PARTE I
DESENVOLVIMENTO E CALL CENTRES: A EXPERIÊNCIA INTERNACIONAL

Nesta parte I incluem-se as contribuições apresentadas por especialistas estrangeiros nos dois seminários internacionais promovidos pelo projecto callTM em Bragança:
- *Contact centres e periferias: a experiência portuguesa* (3 de Outubro de 2006)
- *Desenvolvimento de regiões periféricas: tecnologias da informação e comunicação e politicas locais* (1 de Outubro de 2003)

Contact centre in peripheral areas: experience from the NW region of England

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According to data compiled by ContactBabel (2004), at the end of 2003 there were 4,825 contact centres operating in the UK (centres employing at least 10 people working in an automated telephony environment). Estimates suggest that these contact centres employed around 830,000 people involved in customer service, telesales, management and associated technical and administrative support functions. Fifty-five percent of these workers are employed in larger contact centres with over 250 seats. Surveys reveal that investment in new technology in these centres was around £220m in 2003.

Contact centres can be found across all conventional sectors or vertical markets in the economy, but there are particular concentrations in finance, retailing, distribution, travel and transport activities (figure 1).

There are variations in the size structure of contact centres across different vertical markets (figure 2). In general terms, larger contact centres employing over 250 agents are found more commonly in finance industries and distribution. There are many sectors, however, where the typical contact centre has less than 50 agents, notably in retailing and distribution and in manufacturing.

The North West region of England has the second largest number of contact centres (nearly 139,000) involving 4.5 percent of total jobs (ContactBabel, 2005). These jobs, however, are highly unevenly distributed being concentrated in the cities of Manchester and Liverpool in the south of the region (figures 3 and 4). By comparison, jobs in contact centres are under-represented in the county of Cumbria in the north of the region. There

Figura 1
Contact product markets

Vertical Market	Sub-sectors	Company examples
Finance	Banking, insurance, credit, debt	Lloyds TSB, Barclaycard
Retail and Distribution	Home shopping, catalogue, carriers	Little woods, Cotton Traders
Transport and Travel	Transport information, travel agents	Stagecoach, Thomas Cook
Manufacturing	Manufacturers product support	Gillette, Kodak, Britax
Services	Safety, security	ADT Fire, Chubb Security
Internet Service Providers	ISPs	Newnet, AOL
IT	Technology sales, helpdesks	IBM, Dell, Microsoft
Telemarketing	Full-service outsourcers	Merchants, Sitel
Printing and Publishing	Newspaper advertisements	The Times, VNU
Telecoms	Mobile sales and support	BT, O2, T-Mobile
Public services	Government Departments	Child Benefit Agency, Police
Leisure	Hotels, football clubs, ticket booking	Liverpool FC, Hilton Group
Utilities	Gas, electricity, water	Northern Electric, British Gas
Food and Drink	Brewers, food suppliers	Carlsberg, Tetley, Guinness
Motoring	Manufacturers, rental, assistance	Vauxhall, Avis, Green Card
Construction	Building suppliers, builders	Tarmac, McAlpine
Medical	Pharmaceuticals healthcare	BUPA, GalxoWellcome
Recruitment and Training	Employment agencies	Pertemps, Manpower

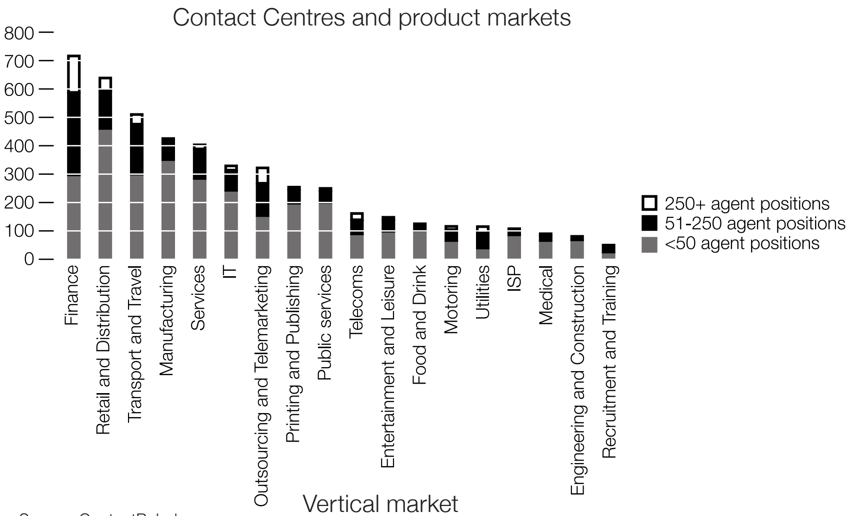
is, therefore, a strong pattern of centralisation of contact centres within the major urban concentrations in the region. There are 240 contact centres in Greater Manchester and a further 190 in Liverpool and Cheshire. By comparison there are only 25 centres in Cumbria (figure 5).

Contact centres in the NW region cut across many vertical markets (figure 6), but are more numerous in financial services, retail distribution, manufacturing and travel and transport. In the north of the region in Cumbria, a higher proportion of contact centres are providers of public services (13%).

Rates of growth between 2003 and 2004 show a consistent pattern of expansion in numbers of agent positions and employees (figures 7 and 8). Growth has been particularly high in the south of the region in the major urban concentration and adjacent counties of Cheshire and Lancashire. A telephone survey conducted in 2005 revealed that an overwhelming number of contract centre managers had experienced growth in business during the previous year.

These patterns of change suggest that there is a strong tendency for contact centres in the region to locate and expand within the major ur-

Figura 2
UK contact centres and product markets



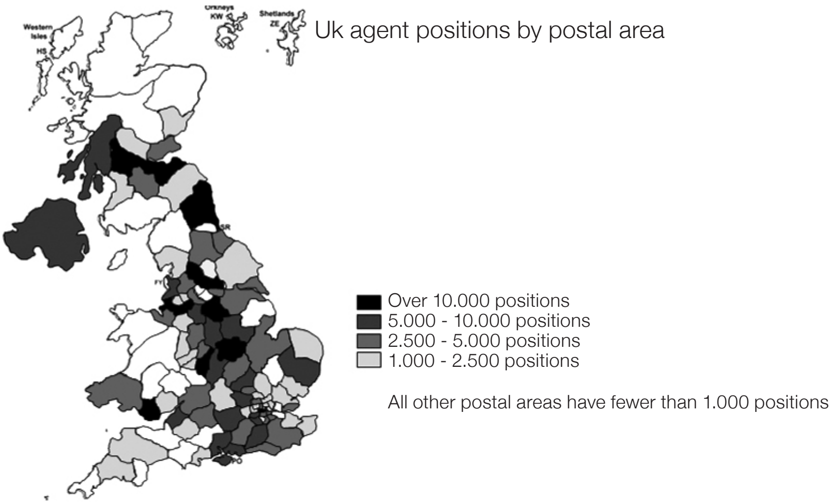
Source: ContactBabel

Figura 3
Contact Centre employment by region

Region	Actual workers employed in contact centre	Total in employment (000s)	Staff as % of emplyed population
East Anglia	32,624	1,784	1.83%
East Midlands	50,577	2,062	2.45%
London	51,337	3,611	1.42%
North-East	50,456	1,090	4.63%
Northern Ireland	14,439	712	2.03%
North-West	138,980	3,101	4.48%
Scotland	99,151	2,411	4.11%
South-East	162,946	5,023	3.24%
South-West (excluding Channel Islands)	43,060	2,432	1.77%
Wales	28,956	1,280	2.26%
West Midlands	74,599	2,460	3.03%
Yorkshire	99,614	2,335	4.27%

Source: ContactBabel 2005

Figura 4
Contact Centre industry in UK



Source: ContactBabel 2004

ban cores. This pattern confirms the findings of research reported by Bishop et al (2003) in which they note the concentration of contact centres in the major conurbation across the UK. Richardson at al (2000) suggested that contact centres tend to agglomerate in order to reduce the risk of labour shortage. Agglomeration, however, causes problems related to high levels of labour turnover and attrition as call centres compete in the same local labour markets. This suggests that contact centre operators are reluctant to relocate out of large centres of population and seek to find new ways of addressing labour market difficulties in their present locations rather than risking relocation.

A survey of contact centres in the NW region was undertaken in 2005 to test the relationship between labour market stress (attrition, absenteeism and recruitment difficulty), business characteristics and locational attributes (Peck and Cabras 2006, see also figures 9 to 11). A key question concerned the extent to which agglomeration is associated with heightened labour market stress.

The findings (figures 12 and 13) confirm that the level of agglomeration is a better predictor of labour market difficulty compared to business type and sector. There were statistically significant positive correlations between recruitment difficulties and the size of employment

Figura 5
The contact centre sector selected data for sub-region 2004

(10+ seats)	Cheshire	Cumbria	Gr. Man.	Lancs.	Gr. Mer.	NW	UK
N contact centres	90	25	240	85	100	540	4,825
10-50 seats	53%	58%	48%	52%	46%	49%	60%
51-100 seats	23%	19%	15%	15%	12%	15%	15%
101-250 seats	12%	13%	21%	12%	20%	19%	14%
>250 seats	125	12%	16%	21%	22%	17%	11%
Agent "seats"	10,850	3,380	34,985	14,900	18,455	82,570	529,211
Contact centre staff	17,360	5,408	55,978	23,480	29,528	132,112	846,737

Source: ContactBabel 2005

Figura 6
Distribution of contact centre employment by sector in NW Region

Vertical Market	Cheshire	Cumbria	Gr. Man.	Lan.	Gr. Mer.	NW	UK
Enter & Leisure	3%	0%	4%	4%	8%	4%	3%
Finance	15%	13%	14%	24%	19%	16%	15%
Healthcare	3%	0%	2%	0%	1%	2%	2%
Info Technologies	3%	7%	8%	6%	7%	7%	10%
Manufacturing	16%	18%	14%	16%	8%	14%	9%
Motoring, tran/trav	13%	7%	20%	2%	7%	14%	12%
Outsourcing	4%	7%	3%	4%	7%	5%	6%
Printing, publishing	6%	7%	3%	8%	4%	4%	5%
Public Services	3%	13%	1%	8%	6%	4%	5%
Retailing and Distrib	13%	22%	13%	18%	15%	15%	14%
Services	12%	2%	12%	6%	10%	10%	8%
Telecommunications	3%	4%	2%	2%	3%	2%	3%
Utilities	1%	0%	2%	0%	1%	1%	2%
Others	3%	1%	2%	4%	3%	2%	4%

Source: ContactBabel 2005

Figura 7
Contact Centre industry - Rates of Growth for 2003-2004

	Contact Centres	Agent Position	No. Staff Position
Cheshire	11.11%	10.72%	10.73%
Cumbria	4.16%	4.46%	7.40%
Lancashire	4.80%	5.66%	9.05%
Gr. Manch.	1.01%	4.38%	7.02%
Gr. Mers.	-3.41%	5.71%	9.14%
North West	3.53%	6.22%	8.68%

Author's calculationfrom data in ContactBabel (2005)

Figura 8
2003-2004 Sub Regional Growth in Contact Centres

	Cheshire		Cumbria		Gr Manch		Gr Mersey		Lancs	
Year	03	04	03	04	03	04	03	04	03	04
N of Contact Centres	81	90	24	25	229	240	99	100	88	85
% reporting significant growth	38	26	29	20	29	27	42	33	41	24
% reporting significant decline	2	3	0	0	6	2	5	2	6	6

Source: ContactBabel 2005

Figura 9
Research design (Peck and Cabras 2006)

- Survey of contact centres in NW region
  - 65 responses) to record three groups of variables:
    - Measures of labour market stress attrition, absenteeism, recruitment difficulty, quality of recruits)
    - Business characteristics (sector, size, growth, types of calls, age, job types)
    - Locational variables (urban size in particular)

- Key question - significance of location in influencing levels of labour market stress

Figura 10
Sector and size distribution of respondent contact centres

Sector	10-50	51-150	151-250	251-500	>500	Total
Finance	3	4	1	1	1	10
Public sector	8	6	2	0	1	17
Outsourcing	7	4	1	0	0	12
Printing/Publishing	2	2	0	1	0	5
IT	1	1	2	0	0	4
Motoring/Finance	0	0	1	1	0	2
Other services	2	0	2	0	0	4
Education	1	1	0	0	0	2
Manufacturing	5	0	0	0	0	5
Entertainment	2	0	0	0	0	2
Retail/Distribution	1	1	0	0	0	0
Total	31	19	9	3	2	65

Figura 11
Employment characteristics

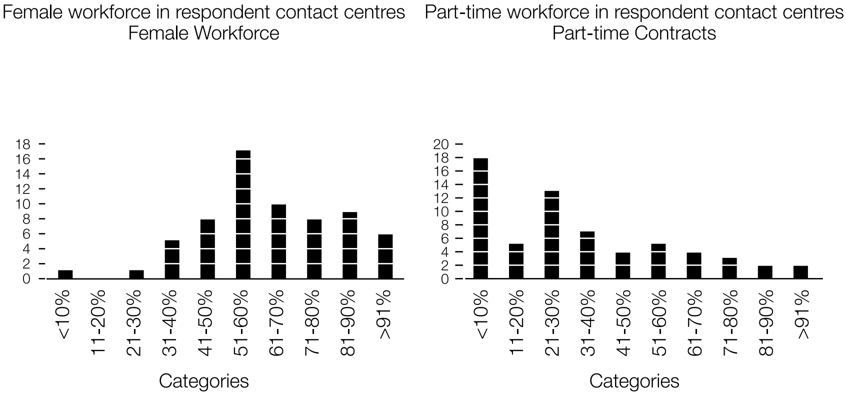


Figura 12
Predictors of labour market stress

• Business growth	Sig RDiff (+) / absent (-)
• Part time work	Sig RDiff (-) / absent (+)
• Fixed term contract	ns
• In-bound calls	ns
• Employment size	Sig** Attrition (+)
• Age	ns
• Sector	ns
• Population size	Sig** RDiff (+) / absent (+)
• Employment size	Sig** RDiff (+)

Figura 13
Relocation considerations by type of premises

		No move considered	Move considered	Total
Premises	Custom-made structure for CC	10	1	11
	Structure converted to CC	25	7	32
	Area within larger organisation	14	2	16
	Other	1	1	2
		50	11	61

and population levels. By comparison the degree of association between measures of labour market stress and the characteristics of business (business size, growth rates, product-markets) was less significant. The survey also revealed very little evidence of relocation intentions to smaller urban centres in peripheral areas.

These finding tend to support the conclusion that a strong locational preference for urban cores exists in the industry in spite of labour market difficulties that are associated with this. This raises the possibility that a "tipping point" may be reached in future if recruitment difficulties intensify further (figure 14).

Future research needs to examine more closely the nature of agglomerative forces that seem to tie contact centres into major urban cores. These may include institutional ties, linkages to providers of specialist business services, access to particular ranges of technical skills in the labour market and business ownership structures.

Figura 14
Conclusion

- Locational variables generally better predictors of labour market stress than business characteristics
- Very little evidence of relocation intentions (driven by labour considerations)
- Seems to confirm strong preference for urban cores in spite of labour difficulties
- Poses further questions - what are these agglomerative forces (local knowledge providers)? How long will they sustain? Will there be a "tipping point" at some stage to induce locational instability?
- Wider questions concernig sustainability of service-based growth in old industrial regions
- Implications for UK / UE regional policy

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