

Tuesday March 11, 2008

Good report card for our call centres

But still room for improvement, says expert

By STEVEN PATRICK

KUALA LUMPUR: Malaysia exhibited the strongest “seat growth” for callcentres in the Asean region last year, said Catriona Wallace, president of research organisation Callcentres.net.

She expects the double-digit growth to continue over the next two years due to the multilingual capabilities of Malaysian workers.

According to a report compiled by Callcentres.net, the opening of new callcentres and the expansion of existing centres contributed to the 17% growth experienced by the country.

“The growth is higher than the regional average of 15%,” said Wallace, adding that the 2008 Asian Contact Centre Industry Benchmarking report also states that the seat growth in Malaysia will double next year.

Callcentres are facilities with phone operators, computers, and client databases. These centres handle large numbers of incoming and outgoing customer care and marketing calls. A “seat” refers to a workstation in the callcentre which an employee works from.

India and China enjoyed a 10% and 19% increase in their already huge callcentre industries respectively over the same period.

“Malaysia cannot compete with India for multinational contracts, but it can provide callcentre services for (clients in) China, India and even Indonesia,” Wallace said.

However, she believes, human resource in Malaysia's callcentres needs to be bolstered with the latest technologies to achieve that goal.

There are many challenges to be faced, one of which is staff turnover at the callcentres.

“Staff turnover is 32% per year at smaller callcentres and at the larger ones – those with more than 100 seats – it can go up to 39%,” said Wallace.

She attributes the high turnover rates to callcentre employees not seeing a proper career path, low remuneration and mundane tasks.

“The average employee only earns RM16,884 a year in Malaysia,” she said. “The average callcentre worker lasts just 20 months and half of them will not work at a callcentre again after they leave.”

She said this is a huge challenge to Malaysia because it has a relatively small population and tight labour pool when compared to outsourcing giants like India and China.

Then, there's the cost of replacing every callcentre worker that leaves to be considered. "This works out to RM3,276 per worker, which includes the cost of training, loss in productivity, and other related costs," she said.

Wallace said callcentre companies could invest in technology so that mundane tasks can be automated, freeing workers to perform more challenging jobs.

Also, do away with antiquated PABX (private automatic branch exchange) phone systems. Have an Internet-based system, which is more efficient and would mean that workers could do their jobs from the comfort of their own homes.

"Happy workers are always more productive," she said.

Callcentres.net's report also states that callcentres in Malaysia do not seem to be as focused on revenue generation as those in other countries, such as India and the Philippines.

Only 42% of Malaysian callcentres are profit centres, said the report, compared to India where 91% of its callcentres are turning a profit.

To become a profit centre, a callcentre must go from a reactive service culture to one that can identify and meet customer needs, according to Wallace.

Callcentres.net surveyed 539 executives representing 2,488 callcentres in Asia to compile its report. For more details, go to www.callcentres.net.

<http://star-techcentral.com/tech/story.asp?file=/2008/3/11/technology/20578596&sec=technology>