 3. Problem Solving Capacity of Call Center Representatives (CCR)

Question: Has CCR* solved the problem at first call?	Turkcell	Vodafone	>Total
Yes	43	8	51
No	9	7	16
Total	52	15	67

The responses indicate that contacting call centers is dependent on the type of problem to be solved via call center representatives. Customers for whom the problems are solved at first call are more likely to re-use the service. Other findings related to this are as follows: Provided that the problem is not solved at the first contact both out-sourced and in-house call center operations have no relationship at all with the time limit given by the representative for the solution of the problem. Also customer's calling back when the problem is not solved in the specified time limit is not dependent on this choice either.

Table 4. Positive Qualities of Representatives (Out-sourced vs. in House)

Positive Qualities of Representatives	Turkcell	Vodafone	Total
Listening attentively	38	10	48
showing extra effort	20	7	27
warm & understanding	22	2	24
Making me feel special	12	3	15
Having knowledge	10	2	12
Correct problem analysis	11	4	15

There is no significant difference between these two types of call centers on the basis of the given time limit in which the representative would call back.

Although there is no significant difference between these two types of call centers on the basis of negative behavior of CCR's towards customers, nevertheless the case is different for the positive qualities of the representatives. In customer's perception the outsourcing firm's call center is significantly different than the in-house call center for at least one of the positive qualities of CCR's. The outsourced call center is found out to be superior to the in-house in the quality component of warm reception and understandingly manner when interacting with customers (see Table 4).

4.5 Service Quality

The core of the research lies in the overall assessment of the service quality criteria. The criteria are investigated on two aspects: what is expected on customer's side and how it is satisfied in customer's perception (see Table 5).

Table 5. Service Quality of Call Centers (Expected vs. Realized)

Service Quality of Call Centers (in customer perception)	What is expected					How it is satisfied				
	5	4	3	2	1	5	4	3	2	1
Speed of solution process	63		3			18	18	13	5	12
Reaching easily the right person	66			1		18	10	12	13	14
Sharing complete and accurate information	66	1				28	16	13	6	4
Apologizing when the customer is right	43	1				15	9	5	5	10
Polite and understandingly attitude	66	1				36	14	8	3	6
Listening and comprehending	65	2				34	13	11	4	5

Customer perceived service quality of call centers in general is found distinctively lower than the customers' expectations. There is no distinction on this result on the basis of call center type. When it is further investigated on that basis there has been no indication that there is any significant difference in the service level of both types.

The probable reason for which a problem is not solved according to customer evaluation is asked to the respondents and the replies were tabulated (see Table 6). In fact, the replies to this question make one thing certain; customers see representatives as the main barrier preventing the solution.

This outcome shouldn't be a surprise if you consider that there is only Call Center Representative (CCR) between them and the solution, and the way that CCR's behave or act is precisely according to what they are told. So if the process or something else is wrong or inadequate then there is not so much

that a CCR can do. These findings were tested again for a relationship with the call center type chosen and no relationships were found.

Table 6. The Probable Causes for the Unsolved Complaints as Stated by Respondents

What is the reason for unsolved problem?	Frequency	%	Revised %	Cumulative
				Percentage
rigidity of the rules of company	2	2,1	17	17
inadequate knowledge of representatives	1	1	8	25
representative not using the necessary initiative	3	3,2	25	50
not reaching the right person/department	3	3,2	25	75
not listening carefully and not paying attention	2	2,1	17	92
Other reasons	1	1	8	100
Total answers	12	12,6	100	
No answer	83	87,4		
General Total	95	100		

One last finding is that in both cases majority of customers would call again and there is no significant relationship but the re-call ratio is distinctively higher for the outsourced firm than that of in-house one. The individual decisions taken by customers that are unsatisfied with the call center service indicate no significant difference and therefore is not dependent on those two types of call center services. The decisions ranged from switching to other GSM brands to staying with the brand, namely continuing with/without dissatisfaction, trying other communication channels. A small fraction of the respondents leave the decision open saying that it will depend on the circumstances (see Table 7).

Table 7. Service Quality of Call Centers (Expected vs. Realized)

	What is your option if you are unsatisfied with the service?					Total
	switch to other brand	won't switch	continue unsatisfied	don't know	use other channels	
Turkcell	22	11	32	2	3	70
Vodafone	4	4	15	1	1	25
Total	26	15	47	3	4	95

Another striking finding is that Turkcell's customers are less tolerating if they are not satisfied with the service they are getting. The ratio of customers who says "will switch to other brand" is 30 per cent while those who say "will stick to the brand" accounts for nearly 67 per cent which is two thirds. For Vodafone the ratio of "loyal" customers is higher with 80 per cent. To interpret this data is open to further elaborations. What we could reasonably express is that Turkcell customer's expectations are slightly higher than those of Vodafone.

5. Other Findings

There are some other findings which are more general but worth mentioning. One of them is that routing calls to other persons had a meaningful relationship with at least one of the inquiry type and that was found to be the inadequate information relating to the promotional product/services. This means that whenever this type of inquiry occurs the first representative is most likely to transfer the call to another person.

Furthermore the frequency of transferring calls is found to be in relationship with one of the inquiry type. It is the registering for a new service and at least 3 transfers for this inquiry are encountered. Making inquiries is not dependent on the caller's age or job status according to the results of the Mann Whitney test. However, education status has a meaningful significance on contacting the call center. Further tests were carried out to understand at what level it has significance and it turned out to be the elementary school level. Those who didn't go any further than elementary school were using the call center service more frequently than the other levels of education.

6. Conclusions & Further Research Implications

Finally we are going to sum up what we had about the quality levels of GSM companies' call center services with reference to out-sourcing and in-house call center operations. In this research only customer perception of (in customer's eyes) the quality of the service has been taken into account. Surely, outsourcing decision depends on many other factors, including direct and indirect costs, savings and other benefits if there is any. The most challenging outcome of the survey was that outsourcing option at some parameters can excel in comparison to in-house operations of call center activities.

The company with outsourced call center is more effective in solving customers' problems at first call. Customer satisfaction in general and call-again ratio is higher for outsourced call center. Main reason for that is the attitude of representative, more precisely the warm and understanding approach towards customers. Although there is a result which may seem negative at first sight for outsourcing the call center there might be some explanations for that. For instance, frequency of call transferring is higher for the outsourced service still it could be regarded as an advantage because when further investigated on the level of customer's satisfaction and speed of solving customer complaints/inquiries there is no significant difference between these two types of services. This might be due to the considerable

emphasis given on specialization in the customer relations so that the customers already know that this is done to make sure that they receive better service.

One further suggestion is that *effectiveness of the representatives and infrastructure must be gauged with simple measurements. This represents a challenging area where future research efforts might be concentrated.* Building visibility of call center metrics directly to the call center representatives allows them to have direct accountability for serving the customer. Giving the call center's customer feedback to quality assessment groups and supervisors helps to build coaching and support systems for call center representatives and enable them to continuously improve their support to customers, one of the more effective performance measurement tactics. Thus, we conclude that outsourcing emerges as a better option for call center organizations of GSM firms in regard to the quality level of the service that customers are receiving.

References

- Bakshi, P. (n.d.). *How to Improve Call Center Effectiveness*. Retrieved July 22, 2009, from <http://ezinearticles.com/?How-To-Improve-Call-Center-Effectiveness&id=1043790>
- Bendor-Samuel, P. (1999). *Increasing a Call Center's Effectiveness*. Call Center Solutions. Retrieved June 10, 2009, from http://findarticles.com/p/articles/mi_qa3877/is_199909/ai_n8855091/
- Cuccinelli, A. (1999). *Outsourcing workforce management: Another alternative*. Call Center Solutions. Retrieved June 12, 2009, from http://findarticles.com/p/articles/mi_qa3877/is_199909/ai_n8871010/
- Govender, K., & Essop, F. (2016). Outsourcing In-bound Call Centers: Impact on Customers' Service Experience. *Journal of Accounting & Marketing*, 5, 187. <https://doi.org/10.4172/2168-9601.1000187>
- Mattila, A., & Mount, D. J. (2000). The Final Opportunity: The Effectiveness of a Customer Relations Call Center in Recovering Hotel Guests. *The Journal of Hospitality & Tourism Research*, 24(4), 514-525. <https://doi.org/10.1177/109634800002400406>
- McGarahan, P. (2007). *Contact Center Metrics: A Real Balancing Act*. Retrieved July 15, 2009, from <http://www.itbusinessedge.com/cm/community/features/interviews/blog/contact-center-metrics-a-real-balancing-act/?cs=22424>
- McMurray, M. (2008). *Practical Metrics for a Call Center*. Retrieved July 16, 2009, from <http://www.insidecrm.com/features/practical-call-center-metrics-011708/>
- Oetting, R. (1997). IOS, RTS, QOS: Customer Perception of Call Center Contact and Its Impact on Long-Term Relationships. *Insider, Fall*, 44-46.
- Pontes, M. C. F., & O'Brien, K. C. (2000). Identification of inbound call center agents' competencies. *Journal of Interactive Marketing*, 14(3), 41-49. [https://doi.org/10.1002/1520-6653\(200022\)14:3<41::AID-DIR3>3.0.CO;2-M](https://doi.org/10.1002/1520-6653(200022)14:3<41::AID-DIR3>3.0.CO;2-M)

- Price, B. (2005). Walking the Tightropes between Efficiency and Effectiveness. *Call Center Magazine*, 18(12), 47-49.
- Raghuram, S. (2006). Individual effectiveness in outsourcing. *Human Systems Management*, 25(2), 127-133. <https://doi.org/10.3233/HSM-2006-25205>
- Sadorf, N. (2009). *Concepts in Modern Call Center Management: A Discussion with Hunter Business COO Nedra Sadorf*. Posted: 05/13/2009. Retrieved July 1, 2009, from <http://www.customermanagementiq.com/article.cfm?externalID=765>
- Schmid, J. (1997). Earning Loyalty on the Phone: Four Steps to Building Telemarketing Programs that boost the Bottom Line. *Target Marketing*, 20(8), 44.
- Slack, E. (2008). *The Worst (but Common) Call-Center Practices*. Retrieved July 30, 2009, from <http://www.insidecrm.com/features/worst-call-center-practices/>
- Staples, J. A. (2006). The contact center's migration from efficiency to effectiveness: Understanding industry and business dynamics as well as technology is the key. *Customer Interaction Solutions*, 25(3), 32-34.
- Stuller, J. (1999). Making Call-Center Voices Smile: A Business Case for Better Training. *Training*, 36(4), 26-32.
- Tax, S. S., & Brown, S. W. (1998). Recovering and Learning from Service Failures. *Sloan Management Review*, 40(1), 75-88.
- Tax, S. S., & Brown, S. W., & Chandrasekharan, M. (1988). Customer Evaluations of Service Complaint Experiences. *Journal of Marketing*, 66(2), 60-76. <https://doi.org/10.1177/002224299806200205>
- Tippen, M. (1996). Building Customer Loyalty through Quality Telemarketing. *Direct Marketing*, 59(5), 14-15.