Exploring the Current Status of Call Centre Offshoring Research: A Research Agenda and Future Directions

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Abstract

Call centres have become an important and growing part of the service industry, enabling firms to provide better customer service, extend sales capabilities and manage customer relationships. However, the methods taken by firms around recruitment, training and management of overseas call centre agents have been far more complex, leading to high failure rates with Call Centre Offshoring (CCO) practices. To better understand the current CCO practices, this study reviews a current research status. Through a literature review, we identified a number of themes spanning across disciplines related to CCO. We found that the current literature lacked of understanding of socio-cultural elements such as trust, language, communication, national and organisational culture that positively influenced the stakeholder relationships. We argue that a common link can be established among CCO-related studies across disciplines when approaching the topic from a socio-cultural perspective. Our findings discuss the implications and provide a useful reference for future CCO-related studies.

Keywords

Call Centre Offshoring, Business Process Outsourcing, Socio-Cultural Elements, Literature Review.

INTRODUCTION

Call centres, known as 'customer service centres' or 'customer satisfaction centres', are a dedicated operation in which employees utilize sophisticated computer systems to make outbound or receive inbound telephone calls which enable them to service clients of a particular firm (Taylor and Bain 1999; Gans et al. 2003). Call centres have rapidly become an important part of the service industry, enabling firms to provide better customer service, extend sales capabilities and manage customer relationships effectively.

The exponential growth of call centres is a recent phenomenon which has only occurred in the past 5 – 10 years. This emergence has largely been due to the advancements in Information Technology (IT) and telecommunications that has allowed firms to provide cost effective service and sales to customers over the phone due to cheaper costs associated with data and voice transmissions. Nowadays, call centre operations are considered not only a vital link to their customers but also a key strategic marketing tool which can also provide a certain competitive advantage (Borman 2006). However, as costs associated with employing call centre operators (agents) and managing these call centres continue to rise in developed nations (Access Economics 2009), an increasing number of firms are now engaged in the process of outsourcing these operations to offshore destinations. This phenomenon is known as Call Centre Offshoring (CCO). Typical offshore destinations include the Philippines, India and South Africa where English is presumably well spoken and the costs of labour are still relatively cheap compared to developed nations. Usually firms consider offshoring when they are looking to lower operational costs, increase productivity, increase service quality or access foreign skilled workforce (Kliem 2004). So CCO is considered as a strategic decision to reduce costs associated with running and maintaining sales, marketing and customer care activities by setting up a call centre (Borman 2006).

The process of offshoring customer support and sales to non-native English speaking (NNES) agents overseas has resulted in additional complexity for the different parties involved. Many firms, clients and the offshore service providers face significant issues due to the cultural and linguistic differences between the different interparty relationships (Forey and Lockwood 2007). These differences range from different cultural perceptions and value attributes to the intricacies in verbal and written communications. Also the methods and approaches taken by firms around recruitment, training and management of overseas based call centre agents have been far

more complex than the firms expected when first engaged in the offshore process (Borman 2006). However, despite the recent growth of CCO, there is limited research done in this area (Penter et al. 2009; Rouse and Corbitt 2004). The existing literature has covered a variety of topics, from countries that are most suitable for establishing offshore call centres (Townsend 2007) to the acting role of emotions in interactions (Hood and Forey 2007). These examples show that CCO is indeed a complex multi-disciplinary field, which can take various perspectives. Unfortunately, current research shows a significant fragmentation in research themes, terminology used and connotations in relation to the CCO phenomenon taken from different angles, and thus, there is a need for a literature synthesis that can consolidate research on this topic to bridge the research gap across the disciplines and synthesise common themes for future research. Therefore, our research questions are:

1. What is the current state of the literature on CCO across disciplines?
2. What are the common elements addressed in the literature on CCO across disciplines?

To answer above, we conducted a structured literature analysis on CCO spanning across multiple disciplines. In doing so, we identified a number of core themes across the studies related to CCO. The literature analysis has also revealed that despite the fragmentation around studied topics, a common link can be established throughout all relevant studies by taking a socio-cultural perspective, i.e. context that studies a nomological set of social ties and interactions of the parties with certain attributes and behaviour patterns. This is true because all stakeholders (e.g. firms, agents, customers) are human beings, and socio-cultural elements such as language, culture, communication and trust can potentially affect the interactions among them, leading to overall success with CCO. We also argue that the role of interdisciplinary research is critical for the CCO phenomenon that involves different stakeholder groups with different socio-cultural attributes and interests in order to obtain a more complete understanding of the dyadic (and inter-party) interactions among all stakeholder groups. Currently, the socio-cultural elements among different stakeholder groups are not well investigated in the literature on CCO, as most studies focus on economical, strategic and technological aspect of CCO.

The structure of the paper is as follows. Next section discusses the research scope and methodology used for the literature analysis. Section 3 identifies different stakeholders and their relationships amongst each other, using concepts from the stakeholder theory (Freeman 1984). Section 4 reports on the key findings. Section 5 discusses implications of newly identified socio-cultural elements and their roles in stakeholder relationships. The paper concludes with a summary of the findings and some recommendations for future research.

RESEARCH SCOPE

Rigour is important when conducting research and therefore, the literature review process has to be documented. Our literature review is based on a number of steps: review scope, conceptualisation and key definitions, literature review procedure, literature analysis and synthesis (Cooper 1988). In this study, we selected the following; we focus on *research outcomes, theories and applications*, we aim to identify *central issues* studied in the CCO field, we organise our literature search based on a *conceptual and methodological content* and aim to represent *neutral point of view*, and we select papers written for *specialised and general scholars* as well as *practitioners* to cover *central* themes.

When conducting a literature review, the first step is to clearly define the boundary of the review. This is important because the boundaries of what is considered to be Call Centre Offshoring is often confused with other forms of outsourcing such as ICT outsourcing (Borman 2006) and other more simple outsourcing processes such as cleaning and catering (Rouse and Corbitt 2004). Although there is an overlap between the various forms of outsourcing, there are still considerable differences between the various types of outsourcing which should be acknowledged. We define offshoring as the relocation by an organisation of a business process from one country to another, an operational process such as a call center support (Dibbern et al. 2004). It is a type of outsourcing that is referred to the process by which an organisation gives part of its business work to another organisation. For example, when an organisation is subcontracting a part of its business to a different party in another country, it is both outsourcing and offshoring. To identify papers within the identified scope, a comprehensive review of past CCO literature was required. These papers were identified through an extensive database search (i.e. JSTOR, SCOPUS, EBSCO) and Google Scholar, using keywords (e.g. Call Centre Offshoring, Business Process Outsourcing (BPO), Offshore Outsourcing), and were published between 2000-2011. The initial search was based on these keywords that resulted in the selection of approximately 120 papers that were related to BPO. After reading the abstract of each of the papers, it resulted in 58 papers to be excluded from the scope due to their irrelevance to CCO. The remaining 62 papers were coded based on specific keywords reflecting the core topics of the paper, and were further categorized based on the relationships between stakeholders (see section 3).

Generally, the field of Business Process Outsourcing (BPO) covers various different areas such as Supply Chain management, Business administration, Operations and Sales/Marketing/Customer Care (Gartner 2002). Since the

primary focus of this paper is to investigate call centres, it is important to differentiate the relevant 'parts' of outsourcing such as a Sales/Marketing/Customer Care component of BPO. This is because the functions offered via call centres are generally related to customer service, help desk, telemarketing and order taking activities (Gans et al. 2003). Out of the remaining 62, 30 papers were identified to fit the purpose of this study since they focused on the Sales/Market/Customer Care areas of BPO, and published by credible peer-reviewed sources (e.g. Journal of Strategic Information Systems). The selected 30 papers were then examined in further detail, and detailed notes were created about the paper, including the abstract and key points. These notes then became the basis of creating the categorization (see Table 1 below) to allow comparative analysis of the themes. All three authors meet regularly to discuss the emerging themes and have agreed on the final categorisation.

STAKEHOLDERS IN CALL CENTRE OFFSHORING

The stakeholder theory allows for better understanding of the attitudes, structures and practices that are taken on by various stakeholder groups, and how these factors impact the method for handling different relationships between stakeholders (Donaldson and Preston 1995). This is true because the action of one stakeholder group can have an impact on another group (Freeman 1984). Hence, it is important to understand the main stakeholder groups that exist within the CCO context and the nature of their relationships (see Figure 1 below).
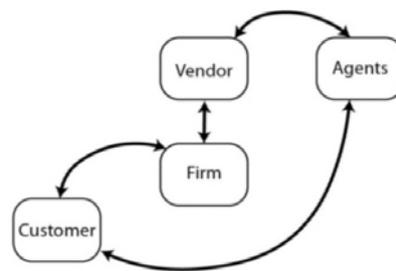

Figure 1: Interaction between Stakeholders involved in Call Centre Offshoring

- **Firms**: Organisations that offer products and/or services to the customer. Firms search for vendors in offshore destinations who are able to maintain and operate a call centre on behalf of the firm.

- **Vendors:** Companies that are based offshore, operate and maintain the call centre on behalf of the firm. The vendors usually have their own internal employees known as Agents.

- **Agents:** Call centre operators who are responsible for interacting with the firm's customers. Agents are recruited, managed and trained by the vendor based on the requirements of the firm.

- **Customers:** Clients of a particular firm that make enquiries via call centres. A customer interacts with the call centre operators ('Agents') over the phone to address customer service issues, make enquiries or to purchase a service/product.

The call centres are often seen as the convergence of people and technology where the labour process is the main feature of the work (Taylor and Bain 2005). There is a high level of human interaction between the call centre operators and the end customers of a firm (Sharma et al. 2009), where social-cultural elements such as trust between the stakeholders, language used for communications and cultural backgrounds of stakeholders have certain impact on the success of CCO. The importance of each of these elements is briefly described below.

The notion of trust has been considered to be an important component of many social and business relationships and an essential part of carrying out business activities. In the context of CCO, trust is considered a key component of CCO success, and plays an important part throughout all the four relationships amongst the stakeholders as it allows higher levels of confidence and faith to be established. In addition, since the primary function of a call centre is for companies to communicate with their customers, language used and communication between stakeholders play a crucial role in CCO. A call centre constitutes a set of resources, people and technology infrastructure (e.g. software, hardware) which enables delivery of services via the phone. This communication over the phone is used to aid the call centre operator to conduct specific 'actions'–primarily the sales, marketing and customer care functions. Furthermore, the literature indicates that outsourcing of specific business processes to offshore service providers bears some additional cultural risks and creates new challenges due to different working contexts. For example, issues may involve due to barriers and/or differences in understanding different cultural norms such as social behaviour, attitude towards authority and language issues that stem from the interaction required between different parties from different countries (Avison and Banks 2008). Thus, culture is also an important socio-cultural element that affects the CCO success.

Overall, the stakeholder theory allows us to understand in detail the important attributes of all the stakeholders within the CCO process, since the actions among stakeholder groups have mutual influence (Freeman 1984). Thus, it is important to examine CCO through the 'lens' offered by the stakeholder theory so that each of the stakeholder group's perspective is considered. In this study, we focus only on internal stakeholders involved in the CCO process. We exclude the external stakeholders because their impact on CCO is difficult to measure and it varies significantly (Taylor and Bain 2005).

LITERATURE ANALYSIS AND FINDINGS

The literature review was categorized based on the relationships between various stakeholders. This allowed for diverse topics, issues and concerns of the CCO process to be identified through each of the stakeholder's perspective by grouping them based on their interactions (see Table 1 below).

Relationship	Topic	Relevant Studies	Core Themes	Socio- Cultural Element
Customer-Firm	General Management	Roggeveen et al. (2007)	• Customer Satisfaction • Country-of-Service-Origin	• Culture • Trust
	Marketing	Dean (2004); Thelen et al. (2009); Sharma et al. (2009)		
Customer-Agents	General Management	Jaiswal (2008)	• Language • Customer Satisfaction	• Culture • Language • Trust
	Linguistics	Cowie (2007); Hood and Forey (2008); Forey and Lockwood (2007)		
	Marketing	Khan et al. (2011); Thelen et al. (2010)		
Firm-Vendor	General Management	Batt et al (2005); Borman (2005; 2006); Crane et al. (2007); Gans et al. (2003); Lacity et al. (2008); Lewin and Peters (2006); Penter et al. (2009); Rouse and Corbitt (2004); Willcocks and Rottman (2008); Yang et al. (2007)	• Vendor Selection • Relationship Management • Outsourcing Strategy	• Culture • Trust
	Operations	Rhen and Zhoh (2008)		
	Social Studies	Taylor and Bain (2005)		
Vendor-Agents	General Management	Budhwar et al. (2006); Mahesh and Kasturi (2006); Townsend (2007); Youngdahl et al. (2010)	• Agent Management • Labour Issues	• Culture • Trust
	Geography	Bryson (2007)		
	Social Studies	Russel and Thite (2008); Taylor and Bain (2008)		

Table 1: Summary of the CCO Literature based on Stakeholder Relationships

At first glance, the summary of the studies in Table 1 shows considerable differences between the literature streams based on the research background. However, a more careful analysis of the studies has shown that while the topics on CCO are fragmented and diverse, common patterns and specific themes can still be found in the literature by taking the stakeholder lens. In particular, some socio-cultural elements have also been addressed independently and mostly indirectly in different study categories. Besides, the diversity of research and observed topics can be also explained with the stakeholder theory that states that every entity or individual that is involved in the CCO-related activities, does so in order to fulfil one's interests.

Below we discuss in detail the core themes identified in the literature for each of the four groups of studies categorised based on the relationship between internal stakeholders in the CCO. From the core themes, we also highlight the relevant socio-cultural elements in each group of studies.

Customer–Firm Relationship

The studies on the relationship between the customer and firm are primarily focused on two core themes which are *Customer Satisfaction* and *Country of Origin* (CoSO). These themes are closely related since a customer is usually satisfied with a firm's services, depending on the location of the call centre (Roggeveen et al. 2007).

The first theme is related to the changes in **customer satisfaction level** towards the firm based on whether or not the firm has offshored its call centre operations. Recent studies have argued that customers do not always appreciate being offered services from abroad and even may develop negative feeling towards the service agent and to the firm itself (Thelen 2009; Forey and Lockwood 2007). Furthermore, customers are dissatisfied with the services provided by firms via offshore call centres due to communication inefficiencies, poor productivity, lack

4

of expertise in solving complex problems, lower service standards and privacy issues (Sharma et al. 2009). This is a concern for many firms since customers use the quality of interactions (with call centres) as a measure of a firm's commitment to understand their requirements (Dean 2004). Also, several researchers have acknowledged that the customer's disapproval of firms is related both to the actual quality of service provided and to customer perception of the origin of the call centre agent (**CoSO**) (Roggeveen et al. 2007; Sharma et al. 2009). Customers tend to trust firms less, if the latter has their call centre operations somewhere offshore. They perceive the quality of service is low compared to the service that is provided by the local call centre. As a result, this leads to decrease of customer loyalty towards a brand or a firm over time due to mistrust formed by negative attitudes towards CCO (Dean 2004). However, the literature also suggests that customers do not have the same level of hostility towards call centre operations which resonate from a similar cultural background, but these countries may not be necessarily the ones with the lowest cost or with high concentrations of skilled labour (Roggeveen et al. 2007). This implies that proximity of cultural dimensions between the customer and the offshore call centre can overcome some of the negative perceptions and hostility that customers have towards offshore call centres. Thus, based on these core themes, Communication, Culture and Trust have been identified as the relevant socio-cultural elements that are addressed in this group of studies.

Customer-Agent Relationship

The literature which focuses on the relationship between a customer and a call centre agent primarily addresses two core themes which are *Language* and *Customer Satisfaction*. Most studies emphasise the impact of language and communication on the overall satisfaction of the customer.

The first theme identified is related to the **language** used between the non-native English speaking agents and customers who generally come from English speaking countries (Hood and Forey 2008). The literature states that problems and difficulties rise due to language barriers between the two stakeholder groups. For example, Hood and Forey (2008) analysed seven phone calls between a customers and call centre agents from the Philippines and found that all seven calls had problems related to the inability of the agent to fully address the customer's request, that caused frustration to the customer. Other difficulties include agent's inability to deal with frustrated, aggressive or demanding customers; and vague or complex requests (Forey and Lockwood 2007). Hence, linguistics mechanisms (e.g. proper use of technical and functional IT terms) should be used between the agents and customers for proper communication so that the correct actions can be undertaken by the agent to assist with the customers' demands. Also, the proper use of language can assist with creating a common ground between the agent and customer, forming a better understanding and trust which may help resolve some of the issues caused by language barriers. Also, given the fact that the dominant language in call centres is English (Forey and Lockwood 2007), it is important to provide a proper training in English (e.g. common phrases, British/Australian/American accents) to agents for more effective communications with customers.

The second theme identified is **customer satisfaction** which is affected by the agent's location. Some studies state that there is a consumer sentiment towards offshored services that results in decrease of customer satisfaction, customer loyalty and perceived service quality experienced by the firms (Khan et al. 2011; Thelen et al. 2010). Such negative sentiment towards CCO is due to the fact that consumers possess a CoSO hierarchy based on perceived service quality towards agents (Thelen et al. 2010). This perception by the customer about the level of service may change dramatically based on the location of the agents who handle their query. Customers experience higher risks when dealing with agents who they deem to be from overseas, and such risks usually involve issues with communication, security and reliability when handling queries. In turn, this impacts the level of trust between the customer and agent, especially in situations when personal data such as credit card information or medical records is involved in the CCO (Thelen et al. 2010). In addition, the perceived risk of miscommunication between the agent and the client is increased even further when past experiences (either first hand or through a third party) associated with inability to deal with customer queries, slow response times, and misleading accounts (Khan et al. 2011), leading to mistrust between the parties. So, customers view CCO as a practice that diminishes the overall service levels, and the perceived quality of the service offered by agents differs considerably based on the CoSO. Thus, based on these core themes, Communication, Culture, Language and Trust have been identified as relevant in interactions between customers and agents.

Firm-Vendor Relationship

The relationship between the firm and vendor is the most researched topic (12 out of 30 articles in our literature review) and is identified as the central research focus in the literature. Most of the literature has been written from a management perspective, and is primarily focused on how firms can increase the likelihood of success when managing offshoring business processes. There are a number of themes emerged from the literature review that relate to structuring and managing the firm-vendor relationship such as choosing the right vendor, relationship management, and outsourcing strategy.

5

First, the literature states that **choosing the right vendor** based on core competencies is a critical in achieving CCO success (Borman 2005). For example, Feeny et al. (2003) identified seven critical core competencies that firms should consider when selecting a vendor. As firms tend to have broadly similar objectives and drivers in relation to offshoring decisions, developing a decision-making guide based on specific core competencies has been seen to be a plausible method to assist firms in the vendor selection process.

Second**, management of the relationship** between the vendor and the firm is also one of the core themes (Borman 2005). To manage successfully the relationship, both parties are required not only to establish multiple levels of communication at managerial, operational and executive levels but also ensure that the correct contractual agreements and key performance indicators (KPIs) are properly defined (Borman 2006). This is because of the difficulties firms usually face when trying to move away from vendors due to high switching costs and risks associated with termination of the agreement. Also, the high dependency that the firm has on its vendor once the relationship is established, suggests that the contract and KPIs have been put in place to provide measures for the vendor's performance and become an important safeguard to preserve the firm's interests (Yang et al. 2007). Furthermore, the development and management of relationships at different hierarchical levels between the firm and vendor is particular important due to the fact that the vendor may have access to the firm's sensitive and confidential documents (e.g. business plan), while working with multiple clients at the same time.

Third, **outsourcing strategy** is another important theme in this category. Different management strategies around CCO were found to have different impact on the firms in regards to the overall risk/benefit. In the literature, it has been emphasized the importance of aligning the outsourcing strategy with the business strategy in order to gain the expected benefits associated with offshoring (Lacity et al. 2008; Penter et al. 2009). For example, Lacity et al. (2008) identified 13 benefits for firms that looked for offshore service providers that ranged from strategic benefits such as establishing presence in new markets to operational benefits such as reducing operating costs. The offshoring strategy varies accordingly depending on the nature of a firm's business. For example, a captive centre (i.e. a direct branch of a parent firm established in an offshore location) may be suitable for businesses that target strategic benefits, whereas an arm's length approach that involved a third party vendor, is more suitable for firms that look to reduce operational costs (Lacity et al. 2008).

Overall, in order to achieve success in CCO, a firm should carefully select the vendor and the strategy for CCO. It is important that the vendor possesses a number of core competencies which would satisfy the firm's requirements in terms of the CCO work. However, the vendor's expectations may not always be most cost effective. Hence, it is important for firms to consider various factors including expectation, risk and environment in decision-making. These studies have addressed Communication, Culture and Trust as socio-cultural elements.

Vendor-Agent Relationship

The literature on the relationship between the vendor and the agent is focused primarily on two inter-related themes: *Human Resource (Agent) Management* and *Training and Recruitment*.

As part of the **agent management**, correct recruitment strategies and proper training are considered to be an important element of CCO success. This is because the actual labour process conducted by the agent is the main feature of the work involved with CCO, and the performance of these agents is considered to be one of the most important factors in achieving CCO success (Taylor and Bain 2005).

There are several issues and difficulties identified within the current literature around the vendor-agent relationship. First, vendors deal with high levels of agent turnover (Townsend 2007) and difficulties around staff retention (Russell and Thiete 2008). This is a result of an emotional stress experienced by the agents in an environment with demanding customers, extensive performance monitoring and repetitive nature of work, which often resulted in agents being 'burnt out' or fell ill (Taylor and Bain 2005). Such mismanagement of labour processes by vendors is seen as a reason why attrition rates are so high at offshore call centres, and that is why the human resource management should be one of the core competencies when choosing a vendor. Second, **training and recruitment processes** for agents should be closely examined depending on the nature of CCO work. Russell and Thite (2008) argue that the work conducted by vendors significantly varies, from high volume, low value, routinized work to semi-skilled work that is more complex. This requires vendors to apply intensive recruitment and training regimes, so that the selected people have appropriate and skills to carry out the required work (Townsend 2007). Also, vendors have introduced lengthier induction trainings that cover areas such as accent neutralization and inter-cultural training, as well as further technical training programmes around product knowledge and systems (Townsend 2007) to ensure high quality task performance.

In summary, difficulties in applying the correct recruitment and training processes as well as high levels of staff turnover and burnout rates have resulted in vendors facing significant issues around human resource management. These issues are more complex now as firms face a challenge of not only reducing cost but also being able to recruit agents who should be able to provide quality customer service (Townsend 2007). These two

issues significantly increase the risk associated with CCO, and a closer examination of the topic may be required to provide a solution. Given this, Culture and Trust have been identified as relevant socio-cultural elements.

DISCUSSION

Current literature strongly emphasises economical, strategic and technological aspects of outsourcing (Costa 2001). Although the socio-cultural elements associated with the different stakeholder groups involved in the CCO process have been recognised in the existing studies, they have not been investigated in detail, as demonstrated by our literature analysis. The strong emphasis has been put on purely economic-resource based elements (e.g. transactional cost economics theory) that resulted in the CCO stakeholder relationships to be treated as business and discrete transactions rather than human interactions that involve socio-cultural norms. This has been identified as one of the research gaps in the current literature because without considering the role of socio-cultural elements, a complete understanding of CCO success cannot be obtained. Furthermore, the current literature does not explain the dyadic relationship that exists between stakeholders involved in the CCO process (see Figure 1), and how the socio-cultural elements affect the relationship among stakeholders. Hence, to achieve success in CCO practices, parties should look beyond the written contracts and clearly defined service targets. They need to consider building good working relationships through mutual cooperation based on trust, open communication and awareness of cultural implications associated with the call centers. Thus, considering the socio-cultural elements potentially helps reduce the complexity involved in the interactions among various stakeholders and provides flexibility in responding to contingency effects related to the overall offshore environment.

Language and Communication

Language and communication are two socio-cultural elements that have been highlighted throughout the literature. They are distinct, where language refers to a means or tool of interaction between stakeholders, whereas communication refers to the exchange of information that occurs between stakeholders (Kramsch 1998). In other words, language is essentially how communication is mediated between stakeholders.

Both language and communication are important throughout all the relationships in the CCO context. For example, in customer-agent relationships these two factors not only had an impact on the establishment of trust, but also on customer satisfaction levels. The difficulties faced due to language barriers between the customer and the agent may lead to decrease in customer satisfaction in terms of service quality and further to decrease of trust towards the agent. However, language and communication have been also observed in other stakeholder relationships where better communication between firm and vendor can improve working relationships between the two parties. The core activity conducted by call centres is to interact with customers and perform actions based on their needs. Since the call centre environment relies on verbal communication skills via mediated language, the literature states that the lack of body language and atmospheric elements made communication between stakeholders in a CCO environment very difficult.

National and Organisational Culture

Difficulties and differences in understanding different cultural norms such as social behaviour, attitude towards authority and language issues that stem from the interaction between the different stakeholders are all significant challenges presented by culture in the CCO phenomenon (Avison and Banks 2008).

The complexities and difficulties in understanding the notion of culture has resulted in scholars proposing that it should be broken up into more manageable categories and parts (Avison and Banks 2008, Gregory et al. 2009). In particular, culture specific to a particular business and/or work organisation is known as a 'organisational culture', whereas culture specific to a group of people within a specific geographical location is known as a 'national culture' (Hsiao 2003). These two distinct 'cultural' levels play a significant role within CCO.

From a Customer-Firm perspective, national culture is deemed important due to the fact that the cultural proximity between the offshore call centre and the location of the customers has a significant impact on the perceived customer service levels and loyalty towards the firm. Both national and organisational culture are also important in Firm-Vendor relationships, as these two elements have significant impacts on the overall success/failure of the CCO project. Finally, the importance of organizational culture has been highlighted by the studies on the Vendor-Agent relationships, where the process of recruiting and training an agent implies the latter to feel that he/she is an integral part of the larger organisation.

Hence, the stakeholders should carefully consider all the cultural risks involved in the CCO practices. The research suggests that expectations between stakeholders are generally better aligned in more similar cultures, resulting in fewer miscommunications, higher levels of trust and better teamwork (Hahn and Bunyaratavej

2010). Unsuccessful bridging in the cultural differences in CCO projects may ultimately lead to failures in managing project interactions, and hence various attributes should be examined in detail for a better cultural alignment.

Trust

In the management of working relationships (in any form of outsourcing), trust has a number of long-term benefits, including enabling parties to focus on long-term objectives and suppressing the risk of opportunism. Trust increases the level of cooperation between the parties, enabling risk-taking and reducing conflict. For example, Zucker (1986) defines trust as "a set of expectations shared by all those involved in an exchange" (p. 54). Social exchanges between stakeholders do not occur because they are forced upon through a mandatory agreement as such, but on the basis of mutual dependency where one individual obligates to another. This notion of trust is thus considered to be an important component of many social and business relationships and has been considered an essential part of carrying out business activities. In the context of CCO, trust is considered a key component of CCO success (Lacity et al. 2008), and plays an important part throughout all the four relationships amongst the stakeholders as it allows higher levels of confidence and faith to be established. For example, in Customer-Agent relationships, trust may help dilute some of the language and communication barriers that occur when conversing, whereas in Firm-Vendor relationships, trust allows for a stronger and healthier cooperation to be formed between the two parties.

It is important to note that trust shares a dynamic relationship with the other socio-cultural elements, such as language, communication and culture. For example, Lee et al. (2007) states that the development of mutual trust eventually leads to increased communications between stakeholders, which would result in generating even further mutual trust. Furthermore, their studies have found that stakeholders develop trust through specific actions over time, and thus is process-oriented, not results oriented. In short, because of the importance of the above socio-cultural elements and the fact that current research in CCO has not investigated these socio-cultural elements, we argue that in order to obtain a more holistic understanding of the CCO phenomenon and to increase the likelihood of success, there is a need for future research studies that take an interdisciplinary view on examining these elements within the CCO context.

CONCLUSION

In this study, an interdisciplinary literature review has been conducted and the literature analysis has identified that socio-cultural perspective can offer a common link to connect all the studies around the topic of CCO. Socio-Cultural elements such as trust, language and culture have been revealed during the synthesis of all those studies, and are seen as important factors which impacted the stakeholder relationships. However, this study suggests that the research carried out to date has neglected this common link because none of the studies took an interdisciplinary approach resulting in a severe fragmentation of the examination of the CCO phenomenon.

Our study offers some contributions to direct future research agendas in the area of CCO. Firstly, it raises the awareness of the importance of socio-cultural elements such as language and culture amongst practitioners within the industry as well as scholars who are looking to examine the CCO phenomenon in future studies. Secondly, it points out the need to study CCO from different perspectives including management, marketing, linguistics and social studies in a holistic manner rather than a fragmented manner which is evident in the literature up to date. Finally, it highlights the fact that various relationships exist amongst CCO stakeholder groups and that these relationships are interconnected, and impact each other particularly through the socio-cultural elements.

There are certain limitations in this study. The scope of the literature review was limited to 120 and the majority of the papers reviewed were published in 2006-2008 since limited papers were found in other years. Further literature could have been examined to provide richer insights to the topic at hand. However, we believe that the reviewed papers are representative enough of the typical studies conducted so far in this area and hence the findings of this study are likely to be reliable in guiding future directions in CCO-related research. Furthermore, no empirical data to validate the findings is currently available and other relevant theories which are associated with the socio-cultural elements surrounding CCO have not been examined in this study. Relevant theories such as the Social Exchange Theory, Hofstede's Cultural Dimensions Theory, or Language Action Perspective could be used to guide the development of a theoretical framework describing the CCO phenomenon comprehensively.

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