



## **Global or embedded service work: the (limited) transnationalisation of the call-centre industry**

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Paper presented at the International Labour Process Conference,  
Edinburgh, April 6-8, 2009

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## *INTRODUCTION*

Call-centres are frequently cited as prime examples of a global restructuring of service work in which work may be shifted across locations and organisations in real time. Globalisation theorists (Rugman 2001) have regarded service work as more locally bound than manufacturing, as services are performed and consumed simultaneously, involve customer participation and collaboration, and hence allow only limited increases in productivity. However, the use of call-centres enabled by connected telecommunications and computer technology means that “the physical separation of the worker from the workplace and the customer is now possible” (Burgess and Connell 2006). Services that do not depend on face-to-face contact may now be treated in similar ways as manufacturing, and as their products are immaterial, even without some of the complications of logistics. Call-centres thus have come to be viewed as “organisational crystallisation of new labour relations, working conditions and a new service culture” (D’Alessio and Oberbeck 2002: 86).

Call-centres are units of organisations or independent companies with the main task of customer communication predominantly by telephone but also by fax or e-mail. The work of call-centre agents is both interactive and informed (Zuboff 1988), covering flexible demands of customers and the organisation. Call-centre operations may be routed through networks in which individual sites are connected by phone and data lines that cross organisational and national boundaries. This opens up a wide range of strategic options for companies and their managers. Their service units may be outsourced, sold off, relocated, or shifted to greenfield sites outside the purview of established industry boundaries and collective agreements. They may also be relocated to lower-cost countries (“offshoring”), either by using subsidiaries or external subcontractors. The term “nearshoring” is used for relocation to lower-cost countries within the region. On the other hand, institutionalists have argued that sweeping technological possibilities do not determine the actual development of industry restructuring and that institutional configurations continue to shape company strategies which may use potentially global possibilities in regional and path-dependent patterns.

As a most generic, ICT-enabled mode of restructuring service organisation across industries and sectors, call-centres thus represent a liminal case to pursue the question to which extent services are being restructured on a “global” scale, and whether it is actual organisations or rather organisational blueprints that are moving across national borders.

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<sup>1</sup> Research for this paper has been funded by Hans-Böckler-Stiftung, Jubiläumsfonds der Österreichischen Nationalbank and FWF Austria. We thank all colleagues involved with the Global Call Center Industry Project who contributed to the international dataset ([www.globalcallcenter.org](http://www.globalcallcenter.org)), and specifically Rose Batt, Jörg Flecker, David Holman, Karen A. Shire and our interviewees. We also thank David Westacott for swift and painstaking copy-editing. As usual, all remaining faults are ours.

Such blueprints in our case specifically consist in the standardisation of interactive work on the one hand and a changing use of employee skill on the other. The explication of knowledge and information in databases and the scripting of interactions are both a prerequisite and an outcome of service restructuring through call-centres. However, conducting customer interactions remotely requires considerable cognitive and communicative capabilities and frequent training for a standardised and regimented job and renders recruitment and retention of agents problematic.

This paper explores the amount of “real” internationalisation in the call-centre industry and looks at its effects on work organisation through a range of approaches. We analyse the data from the *Global Call Center Industry Project*, which shows that the industry is internationalised only to a limited extent and that call-centres serving international markets in different countries have varied patterns of internationalisation. The findings on the industry-wide picture will be confronted with two contrasting case-study analyses of a global and a local call-centre network, which were conducted within the project. These studies show how outsourcing and relocation strategies “work” in between technological and “global” possibilities and actual practice. We contrast the outsourcing cases of a US-based electronics multinational and an Austrian local public-sector configuration. Moving between industry-level analysis and case-study evidence, the paper aims to contribute to a multi-layered picture of an industry that neither underrates critical and pioneering developments that are not yet widespread nor overrates their impact.

# 1. *TRANSNATIONAL RESTRUCTURING OF SERVICE WORK*

## 1.1. *Globalisation and transnational restructuring of services*

The transnationalisation and restructuring of work and organisation has been discussed in a range of debates from the “global” level to the role of regions and localised arrangements on the organisational or transorganisational level. Comprehensive surveys on European outsourcing are only now being conducted (Nielsen 2007). Most studies at the organisational level address multinational corporations’ (MNC) strategies and patterns of transnationalisation (Morgan 2005; Ghoshal and Bartlett 2005; Mense-Petermann and Wagner 2006; Geppert and Williams 2006). Recently, under the heading of “global value chains”, the analysis of restructuring has moved beyond the scope of individual organisations (Faust, Voskamp and Wittke 2004; Gereffi, Humphrey and Sturgeon 2005) or production networks (Dicken 2004).

However, most analyses at the organisational or value-chain level still focus on manufacturing sectors such as electronics, cars or clothing. They also focus on corporate governance, discussing centralisation versus decentralisation in MNCs or the power relations and dialectic of control between headquarters and subsidiaries or suppliers. Service restructuring has only recently come to the fore, with most emphasis on business process outsourcing and IT services (Dossani and Kenney 2003; Miozzo and Grimshaw 2005). Few studies that also involve services address the actual effects of these changes on employment relations and the quality of work (Huws and Flecker 2004; Marchington et al. 2005; Flecker et al. 2008). It has frequently been urged that these debates need to be connected, in order to explore the interrelations of work organisation, organisational strategies and wider political economies (Barley and Kunda 2001; Thompson 2003).

With regard to theoretical approaches to transnational restructuring, we can distinguish two different dimensions for which we suggest a 2x2-overview.

Figure 1: Approaches to transnational restructuring

	disembedding	embeddedness
structural	“Globalisation” “stateless” MNCs Consultancy prognoses	Societal effects etc. Country-of-origin effect Empirical patterns of offshoring
Cognitive	Rationality (Meyer et al. 1994) Management fashions McDonaldization	Societal effects “translating” organisational change

Firstly, research into transnational restructuring addresses a *structural* and a *cognitive* dimension. The structural dimension concerns itself with actual investment,

organisational structures, power relations and modes of governance. The cognitive dimension looks at the diffusion of organisational blueprints and managerial mindsets. Both are obviously interrelated as structures, opportunities and constraints need to be perceived in order to be enacted, and managerial mindsets shape organisational strategies and structures. Secondly, lines of theoretical reasoning can simplistically be grouped into arguments focusing on the “*disembedding*” of organisations and value chains from their surrounding institutional and social environment and arguments insisting on their “*embeddedness*” (see Morgan 2005; Geppert and Williams 2006 for a more comprehensive overview).

*Structural/disembedding* approaches argue that companies are becoming “stateless” (Ohmae 1990) or that their structures and strategies are converging on the Anglo-American business model. There is broad agreement on the driving factors of global disembedding processes, especially with regard to service restructuring: the wide diffusion of information and communication technologies, the pressure of financial markets and investors on short-term growth, and political deregulation of critical sectors such as telecommunications and financial services.

With regard to service restructuring, the varied prognoses of further and intensified outsourcing also work within a structural/disembedding framework. For a few years now, consultancies and call-centre service providers have somewhat self-interestedly been predicting that service offshoring in Europe is about to expand outside English-speaking countries (eg. Datamonitor 2003; Competence Call Center). In 2006, [www.call-centres.com](http://www.call-centres.com), an industry website run by a recruiting agency, expected an explosion of offshoring of non-English-speaking work within the next five years along lines of old colonial ties and current economic proximity. In the view of this agency, clients will increasingly pursue multi-site/multi-country/multi-vendor solutions in order to have service providers compete with one another within one contract.<sup>2</sup> *Competence Call Center*, an Austrian-based service provider with recent acquisitions of call-centres in Slovakia, in 2006 reported that in a survey of 300 industry experts in Austria, Germany and Switzerland, three-quarters of respondents regarded Slovakia, Poland and Romania as important offshoring locations in the present or the future and 83% regarded offshoring to non-EU countries as a current or future trend. These prognoses tend to extrapolate from existing outsourcing and offshoring cases and their data basis is unclear. They can be read as “advocacy statements” or performative texts that seek to generate the structures they forecast and present them as inevitable (for a critical analysis with a focus on US-based prognoses see Srivastava and Theodore (2006)).

*Structural/embedded* lines of thought are represented by research along the lines of “societal effects” (Maurice and Sorge 2000), national business systems (Whitley 1999) and “varieties of capitalism” (Hall and Soskice 2001). In these views, specific institutional configurations both constrain and enable specific company strategies. MNCs will carry these patterns with them as “country-of-origin” effects, but will embed them with the respective host country’s environment as well (Harzing and Sorge 2003).

<sup>2</sup> <http://www.call-centres.com/articles/5yearson.htm>

Current empirical studies of service sector outsourcing mostly confirm its regional and embedded character. In its 2003 employer survey, the EMERGENCE project (Huws 2003) found that 34.5% of employers who outsourced some service business function kept outsourced services in their region, 18.3% outsourced within their country and 5.3% used providers or subunits outside national borders.

*Cognitive/disembedding* approaches focus on the global diffusion of concepts of rationality (Meyer, Boli and Thomas 1994) and management concepts and fashions (Kieser 1997) and, with regard to services, also on consumer cultures and expectations (Ritzer 1993) – with obvious structural consequences. *Cognitive/embedded* approaches focus on the culturally and institutionally divergent frameworks into which such concepts are being introduced. In this view, frameworks and ideas travel and struggle with each other in locally situated contexts and this travel is “an active social process of translation” (Czarniawska-Joerges and Sevón 1996; Djelic and Sahlin-Andersson 2006: 20). This translation may also lead into contested terrain in which interpretations become political and performative. For example, concepts such as New Public Management (NPM) started out as a “management idea” on the basis of which countries reformed their state administration (Hood 1995).

In both the dimensions of structures versus cognitions and disembedding versus embeddedness more synthetic approaches aim to explore the interactions and relations between the fields. Smith (2005) for example conceptualises different forces driving change on the structural and cognitive levels that pull organisational practices in the direction of convergence or embedded path-dependency. In this view, increasing variety and fragmentation of organisational strategies, employment relations and their effects is likely to be the most convergent result of transnational restructuring and its contextualisation (Katz and Darbishire 2000). By definition, neo-institutionalist approaches bridge the structural and cognitive dimension as they investigate cognitive, normative and regulatory influences on structural change. More agency-oriented approaches emphasise the inherently political character of these interrelations, which are continuously articulated and negotiated by situated actors and become resources of power and legitimacy (Geppert and Williams 2006).

On a workplace level, the many studies of work practices and managerial control in Indian call-centres show the very negotiation of global and local logics and the dialectic of disembedding/embedding in action. They point out the cultural gaps and tensions that Indian customer service representatives (CSRs) face (Taylor and Bain 2006), as call-centres in India put considerable effort into training on “accent neutralisation” and immersion into a US-American cultural environment. This research provides ample illustration of post-colonial cultural imperialism (Mirchandani 2004), but it also shows how intricate and culturally complex the offshoring of customer service work actually is and how much translation and legitimation work is shifted both onto agents and customers. Conversely, perceptions of cultural proximity may influence decision to “nearshore” work or relocate within the region rather than further abroad.

There is thus a considerable range of studies at many levels of analysis, and some theoretically sophisticated efforts have been made to relate structural and cognitive

processes and the dimensions of disembedding and embeddedness. Still, some of the interconnections have not yet been explored. Studies with an organisational focus mostly restrict themselves to case studies on *either* the level of managerial strategy and micropolitics (Dörrenbächer 2006) *or* the “shop-floor” level of work organisation, interest representation and quality of work. As their case selection is theoretically driven, they will *assume* transnationalisation and for example select particular types of MNCs or transnational outsourcing arrangements. They are thus unable to estimate the degree and impact of transnationalisation within an industry or country.

Overviews of industries are mostly provided by economists or consultancies. In the first case, classifications of economic activities tend to lump together distinct categories of IT, administrative services and customer service that are characterised by quite different types of work. Consultancies and business associations, who frequently survey their own customers with an interest in “making” business trends, will also overstate transnationalisation, whereas studies focusing on embeddedness may underrate the disembedding and transformative power of new technology, deregulation or competitive pressures.

## 1.2. *Call-centres and service restructuring*

Since the 1990s the use of call-centres for customer contact has spread across countries and economic sectors beyond the traditional telephone services such as directory enquiries or mail-ordering. Anglo-American companies, and among them the financial and telecommunications sectors, were at the forefront of this expansion. They have also been the first industries to offshore customer-contact operations to locations such as India or the Philippines. Indian call-centres have provided some striking examples of globalised service work both for research and in the media. On a more local or regional level, small businesses, public sector and non-profit organisations have restructured customer services in many countries. Automated call-distribution technologies, call monitoring, customer relationship management and standardisation of interactions enable this development, and so does management knowledge. However, both are diffusing through multinational consultancies and technology providers as well as through small businesses and individuals who may be more locally based.

There is considerable evidence that call-centres are neither a global nor a truly international phenomenon, and that in terms of employment structure and working conditions they are embedded within their national institutional contexts (Shire et al. 2009). The initial report on the *Global Call Center Industry Project* survey summarises: “we find that the call-centre sector looks quite similar across countries in terms of its markets, service offerings, and organisational features. But beyond these similarities, we find that call-centre workplaces take on the character of their own countries and regions, based on distinct laws, customs, institutions, and norms. The ‘globalisation’ of call-centre activities has a remarkably national face” (Holman, Batt and Holtgrewe 2007: V). A large majority have a national or regional customer base, and international customer services are still mostly a phenomenon of English-speaking countries and of

particular industries such as British- or US-based financial services, airlines or IT support hotlines.

There is a wide consensus that lower cost is a central motive for international relocation in labour-intensive service specifically and that outsourced and offshored services tend to be connected to a standardisation of work and an intensification of monitoring (Marchington et al. 2005; Doellgast and Greer 2007; Flecker et al. 2008; Batt, Holman and Holtgrewe 2009). The obvious principal-agent reasoning is that clients need to specify their demands and monitor a service provider's performance in more detail than that of an internal unit. In turn, they are more likely to outsource work that lends itself to this kind of monitoring.

Traditionally, within "old" industrialised countries such standardisation is associated with low-skilled work or actual deskilling along the lines of a "low road" of cost-cutting service restructuring (Batt and Moynihan 2004). However, this association may be broken where wage differentials between originating and destination countries are substantial. Then, more highly skilled labour forces may become affordable for clients even for lower-skilled jobs. This is one of the reasons why Indian call-centres mostly tend to hire youngish college graduates for tightly regimented and standardised work with little discretion and learning opportunities (Batt, Doellgast and Kwon 2006; Taylor and Bain 2006). A skilled workforce offers offshored companies or subsidiaries the theoretical possibility of taking over more complex or value-added work ("moving up the value chain") at still competitive prices (Dossani and Kenney 2003), as can be observed in software and IT services. However, Batt, Doellgast and Kwon (2006) argue that, with this prevalent combination of highly educated agents and highly standardised and regimented jobs, call-centres in India may be locking themselves into a low-road configuration and effectively blocking themselves from pursuing a path of professionalised, higher value-added service work – for which they have the labour force but not the work organisation.

## 2. *AN INDUSTRY OVERVIEW*

In this paragraph, in order to examine the extent of internationalisation of call-centres across different countries, the differences between international and national call-centres, the factors influencing the probability of an international market scope of these companies and the impact of offshoring on standardisation and the quality of work, we analyse the data gathered by the “*Global Call Center Industry Project*”.<sup>3</sup> An examination of various features and outcomes of internationalisation by country will provide insights into specific national patterns.

In a first step, we investigate the impact of organisational characteristics (such as age, size, form of organisation, call type), the business sector and union coverage on call-centre internationalisation. Secondly, we look at the impact of internationalisation on the workforce’s educational level, on some outcomes for workers, and specifically on the impact of internationalisation on the standardisation of call-centre work.

### 2.1. *Hypotheses and variables*

#### 2.1.1. *Influences on internationalisation*

We measure the “*internationalisation*” (market scope) of the call-centre with a dichotomous variable asking if a call-centre predominantly serves the domestic market (coded with 0) or the international market (coded with 1). Following previous research results (Holman, Batt and Holtgrewe 2007; Batt, Holman and Holtgrewe 2009), call-centres differ especially along the dimensions of organisational characteristics such as ownership, call types, age, size and customer segment. We expect that call-centres catering to an international market will be larger, possibly younger and more likely to be outsourced service providers than inhouse units. They are also more likely to offer outbound services. As in the US and UK, financial services have played a pioneering role in offshoring back-office services, we expect them to be over-represented among international call-centres. The same may be true for telecommunications operators, especially the newer and mobile-phone providers without roots in the public sector. Whether call-centres serve international markets or not may also depend on the general competitive strategy of the organisation. International call-centres will be more likely to

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<sup>3</sup> The Global Call Centre Industry Report (Holman, Batt and Holtgrewe 2007) covers almost 2,500 centres in 17 countries, and provides a detailed account of the similarities and differences in call-centre operations across widely diverse national contexts and cultures. Taken together, the centres in the survey employ a total of 475,000 people. The survey was translated and administered to senior call-centre managers by national teams who also selected the samples from industry databases, call-centre association member lists, regional-development-agency sources and trade-press subscriber lists. The report thus does not claim representativeness but it does represent the best possible effort to move beyond selected case studies and gain an overview of the industry.

aim for price leadership than high quality services. On the one hand, they may predominantly cater to a business-to-business clientele, as companies may centralise operations for that market segment. On the other hand, mass markets are likelier to be served from abroad at lower cost.

*Ownership* is measured by a dichotomous variable that distinguishes between inhouse call-centres (coded =1) and subcontractors (= outsourced call-centres, coded =0). The predominant *call type* of a call-centre (inbound vs. outbound) is measured with a dummy variable (inbound=1 and outbound =0). We measure the impact of the *financial and telecommunications sector* by two sector-dummy variables asking whether a call-centre serves the finance sector (yes=1, no =0) or the telecommunications sector (equivalent dummy coding). In order to analyse the impact of the *competitive strategy* we include a variable asking about the “most important element of call-centre strategy”. This is a five-item variable distinguishing between strategies of price leadership, service differentiation, customer loyalty, service bundling (“one-stop-shopping”) and brand identification. To control for other possible organisational characteristics we also include *age* and *size* and the *primarily served customer segment* in our analysis (for measurements of these variables see appendix).

### 2.1.2. *Impact of internationalisation*

If the Indian pattern can be generalised, international call-centres will both offer more standardised work and hire a more qualified labour force. Monitoring and script use thus will be higher, as well as the predominance of CSRs with tertiary education. As both these variables influence wages in different directions (Batt and Nohara 2009) we do not expect a wage premium for working in an international environment. However, standardisation may not result in a shorter duration of calls, as in international customer interactions, misunderstandings and further queries or explanations may be more prevalent. Unionisation is expected to be lower in internationalised call-centres, as outsourcing in general and international relocations in particular will favour less organised regions and service providers.

We measure the *qualification* of the work force with a four-item variable measuring the education level: no qualification, school up to the age of 15/16, school up to the age of 18, and finally university degree or equivalent. We also include variables to measure differences in the working conditions and outcomes such as the *hours of service per week* and workers’ *annual earnings*. *Collective representation* is measured by asking if a call-centre is covered by a union contract (=1) or not (=0). Analysing the degree of standardisation in call-centres we use the variable “*script use*” as a proxy. “Script use” measures if call-centre agents are required to use scripts when talking to customers or not. We also include variables on *call duration* and “*performance monitoring*” (for details on measurement see appendix).

The next question is whether the Indian pattern of higher education of agents and higher standardisation will be found at the national level and outside of English-speaking countries as well, or if there are distinguishable national or regional patterns. We select

the countries with the largest proportion of international call-centres, i.e. Canada, Ireland and India, and, to compare, the UK – where call-centres may also cater to international English-speaking markets – and the German-speaking countries Austria and Germany. There is anecdotal evidence that Austrian international call-centres cater to a German market as well, and the difference in wages may render such a relocation attractive. On the other hand, serving the Austrian market from low-wage locations in Germany is less of an option, as managers report that Austrian customers are not sympathetic to (northern) German accents.

In England, Austria and Germany we thus expect a lower-than-average degree of standardisation in international call-centres, as these may focus on types of calls that are not easily relocated abroad. The education level of agents may vary between countries as the English-speaking “nearshoring” destinations of Canada and Ireland may not offer an as highly educated workforce to outsourcers as India does.

## 2.2. *Call-centres catering to an international market*

Looking at the extent of internationalisation of call-centres, the *Global Call Center Industry Project*'s survey shows that on average only 13% of call-centres serve an international market.

Table 1: Call-centres serving an international or domestic market

Country	domestic market		international market	
	%*	N**	%*	N**
Austria	85.4	82	14.6	14
Brazil	97.4	111	2.6	3
Canada	64.9	248	35.1	134
Denmark	96.6	112	3.4	4
France	89.5	188	10.5	22
Germany	86.2	131	13.8	21
India	26.7	16	73.3	44
Ireland	62.8	27	37.2	16
Israel	92.5	74	7.5	6
Japan	94.8	145	5.2	8
Korea	99.2	120	0.8	1
Poland	96.0	72	4.0	3
South Africa	91.4	53	8.6	5
Spain	84.4	92	15.6	17
Sweden	90.6	126	9.4	13
UK	86.7	143	13.3	22
US	98.6	434	1.4	6
All	86.8	2226	13.2	339

\* % of Call-centers serving domestic vs. international market, \*\* Valid number of observations

Higher proportions only occur in English-speaking countries that are known as offshoring destinations for both the US and the UK, that is in India with 73.3%, Canada with 35.1% and Ireland with 37.2% of call-centres in the sample.<sup>4</sup> Some countries that the contributors to the dataset originally expected to be outsourcing destinations did not figure as such in the sample, for example South Africa for the English-speaking market or Poland for the German-speaking countries. In a first step, we compare call-centres catering to an international market to those with a domestic clientele across the dataset.

<sup>4</sup> Any deviations in the figures provided here from the GCC report (Holman, Batt and Holtgrewe 2007) result from improvements in the dataset since publication of the report.

Table 2: Differences of international and domestic call-centres

Variable		Domestic Market		International Market		Level of Significance
		%	(N)	%	(N)	
Age of CC	(mean/median)	1994	1997	1996	1999	***
Size	(mean/median)	127	33	207	72	***
Ownership	Subcontractor	29.1	642	44.9	151	***
	Inhouse	70.9	1564	55.1	185	***
Call type	Outbound	19.5	400	30.9	101	
	Inbound	80.5	1653	69.1	226	
Sector	Finance/ insurance	91.3	335	08.7	32	**
	Telecommunication	89.2	340	10.8	41	
Primary customer segment	Large business	22.0	258	28.4	56	n.s.
	Small business	15.6	183	14.7	29	
	High margin mass market	04.8	56	5.6	11	
	General mass market or general public	57.6	674	51.3	101	
CC -Strategy	Price leadership	6.9	134	8.8	24	n.s.
	Service Differentiation	36.6	710	42.3	116	
	Customer loyalty	32.0	621	27.4	75	
	One-Stop Shopping	16.5	321	16.4	45	
	Brand Identification	7.9	154	5.1	14	
Education level	No qualification	1.4	29	0	0	***
	School up to age 15/16	32.6	681	11.9	38	
	School up to age 18	43.4	907	53.5	170	
	University degree or equivalent	19.7	475	34.6	110	
Union coverage	No	61.5	1263	78.6	213	***
	Yes	38.5	792	21.4	58	
Service working hours (week)	(mean)	80.29		101.01		***
Annual earnings (\$)	(mean)	24441.13		23355.76		n.s.
Script use (% CC using a lot/great deal)		24.5		32.5		**
Performance monitoring	(mean)	61.21		66.03		+
Call duration (seconds)	(mean)	266.29		382.22		***

\*Statistically significant at the .05 level; \*\*.01 level; \*\*\*.001 level; + statistically significant at the .10 level, n.s. = not significant

Across the sample, call-centres serving an international market are indeed significantly more likely to be subcontractors, with a share of 44.9% compared to 29.1% of domestic

call-centres. 30.9% of international call-centres mainly offer outbound services, as opposed to 19.5% of domestic call-centres. On average, they are younger businesses with 1996 as the mean founding year compared to 1994 for domestic call-centres. Still, they are more than twice as large, with a mean size of 207 seats compared to 127, and they provide service 101.01 hours per week (domestic 80.29 hours). There are no significant differences in customer segmentation or business strategy in international call-centres.

There are few significant differences regarding the industry that call-centres predominantly serve. Specifically, there are significantly *fewer* financial-sector call-centres serving international markets than domestic ones. It appears that apart from the UK and US, financial services in the rest of the world are predominantly domestically oriented. In the EU, for example, data protection may be more regulated and customers more reluctant to trust foreign agents with their money.

Looking at the impact of internationalisation on the quality of work, in international call-centres it is indeed more standardised. 32.5% of them report that scripts are used “a lot” or “a great deal”, compared to 24.5% of call-centres catering to domestic markets. The percentage of work monitored continuously is also significantly higher, but not dramatically so: 66.0 % compared to 61.2%. However, calls in international call-centres last an average of six minutes and 22.22 seconds, whereas in domestic markets business is transacted in an average four minutes and 26.29 seconds.

So far, the pattern of more educated agents doing more standardised work when catering to international markets holds up across the dataset. International call-centres hire more educated CSRs: more than a third (34.6%) predominantly hire graduates, whereas only 19.7% of domestic call-centres do so. In turn, only 11.9% hire people who have left school at the age of 15 or 16, compared to 32.6% of domestic call-centres. Unionisation is significantly lower when call-centres cater to an international market: while unions are present in 38.5% of call-centres catering to domestic markets, only 21.4% of international call-centres have some union representation. Nevertheless, there are no significant differences between wages in international and domestic call-centres.

Table 3: Differences between international and domestic call-centres by country

	Canada		Ireland		India		UK		Germany		Austria	
	domestic	internat.										
<b>Ownership</b>												
Subcontractor (% CC)	36.6	61.1	15.4	18.8	43.8	11.4	25.5	40.9	62.5	90.5	31.3	64.3
Inhouse (% CC)	63.4	38.9	84.6	81.2	56.3	88.6	74.8	59.1	37.5	9.5	68.7	35.7
Size (mean)	103.6	226.2	56.79	117.6	225.0	647.8	139.3	161.9	124.4	203.2	50.11	127.7
<b>Union coverage</b>												
No union coverage (% CC)	78.5	93.2	50.0	86.7	100.0	100.0	49.6	81.8	72.3	85.0	39.2	50.0
Union coverage (% CC)	21.5	6.8	50.0	13.3	0.0	0.0	50.4	18.2	27.7	15.0	60.8	50.0
Annual earnings in \$ (mean)	33276.43	27740.22	30331.25	29868.00	2099.26	2660.58	27605.54	30668.82	29693.22	28473.17	18276.27	21951.32
<b>Education level (No of CC)</b>												
No qualification/ School up to age 15/16	4.2	2.3	48.1	18.8	-	-	50.8	31.6	70.1	58.3	80.5	50.0
School up to age 18	80.2	86.8	25.9	18.8	25.0	30.2	20.0	26.3	28.7	41.7	12.2	14.3
University degree or equivalent	15.6	10.9	25.9	62.5	75.0	69.8	29.2	42.1	1.1	.0	7.3	35.7
Service working hours	85.1	110.2	63.64	83.10	168.0	146.7	84.60	80.50	72.05	92.02	74.75	91.93
Performance monitoring (mean)	55.87	60.04	62.38	62.03	92.00	93.37	67.86	56.20	62.27	65.53	67.47	65.71
Call-duration in seconds (mean)	285.2	395.8	177.1	308.0	260.7	664.2	247.6	235.5	225.8	273.6	338.6	355.7
Script use <sup>1</sup>	10,6	23,7	14,8	31,3	12,5	40,9	17,7	13,6	34,1	52,4	41,5	42,9

Bold letters: significant at the 5 % level

<sup>1</sup> % CC using scripts a lot/great deal

Comparing international call-centres and domestic ones within countries, we find consistent differences in size, call duration and, notably, union presence. International call-centres are larger, and often twice the average size of domestic ones. Only in the UK is the difference smaller. Here, call duration is also slightly shorter in international call-centres. The difference, with longer calls in international call centres, is less than a minute in the German-speaking countries, about two minutes in Canada and Ireland, and more than six and a half minutes in India. This suggests that international calls do indeed take longer in order to clear up misunderstandings or extra queries – and standardisation is possibly being used (with limited success) to keep call length in check. While union presence varies overall, it is considerably lower in international call-centres. Only Austrian international call-centres, still lagging behind domestic ones, have 50% unionisation. However, the majority of these cases consist in the presence of collective agreements, which are compulsory in Austria but do not cover freelance workers. In other countries, unions are present in less than 20% of international call-centres.

With regard to call-centre ownership, India emerges as a special case. Here, 88.6% of international call-centres are inhouse. These may either belong to business process outsourcing companies that have emerged as a “new kind of multinational” (Flecker 2007) and offer other business-related services as well, or subsidiaries of foreign MNCs, as the dataset does not account for foreign or domestic ownership. They also handle outbound calls to the same extent as domestic call-centres, which is well above the international average on both counts.

The picture of standardisation and CSR education varies between countries. Script use is significantly higher in international call-centres in all English-speaking offshoring destinations. In India, the pattern of recruiting graduates for tightly regimented work is found in both domestic and international call-centres, and the international ones use scripts to a significantly larger extent. However, Indian CSRs benefit from work in an international call-centre by earning significantly higher wages. In Ireland, higher script use combines with a significantly higher proportion of graduates as well – but no wage difference. In the UK, where scripts are generally little used, the difference is negligible, and the percentage of calls that are monitored is even lower in international call-centres. Canada has a higher proportion of script use and monitoring in line with a lower proportion of call-centres predominantly hiring graduates – hence its international call-centres, which will mostly serve a US market (cf. [www.the-cma.com](http://www.the-cma.com)), follow more of a traditional low-road path of nearshoring. The German-speaking countries show diverse patterns. In Germany itself, differences in standardisation and education are insignificant. Austrian international call-centres, however, hire graduates significantly more often, while there are no differences in script use, which reaches Indian dimensions regardless of the market.

Table 4: Logit estimates: Probability of call-center serving the International Market<sup>1</sup>

	Model 1	Model 2	Model 3
<b>Sector</b>			
Financial services		-1.004 **	-.948 **
telecommunication		-.266	-.278
Union coverage			-1.013 ***
<b>Organisational variables and controls</b>			
Ownership: Inhouse	-.812 ***	-.827 ***	-.779 ***
Age	.022 +	.024 *	.023 +
Size	.002 ***	.002 ***	.002 ***
Call type: Inbound	-.629 **	-.641 **	-.516 *
CC part of larger organisation	.299	.314	.331
<b>Country controls (reference category Canada)</b>			
Austria	-1.212 ***	-1.238 ***	-.948 *
Germany	-1.479 ***	-1.434 ***	-1.433 ***
India	2.589 ***	2.787 ***	2.671 ***
Ireland	.509	.494	.548
UK	-1.252 ***	-1.27 ***	-1.037 ***
<b>Number of obs<sup>2</sup></b>			
	778	778	768
<b>LR <math>\chi^2</math></b>			
	163.62 ***	171.66 ***	189.82 ***
<b>Pseudo R<sup>2</sup></b>			
	0.1795	0.1883	0.2111

\* Statistically significant at the .05 level; \*\*.01 level; \*\*\*.001 level; + statistically significant at the .10 level

<sup>1</sup> reference category: domestic market, <sup>2</sup> Differences in number of obs. are due to missing values in independent variable.

In order to validate our bivariate and country-based analysis, we conducted a binary logistic regression analysing the probability of call-centres serving the international market or the domestic market. Measuring the influence of organisational characteristics (ownership, call type, age, size and whether the call-centre is part of a larger organisation) and country (Model 1), also including the effect of the sector served by the call-centre (Model 2) and the union coverage (Model 3) the results basically confirm our previous analysis.

The probability of serving the international market is significantly higher for subcontractor and call-centres providing outbound services. We also have a significant effect of size and age, but due to the small coefficients (close to zero) the influence of these variables is very small and does not explain much of the variance. Looking at the country effects and the differences between countries – choosing Canada as a reference category – the results of the multivariate analysis also confirm our previous descriptive

and bivariate results. Compared to Canada, Austrian, German and UK call-centre are less likely to serve the international market. Indian call-centres on the other hand are significantly more likely to serve the international market, while Irish call-centres show similarities to Canadian ones.

Including the influence of the business sector (Model 2), call-centres serving the financial sector are less likely to have an international market scope. We also find a negative but not significant effect concerning the telecommunication sector. We did not find any impact of customer segmentation strategies and competitive strategy, and neither were call-centres that are part of a larger organisation more likely to be internationalised.

As expected, unionised call-centres are less likely to serve the international market. Model 3 shows that this effect is self-contained and not related to the country or ownership of the call-centre.

### 2.3. *Conclusions for the industry*

The data from the *Global Call Centre Industry Project* thus does not support a general trend towards the outsourcing of call-centre services to foreign countries. This is restricted to the English-speaking world. Especially India, Ireland and Canada provide offshoring or nearshoring destinations for call-centre services. Elsewhere, the financial sector in particular retained its domestic orientation at the time of the survey.

Analysing the differences between international and domestic call-centres shows country-specific patterns of standardisation and skills. India has the most distinct pattern of high skills/high standardisation, which it shares with Austria's international sector. Ireland presents the most "high road" configuration of transnationalisation with educated agents, less script use but no wage premium, whereas Canadian call-centres apparently go for the "low road" of low skill and high standardisation.

All international call-centres have significantly less union coverage than call-centres serving the domestic market. Inhouse and inbound services are less represented in international markets.

### 3. *CASE STUDIES: OUTSOURCING ON A GLOBAL AND REGIONAL LEVEL*

The way in which these patterns of outsourcing play out on the organisational level will be explored in the following two case studies, which are maximally contrasted. One represents the customer service activities of a US-based electronics multinational in the German-speaking market, the other an instance of outsourcing within the region in the Austrian public sector.

#### 3.1. *Outsourcing on a global and regional level: The example of the customer service centres of ABC Electronics (Germany)*

ABC Electronics represents the case of the German-speaking IT-hotline of a large, US-based multinational electronics company that vertically integrates manufacturing, distribution through online or telephone ordering, and customer service. The example shows how an MNC's offshoring strategy is locally shaped by the interaction of its adaptation to regional markets with a globally enforced work organisation issued by the company's headquarters.

Worldwide, ABC Electronics has nearly 90,000 employees. In the US, the company is known for its low prices and its strategy of offshoring service centres as well as production plants to low-wage countries. Though in the past, ABC Electronics' location and organisation of work was driven by expansion, in recent years plans for internal restructuring include a 10% reduction of the workforce, which will not only affect customer-service staff but also employees at plants, retail stores and other departments. In the following we shall focus on the restructuring processes that affect staff in call-centre locations.

Against the global trend of workforce reduction, the company's call-centre service in Europe was still being expanded until 2007. In 2005 a new location was opened in Scotland and by the end of 2007 about 850 new jobs had been created there. However, most of the newly created service jobs go to offshore locations that serve the English-speaking market like the Philippines and India while locations in Canada and the US have been closed down. ABC Electronics has recently consolidated its service centres in Canada, El Salvador, the Philippines and India into one business unit, which it aims to sell.

Service for German-speaking customers is provided at three different locations. Sales and marketing are located in West Germany; service and support centres have been established in East Germany and in Slovakia. The East German centre caters to business customers; Slovakia serves the mass market. Both locations were chosen because of low labour costs (and low rents), the availability of the necessary ICT-infrastructure and an employer-friendly labour market. Employees' skills, especially the language skills of Slovakian CSRs, are considered to be good.

The East German location came into service at the end of 2005 employing 300 CSRs. In 2007 the total number of employees increased to almost 700, of whom 270 work in support, and there are plans to further expand the location. The majority of other workers provide sales services, which were shifted to East Germany from the West-German location. Even though most employees have completed vocational training as technicians or IT-specialists wages are low, due to the high unemployment rate in eastern Germany (with 15.2% in the region compared to 8.1% in all of Germany in December 2007). Most of the employees work full-time; the percentage of women and students employed is negligible.

Work in the East-German support centre for business customers appears quite different from other German call-centres, even technical support hotlines. Employees who are not engaged in a call gather together to discuss technical problems rather than working at their desks. Although work is very fragmented, calls are non-standardised and there is little time pressure, although agents' calls and computer activity are comprehensively monitored. The low standardisation of the calls cannot be explained by the influence of local institutions or by subsidiaries' strategic position (Geppert and Williams 2006), but by its specialisation in business customer service following a global management strategy of customer segmentation (*ibid.*, and Batt 2000) and not least by the nature of the task itself.

The Slovakian support centre is located close to a city near the Austrian border that hosts other call-centres serving the German speaking market. It started as a general German-speaking customer-service location in 1997. In 2002 the location was transformed into a business centre for the region of Europe, the Middle East and Africa, with 800 new jobs. In 2003, all German-speaking mass-market support services were transferred here. Currently, it has 2,000 employees, although not all serve support functions.

In spite of serving different customer segments the East-German and Slovakian call-centres are connected via VoIP and "classic" telephony. Though it would be technically possible to shift calls between the two locations at peak times, the company prefers to shift calls between hotlines serving the same customer segment even if this means having customers change to English. Generally, this organisation of the service is centrally decided by the US headquarter which also develops and administers hardware, software and training materials centrally. Besides, it permits only very little and short-term use of external contractors. On the regional level, service-centre management thus has little discretion. Local managers consider it important to maintain contact with local or regional institutions (e.g. data protection officers, vocational training institutions, chambers of commerce etc.), but these contacts do not lead to any differentiation in management practices.

Here, ABC emerges as a multinational with a low-cost orientation in terms of location that still responds to different markets differently. The expansion of its market in non-English-speaking Europe has led to a growth in its customer-service operations that runs counter to the consolidation and offshoring on the English-speaking side. However, the low-wage operations do not prevent (or may even allow) considerable workplace

discretion in line with the demands of a technical support helpline that caters to business customers in East Germany.<sup>5</sup>

However, even in this case, the logic of cost-cutting does not fully explain the structure of ABC's offshoring as customers' institutionalised expectations and notions of quality apparently play a part, too. Originally, all German customers received support from the Slovakian location and only later business customer support moved to East Germany. Assuming that technical support is more complex for business customers, who may run entire networks and depend on rapid problem solving, the less standardised type of customer interaction was moved back to a region of native speakers in spite of that region's higher wage level. The more standardised mass market has to accept foreign accents on top of customers' more limited level of expertise. Business customer support thus has an element of conspicuous consumption that goes beyond effective communication. By assigning better-paid native speakers with high discretion to business customers, the company appears to be investing in the relationship. But surprisingly this investment comes with bureaucratic limitations, as German-language services are only available during (extended) office hours both for business and individual customers.

### *3.2. Outsourcing and standardisation on the regional level: customer service in council housing (Austria)*

Consortium Multicall is a co-operation between two subcontracting call-centres and a consultancy that specialises in very regional customer services for the public sector.<sup>6</sup> The case is exemplary for a public-private partnership in a country characterised by a fairly regulated labour market with a range of precarious arrangements (Hermann and Flecker 2005) where employers following a logic of cost-cutting tend to "escape" from the regulated segment within the region (Arzbächer, Holtgrewe and Kerst 2002). Consortium Multicall's most important project is customer service for the property management of a large city's council housing in Austria. Consortium Multicall employs about 160 CSRs, who mostly had freelance contracts at the time of the case study (for more detail see Schönauer 2008).

Before call-centre operations were outsourced, customer-service employees of the housing administration answered incoming phone calls while they provided face-to-face service or were working on documents simultaneously. In 2003 the amount of incoming calls was found to exceed the inhouse department's capacity. Hence it was felt that

<sup>5</sup> As interview and observation access had not been granted in Slovakia at the time of writing this paper, we have no evidence that standardisation in the mass-market centre is higher, but it is certainly very likely. Indeed, this is probably one of the reasons for the company keeping business and mass-market lines as separate as it does, even at the expense of routing to English-speaking locations serving the same market.

<sup>6</sup> The case study was conducted in between June and October 2006. It is based on open-ended interviews with managers, employees and a works-council member. Additionally, company documents such as contracts, agreements and mission statements were analysed.

there was a general need to improve telephone services in a low-cost way. Instead of opening a call-centre within the existing organisation the city council established a separate customer-service subsidiary. This company announced a public tender for a call-centre service, which was won by Consortium Multicall. One main argument for the procurement to the Consortium Multicall was that they offer their services from two offices within the same city, which means that in case of an emergency one call-centre can take over services from the other. After a pilot project, the company took over the whole telephone service for current and future tenants of council housing.

Consortium Multicall's contract with the city's customer-service company contains an extensive service-level agreement, which is the main reason for the increasing standardisation, documentation and surveillance of agents' work. If the defined service quality, for example in terms of response time, number of calls taken or call length is not reached, the subcontracting call-centres have to pay a fine to the customer-service company of the city. Consortium Multicall passes conditions on to agents up to the point that everything an agent does is monitored.

At the time of the case study Consortium Multicall's call-centre agents had freelance contracts (*Freie Dienstverträge*). Most of them were students or were supplementing other sources of income. The employment status of freelancers is a specialty of the Austrian employment system, which exempts workers from unemployment insurance (until 2008), holiday entitlement, sickness pay, supplementary grants and employment protection. Freelance contracts thus offer a very cheap and numerically flexible form of employment with workers neither covered by a collective agreement nor entitled to vote for a works council. Since in Austria, this is frequently regarded as a way for employers to evade social obligations, the city itself could not have used such contracts for political reasons and its proclaimed tradition of social responsibility. Indeed, after the completion of the field study, social insurance bodies and trade unions took legal action to force call-centre employers to offer standard employment contracts as most call-centre work does not fit the legal criteria for freelance work. In Austria this is interpreted as a general threat to the social security system and leads to the erosion of standard employment contracts. Additionally, it puts employees at the parent companies under pressure. Consortium Multicall eventually decided to offer normal open-ended contracts, and management has announced that a works council is to be set up. Other employers have threatened unions with the relocation of call-centres abroad, but so far there have not been any examples.

Apart from the contracts, there are large differences between the wages of employees at the city council and those at the call-centres. Service-centre employees' wages are about twice those of call-centre agents (about €1,900 compared to €900 monthly take-home pay for a 40-hour week).

When the call-centres started operations their task was to forward requests to service employees in the decentralised service centres in a standardised workflow, mostly through an e-mail-based "ticketing" system. Over the years the call-centres' responsibilities have increased. Today more than a third of incoming calls can be handled by agents themselves, the remaining requests are forwarded to back office units

at the public administration electronically. Workflows across units have become increasingly standardised in the course of outsourcing. This has extended the intensification of work to the remaining inhouse units. For customer service clerks, tasks have become more standardised and customer oriented and surveillance increased as well. These changes are to a large extent influenced by the integration of data and knowledge bases and performance measures across service delivery channels.

We can conclude that at the local level and in the public sector, call-centre outsourcing may have even more far-reaching consequences for job quality than multinationals' offshoring operations. Cutting cost within the region means a move to precarious employment within a regulated employment system. This configuration has a specific gender dimension: customer service in the public sector is a traditionally fairly secure and reasonably well-paid area of women's employment, and women also are the majority of agents in most call-centres. Hence, women's work becomes more precarious. The standardisation of work and information bases has been extended back to workers in inhouse service centres, whose work has come to be evaluated along the same or similar parameters. However, in Austria (and Germany as well) large or international service providers play less of a part at the municipality level than in the UK (Marchington et al. 2005; Flecker et al. 2008). Nevertheless, regional players also have greater opportunities to exploit flexible options with the tacit approval of the city council.

#### 4. *DISCUSSION AND CONCLUSION*

Overall, while global business service providers exist and shape the perception of the industry to a considerable extent, patterns of outsourcing and internationalisation of outsourcing appear varied, regional and contextualised with specific industries and customer relations. While some services in some segments have certainly been internationalised (for example airline travel or IT helplines), in many fields national and regional specifics play the larger part, and internationalisation follows country-specific patterns although the use of a more highly skilled workforce in international call-centres is an almost general trend.

Obviously, the case of India as an offshoring destination with its specific combination of highly educated agents and high standardisation represents more of a specific pattern than a universal blueprint of service transnationalisation, and the institutional prerequisites of that path deserve further exploration. A considerable part of transnationalisation in the English-speaking world takes the form of “nearshoring” to countries that are spatially and culturally closer to the US and the UK. Canada has been confirmed as a consistent “low road” destination for the US, whereas Irish transnational call-centres repeat the Indian pattern of using graduates – but with a lower level of standardisation. In Austria, the same applies, although script use is uniformly high in both domestic and international call-centres. Both countries have for some time successfully attracted relocated business from a larger neighbour speaking the same language.

Language, the use of native speakers and (anticipated) customer acceptance of foreign accents clearly structures transnationalisation. This is shown both by the prevalence of “nearshoring” and the investment of Indian call-centres in the language and cultural adaptation skills of their agents. The case of ABC Electronics is also illustrative. In spite of the multinational’s centralised low-cost approach aiming at consolidation and possible outsourcing of call-centre operations, it makes concessions to the requirements of an expanding European market – and where German-speaking business customers are concerned it uses native speakers in a low-cost region within the country. The need to “embed” customer service within its market environment is thus answered selectively for a particular market. On the mass market, the effort of translation and creating understanding is left to the intercultural competencies of both Slovak agents and consumers.

The recruitment of more highly educated agents in international call-centres is apparently one of the ways of providing these competencies and a certain educated *habitus* that may signal some social proximity to the consumers of internationalised services. It is most probably not so much graduates’ academic skills and knowledge that are essential for call-centre work (with the exception of some professional hotlines), but we suspect that increasingly standardised and modularised university courses also provide them with the skills to take up nuggets of new knowledge superficially and sound competent on uncertain ground. While highly educated agents would be a

prerequisite for transnationalised call-centres to “move up the value chain” and provide high-quality expert services (Dossani and Kenney 2003), in the same way that Batt, Doellgast and Kwon have outlined for India (2006), international call-centres in nearshoring countries may also be about to lock themselves into a cost-driven low-quality segment of the business by disregarding and effectively devaluing the human capital they possess. In the face of emerging East European destinations, this does not look like a sustainable business model. This tendency may be countered by both companies and training institutions developing career paths and perspectives beyond call-centres, recognising qualified agents’ customer-service experience. The Austrian case of Consortium Multicall shows that within formerly protected employment segments (the public sector of a country with a fairly regulated labour market) there are ways to go for a cost cutting and flexibilisation strategy on a regional level. Within the regulated labour market private employers have been given leeway to reduce labour costs and flexibilise employment – and through public-private partnerships public-sector employers can access the more precarious labour segment with repercussion on their own inhouse employees.

Hence call-centres illustrate the interrelatedness of the disembedding and embeddedness of transnational restructuring of work and organisation in a clearly structurationist way (Giddens 1990). Customer interactions, knowledge based management strategies and restructuring options are clearly disembedded from their previous contexts both through outsourcing and transnationalisation. However, the modes and levels of this disembedding itself are shaped by context-specific path dependencies (Streeck and Thelen 2005) on the local, national and organisational level – and they re-embed themselves with these (changing) contexts as cognitive dimensions, ranging from language and culture to perceptions of customer expectation and political legitimacy, continue to play a part even when companies and public-sector organisations pursue cost-cutting strategies. Re-embedding moves, however, are not necessarily associated with a higher quality of work, as the local case study of Consortium Multicall shows. In an institutionally dense context, the city council also outsources the need to legitimise highly flexible, downgraded HRM policies.

On the other hand, transnationalisation and standardisation are statistically but not automatically associated: the ABC Electronics case confirms that standardisation is also limited by the nature of the interaction provided. Technical support work inevitably contains creative problem-solving and draws on a certain professionalism of employees (cf. D’Cruz and Noronha (2007) for India). Although we agree with Taylor and Bain (2006) that companies and public-sector organisations will decide on the cost-cutting option when faced with the dilemma of service rationalisation and customer orientation (Holtgrewe and Kerst 2002), the cultural, communicative and cognitive bases of successful, appropriate interaction will continue to frame these options.

However, the *Global Call Centre Industry Project* has not provided data on outsourcing patterns that would involve ownership structures, internal and external competitions, multilingualism and entire national and transnational outsourcing configurations. Nor have the case studies explored the genesis of decisions to relocate or outsource work

very deeply. The importance of (networked) outsourcing only came into focus through the project's results and the significant differences between outsourced and inhouse call-centres. Certain European offshoring destinations such as Poland have only emerged as such since 2004, somewhat later than the project predicted, and they have not yet been investigated by much independent research. There is obviously ample work still to be done on multinationals with different countries of origin and language backgrounds, on the multinational strategies of call-centre and BPO service providers, on smaller businesses for whom international markets may come into focus if customer service can be outsourced, on the role both of global and local consultancies and (on the employee side of relocation) on the role of migrant and multilingual employees in call-centre services. This paper has connected an analysis of the most comprehensive datasets on the call-centre industry that are currently available to an analysis of case studies that explore both the transnational and local aspects of outsourcing.

With regard to the predictions cited in the beginning of the paper, the prognosis of an explosion of non-English language offshoring into central and eastern Europe and the Mediterranean rim may be overstated. The industry in these regions is clearly expanding (cf. Holtgrewe 2009), and the Datamonitor prediction of 5% of European call-centre agents working in nearshored call-centres is roughly in line with the GCC data. However, a considerable part of the East European expansion is aimed at local or regional markets there (for instance in the financial sector, which we do not expect to offshore customer service soon). It is not easy to forecast what kind of specialisations and types of value chain and networks will emerge, but institutional actors such as unions and consumer-interest groups and policymakers would be well advised increasingly to develop European strategies that go beyond immediately addressing visible job relocations.

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## APPENDIX: VARIABLES USED IN THIS PAPER

Variable	Definition	Coding
Annual earnings	annual earnings of the typical full-time core employee in US \$ before deductions and taxes, including wages, earnings, bonuses, commissions, profit sharing, and overtime pay; excluding benefits	
Script use	a) call-centre agents use scripted texts to handle customer calls b) extend of script use a 3 item variable distinguishing if 1) a cc does not use scripts 2) uses scripts a little/moderate level 3) a lot/great deal	a) yes=1 no=0 b) 1) not at all 2) a little/moderate level 3) a lot/great deal
Collective representation: Union coverage	one or more trade unions in call-centres for collective bargaining for core employees (yes/no)	Yes =1 No = 0
Education level	typical educational level of core employees a) no formal qualifications b) education up to the age of 16 c) education up to the age of 18 d) university education or equivalent	a) yes=1 no=0 b) yes=1 no=0 c) yes=1 no=0 d) yes=1 no=0
Call duration	average length of the typical call handled by core employees	
Performance monitoring	percentage of core employees' work activity monitored continuously throughout the day regardless of whether the information is used or not	
Service working hours	Number of hours core employees provide service in an average week	
Market scope	Market predominately served by call-centre (international vs. domestic)	International market = 1 Domestic market = 0
Age	Year call-centre has been established	
Size	The total number of seats (i.e. work stations) at the call-centre	
Part of larger organisation	call-centre is part of a larger organization	Yes =1 No = 0
Call type: Inbound	call-center primarily deals with inbound or outbound calls	Inbound =1 Outbound = 0
Ownership: In-house	Call-centre organized as in-house centre providing services to own company or as a sub-contractor providing services to other companies	In-house = 1 Subcontractor=0

Primary customer segment	Main customer segment served by call-centre	<ol style="list-style-type: none"> <li>1) large business customers only</li> <li>2) small business customers only</li> <li>3) mass market customers only</li> <li>4) all types of customer</li> </ol>
CC Strategy	Most important element in call-centre strategy	<ol style="list-style-type: none"> <li>1) Price leadership</li> <li>2) Service differentiation</li> <li>3) customer loyalty</li> <li>4) one-stop shopping/service bundling</li> <li>5) brand identification</li> </ol>
Sector	Dummy variables reflecting the sector served by the call-centre. The two primary sector variables used were telecommunications and financial services	<p>Yes =1</p> <p>No = 0</p>