

Introduction

The Information Technology Enabled Services (ITES) industry pertains to services delivered over telecom networks or the Internet to a wide range of business areas. Most of the functions are human intensive where the technology is used as a tool to provide these services. Due to this human intensive nature, these processes and services can be outsourced in order to achieve a cost advantage without giving up quality. ITES covers mainly back-office operations like, accounts, financial services, call centers, data processing, geographical information services, human resource processing, insurance claim processing, legal database processing, payroll processing etc.

The pioneers in India who first began to host outsourced services in the country were American Express and British Airways. The big break came when GE began to set up large call centres around Delhi, thus demonstrating the scalability of the operations high visibility.

The relatively low cost of manpower makes India a very attractive base for sourcing cross-border IT-enabled services. India's large English-speaking, highly educated and low-wage talent pool has helped to establish itself as one of the fastest-growing outsourcing services markets in the world. A virtual 12-hour time zone difference with the USA and other markets for Call Center services is also in India's favor. An article in Mckinsey quarterly in the year 2001 has rated India, as the highest preferred offshore service area amongst all the other countries. A recent survey by the Indian National Association of Software and Service Companies (NASSCOM) found that almost two out of five Fortune 500 companies currently outsource some of their software requirements to India. According to a study done by McKinsey, IT-enabled services can generate a substantial amount of revenue and employment for India in the next eight years. Some of the key multinationals that have already outsourced their work in India include HSBC and Standard Chartered Bank, Hewlett-Packard, Microsoft, DELL, American Express, Convergys, GE Capital etc.

Government Policies

Government policies attempt to provide an enabling framework for the industry. By the late 1990's, recognition of the potential of the information communication technology (ICT) industry led to establishment of the National Task Force on IT and Software Development, and the Ministry of Information Technology. The EXIM Policy 2003 has attempted to remove some of the existing formalities that have been standing in the way of software exporting organizations which has helped ITES companies in the country.¹

In March 2003, the Union Cabinet approved a proposal to ratify the ILO night-work (women) convention to provide flexibility in the employment of women during night shifts.² The state of Maharashtra has enacted laws to remove restrictions on women working night shifts, between 7 pm and 6 am. Andhra Pradesh has tagged IT enabled services as essential services and ensured that the industry can work with out any interruption for 24 hours a day. Karnataka has inserted rule 24-B, which allows women to work in night shifts for the ITES industry provided some conditions are met.³

Growth of the IT Sector⁴

According to NASSCOM 2001-02 data the MNC segment emerged as an important contributor to the total software and services revenue with a share of 27% out of which 45% is of ITES services.

¹ <http://www.nasscom.org/bponewslines/apr03/policy.asp>

² The Telegraph, Calcutta, March 05, 2003.

³ <http://www.nasscom.org/bponewslines/june03/policy.asp>

⁴ Highlights: Extract from NASSCOM's Study Report, *Indian Software and Services Industry: 2001-02*, New Delhi: NASSCOM.

ITES sector was the growth engine for the exports sector and it grew at a rate of 67% accounting for around 20% of the total software and service exports from India. Within ITES Service lines, customer care emerged as the most important segment with 103 companies working in this area. Offshore development received a major boost in the 2001-02 with a growth of 64%. The turnover figure was Rs.18,000 crore. According to the city-wise survey on the ITES market by NASSCOM covering 310 companies revealed that the average number of employees in the ITES sector is 190 which ranged hugely from as low as 4 people to as many as 16,000 people. Amongst the cities representing the ITES sector the National Capital Region (NCR) has emerged as the largest with 53 companies based here. Mumbai comes second and Bangalore and Chennai are at fourth place.

Competition

The ITES industry is facing a steep competition everywhere. India's main contender is China and Malaysia. China is putting its resources into the quality of education to cope up with the competition in IT sector. Currently the cost of operations in India is 37% lower than in China and 17% lower than in Malaysia. Another country, the Philippines that is well equipped for competition produces around 3,00,000 English speaking graduates every year while India produces around two million graduates out of which 80% is English speaking.⁵

Challenges

One major challenge for the industry is the high attrition rate which is 30% to 35% in the industry, apparently due to stress or low levels of job commitment. Staff working at call centers tends to be young and aspire to further study and other professions. Most women leave the job after marriage – and most Indian women marry, and marry young. Company response to staff attrition has included recruitment from smaller towns and cities, the hiring of older staff who are more dependent on income from their jobs, provision of nearby housing to cut down on commute time and stress, and the provision of various in-house entertainment/ relaxation programmes to deal with job stress.

Another major challenge is meeting the high expectations of customers from different parts of the world. There are two types of processing which is conducted in the centers, voice processing and web processing. In the web processing the employees carry out the job by chatting and through e-mails. Voice-processing requires handling both inbound and outbound calls. The handling of the out bound calls is comparatively easy. Inbound calls require troubleshooting and hence greater skill. Recently a popular daily reported that Dell, the world's largest computer seller, is scaling down tech support call to India because its corporate clients have complained about the poor level of service they were receiving. Convergys, one of the world's biggest providers of call-center services, advises companies to offshore simple queries while retaining the more complex queries on the same shore as the customer and it calls this process as "rightshoring".

Women and Call Centers

The rise of the ITES industry has led to new employment opportunities for women. Indian call centers have about 160,000 professionals out of which 45 percent is women on an average. Most call centers have women employees in excess of 35 percent. Some centers even have as high as 60 percent share of women in their workforce. At the same time, the attrition rate for women employees is higher than that for men. Most employees working in call centers are in the 19 years to 24 years age group and women who get married tend to leave because of the unusual work hours.

⁵ The Economist, December 13, 2003.

While the number of women at the agent level and middle management level is high, the numbers come down drastically in the top management level. Women seem to be concentrated in customer support and the training department. Most top executives acknowledge that a steady turnover of staff is an inevitable aspect of the industry, as the work gets monotonous over time and employees seek better prospects or a change. It is a challenge for the call centre to effectively train employees to stay at the job.⁶

Companies

Out of the two companies surveyed, Wipro Spectramind Pvt. Ltd. and MsourceE Corporation, one is situated in New Delhi and other is in Bangalore.

Wipro Spectramind Pvt. Ltd.

The New Delhi based company, Wipro Spectramind Pvt. Ltd. is owned by Wipro, one of the software giants of India, which has 96% of the shares in the company. The other 4% is with the management of Spectramind. This company claims to be the first third party outsourcing company in India and also one of the main BPO companies in the country with five centres in different cities and a sixth one coming up in Calcutta. The company entertains a large number of outsourcing jobs assigned to them by various companies located in different parts of the world mainly US and UK. The assignments include services at the lower end of the value chain such as medical transcription from Dictaphones as well as those at the higher end such as providing technical support and marketing products through a voice process.

The company opened in 2000 with around 320 employees. Today there are 10,000 employees in all the five centers and 3000 employees in the Delhi center. The ratio of female to male employees is 45:55 at lower levels of the hierarchy, and around 37:63 at higher levels, in Delhi. In Maharashtra the proportions are reversed, perhaps reflecting a more liberal society. All employees have a minimum qualification of graduation. Methods of recruitment include advertisement and campus recruitment. Candidates are screened, short listed, and required to participate in group discussion and interview. Recruitment is followed by two months of rigorous training for voice accent, grammar, and on the culture of the client country. Employees are allocated responsibilities according to their performance during the training. For senior managers, recruitment is mainly done through personal reference. In fact, head hunting by current employees is encouraged and a monetary incentive given for identifying suitable applicants. Advertisements are also placed on the company notice board so that employees with appropriate qualifications and experience can apply for the position. The company prefers young people who are expected to be more efficient and have greater computer skills. Older persons with greater consciousness of hierarchy and less computer efficiency are not seen as fitting into the work culture.

Around 15 % of the employees work in web processing, and 85% in the voice-processing unit. Each shift is of 9 hours and the company has 17 shifts altogether. The attendance of each employee is monitored through appropriate software. Calls from different clients are distributed automatically according to the availability of people on the desk. Each shift has three breaks, one of half an hour and two of 15 minutes each. Employees are permitted to take short breaks from the work provided there are enough employees on the desk to handle the work. Leave of two days a month can be availed in addition to the weekly two days off.

According to the company there is no idle time in between the job assignments. Every 2-3 months Spectramind gets a new assignment of outsourcing services. The busy period depends on

⁶ <http://www.ciol.com/content/news/trends/103032601.asp>

festivals, climate, holidays, etc. Christmas and New Year is the most active period in the whole year as it is the time people exchange gifts. There is an inter-unit movement of the employees with less training for the required work that helps them to handle the new clients. After the busy flow is over the associates are sent back to the original unit.

The major problem, attrition of employees, is handled by encouraging employees to participate in relaxation programmes. Little can be done about women leaving on account of marriage, or trained employees being offered inducements to leave by competitors.

Msource Corporation

The Bangalore based company Msource Corporation is a leading U.S. based remote e-services company and it is the call centre subsidiary of Mphasis-BFL which is situated in Bangalore. They are one of the first companies to establish a fully operational international Call Center from India. They have two operation centres in India, one in Bangalore and the other one in Pune. Msource's main area of work is customer service, which is provided to foreign companies. They claim providing high quality, value added contact centre services and Business Process Outsourcing (BPO) services to Fortune 500 companies. Msource provides Inbound and Outbound Voice services, Transaction Processing and Web based services to many clients including a US based financial house and credit card company. Msource announced that it is the first call centre in the country to be awarded the BS 7799-2:2002 certification. During the 5th Anniversary celebration ALLDATA Corporation presented the Global Partner of the year 2001 to Mphasis/Msource. Attesting to the quality procedures at Msource, its Pune centre has received ISO 9001-2000 quality standard certification.

Msource recorded revenue of Rs.44.78 crore for the quarter ended 30th September 2003 up 101 per cent over the corresponding previous quarter. During the reporting quarter, the company registered a net profit of Rs.3.56 crore, its first positive turn since its inception.

It started in 2000 with meager staff strength of 30 and now it has 3200 people for them. More than 90 per cent of the employees are graduates while the remaining are postgraduates. The employees mostly are from educated and socially and economically well off families. There are graduates and software professional women employed here, and men who have been educated as lawyers, dentists, engineers and software professionals. Most of the staff is unmarried. The majority of the employees are females though only a few of them are at the managerial level. The employees are of the age group of 21. Most often, they work for up to 2 years and then look for better prospects. Most of the female staff leaves the job after their marriage.

There are activities round the clock in different shifts, starting from 4pm, 9 pm, 11pm and 2am with a break of two hours between shifts. There are about 110 employees per shift, varying according to project requirements. Since the centre is open 24 hours, it is standard practice to have a doctor on call. Other facilities like gymnasium, reading room and Internet browsing centres are also provided to help employees keep fit and relaxed.

The employees are given two days leave per month apart from weekly off which they can accumulate. But only 9 days leave can be carried forward for the next year. Sick leave is granted for special purpose and compensatory leave is given for working on festival days which will lapse if not availed within three months.

Recruitment is made through advertisements, campus interviews and through agents. Graduates and talented undergraduates are recruited after resume screening, telephonic interview, group discussion, written test, personal interviews etc. The company looks for people to work with them who have excellent written and verbal communication skills, basic PC skills, disposition to learn, self-confidence, passion for excellence and are true team players,.

After recruitment they are provided training on pre process, process and production for a period of 80 days at the most. During this period, the employees get training on language, accent, and culture of different countries and about their work/product. There are regular trainers for these purposes who are graduates and some of them have even undergone training abroad.

Salary is not fixed for the employees and is completely dependent on their experience and performance. The average initial salary for a customer service executive is approximately Rs.8000/- per month. This increases to Rs.10,000/- to Rs.12,000/- per month within a year. Trainer gets around Rs.15000/- to Rs.18000/- and Managers get between Rs.35,000/- and 45,000/- per month. The employees are given incentives and other remuneration from time to time through competitions and there are possibilities for employees to reach higher levels within the company if they really work hard and show their capabilities.

MsourceE also organises 'Family day' where parents of various employees are invited to interact with the management and clarify their apprehensions and doubts. Parents, especially of young girls, want to be reassured that their daughters may be working unconventional hours but are doing a perfectly decent job.

The company has hired candidates who are physically handicapped and there is also a visually impaired person. MsourceE sees the hiring, learning and development and retention of quality personnel as a key factor in achieving success. Recruiting the right service personnel with the right attitudes becomes a major priority.

The company has a Service Level Agreement with Foreign countries (clients) as a policy. All client information is kept confidential.

Women's Perception

Ashima (name changed) has a degree in hotel management and joined a call centre through campus placement. She joined the company in May 2003, is currently earning about Rs.8000/- per month with some incentives. She sees chances of promotion within the company as low, views her job as a welcome break from study and also as an opportunity for quick money. Although trained in hotel management, she is not keen on a hotel career. While she does not see the call centre as a 'career' and would like to study further, at the same time she is enjoying the freedom and the money and may not leave the job in a hurry.

Ashima sees little challenge in the job because of its repetitive nature. While there is no clear link, she feels the irregular meal timings may have aggravated a low blood pressure problem, and she also felt her eyesight had deteriorated. In her opinion, the job is not compatible with marriage because of its irregular timings, and all women in her company left the job after marriage. She emphasized that women employees do not face any type of harassment on the job.

When Ashima got the job offer through the campus interview her elder brother had objections about her working in a call center especially because of the odd working hours (night schedule). However, her parents did not have any problem.

The company hosts a late night party every month which is compulsory for all employees. Ashima has not attended any of them as she is not very comfortable with late night parties. If any employee does not attend the party she/he faces consequence of being singled out, which Ashima faced several times. It affects promotion chances also. The party is part of a process of acclimatization to a different culture. According to Ashima, this job induces a completely different life style, attitude to life and values.

Sanjana (name changed) has been working in a call center for the last two years. She is currently earning around Rs 12-13,000 a month, with the benefits of provident fund and medical reimbursement. She was previously working with a commercial Bank but found the job too stressful. The call centre with its college-like atmosphere has a very relaxed atmosphere. She

likes the culture of using first names for all, irrespective of position. She disagrees that the job is incompatible with marriage, says she has married friends working in the call center and argues that it is the understanding between husband and wife that matters here.

She has had the experience of hearing some clients saying that they don't like to talk to Indians, but thinks this is because the clients feel they would not be able to make the Indians understand what they are trying to communicate. She has not come across any abusive language from the clients so far.

Sanjana was attracted to the job because of the salary and would try other opportunities that come her way. But she likes the job, finds it challenging, and feels that this industry has given the younger generation, especially girls, a welcome opportunity to know about the world and also to be able to earn well after graduation. She is comfortable with the timings of the job, and says she has ample time to spend with friends and family. Having been born and brought up in Delhi she has no hesitation in doing a job at night like this, which ensures her safety. Even her family members did not have any problem. She finds her sisters too demanding when they visit Delhi, and argues that no job would leave her free to spend more time with them; however her sisters think that it happens because she is working in a call center.

The job has given her a sense of freedom especially in terms of money, and the training received has given her a lot of self-confidence.

Deepika (name changed) who used to work in the same call center as Sanjana, joined a new centre in October, 2003 as it offered better remuneration, and as a new company more opportunities for growth. Deepika has been trained in hotel management and finds call centre work less stressful than that in the hotel industry. These are shorter shifts and timings are fixed. In fact, she feels she has more time to herself with this job than she would have anywhere else. According to her, call center companies value graduates from hotel management courses because of the discipline in work and the training in people management that they are given during their course.

According to Deepika the call centre training has helped her in developing the skills of communication. It has helped her in growing mentally. She feels that the training helps to make one more alert, acquire a sixth sense. As far as the western culture of the centres is concerned, she said the training makes one familiar with the accent and the western culture. Beyond that it is upto the individual: some may come to feel that western culture is better than Indian culture. She said that in every set up or culture, there are negative and positive aspects, which one should understand and accept. She herself has been surprised to come across customers who are much more conservative than Indians. She has also found the western people have strong family ties, and she has learned from them the practice of giving gifts to family members as a gesture of love. She has started giving gifts to her family which she did not do earlier.

Deepika mentioned an older woman who is working in the call center and has two grown up children. Working with a younger crowd has helped her to understand her children better. Another example she gave is of a mother and married daughter, both working in the call center. The mother was a housewife and she did not have any prior work experience before joining the call center. In both these cases the women could join the call centers because the industry has started hiring older people. A similar case was mentioned when Spectramind staff was interviewed. There, first the daughter joined the company. She requested that the company consider her mother who is a graduate with good command over English and both are working in the company together.

As the call centers provide transport and a good atmosphere for women to work, more women are joining the industry. Deepika feels that women have benefited considerably due to the increase in the outsourcing business in India. She is planning to continue her studies from Indira Gandhi Open University through correspondence or any other online course while working. She is planning to pursue a career in this field as she likes the job and does not plan to leave the job after marriage.

When Deepika joined the industry two years back her family members did not raise any objections. Both her sisters are working in hotel industry, with its night work and irregular hours, in different cities.

Priya (name changed) has been working in a call centre for the past one and a half years. Before joining this company she had worked for two other private companies soon after her graduation. Though she worked for more than eight hours without any other benefits or leave, she got a meagre salary of Rs.3500/- a month from these companies. In call centers they have to work from 8.00pm to 12.00 midnight and are paid Rs.4000/- a month including two days off.

She took up this job because of its pay and the friendly atmosphere which prevails there. Though she has no plans of further studies, the company encourages their employees to study further. Internal job postings are made and the vacancy is displayed on the notice board. Though there are different designations, there is little hierarchy, employees address each other by their first names, and are free to meet and discuss any problem anytime.

She felt that all employees learnt a lot about banking, marketing, information about other countries, their culture, their economic status, and accent and gained a lot of worldly knowledge, self confidence and courage. To be competitive they have to keep themselves updated about news of other countries and talking to global customers has really improved their knowledge. She feels the job is a platform to many youngsters to prove their potential.

Rekha (name changed), another employee of the company said she was a reserved and shy person before starting this job, but after the training she gained so much of self-confidence and knowledge that she can face anybody and talk boldly. She gave full credit to the company.

The group of youngsters from Bangalore are of the opinion that it is difficult to continue night shift jobs after marriage as it affects family life (more so for girls).

While Priya has not faced any health hazards Rekha mentioned that she did face health problems like weight loss, throat and back pain. Lack of proper sleep and food did affect her health in the beginning. But after some time she got used to it and now she has been working there since 20 months. She added that this job is very stressful job and as the days go on, sometimes it becomes monotonous and boring. Priya has full job satisfaction here but might change the job if she gets a job somewhere closer to her house, more pay and of a different kind of work, so that she can learn more. She mentioned that there is no insecurity in this job as long as the employees are capable of satisfying their clients. This job has not affected her social life as she is not used to going out and meeting friends. The company arranges for team outings, weekend picnics, cultural get-together, competitions, gifts, incentives, etc which are more fun filled and encouraging.

Each employee is provided with a cubicle, a personal computer, comfortable chair, table with drawers to keep their personal belongings etc. The whole office is centrally air-conditioned with music system. Attending to personal calls is not entertained and usage of cell phones in the office is banned. Priya said that the get together which the company organizes once in a year where the family members and relatives are invited is very good to clear doubts of the family about the company. They get to know about their ward's office, place where they sit, see the work their children do in the night, interact with the President and Executives of the company. This has really helped to change the misconception of parents who are against their daughters working in the night shifts.

The girls mentioned that there was objection initially from their family members and relatives for working in the night shifts but now their family members have accepted this mode of working.

According to Priya the negative side of this industry is that the exposure to western culture and a free flow of cash in their hands is resulting in an increasing number of girls visiting pubs more often and becoming smokers as well as trying to imitate the west.

Some conclusions

For most jobs in India, a masters or other post graduate degree is required; opportunities after graduation are few. The call centres have opened up a whole new opportunity for young people from economically and socially well off families, with good command over English. Among non-managerial job opportunities, this is among the best paid available. Business outsourcing is itself an indication of changing structures of production and trade; and call centre jobs are a new employment niche. Call centre jobs are especially valued by graduates of smaller towns where employment opportunities are very limited.

Apart from money, the informal, non-hierarchical and college like atmosphere is a strong attraction for the young. The training is well appreciated as it imparts self-confidence and communication skills. The work place is comfortable, and the employees are protected from the hassles of commuting. In fact the call centres aspire to provide not just work, but entertainment, relaxation, and friendship. At the same time, call centres are a fast paced environment, offering incentives for good performance, requiring that high quality service be offered in the shortest possible time, putting pressure on the employee to perform. This psychological stress, added to the physical stress of continuous work with few breaks, and night work, is one reason behind high attrition.

Whether of Indian or foreign ownership, since the clients are international there is a high premium on being able to understand and assimilate a different culture. Hence, call centres do not simply seek to neutralize accents, but to introduce their young employees into the ways of a different society and culture. Most appear to enjoy this experience. It is interesting however to see the almost universal opinion that call centre jobs are incompatible with marriage – a symbol of an old and traditional culture with its deeply ingrained social norms and gender roles. Can young women then spend a couple of years in a liberated westernized atmosphere with a lot of freedom and then revert to long established roles? This seems to be what most are currently doing. Westernisation may be good, it may be bad, or it may be simply inevitable – what is clear is that for those in call centres, the pace at which they are expected to change and adapt to the West is vastly greater than for the rest of the country.