CHAPTER 2

LITERATURE REVIEW

A call center is a centralized office used for the purpose of receiving and transmitting a large volume of requests by telephone. It is operated by a company to administer incoming product support or information inquiries from consumers. Outgoing calls for telemarketing, clientele, and debt collection are also made. In addition to a call center, collective handling of letters, faxes, and e-mails at one location is known as a contact center. A call center is often operated through an extensive open workspace for call center agents, with work stations that include a computer for each operator, a telephone set or headset, and one or more supervisor stations. It can be independently operated or networked with additional centers, often linked to a corporate computer network, including mainframes.

Therefore, the purpose of the current study was to understand the motivation of the employee who work in call center and localize in Antananarivo, Madagascar. An important objective of the research were to find out what motivates the employees in the call center knowing that their job is an atypical job.

Hence, this chapter reviews the literature related to this study. For that, the overview of motivation will be in detail in this chapter. Then the characteristics of the call center's work will be describe and following the theories related for the study and the framework for that.

2.1. Overview of motivation

Motivation refers to "the reasons underlying behavior" (Guay et al., 2010). The motivation can be described as something intangible and stimulates inside the person to specific actions or to certain behaviors. This means giving close attention to how individuals can best be motivated through means such as incentives, rewards, leadership etc. and the organizational context within which they carry out the work (Armstrong, 2006). Motivating

employee is good for the productivity at a workplace, but in a long-term perspective, it can be difficult to motivate employees as their demands for motivation continuously grow. Because of the development in the business, the factors that motivate employees are seen to be changed as there are technological developments, rapid increase of competitive factors among businesses and changes in employee needs. The factors that affect employee motivations are job security, good relations with superiors, wage and appreciation based on fair performance, trustful and cooperative relations with workers, appropriate working environment, ensuring opportunities for social development, doing group work, giving important and appropriate works in accordance with employee's skills and work rotation.

Various approaches to motivation can focus on cognitive behaviors (such as monitoring and strategy use), non-cognitive aspects (such as perceptions, beliefs, and attitudes), or both. Then, the needs and expectations at work can be categorized in two ways namely: Extrinsic and Intrinsic motivation. The extrinsic motivation factors ensure that some external goal or some externally imposed constraint is met (Ryan & Deci, 2000). On others hand, Ryan & Deci, (2000) states that the intrinsic motivation is defined such as the doing of an activity for its inherent satisfaction rather than for some separable consequence. When intrinsically motivated, a person is moved to act for the fun or challenge entailed rather than because of external products, pressures or reward.

According to Seyed (2014), paying attention to employees' motivational factors and their needs, and their individual differences is one of the important factors in human resources productivity and as one of the basic condition to attain goals in a job and motivating employee who do it. Many solutions and techniques can increase employees' motivation such as reward payments, written acknowledgment, or job rotation. An awareness of individual differences can help the organization to know their employees better and thus take some

actions with the aim of meeting their needs, keeping in mind that some employees are more appropriate for sales jobs, some for administrative jobs, and some for research works.

Hence, one of the basic conditions for successful management of employees in the organization also is reflected in the support for high motivation and satisfaction of employees at different ages. Motivation and satisfaction are very important for an organization because they improve the level of efficiency and productivity of age-diverse employees. Maja & et al., (2017) stated that both older and younger employees are motivated and satisfied in the workplace, but in different ways and the level of satisfaction are different. According to Claes and Heymans (2008), the motivation of older employees differs from younger employees, for example, in the fact that older employees are more motivated by good relationships with employees and employers than younger ones. For the older employees, monetary incentives are not the primary motivation for the work, while younger employees are motivated by monetary rewards (Noonan, 2005). The rewards may serve as incentives and those who give rewards may seek to use them as motivators.

2.2. Characteristics call centers works

Employees in a call center work environment often experience stress and quit their jobs and managers may not have the cognitive ability and professional skills to know how to use them in the work environment (Castanheira & Chambel, 2010). Call center employees are often driven to perform either quality customer service or meet a sales volume goal or both (Sharma et al., 2012). With customers calling in to the call center every second or minute and each customer service representative being required to answer the calls and take care of customers' issues, the workload of an 8 to 12 hour shift and that lead to high levels of stress, psychological problems, burnout, and intention to quitting the job (Paillé, 2011).

Ballard (2012) focused on the relationship between leadership style, employee engagement, and intention to quit their job. And then stated that the call center managers may

be able to improve the working conditions in the work environment, develop strategies that reduce stress, and create motivational factors that reduce turnover. Work-life balance, training, development, hiring new employees, and greater compensation are starters that reduce stress and turnover (Roche & Haar, 2013).

Call centers are regarded as work environments in which employees experience low levels of control over their job; the work is seen to be monotonous; there is intense surveillance and monitoring and there is a lack of interaction among employees.

2.2.1. Monotony of work

There is a view that the work in call centers is deskilled and monotonous according to Ojha & Kasturi, (2005). Therefore, the knowledge needed to do the job is very limited in scope which results in the employee who having to tolerate stress because of the monotonous tasks (Bargnara & Marti, 2001).

Shepell-fgi Research Group (2008) argues that call center workers have lower well-being because call center work is often designed according to "Taylorism" or mass service models. According to their study, the "Taylorism" approach to work methods was aimed at removing confusion by simplifying and standardizing the production process.

However, the operators have little autonomy or control over their work. Having to use predetermined messages or scripts, employees are not allowed to deviate in order to meet customer demands. The nature of work disqualifies the use of available skills and resources (Wegge et al., 2006).

Therefore, according to that literature, the job monotony in call center work seems to be synonymous with the lack of control that call center employees experience regarding their work.

2.2.2. Job autonomy

According to Bain, et al., (2002) work in call centers represents the latest phase in the Taylorist method of organizing work, with attempts to raise the management control to new historical levels, by target-setting and monitoring, in "real-time" both quantitative and qualitative aspects of employee performance.

The call center work have a distinct set of stress including lower levels of job control or autonomy, limited task variety, and higher levels of job demand and uncertainty. These characteristics have been linked to what could best be described as a "mental health repetitive strain", which impacts health and well-being (Shepell-fgi, 2008). Grebner et al. (2003) stated that many operators have low influence over their work, in terms of work-load resources such as job control, and not only over their workspace, but also with regard to planning and organizing their own work.

2.2.3. Monitoring of work

According to Wickham and Collins (2004), monitoring takes different kinds such as the visual, audio and physical monitoring. The supervision in call centers is much closer and much more continuous than most forms of front-line customer work, to such an extent that the employee cannot move from their work-station without permission. The audio monitoring takes place in a form of the supervisor having to listen to the employee's interaction with customers. It is like the operator's behavior is monitored. This type of monitoring is important for the management of the employees' interaction with clients and serves different purposes. Then, the employees are physically monitored. According to Wickham and Collins (2004), this process is linked to the individual's performance targets and results. Physical monitoring means that the company has enough information that informs how a specific employee has performed against their key performance indicators (KPI), the customer inquiry, number of calls taken, and the quality in resolving the actual inquiry.

2.2.4. Working conditions of a call center

According to Strandberg and Wahlberg (2007), call centers is as "electronic sweatshops." This description of call centers is also supported by Taylor P. and Bain (2002), who argue that the work conditions in call centers are little more than a return to Taylorism and "an assembly line in the head". These arguments support the fact that the work of a call center is designed in such a way that it results in multiple work-related challenges for employees working in a call center environment.

According to Benner et al., (2007) the work organization and design of call centers are such that the existence of computerized technologies allows for high levels of standardization and scripting of texts. Then, they argue that job discretion is generally low and that performance monitoring occurs more intensively, more so in larger size call centers. However, also the companies suggest that the levels of performance monitoring are lower in the in-house call centers as compared to sub-contracted call centers.

The company work is designed and structured in such a way that employees will receive, to ensure that an employee who possesses the expertise on the specific type of client inquiry would handle the call (Schalk & Rijckevorsel, 2007). According to their research, some characteristic features of the processes and work methods within a call center was identified, and the following elements are define the nature of work in call centers

- The call center must continuously match the quantitative and qualitative customer demands with the available workforce. This emphasizes the need for a call center to ensure that the manner in which they manage their capacity must complement their business strategy.

- The telephone and technology regulate work; employees have only limited regulating power.

- There is a strong emphasis on uniformity in the way of working; in that customer's files have to be updated in a standard way and every employee should be able to handle customer questions.

- There is a high degree of process-automation.

- All activities (such as telephone operating, training and work meetings) have to be planned. In call center terminology, this is called scheduling. Thus meaning that each activity must be scheduled, in order to ensure that the core business of taking and making calls is not impacted negatively.

- The work in call centers demands for special regulations regarding human resource management, in that the remuneration policies, working times, the nature of appointment contracts and the actual people management would be unique in the call center environment.

The above arguments reflect that call centers are characterized by a number of work conditions that lead to new occupational challenges, and as highlighted by Wegge et al. (2006). These challenges are a result of factors that characterize the call center as an environment with low levels of control, the monotony experienced, the intense monitoring and the lack of interaction between the supervisor and the other employees.

2.2.5. Physical work environment in call centers

According to Paul, (2012), open plan offices are associated with employee stress, poor co-worker relations and reduced satisfaction with the physical environment. Indoor temperature and air quality is a primary characteristic of the physical working environment and they are strongly influenced by the solution of a building as well as workplace design (Danielson, 2010). The indoor temperature affects several human responses, including thermal comfort, perceived air quality, sick building syndrome and performance at work

(Seppänen, Fisk & Lei, 2006). Then, high workplace panels are related to physical and visual discomfort.

2.3. Theories related to the employee motivation

Employees perform well when they are appreciated, respected, promoted, and compensated appropriately (Manzoor, 2012). Organizational leaders have realized that a growing number of employees quit their job due to lack of motivation, low job satisfaction, stress, insufficient compensation, lack of appreciation, and discriminatory practices (Springer, 2011).

This part of the chapter purposes to provide a highlight of the main theories and to give a broad perspective of the main developments in employee motivation. Many theories accord with determining the motivation levels of particular needs, and their priority. These theories are still important for understanding what motivates people at work (Luthans, 1995). The content theories identify factors leading to the motivation and satisfaction or discouragement and dissatisfaction and suggest that motivation or satisfaction occur when employees' need for growth and self-actualization are met by their job. Process theories attempt to describe the interaction between variables for motivation and explain motivation by looking at how well the job meets one's expectations and values. Each of two theory groups has been explored by many researchers. These several major theories that provide understanding of employee motivation are follows: the content theories are the Maslow hierarchy needs (Maslow, 1943) which uses for this study, the motivator-hygiene theory (Frederick Herzberg, 1959), ERG theory (Alderfer, 1969), Theory X & Theory Y (McGregor, 1960), Need for Achievement Theory (McClelland, 1961). Secondly the process theories are the expectancy theory (Vroom, 1964) and the equity theory (Adams, 1963).

2.3.1. Content theories

Content Theories mainly deal with determining the motivation levels of particular needs, and their priority.
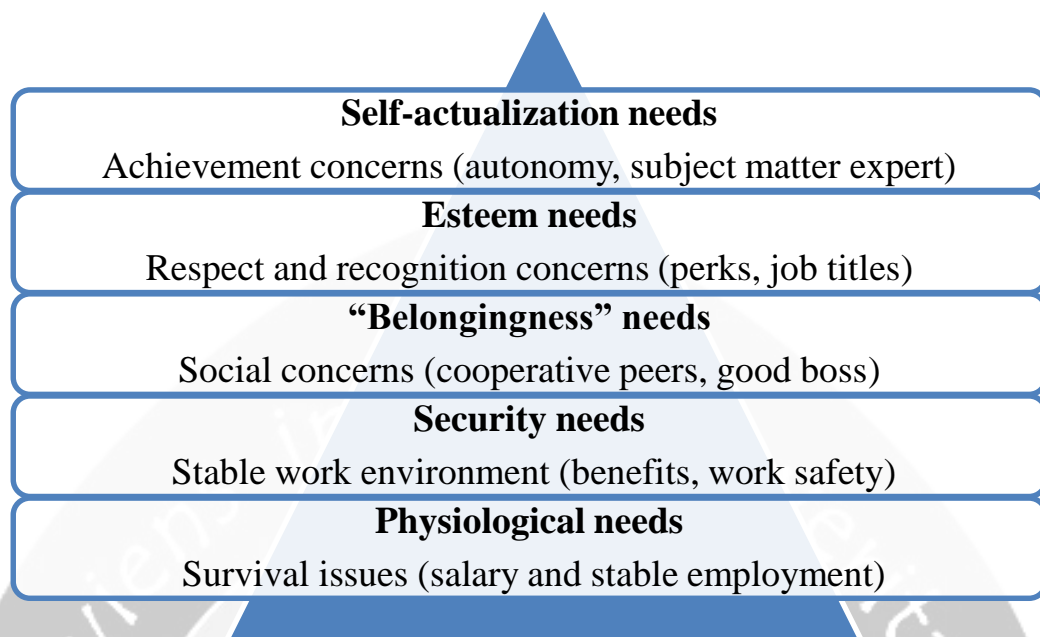
a. Maslow hierarchy needs

Many theories are related to measure the motivation of employees. For this study, the Maslow hierarchy needs is used to analyze the research and served as a basis for highlighting the employee motivation. Maslow's Hierarchy of Needs was proposed by Abraham Maslow in his Theory of Human Motivation paper in 1943. Maslow's theory is illustrated in a pyramid, with the largest and most fundamental levels of needs.

The theory makes a significant contribution to modern business life about motivation (Luthans, 1995) and it provides organizations to motivate their employees in the point of view that motivated employees expected to be more satisfied. Because of the fundamental approach of this theory, an organization able to offer different incentives to workers in order to fulfill needs of them and to progress up the hierarchy.

According to Robert (2009), the needs are include of the (a) physiological Needs (basic issues of survival such as salary and stable employment), (b) security Needs (stable physical and emotional environment issues such as benefits, pension, safe work environment, and fair work practices), (c) "Belongingness" Needs (social acceptance issues such as friendship or cooperation on the job), (d) esteem Needs (positive self-image and respect and recognition issues such as job titles, nice work spaces, and prestigious job assignments) and (e) Self-actualization Needs (achievement issues such as workplace autonomy, challenging work, and subject matter expert status on the job). See Figure 1 for a visual of Maslow's hierarchy needs apply in the workplace.

Figure 1: Maslow's hierarchy needs apply in the workplace

Self-actualization needs

Achievement concerns (autonomy, subject matter expert)

Esteem needs

Respect and recognition concerns (perks, job titles)

"Belongingness" needs

Social concerns (cooperative peers, good boss)

Security needs

Stable work environment (benefits, work safety)

Physiological needs

Survival issues (salary and stable employment)

Source: Robert (2009)

Generally, an employee start the career will be very concerned with physiological needs such as adequate wages and stable income and security needs such as benefits and a safe work environment. Hoole and Vermeulen (2003) found that having to accord the principles at work, such not adhering to adequate safety standards, or producing work of inferior quality, decrease the satisfaction experience of the employees. Hence, the employee need a satisfying salary to meet their needs and of their family and also require to work in a stable environment.

The need for security is one of the most basic needs. According to Hoole and Vermeulen (2003), job security is an important predictor of job satisfaction. Whereas, the job security refers to one's expectations about continuity in a job situation, and extends to concern over loss of desirable job features such as promotion opportunities and working conditions. Some research found that job security was significantly less important to younger and more senior employees than to older and more junior employees. The older people may be less occupationally mobile than younger ones, and therefore more dependent on their current jobs,

and that they may have greater financial commitments also. More senior people may feel more confident about alternative employment opportunities than more junior employees.

When the employees are satisfied with their basic needs, the employee will want the "belongingness" (or social) needs. The employee's needs are to work in an environment where they are accepted in the organization and have some interaction with others. In order of that, the effective interpersonal relations and the staff corporation are necessary. Then, ongoing managerial communication is also an important component of meeting employee's social needs.

With these needs satisfied, an employee will find higher level needs of esteem and self-actualization. Esteem needs are tied to an employee's image of himself and his desire for the respect and recognition of others. A project team, complete a special task, learn other tasks or duties, or expand his duties in some manner are needed in this level. Cross-training, job enrichment, and special assignments are popular methods for making work more rewarding. Further, allowing employees to participate in decision making on operational matters is a powerful method for meeting an employee's esteem needs. Finally, symbols of accomplishment such as a meaningful job title, job perks, awards, a nice office, business cards, workspace, etc. are also important to an employee's esteem.

With self-actualization, the employee will be interested in growth and individual development. The employee need a challenging job, an opportunity to complete further education, increased freedom from supervision, or autonomy to define his own processes for meeting organizational objectives. The need theories (Maslow, 1968) hold that self-actualization is one of the powerful higher-order needs that motivate people at work. In line with people's need for achievement at work, it is expected that their satisfaction will increase as more opportunities for further training and development and acquisition of new skills present themselves.

b. Motivator-hygiene theory

Frederick Herzberg (1959) was the first to show that satisfaction and dissatisfaction at work nearly always appear from different factors, and was not simply opposing reactions to the same factors. Frederick Herzberg has closely related with Maslow's hierarchy of human needs theory and introduced two-factor theory of motivation. He developed the motivator-hygiene theory to determine which factors in an employee's work environment caused satisfaction or dissatisfaction.

Thus, the factors of this theory are divided into two dimensions, "motivators" and "hygiene". Certain factors that would immediately have an effect to the motivation of employees and become the cause satisfaction are the intrinsic factors. These factors call as the "motivators" which give the intrinsic satisfaction, and represent the need for self-actualization and grow. The motivators are based on personal perceptions and internal feelings. It includes the achievement, the experience, the work itself, the responsibility, the changing status through promotion and the opportunity for growth and improvement. On the other hand, "hygiene" factors, which lead to extrinsic satisfaction. It includes the supervision, interpersonal relationships, recognition, management, company policy and administration, promotion, salaries and benefits, status, job security and physical working conditions (Waheed, 2011).

c. ERG Theory

Clayton Alderfer (1969) reorganized Maslow's Need hierarchy into three levels of core needs: (1) Existence needs (2) Relatedness needs and (3) Growth needs. Alderfer stated that needs could be classified into three categories, rather than five and these are; existence needs, psychological and safety needs; and relatedness needs. Existence needs are similar to Maslow's physiological and safety need categories. Relatedness needs involve interpersonal relationships, which are similar to Maslow's belongingness and esteem needs. Growth needs

are related with the attainment of one's potential, which are associated with Maslow's esteem and self-actualization needs (Barnet & Simmering, 2006).

According to Barnet & Simmering (2006), Alderfer and Maslow's theories are similar, but Alderfer (1969) suggest that when an individual is continually unable to meet upper-level needs, the lower level needs become the major determinants of their motivation. Therefore, the ERG theory differs from the hierarchy of needs in which it suggests that lower-level needs must not be completely satisfied before upper-level needs become satisfied.

d. McGregor's Theory X & Theory Y

Douglas McGregor (1960) introduced Theory X and Theory Y, which contains two different assumption sets corresponding to relationships between managers and employees. The main assumption of Theory X is that employees dislike work and have tendency to avoid it. This kind of employee must be continuously controlled and threatened with punishment in order to succeed the desired aims. On the other hand, Theory Y is assumed that employees could have self-direction or self-control for the commitment to the jobs (Gerçeker, 1998). According to McGregor, Theory Y is considered as more valid and greater job involvement, autonomy and responsibility; given employees, increase employee motivation (De Cenzo & Robbins, 1994).

e. Need for Achievement Theory

Need for Achievement Theory was developed by McClelland (1961). Individuals' needs are divided into three psychological needs. These primary needs in this theory are the need for affiliation, for power, and for achievement. Firstly, the need for affiliation reflects a desire to establish social relationships with others. Secondly, the need for power is a desire to control one's environment and influence others. Thirdly, the need for achievement is a desire to take responsibility, set challenging goals, and obtain performance feedback (Garrin 2014). The main point of the theory is that when one of these needs is strong in a person, it has the potential to motivate behavior that leads to its satisfaction. Thus, especially managers should effort to develop

an understanding of whether and to what degree their employees have these needs, and the extent to which their jobs can be structured to satisfy them (Higgins, 2012).

2.3.2. Process theories

Process theories attempt to explain motivation by looking at expectancies and values Gruenberg (1979).

a. Expectancy theory

Whereas Maslow and Herzberg look at the relationship between internal needs and the resulting effort expended to fulfill them, Victor Vroom's expectancy theory (1960) is a process theory of job satisfaction and motivation and separates effort (which arises from motivation), performance, and outcomes. This theory explain that human behavior is motivated by the expectations. Expectancy can concerns a particular action following by a particular outcome (Lunenburg, 2011). For example, if the employee need more money to satisfy their needs so the employee is assured that should work hard to receive more money. Hence, the needs are regardless of what the person wants, while values are subjective depending on the standards in the person's mind. It means that while people have the same basic needs, value of the needs differs according to people's standards.

According to Expectancy Theory, there is strong relationship between the effort, the performance, and rewards they get from their effort and performance. The belief that strong effort will lead to a good performance and that good performance will lead to a desired reward can lead to employee's motivation (Lunenburg, 2011).

Vroom presented three basic variables in his theory: expectancies which are the degree to how much people believe that putting forth effort leads to a given level of performance, instrumentalities as the degree to how much people believe that a given level of performance results in certain outcomes or rewards, and valances which is the extent to what the expected outcomes are attractive or unattractive. Then, expectancy theory recognizes complexities of motivation process so that it is not a simplistic approach. Vroom's expectancy theory does not

provide specific suggestions about the things that motivate employees, instead of; Vroom's theory provides a process, which reflects individual differences in work motivation. Expectancy theory provides guidelines for enhancing employee motivation by defining the individual's effort to performance expectancy and performance-to-reward expectancy. Thus, managers should ensure that their employees believe high effort leading to valued rewards (Lunenburg, 2011).

b. Equity Theory

Equity Theory proposes that a person's motivation is based on what he or she considers being fair when compared to others (Redmond, 2010). According to Adams (1963) satisfaction is determined by the perceived input-outcome balance.

Employee's purpose is to reach a balance between their "inputs" and their "outcomes". The degree of equity is a factor that is defined by the relationship between inputs and outcomes. Inputs are logically what we give or put into our work. This term describe the quality and quantity of the employees' contributions to the work. It can include time, effort, loyalty, hard work, commitment, ability, adaptability, flexibility, tolerance, determination, enthusiasm, personal sacrifice, trust in superiors, support from coworkers and colleagues, skill. In others hands, outcomes are everything which taken out in return. Outcomes are defined as the positive and negative consequences that an individual perceives as a consequence of the relationship with another. It can be both tangible and intangible. The outcomes can include the job security, esteem, salary, employee benefits, expenses, recognition, reputation, responsibility, sense of achievement, praise, thanks.

Employees make a comparison between their own contribution and rewards. Some studies related with equality state that, for instance, women may be more tolerant or underpayment inequality than men and they may experience less perceived inequality.

2.4. Summary

This chapter, the literature review, sets out the basis for this study relating to the employee motivation. Motivation theory by Maslow was explored, and used for this recent study. Then, in the literature was described the characteristics of the call center's work in detail the monotony, the autonomy of the work, then about the control during the work, and the last is about the working and physical conditions of that work. The next chapter introduces the methodology selected for this studying.