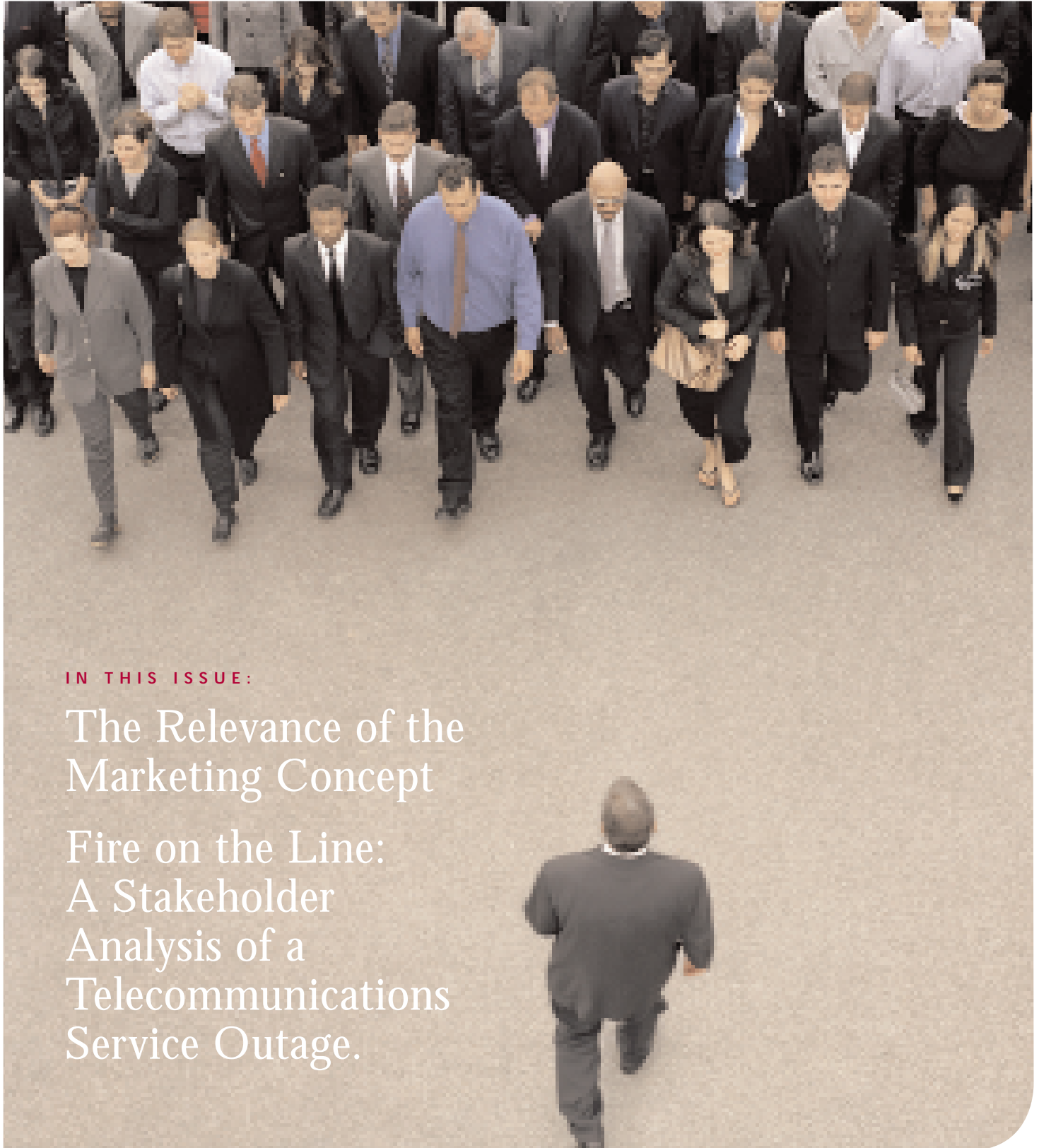


the workplace review

FEBRUARY 2009
VOLUME 6 ISSUE 1

DISCOVER, SHARE, TRANSFORM



IN THIS ISSUE:

The Relevance of the
Marketing Concept

Fire on the Line:
A Stakeholder
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Service Outage.

Better Workplaces

Better Workplaces is a research initiative of the Sobey School of Business. It is a key focus in our ongoing effort to produce research that has a meaningful impact on the way we do business. The *Better Workplaces* research agenda is aimed at developing insights into the balance of factors that encourage positive organizational outcomes, including improved organizational performance and customer care, employee health and safety, good community-workplace relations, and ethical business practices.

One of the initiatives under the Better Workplaces umbrella is the introduction of this new electronic journal – *The Workplace Review*.

Mission

The mission of *The Workplace Review* is to become a regional forum where people can explore different perspectives of work.

The Workplace Review will emphasize research that is current and relevant, with a high potential for immediate application and impact.

Scope of the eJournal

The Workplace Review showcases the strength of international faculty who are in touch with day-to-day workplace challenges. Drawing upon our diverse community of researchers, from the Sobey School of Business and other Atlantic Canadian universities, the journal will reflect developing issues in the functional specialties of marketing, finance, operations, information systems, economics, accounting, and management. It will address issues such as personnel staffing and selection, human resource management, leadership and coaching, occupational health, industrial relations, spirituality, diversity management, corporate governance and business ethics. The journal will remain flexible enough to incorporate future or emerging issues. All articles will focus on the central theme of the challenges and opportunities surrounding work, working and the workplace, but will not necessarily reflect the views of Saint Mary's University and the Sobey School of Business.



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Letter *from* the Editor

BY ALBERT J. MILLS

This fall saw the 38th annual conference of the Atlantic Schools of Business (ASB), held in St. John's (NF) from October 17-19. The Business School of Memorial University of Newfoundland (MUN) hosted the conference. In its thirty-eight year history, the conference has showcased new, developing, and cutting-edge research by faculty from the Atlantic region's thirteen business schools. In this issue of the Workplace Review, we highlight two of the many papers from the conference. The third article is by a regular contributor to ASB conferences – Karen Blotnicky.

Karen Blotnicky, consultant and marketing professor at Mount Saint Vincent University, opens the issue by asking the question of whether a marketing orientation is important for business success. To find out, Professor Blotnicky surveyed a selection of Atlantic Canada's top firms. Her surprising results go against defined wisdom in finding that successful firms in the region are not market-oriented. It is a finding that should give management practitioners and educators alike something to think about.

The two papers adapted from the 2008 ASB conference share a common theme of sensemaking that owes much to Karl Weick's social-psychological studies of work and organizational crisis. In the first of the two articles, Daphne Rixon (professor of accounting at Saint Mary's University) and Mary Furey (information systems professor at M.U.N.) examine the breakdown in sensemaking systems that led to a fire at Bell Alliant's main operations in St. John's (NF). In the second article, Bill Murray (who teaches Hospitality and Tourism at NBCC in St. Andrews) and Jean Helms Mills (Professor of Management at SMU), look at how people make sense of call centre work in a closely monitored environment.

What we learn from all three articles is that it is important to develop organizational processes from reviewing and, where necessary, critiquing received wisdom. Thus, in terms of business success, the link with marketing strategies and orientation may need a closer look, and suggests that much needed resources may, to a certain extent, be diverted from marketing to other aspects of product development and sale. The Bell Alliant Case builds on a growing literature that argues that strong organizational cultures can also contribute to failure as well as organizational success. Failure and organizational crisis can result from organizational cultures that strongly influence one way of thinking (e.g., success; one best way of doing things) to the detriment of other considerations (e.g., potential failures; change, and different ways of doing things). In the final article, we are reminded that at the base of the successful call centre model of organization are people – not simply human resources, but human beings with emotions and needs, sensemakers who try to reconcile work and identity. ○—



The Relevance of the Marketing Concept.

BY: KAREN A. BLOTNICKY

FOR NEARLY 50 YEARS, MARKETERS HAVE FOCUSED ON THE IMPORTANCE OF ADOPTING A MARKETING ORIENTATION IN ORDER TO ACHIEVE THE GREATEST SUCCESS IN BUSINESS. HOWEVER, SOME EXPERTS HAVE QUESTIONED WHETHER OR NOT THE MARKETING ORIENTATION IS A PANACEA. THE CURRENT STUDY UTILIZED SURVEY RESEARCH TO CONTACT 21 OF THE ATLANTIC CANADA TOP 101 FIRMS TO FIND OUT IF THEY ADOPTED A MARKETING ORIENTATION, AND WHETHER OR NOT IT WAS RELATED TO THE SUCCESS THEY ENJOYED IN THEIR INDUSTRIAL SECTORS. RESEARCHERS ALSO EXPLORED THE IMPACT OF ENVIRONMENTAL CONSTRAINTS ON MARKETING ORIENTATION AND BUSINESS SUCCESS. THE RESULTS FROM THE TOP 101 FIRMS INTERVIEWED INDICATED THE FIRMS WERE EITHER NOT MARKETING-ORIENTED, OR JUST BARELY MARKETING-ORIENTED, DESPITE THEIR SUCCESS. ALSO, CONTRARY TO PREVIOUS RESEARCH IN THE FIELD, ENVIRONMENTAL CONSTRAINTS SEEMED TO HAVE LITTLE IMPACT AT ALL ON MARKETING ORIENTATION OR ORGANIZATIONAL PERFORMANCE.

Introduction

For 40 years, researchers have argued that the most successful firms must be market-oriented, and that the focus on customer needs and satisfaction is the most critical factor in success. Delener and Cheng found that firms that performed well possessed four qualities: a high level of marketing orientation, innovativeness, open organizational climate, and an externally focused corporate culture [1]. They also concluded that market orientation and corporate culture are important elements in a firm's performance. However, the relevance of the marketing orientation has been questioned in some circles.

To be marketing oriented, a firm must be able to demonstrate a need in the marketplace before presenting a service offering. Therefore, a high technology firm with very new innovations may not be able to test their concepts effectively on an uninformed buying public. In such cases, it is not possible for such firms to fully utilize a marketing concept by identifying customer needs before the product is produced and commercialized [2].

Jaworski and Kohli indicated that there are external constraints to the adoption of the marketing orientation [3]. Such constraints involve market or economic situations, which make it difficult for firms to adopt the marketing concept even if they are willing to do so. The competitive nature of the industry, the amount of power that the consumer has over the purchase process, and the degree of market growth were constraining factors. The easier it is for competitors to enter the market, the greater the market volatility, and firms may be more likely to do proactive research and adopt a marketing orientation. As buyers gain more control over the purchase process (as has happened with the Internet and other direct selling tools), the more important market intelligence becomes and the more market-oriented firms are likely to become.

Langerak conducted a meta-analysis to determine the link between marketing orientation and performance, and, while he found more positive links than negative or non-significant links, he concluded that the role of marketing orientation in creating business success is "still an open question" [4]. Kirca et al. indicated that the impact of a marketing orientation is culturally mediated [5]. Organizations in a low power distance, low uncertainty avoidance culture demonstrate more positive outcomes of adopting a marketing orientation than those in high power distance, high uncertainty avoidance cultures.

“The easier it is for competitors to enter the market, the greater the market volatility, and firms may be more likely to do proactive research and adopt a marketing orientation.”

Bailey and Dangerfield attributed limited business success to being customer led, as opposed to market-oriented [6]. Firms with customer orientations focused more on meeting customers' immediate needs instead of considering long-term growth potential. Firms that were marketing oriented were focusing on future needs instead of solely focusing on the current needs of customers. Pelham determined that marketing orientation has a stronger impact on organizational performance than strategy selection, size of the firm or industry characteristics [7].

The economic and social climate in Atlantic Canada differs from other regions of the country. Firms that are successful and that are based in Atlantic Canada have overcome many of the limitations imposed on them by their location within the country, and the difficult economic climate. These firms have had to overcome challenges that were not visited upon their counterparts in the west, or in central Canada. Such challenges have included broad shifts from a resource-based to a knowledge-based economy due to loss of coal-mining and fisheries industries, and tremendous growth of a fledgling high technology and biotechnology industry. The region has also been rocked by redundancies caused by the merging of large corporations in the energy, telecommunications and grocery sectors. The transition has been far from painless, but recent years have seen increased economic growth and record low unemployment in major urban centres. If the findings of the Jaworski and Kohli study are relevant in the Canadian marketplace, one would believe that the volatility of these market shifts would lead most firms to become market-oriented [3].

Study Goals

The purpose of this study was to explore whether or not leading Atlantic Canadian firms embraced a marketing orientation. The Atlantic Canadian culture, like that of North America, is low power distance and low uncertainty avoidance. Therefore, based on past research, the marketing orientation should be linked to performance. If marketing orientation was an important contributor to business profitability, the most successful firms in Atlantic Canada should be marketing-oriented. If they weren't marketing-oriented, then clearly some other factors would be driving success, which may call into the question the importance of embracing a marketing orientation to achieve success.

FOUR HYPOTHESES WERE TESTED IN THIS STUDY:

1

The first focused on the intensity of marketing orientation. How marketing-oriented would the Top 101 companies be? Given previous research, it was presumed that Atlantic Canada's most successful firms would embrace a marketing orientation, with a marketing orientation intensity score of more than 50%.

2

The second hypothesis focused on the impact of marketing orientation intensity on organizational performance. Based on previous research, it was anticipated that firms with higher measures of marketing orientation intensity would perform better than firms with lower marketing orientation intensity scores.

3

The third hypothesis was to test Jaworski's & Kholi's theory that environmental constraints had a positive impact on marketing orientation intensity. Did market volatility, competitive intensity and technological impact affect marketing orientation intensity, or was it independent from such environmental constraints?

4

The fourth hypothesis focused on the impact of environmental constraints upon organizational performance and the role of marketing orientation. Did market volatility, competitive intensity and technological impact affect organizational performance, and, if so, was their impact mediated by marketing orientation?

Methodology

To examine the role of marketing orientation in successful firms, a survey was administered to the Atlantic Canada 2005 Top 101 firms, as selected by Progress Magazine. To be included in the Atlantic Progress Top 101 Atlantic list, a firm must be evaluated in an annual competition that is conducted by Corporate Research Associates in Halifax, N.S. To be eligible to complete the survey, firms must be headquartered in Atlantic Canada, or be managed by an independent board of directors based in the Atlantic region. The leading firms are chosen because they are leaders in their sectors, and in the Atlantic region.

By using the Top 101 list, only the practices of successful firms were evaluated. This was important because successful firms provide credibility to marketing management methods in ways that a sample of the overall business community cannot. The Top 101 list crosses industry sectors, spans all four Atlantic Provinces, and features public, private and family-owned businesses, as well as exporting firms. This provides enough variability in the study to give depth to the understanding of marketing management in the Atlantic region. The Top 101 list was further refined to include firms where contact information could be obtained for the top ranking marketing executive, or the President or CEO. The refined list included 89 firms.

The survey incorporated the MARKOR scale to measure marketing orientation [3]. The MARKOR has been used successfully for over 10 years in applied research, and it has been verified many times using rigorous testing procedures [8]. In addition to the MARKOR measurement, demographics were collected about each firm. This information included gross revenues, organizational performance, number of employees, sector, export activity and information about the respondent and their position in the company.

Organizational performance was measured two ways. First, respondents were asked whether or not their firm's performance, relative to major competitors, was very good, good, neither good nor poor, poor, or very poor. Second, they were asked to classify their firm's performance in the previous year as very good, good, neither good nor poor, poor or very poor.

Based on the work of Jaworski & Kholi, three environmental constraints were measured using additive scales [3]. The constraints included technological impact, competitive intensity and market volatility. Market volatility refers to the frequency of changes in the marketplace. Technological impact refers to the level of technological change that occurs in the industry. Competitive intensity refers to the level of competition in the industry. Previous research has shown that these environmental constraints are positively related to market orientation).

Firms were approached to complete the survey a total of five different times. The first four requests were completed electronically, directing respondents to an online survey. The final attempt included a mail survey, sent out to the refined list of 89 firms. A total of 21 firms completed the survey using both online and offline methods. Twenty-four percent of the firms responded to the survey resulting in a margin of error of plus/minus 0.25 when estimating average ratings for the MARKOR scales.

Data Analysis and Limitations

The limited sample size made it difficult to conduct sophisticated data analysis. Since the sample size is limited, the results should be considered exploratory.

Direct entry regression was used to examine the impact of marketing orientation on the performance measures, and the impacts of the environmental constraints on marketing orientation. Two-stage, direct entry multiple regression was used to test the impact of each environmental constraint on the performance measures, controlling for marketing orientation.

For purposes of analysis, each of the scales was expressed as a percentage score. The scales used included marketing orientation, technological importance, market turbulence and competitive intensity. The percentage score provided a more conceptually appropriate way of describing each variable, while also providing a standardized method of conducting regression analysis and interpreting the results.

Results and Discussion

The surveys were primarily completed by chief executive officers (52.6%) or vice presidents (28.6%). The majority of firms responding employed up to 250 people in the telecommunications, information technology, manufacturing, retailing, wholesaling and financial sectors. Most also exported outside of Canada with the United States (51.7%), Central/South America (28.6%), United Kingdom/Europe and Asia (19%), Australia/South Pacific and Africa (14.3%) making up the major export markets. The results are summarized in Table 1.

Overall, the Top 101 firms were marketing-oriented, averaging a percentage score of 51.9%. While this score is low, it exceeded the 50% cut-off stated in the hypothesis. However, 8 out of the 17 firms responding had marketing orientation percentages below the cut-off of 50%. This indicates that marketing orientation may actually be low in the Top 101 firms. Market orientation percentages showed limited intensity, ranging from 30.4% to 73.9%. The results are summarized in Table 2.

THE RELEVANCE OF THE MARKETING CONCEPT

The level of marketing orientation intensity was mixed across firms with different levels of gross sales. The lowest gross sales level in the sample ranged from \$5 million to less than \$10 million. This level had the lowest average marketing orientation intensity measure at only 34.8%. Firms with gross sales levels between \$10 million and less than \$20 million showed a higher average marketing orientation intensity of 54.3%, while those with gross sales between \$20 million and less than \$30 million had an average marketing orientation measure of only 44.7%. The group of firms with the highest gross sales level of \$50 million or more had an average marketing orientation intensity measure of 54.2%. Therefore, there was not a clear upwards trend for firms with higher sales levels. However, such a trend may not be necessary because the marketing orientation focuses on higher levels of profit, not gross sales. It is possible that firms with higher levels of gross sales, and lower marketing orientation intensity measures, also had lower levels of profitability. Profit levels were not studied directly in the research. The results are also speculative due to small sample sizes, ranging from one firm for gross sales of \$5 million to less than \$10 million, to 10 firms with gross sales of \$50 million or more.

TABLE 1: SAMPLE DEMOGRAPHICS

SECTOR	EXPORTS
Telecommunications & IT (14.3%) Services (9.5%) Manufacturing (19%) Retailing/wholesaling/distribution (19%) Construction (9.5%) Financial services/banking/real estate & development (14.4%) Mining/energy (4.8%) Tourism & travel (2%)	Export outside of Canada (61.9%) United States (51.7%) Central/South America (28.6%) United Kingdom/EU (19%) Asia (19%) Australia/S. Pacific (14.3%) Africa (14.3%) Mexico (9.5%) Middle East (9.5%) Eastern Europe (9.5%)
NUMBER OF EMPLOYEES	GROSS SALES
Less than 50 (14.3%) 50 to less than 240 (38.1%) 250 to less than 500 (19%) 500 or more (18.6%)	Less than \$10 million (4.8%) \$10 million to less than \$20 million (28.5%) \$50 million and over (61.9%)

TABLE 2. MARKETING ORIENTATION INTENSITY (%)

Number responding: 17/21
 Average: 52.9%, ranging from 31.4% to 73.9%
 Standard Deviation: 12.5%
 Mode: 47.8% & Median: 40.4%
 Percentiles: 25th: 43.9%, 50th: 50.4%, 75th: 64.3%

Regression analysis on marketing orientation intensity and organizational performance also showed mixed results. There was no significant impact on organizational performance measures for the previous year, but there was a statistically significant relationship between the marketing orientation percent and the organization's performance relative to its competitors. Results indicated that the relationship was weak, but positive. Marketing orientation intensity explained 29.8% of the variance in organizational performance relative to competition, with a regression coefficient of 3.8%. The results for each regression analysis are summarized in Table 3.

Regression analysis on environmental constraints and their impact on marketing orientation intensity revealed no statistically significant relationships. Unlike previous research studies, results did not show any link at all between market volatility, competitive intensity or technological impact and the intensity of the marketing orientation. The results are summarized in Table 4.

TABLE 3: REGRESSING MARKETING ORIENTATION INTENSITY ON ORGANIZATIONAL PERFORMANCE

Marketing orientation intensity on organizational performance for previous year	Marketing orientation on organizational performance relative to competition
$R^2 = .12$ F-Ratio = 2.041/df=16 P = .174 (ns) Intercept = 3.263 Regression coefficient = .018	$R^2 = .298$ F-Ratio = 5.942/df=15 P = .029 (sig) Intercept = 2.191 Regression coefficient = .038

TABLE 4: REGRESSING ENVIRONMENTAL CONSTRAINTS ON MARKETING ORIENTATION INTENSITY (%)

Market volatility on marketing orientation intensity	Competitive intensity on marketing orientation intensity	Technological impact on marketing orientation intensity
$R^2 = .117$ F-Ratio = 1.989/df=16 P = .179 (ns) Intercept = 23.832 Regression coefficient = .1553	$R^2 = .008$ F-Ratio = 127/df=16 P = .727 (ns) Intercept = 46.070 Regression coefficient = .308	$R^2 = .093$ F-Ratio = 1.540/df=16 P = .234 (ns) Intercept = 80.300 Regression coefficient = -2.122

Regression analysis revealed that the environmental constraints also had limited impact on organizational performance, and the marketing orientation did not mediate the relationship most of the time. There were no statistically significant impacts on the firm's organizational performance for the previous year by technological impact, or market volatility. In both cases, marketing orientation intensity had no impact on the relationship between the environmental constraint and organizational performance. However, there was a statistically significant impact on comparative organizational performance and competitive intensity. The relationship was not mediated by marketing orientation. The results are summarized in Table 5.

THE RELEVANCE OF THE MARKETING CONCEPT

There were statistically significant impacts on organizational performance relative to the competition based upon marketing orientation intensity, but not technological impact. The results show that marketing orientation does not mediate the relationship between technological impact and the performance measure. Similar results were apparent for the environmental constraints of market volatility and competitive intensity. The results are summarized in Table 6.

TABLE 5: REGRESSING ENVIRONMENTAL CONSTRAINTS WITH MARKETING ORIENTATION INTENSITY AS MODERATOR ON ORGANIZATIONAL PERFORMANCE FOR PREVIOUS YEAR

Market volatility on marketing orientation intensity	Competitive intensity on marketing orientation intensity	Technological impact on marketing orientation intensity
<p>STEP ONE: R² = .074 F-Ratio = 1.203/df=16 P = .290 (ns) Intercept = 3.039 Regression coefficient (Market Volatility) = .063</p>	<p>STEP ONE: R² = .197 F-Ratio: 2.578/df = 16 P = .129 (ns) Intercept = 5.429 Regression coefficient (Competitive Intensity) = -.065</p>	<p>STEP ONE: R² = .109 F-Ratio = 1.824/df=16 P = .195 (ns) Intercept = 5.736 Regression coefficient (Technological Impact) = -.117</p>
<p>STEP TWO: R² = .147 F-Ratio = 1.203/df=16 P = .330 (ns) Intercept = 2.692 Regression coefficients: Market Volatility = .040 Marketing Orientation = .015</p>	<p>STEP TWO: R² = .293 F-Ratio = 2.904/df=16 P = .088 (sig) Intercept = 4.529 (p=.000 (sig)) Regression coefficients: Competitive Intensity) = -.071(p=.085 (sig)) Marketing Orientation = .020 (p=.111 (ns))</p>	<p>STEP TWO: R² = .176 F-Ratio = 1.491/df=16 P = .259 (ns) Intercept = 4.633 Regression coefficients: Technological Impact = -.088 Marketing Orientation = .014</p>

TABLE 6: REGRESSING ENVIRONMENTAL CONSTRAINTS WITH MARKETING ORIENTATION INTENSITY AS MODERATOR ON ORGANIZATIONAL PERFORMANCE RELATIVE TO COMPETITION

Market volatility on marketing orientation intensity	Competitive intensity on marketing orientation intensity	Technological impact on marketing orientation intensity
<p>STEP ONE: R² = .017 F-Ratio = .240/df=15 P = .632 (ns) Intercept = 3.499 Regression coefficient (Market Volatility) = .038</p>	<p>STEP ONE: R² = .014 F-Ratio = .204/df=15 P = .659 (ns) Intercept = 4.688 Regression coefficient (Competitive Intensity) = -.026</p>	<p>STEP ONE: R² = .065 F-Ratio = .968/df=15 P = .342 (ns) Intercept = 5.742 Regression coefficient (Technological Impact) = -.117</p>
<p>STEP TWO: R² = .303 F-Ratio = 2.829/df=15 P = .096 (sig) Intercept = 2.501(p=.080 (sig)) Regression coefficients: Market Volatility = -.023 (p=.759 (ns)) Marketing Orientation = .040 (p=.038 (sig))</p>	<p>STEP TWO: R² = .323 F-Ratio: 3.095/df=16 P = .080 (sig) Intercept: 2.810 (p=.041 (sig)) Regression coefficients: Competitive Intensity) = -.034 (p=.504(ns)) Marketing Orientation = .038 (p=.030 (sig))</p>	<p>STEP TWO: R² = .314 F-Ratio: 2.969/df=15 P = .087 (sig) Intercept: 3.093 (p=.122 (ns)) Regression coefficients: Technological Impact = -.059 (p=.596 (ns)) Marketing Orientation = -.035 (p=.049 (sig))</p>



There was no significant impact based on other environmental constraints, and marketing orientation was not a factor. It also appears that marketing orientation has no moderating effect on any of the environmental constraints and their impact on organizational performance.

Conclusions and Recommendations

The results reveal that Atlantic Canada's Top 101 firms may be market-oriented, but the intensity of the approach is very weak. However, it is sufficient to affect organizational performance relative to others in the industry. This relationship is not affected by environmental constraints, including market volatility, competitive intensity or technological impact.

Competitive intensity had a negative impact on organizational performance for the previous year. There was no significant impact based on other environmental constraints, and marketing orientation was not a factor. It also appears that marketing orientation has no moderating effect on any of the environmental constraints and their impact on organizational performance.

The marketing orientation itself was not significantly affected by any of the environmental constraints. This finding runs counter to that found in many other studies, including the work by Kohli and Jaworski that indicated that more volatile business environments create more intensive marketing orientation.

This research has shown that large scale business success is possible even with a weak marketing orientation. The implications of this result are confounding. Does this mean that marketing orientation is not important, or does it mean that even a poorly integrated marketing orientation can lead to success? Perhaps the answer to this question lies in the nature of the link between organizational performance and marketing orientation. Clearly, adopting a marketing orientation, even only slightly, appears to have a positive impact on a firm's performance relative to other firms.

The link between marketing orientation intensity and organizational performance was weak, but significant. The regression analysis explained approximately 30% of the variation in organizational performance. This outcome reveals that even though marketing orientation is important, it is not the end-all be-all of corporate success. There are many other contributing factors to the success of the firm.

Future research should continue to focus on the role of marketing orientation and how it affects organizational performance, as well as how organizational performance is affected by other factors. With the exception of competitive intensity and its impact on the firm's performance for the previous year, environmental constraints did not seem to affect organizational outcomes. Marketing orientation did not moderate such relationships. However, many other factors could be important contributors to success, including exporting, firm size, firm location and sector. Future research should also focus on further evaluation of the role of each factor and their interaction with marketing orientation in enhancing organizational performance. ○—

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Profile

KAREN BLOTNICKY is a full-time, tenured associate professor in the Department of Business and Tourism, at Mount Saint Vincent University in Halifax, where she specializes in marketing.

Karen has worked in applied research for over 20 years. She holds a BA and an MBA from Saint Mary's University in Halifax. She is completing a doctorate in International Business at Northcentral University in Arizona.

Karen is a member of the Entrepreneurs' Forum, and past member of the management board of the Centre for Women in Business in Halifax. She is a small business columnist for The Sunday Herald newspaper based in Halifax. She was also the Eastern Canadian business columnist for CBC Radio One from October 2005 through October 2007, where her weekly radio interviews were heard in cities from St. John's to Edmonton.

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A close-up photograph of a telephone keypad. A semi-transparent blue rectangular overlay is positioned over the keypad, containing the text '911' and 'Clear'. The time '11:45pm' is visible in the top right corner of the overlay. The word 'Options' is visible on the left side of the overlay. The background shows the physical buttons of the keypad.

Fire on the Line:

A Stakeholder Analysis of a Telecommunications Service Outage.

BY: DAPHNE RIXON AND MARY FUREY

TELECOMMUNICATIONS COMPANIES ARE ACCOUNTABLE TO A BROAD GROUP OF STAKEHOLDERS. ONE COMPANY'S FAILURE TO MEET EXPECTATIONS IS EXAMINED THROUGH A TELECOMMUNICATIONS SYSTEM OUTAGE IN OCTOBER, 2006. THIS PAPER EXAMINES BELL ALIANT'S FAILURE TO HAVE APPROPRIATE SYSTEMS BACK-UP AND EXPLORES THE EXTENT OF THE COMPANY'S ACCOUNTABILITY TO ITS STAKEHOLDERS, OVER AND ABOVE PROFIT MAXIMIZATION FOR ITS SHAREHOLDERS. THIS PAPER ALSO REVIEWS THE CRTC'S REGULATORY ROLE IN ESTABLISHING APPROPRIATE STANDARDS AND ENSURING THEY ARE MET BY TELECOMMUNICATIONS COMPANIES.

What Power Outage?

On October 21, 2006, St. John's, Newfoundland and Labrador's capital city, was left without telephone, cellular telephone, internet service and 911 emergency services. Bell Aliant, the primary provider of telephone and internet services in the province, experienced a small fire in a building that housed both its main system and back-up system, resulting in both systems being disabled. This presented a potentially dangerous situation whereby over 150,000 citizens were unable to call the fire department or ambulance service for a six-hour time period [1].

The reason for the outage was obvious: Bell Aliant's main and back-up systems were located in close proximity within the same building. When the fire occurred, a technician was forced to cut off the power in order to safely extinguish the fire. That being said, the more serious issue is why such a large, well-established company did not follow the very basic standards of systems back-up and disaster recovery. Even more troubling is how this event could have occurred in an industry, which is regulated by the CRTC.

What about the Watchdog?

As one of 78 telecommunication companies in Canada, Bell Aliant is regulated by the Canadian Radio-television and Telecommunications Commission (CRTC), an agency of the federal government. The

CRTC's telecommunications mandate is to ensure that Canadians have access to reasonably priced, reliable communications services [2].

The CRTC has established 13 Quality of Service Standards for retail customers, with separate standards for rural and urban markets, and 22 Quality of Service Standards for commercial customers. Telecommunication companies are charged a penalty when they do not meet these standards. The CRTC has the power through its legislative authority to hold telecommunication companies to account. This power is illustrated by its requirement for Quality of Service Standard exception reporting.

How Did The Authors Study This Incident?

A case study methodology was used to analyze accountability expectations for commercial enterprises providing essential public services. The case of Bell Aliant's October 2006 fire and subsequent 911-service outage explores the accountability of private telecommunication companies that provide essential public services. In addition to the literature review, a documentary review examined the circumstances surrounding this particular incident, including public reaction and the response of Bell Aliant.

Who Are the Stakeholders?

Scholars have provided a myriad of stakeholder definitions, not all of which fit with expectations for telecommunications companies. One of the broadest definitions was advanced by Freeman as “any group or individual who affect or is affected by the achievement of the organization’s objectives.” [3]. According to Mitchell et al. this definition is so broad that it encompasses virtually anyone as a stakeholder [4]. The definition proposed by Clarkson illustrates a refined view of stakeholders, which is beneficial for this study. Clarkson distinguishes voluntary stakeholders, who bear some risk as a result of having invested some form of human or financial capital in a firm, from involuntary stakeholders, who are placed at risk as a result of a firm’s activities [5].

This definition is based on the concept that without the element of risk there is no stake. Clarkson provides a clearer definition in a further attempt to narrow the view of stakeholders by describing them as:

Persons or groups that have, or claim, ownership, rights, or interests in a corporation and its activities, past, present, or future. Such claimed rights or interests are the result of transactions with, or actions taken by, the corporation, and may be legal or moral, individual or collective [6].

This definition is practical and workable for telecommunications stakeholders. It views stakeholders as having a claim, ownership, rights or interests in the corporation’s activities and assists in identifying the stakeholders. Its inclusion of legal or moral rights or claims is sufficiently broad to be meaningful.

Ultimately, Clarkson’s view of stakeholders is best suited to telecommunication companies that provide essential public 911 services.

What Does Accountability Mean?

Historically, accountability focussed on stewardship. Managers provided an account to the principals of how they discharged their responsibilities for the resources entrusted to them. This narrow view of accountability was based on the accountee (agent) providing an account to the accountant (principal). However, commercial entities are increasingly expected to be accountable to a broad group of stakeholders, not just shareholders. This broader group of stakeholders typically includes customers, suppliers, employees, government and the environment.

Stewart defines accountability as the provision of an account or information [7]. His definition is based on the provision of information and on the judgment of that information: the “holding to account involves both evaluation and consequence” [7]. He maintains that accountability is contingent on the existence of capacity for action by those who hold others to account. The whole process of providing the account and holding others to account can be described as a relationship or a bond since “only the person to whom the account is given has the power to hold to account the person who gives the account” [8]. Therefore, stakeholders need a mechanism to hold service providers to account.

What Are the Potential Technological Vulnerabilities?

Several authors discuss technology and the role it plays in crises. From a crisis management perspective, technology has a broad definition. It is no longer just the machines and tools, but also includes the procedures, policies, practices and routines [8].

Technology offers great advances in production while creating potential for serious destruction. This is particularly relevant for telecommunications companies that are highly dependent on technology. "Most high-risk systems have some special characteristics, beyond their toxic or explosive or genetic dangers, that make accidents in them inevitable, even normal" [9].

The seminal work of Perrow argues that a high potential for crisis is inherent in the characteristics of high-risk technologies [9]. Specifically, high-risk technologies can be characterized by "interactive complexity" and "tight coupling." A tightly coupled system indicates that changes to one component determine the extent of changes to other systems. Similarly, Chiles discusses system failures that occur in a step-by-step manner as analogous to how metal cracks under stress [10]. To prevent major accidents, Chiles believes organizations must prevent individual errors from propagating into full-scale system fractures. At the same time, Weick and Sutcliffe recognize that perfec-

tion, zero errors, flawless performance, and infallible humans are unreasonable expectations, thus errors and the unexpected are pervasive [11].

Given that telecommunication companies provide critical services such as 911, the potential for disaster is significant. As such, they should meet the criteria outlined in the highly reliable organization model (HRO) that Weick and Sutcliffe employ to develop mindfulness. Examples of how to act mindfully include giving a strong response to a weak or small signal of an impending crisis so that employees are better able to notice the unexpected and halt or contain it before it escalates into a crisis. A 1970's example of a company ignoring a weak signal occurred when Ford staffers ignored the fact the Pinto could catch fire in low speed, rear end collisions. They missed the weak signal that the bolts on the rear axels had punctured the gas tanks [12]; their lack of mindfulness allowed a minor problem to become a major one.

HROs use the following five characteristics to create a mindful infrastructure and increase awareness of their capabilities:

1. **PREOCCUPATION WITH FAILURE** as opposed to the organization's successes.
2. **RELUCTANCE TO SIMPLIFY INTERPRETATIONS**; that is, the HRO takes deliberate steps to create more complex pictures that have a fine degree of distinction.
3. **SENSITIVITY TO OPERATIONS** by being attentive to the front line where the work gets done and sensitive to relationships.
4. **COMMITMENT TO RESILIENCE** through a combination of keeping errors small and improvising workarounds that keep the system functioning.
5. **DEFERENCE TO EXPERTISE** such that decisions are made on the front line and authority migrates to the people with the most expertise, regardless of their rank.

Similarly, Watkins and Bazerman recommend the “recognize, prioritize and mobilize” (RPM) approach to address an organization’s vulnerabilities [13]. This approach requires a chain of action that starts with recognizing the threat, moves to prioritizing the threat, and ends with mobilizing the resources required to stop it. Companies must adhere to these steps because failure at any stage leaves them open to potentially devastating and predictable surprises. Watkins and Bazerman define a predictable surprise as one that arises when leaders unquestionably have all the data and insight they need to recognize the potential for or even the inevitability of a crisis, but fail to respond with effective preventative action.

Who Were the Stakeholders When the Telephone Service Outage Occurred?

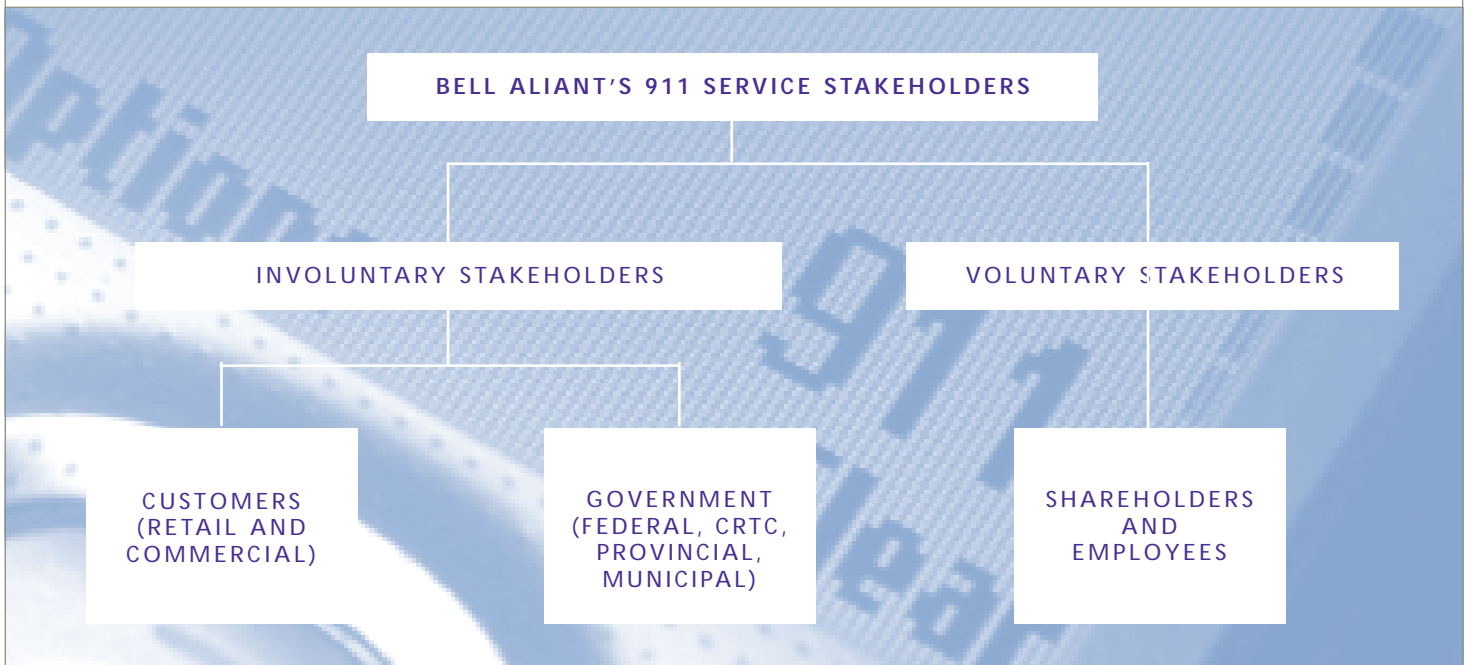
Traditionally, private sector companies focused on accountability to their shareholders for profit maximization. However, over time, accountability has broadened to include customers, citizens, employees and government. Indeed, the concept of stakeholders is broader than shareholders. Bell Aliant’s 911-service

stakeholders include shareholders, customers, employees and federal, provincial and municipal governments. They are organized by Clarkson’s typology [5] in Figure 1.

There are two categories of customers: retail and commercial. Retail customers are those who purchase telephone and internet services directly from Bell Aliant. Commercial customers are other telecommunications companies, such as Rogers, that lease network access from Bell Aliant to provide retail services to their customers. Retail and commercial customers are considered to be involuntary stakeholders since they are dependent on Bell Aliant for 911; there are no substitute providers for this service. Thus, for the essential 911-service component, customers, and governments are classified as involuntary stakeholders since Bell Aliant is the only 911 service provider.

The federal government, through the Canadian Radio-Television and Telecommunications Commission (CRTC), has a regulatory oversight role, while provincial and municipal governments have a responsibility to provide emergency fire and ambulance service. Shareholders and employees are categorized as voluntary stakeholders since they have chosen to invest in and work for the company.

FIGURE 1: BELL ALIANT’S STAKEHOLDER CLASSIFICATION TYPOLOGY



Is There an Explanation for Aliant's Blind Spot?

While the cause of the Aliant technological failure on October 21, 2006 is known, the underlying organizational culture that led to this service outage deserves attention. In addition to maximizing profitability for its shareholders, Bell Aliant is arguably accountable to a wide number of stakeholder groups. Indeed, the company is accountable to provide reliable telecommunication services to its involuntary stakeholders: retail and commercial customers and government. This accountability extends to ensuring it has appropriate systems back-up and disaster recovery protocols. It is acknowledged that all service outages cannot be prevented, but one due to lack of basic back-up procedures is unacceptable.

According to Perrow "most high risk technologies have characteristics that make accidents in them inevitable, even normal [9]." This was certainly the case with the Bell Aliant network. The network topology and lack of backup compounded the inherent technological risk, thus making the system even more complex and tightly coupled. The definition of technology includes equipment as well as adhering to policies and practices to guide decisions and actions preventing problems. In this case, proper procedures and controls may have identified problems with the power cable; proper backup design could have prevented the situation from escalating or perhaps even occurring.

It is unclear whether the company ignored a weak signal and was previously aware that the cables could catch fire, but the company should have been aware of its inappropriate back-up design. In other words, this was an example of what Watkins and Bazerman call a "predictable surprise." The service outage was triggered by a fire at the switching station, which snowballed into a city-wide telecommunications

service outage. Clearly, Bell Aliant did not have procedures in place to prevent the proliferation of the technological failure.

Weick and Sutcliffe's five characteristics of HROs are used to evaluate Bell Aliant. Three of these characteristics were not adhered to, while there appeared to be sensitivity to operations and deference to expertise. Specifically, there was attention to front line workers and decisions appeared to be made by lower level workers on the front line.

Disasters can occur because organizations place excessive reliance on their existing policies and procedures. Weick and Sutcliffe say they are often complacent rather than continually searching for problems and potential failures [11]. In response to this serious incident, Bell Aliant did not appear to readily accept that the company's backup and disaster recovery plans were inadequate in responding to this outage. In responding to the local media, a company spokesperson focused on the quality of their systems:

Aliant has one of the most reliable telecommunications systems in the world...However, regardless of all the diversity and redundancy designed into the power infrastructure, in this unprecedented incident, safety procedures took precedence [14].

This positive statement indicates that, in the aftermath of the crisis, the company still focused on its successes and showed little concern with the failure. Furthermore, just a few days after the fire, Bell Aliant would not agree to participate in a municipal emergency planning exercise until the City of St. John's solicitor raised the issue publicly. Bell Aliant later responded by stating that they would participate and that it had been a misunderstanding [15].

Bell Aliant's response to this situation, by their own admission, indicated such an event was unprecedented; they simply did not foresee it. There was no admission that having the back-up in the same building as the

main system was not compliant with industry standards for backup practices. Rather, they focused on how well their employees handled extinguishing the fire and turning off the electricity to ensure safety while fighting the fire. Only after the City of St. John's demanded an inquiry did the company indicate that an independent investigation would be undertaken. A potential explanation for this reaction is the company's underlying decision-making model. Bell Aliant appears to place significant emphasis on organizational processes, which stress routines and procedures [16]. The company's media reaction gave the impression that the incident was not perceived as having potentially critical consequences.

Bell Aliant did not appear to have an organizational design that allowed for staff to double check claims of competency and success. The company clearly did not have a redundant technological system in place, and it is highly unlikely the organization treated redundancy as vital for the collection and interpretation of information necessary to avert crisis. According to Weick and Sutcliffe simplifications increase the likelihood of eventual surprise, and Bell Aliant admitted to being taken off guard with the outage. The company simplified what was a complex and poorly designed technological arrangement in order preserve their preconceived expectation of continued connectivity and success.

Connectivity was disabled by the crisis, so Bell Aliant lacked a commitment to resilience at the time of the outage. The lack of connectivity did not occur over a span of time; consequently, the organization could not take steps to correct the situation before it worsened. The company returned to a state of preparedness in a timeframe that met the CRTC's regulation, but six hours without 911 services could have been detrimental to the safety of citizens. Likely Bell Aliant will be ready to handle the next unforeseen event as the company has since installed a backup communication system at a separate location from the primary system.

Bell Aliant's organizational hierarchy appeared to defer to the expertise of its front-line staff during this crisis. The company's Chief Operating Officer praised the work of the technician who extinguished the fire and cut off the electricity from the building to ensure safety while fighting the fire. The Chief Operating Officer indicated that, from a safety perspective, this was the correct course of action [17]. It appears that Bell Aliant front-line workers were given the authority to make decisions and take appropriate action, thereby exhibiting sufficient accountability in the discharge of their responsibilities.

Does the Watchdog Need to Change Its Bark to a Bite?

Although Bell Aliant is ultimately accountable for the provision of telecommunications services to its customers, the CRTC's regulatory role cannot be ignored. The most serious issue is the CRTC's lack of standards for back-up and disaster recovery plans. Furthermore, the service standard of 24 hours to clear out-of-service reports appears too generous a timeframe in terms of meeting the public interest of a safe environment. Specifically, while the 24-hour standard may be appropriate for certain services, it does not appear to be reasonable for 911 emergency services.

Critics may argue the CRTC's Quality of Service Standards are not sufficiently stringent and do not ensure telecommunications companies are providing an adequate level of service to citizens. Perhaps a less generous time period would have motivated Bell Aliant to minimize service interruptions. In its oversight role, the CRTC is accountable to Canadian citizens to ensure telecommunications companies provide an adequate level of service. As it relates particularly to 911 services, the present definition of adequate service is debatable.

Is It Time to Call 911?

THREE MAIN FACTORS CONTRIBUTED TO THIS TECHNOLOGICAL FAILURE:

- 1.** Bell Aliant's corporate culture appeared to value its success rather than search for potential failures. Consequently, the company did not consider the possibility of both the main and back-up systems failing simultaneously.
- 2.** Bell Aliant did not adhere to best practices regarding the location of systems back-up at a safe distance from the main system.
- 3.** Bell Aliant's corporate culture of organizational processes and procedures may have led to its overreliance on its existing protocols.

This service outage study highlighted weaknesses in Canada's regulatory standards for telecommunications companies with respect to back-up and disaster recovery. The CRTC exercises its legislative power to hold telecommunications companies accountable to meet certain minimum Quality of Service Standards. However, the CRTC's standards did not require telecommunications companies to have appropriate systems back-up and disaster recovery mechanisms in place. The CRTC has the legislative power to hold telecommunications companies to account to meet certain standards of service, but, when these standards are not sufficiently stringent, an accountability gap is created.

Clearly, telecommunications companies must consider their accountability to a broader group of involuntary stakeholders, including the CRTC, governments and citizens. Although Bell Aliant is accountable to have appropriate disaster recovery mechanisms, some of the other involuntary stakeholders may also have a role to play. Perhaps the involuntary stakeholder groups need to do more to raise Bell Aliant's awareness of its accountability for redundancy and disaster recovery. It could be argued the CRTC, as the

regulator, should hold telecommunications companies accountable for mandatory backup and disaster recovery systems.

In the absence of a sufficiently stringent oversight role by government, Bell Aliant could give priority to the profitability interests of its shareholders at the expense of the service delivery expectations of its customers. On the other hand, since there are other telecommunications service providers, it would be in Bell Aliant's shareholders' interests to meet the needs of customers in order to avoid losing them to competitors.

Citizens in the Atlantic Provinces are dependent on Bell Aliant for their 911 service. Even if Bell Aliant's retail customers switched to another telecommunications company, future 911 problems would not be avoided since competitors are commercial customers of Bell Aliant. Bell Aliant owns the infrastructure which they are required by law to lease to their competitors. Consequently, Bell Aliant should be held to a high standard of accountability, particularly to its involuntary stakeholders, retail and commercial customers and various levels of government.

In the October 2006 incident, stakeholders were let down by both Bell Aliant and the CRTC. The CRTC's service standards did not include a provision for systems-back up and disaster recovery. This was compounded by Bell Aliant's failure to proactively implement the

industry standard for systems back-up even, though it was not a CRTC requirement. This incident suggests the company is not likely to voluntarily raise its standards; rather, it seems the CRTC should introduce higher standards. ○—

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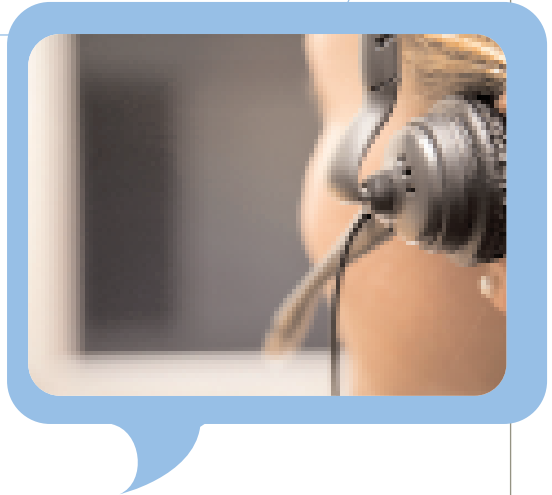
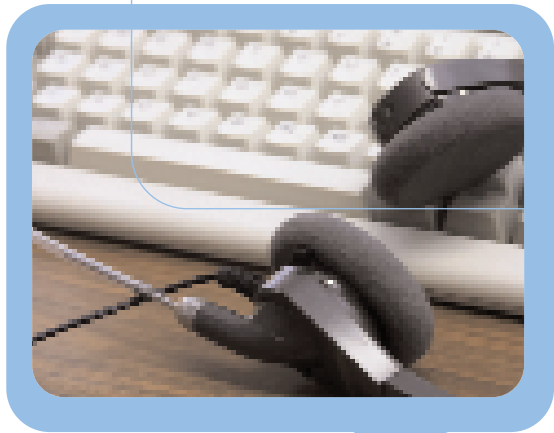
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Finding Space to Breathe: Balancing Control and Freedom in Call Centres.

BY WILLIAM C. MURRAY AND JEAN HELMS MILLS



In our modern workplace, technological tools have become ubiquitous instruments, designed to process standardized tasks with greater precision and speed than people can. Whether it is the Blackberry personal digital assistant on our hip or the laptop on our desk, the advancements of technology have magnified both our focus on work task efficiency and the pressures that our work places upon us as individuals. As technology takes a greater prominence in task completion, it seems reasonable to pause and examine unintended consequences that arise from the very tools developed to make work better.

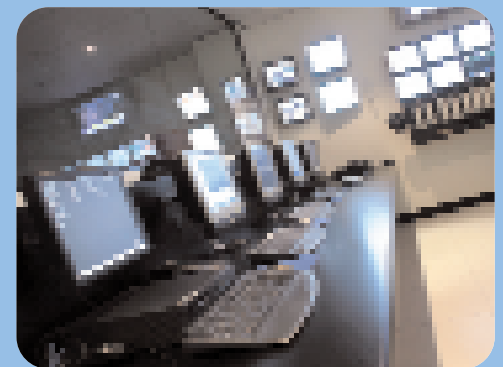
There are few places where this blending of technological efficiency and individual service meet as pronouncedly as the call centre. Call centres serve as a communication hub for many companies. Over the last decade, call centre growth has boomed, with revenues increasing by over 28% per annum from 1998 to 2006 [1]. However, this growth has not come without a cost; the impact on human resources has been quite severe, with levels of turnover commonly exceeding 30% [2]. The extreme growth in revenues, coupled with large instances of staffing turnover, can partially be attributed to the innate duelling logics of the industry. On one hand, call centres need to be customer-focused and satisfy consumer needs; conversely, they must focus on remaining cost-conscious and efficient. These two perspectives are often considered to be fundamentally at odds with each other and, as such, are dealt with in a dualistic manner [3].

CALL CENTRES AND TECHNOLOGY

The call centre industry is an environment particularly impacted by the tensions between service skills and technological productivity [4]. Call centres utilize a high degree of technology in their operations, relegating the repetitive tasks of dialing, scripting and measuring to the more efficient tools, while leaving the service features of the customer interaction to the live operators. This creates a tension between the tools that are designed for precision and consistency, and the individual operators who feel pressure to deliver heterogeneous, personal interactions with customers [5]. As is often the case in instances where two positions are in conflict, an either/or approach is taken to solve the disruption. This typically means that one position is given prominence, or privilege, over the opposing position. Technology has become the celebrated tool of efficiency. The focus on cost-reduction and standardized work is frequently given priority over customized service, with implications for the role of the individual workers.

As the tangible benefits of technological tools gain greater status over the intangible skills of people, heterogeneous service encounters become viewed as inefficiencies that need to be removed rather than nurtured. Slowly, as skills of the operator play a smaller role, the output of the person shifts to become the output of the machine. Measured, consistent, repetitive results carry greater status. The human element of the service experience provided by the operator gets sacrificed.

Thus, jobs in this industry are often narrowly constructed and controlled at the individual level [6]. Operators only interact with customers verbally, cutting out core elements of communication such as non-verbal, physical cues. Individual work stations are designed to link the operator to their telephone system, with video display units (VDU's) streaming appropriate customer and product information in scripted format. In a physical sense, workers have slowly become part of the system with an automatic call distribution (ACD) system continually 'firing' calls at them as each successive call ends [7]. Both the assignment and pace of work has been infused into these two tools in an effort to gain efficiencies, thereby systemizing the behaviours they were created to assist.



Operators work in an environment controlled more and more by a technological system. Speech pattern are structured and regulated through scripts, removing the scope of individualized responses [2]; empathy, adaptation and situationally appropriate emotions based on the needs of the caller have been severely reduced [8]. These employees are physically tied to a work station and often isolated from others. And with this physical connection, through headset, voice, and key strokes, the technological system has also taken on the role of the constant monitor or management surrogate.

INCREASE PRODUCTIVITY

Of course, when the discourse of efficiency is dominant, tools that assist in maximizing this outcome are considered positive to the organizational system. Managers have a surrogate between themselves and their operators, a surrogate that can provide detailed feedback on performance in real time. Yet this surrogate adds an additional layer between managers and operators, distancing managers from the actual execution of control. In some centres, employees who need to separate from the system for a necessary break must request permission; the time of the break/disconnect is measured by the system to

“WORK IN CALL CENTRES HAS EVOLVED TO BE MORE MACHINE-LIKE; WORK CONTROL THAT BEGAN IN THE BUREAUCRATIC STRUCTURE OF THE ORGANIZATION HAS BECOME INSTITUTIONALIZED WITHIN THE TECHNOLOGICAL TOOLS.”



the precise second. All of these characteristics are celebrated in terms of efficiency but each remove another layer of individuality, dehumanizing both the communication and actions of the operators.

This type of transition has been forecasted, with the claim that the era when individual humans are put ahead of the organizational system is over [9]. In both a physical and social fashion, workers in call centres are tethered to their computer systems by their headsets. The core components of communication, the non-verbal aspects, are removed by focusing solely on verbal, telephone work. And the headset connection has become a monitoring tool of the system, tracking the connective movements of staff. In fact, in some centres, the essential human bathroom requirements were measured; in other centres, coloured cards were used by workers to signal a need for disconnection [10].

The use of technology has altered the ways that managers consider issues of control, including control systems that are imbedded in policies and procedures. The tolerance level for control from the perspective of managers has risen, as management became distanced from the actual execution of control techniques [7]. As such, work in call centres has evolved to be more machine-like; work control that began in the bureaucratic structure of the organization has become institutionalized within the technological tools. The ubiquitous nature of technology reinforces this; the decisions once made of people have been transferred into the machines.

CONTROL

Given both the seemingly pragmatic application of technology and the institutionalization of a technologically reinforced bureaucracy, conversation then turns to which element is more valued by those in a position of authority. For example, should the dialogue focus around the effectiveness of service per call or rather how efficient is the call process that takes place? One of these themes will commonly emerge as the dominant discourse in an organization, and management and other decision makers will push it above alternatives. When the discourse of efficiency dominates management

structures, there is a quest for more finely honed control structures; this grail-quest is one that gurus, consultants and practicing managers are challenged to relinquish chasing [11].

The search for better, more efficient control structures resulted in a combination of increased routinization of work with greater loss of control for the individual worker. When discussing the essentials of control, three key elements have been identified, including: the pace that work is completed, how work is both monitored and evaluated, and the methods in which rewards and punishments are dispersed [12]. In call centres that use advanced technological systems, the first two elements have been placed under the structure of the automated call distribution (ACD) system.

INTERNAL DISSONANCE

The core service medium in call centres is the voice-to-voice interactions between the operator and caller, and this interaction creates intangible value for the customer [5]. Tangible value, including speed of connection and access to information, can be augmented through technological tools; however, the heterogeneous or unique service experience is composed iteratively. Individual workers gather information and interpret unique situations much like improvisational actors and use their personal judgment to develop appropriate responses in real time [13]. However, computerized systems and scripts do not work well in conjunction with improvisation. This blending creates a point of tension, with the operator caught between their desired responses, and the scripts and techniques they are mandated to follow. These mandated scripts and reactions, referred to as display rules, may well conflict with the real time judgment of the employee.

Tension is further exacerbated when customer/operator interactions are longer in duration or the operator is 'asked' by the scripts to display emotions in the transaction that are not authentic. Management often acknowledges that a significant portion of turnover stems from the intrinsic pressures of the job. The combination of a technological structure, a highly repetitive work environment, and an industry where customers demand high value from the quality of service received, makes call centres home to multiple contradictions and tensions. These can include conflicts between costs and quality, and between flexibility and standardization [14]. Conflicts of this sort have led to a lowering in job satisfaction [15], increased stress, depression, cynicism, burnout [16] and emotional exhaustion [17].



EMOTIONAL LABOUR AND RESISTANCE

The nexus of tensions described earlier occurs at the individual level, where authentic feelings and reactions are overridden by approved display rules. In an effort to mitigate these tensions in order to overcome the negative outcomes listed above, operators are forced to use emotional labour skills [10]. Sometimes this means that they accept a certain amount of surface acting in their work, playing a role for the company during their shift that little reflects their real self. Other times, the acting sinks deeper when the operators internalize the display rules, blurring the lines between authentic and approved emotions.

Studies have revealed that call centre workers will also attempt to retain a level of efficacy in their controlled work environment by performing micro-level acts of resistance [19] [19] [20]. These are rarely carried out as a direct challenge to management and managerial structures [11], but as a way to avoid what has been called the possibility of self-destruction that comes with accepting loss of control [21]. While customers are hearing a scripted performance provided to them over the phone, operators may be on the other end mouthing angry words or acting out frustrated physical gestures as a venting activity for their tension. Some operators, in an effort to gain a break from the constant call flow, will read their scripts accurately but in an overly aggressive manner to get the customer to end the call [18]. Although crude in style, it is a way to trick the technology and carve out some breathing room; if the call is terminated at the customer's end but left open on the operator's side, the ACD system still believes that the call is ongoing and does not assign a new task.

BATTLE OR BLEND

Examinations into call centres over the last decade have consistently revealed the tension faced by the individual workers when operating within strongly systemized structure [2] [6] [18]. As technology has increased and gains in efficiency are made, employees have been forced to rebel, artificially manufacturing moments of rest and a sense of control [11] [20]. As the control typically held by managers has become embedded in the tools of the industry, the humanity of the service interaction has slowly been eroded. Yet the privileged focus on efficiency has infected some call centres to the very core of their business.

Call centre customers care a great deal about the quality of service received [6]. On top of this, call centre operators desire to create positive experiences whereby they can authentically engage in unique interactions with their customers [5]. Were call centre efficiency not correlated to their employee's success in creating a positive customer experience, one could understand why the space for individuality and a sense of efficacy would be pushed to the background. However, a critical predictor of long-term profitability within call centres is the height of their customer service abilities, not the depth of organizational efficiency [4] [22].

Stressing an either/or perspective has created a battle between efficiency and individuality that takes places at the level of the individual operator. These individuals are squeezed between their own desires to provide great service and an inflexible, highly consistent structure embedded in their work tools. Machines are very good at either/or, dualistic systems; the logic string ends with either a yes or no. Technology is less capable of dealing with systems in a dialectic manner, where yes and no can exist simultaneously.

Yet this dialectical approach may be the best system to examine such call centre workplaces, managing the contradictions that exist in the call centre between efficient and customized service. Technical quality can be managed by technological tools, but the emotional substance essential in high quality service experiences is ultimately decided by people at the individual level. It is here that space is required and, although contradictory in nature, this space needs to be tolerated. Managers must consider how they can allow space for both organizational structures and some individual freedoms to exist concurrently. This change would positively impact the alienation that can be felt by some call centre operators, increasing the satisfaction of both workers and the customers they desire to satisfy. ○—

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