

Soft-skills Training and Cultural Sensitization of Indian BPO workers: A Qualitative Study

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ABSTRACT

This paper describes a study of soft-skills training at a large Business Process Outsourcing Firm located in Bangalore, India. Soft-skills training pertains to social and customer handling skills in addition to cultural sensitization of Indians to other cultures. Soft-skills are very important for the success of BPO firms, yet there is not much in the literature that addresses soft-skills training of BPO workers. This study attempts to bridge the gap. It adopts a qualitative approach using a combination of methods such as the long interview, secondary sources research and actual observation. The results are used to develop a framework for future studies in this area.

Keywords: Globalization, call center, BPO, technology worker, culture, IT workers, job-related-stress, soft-skills, training.

INTRODUCTION

Over the last decade and a half India has emerged as a strong provider of IT enabled services (ITeS) to US, European and Asian companies. Governmental agencies from several western countries have also lately begun to embrace IT outsourcing, and much of this business has been directed towards India. As a result, India's ITeS sector has seen meteoric growth in recent times. Indian IT outsourcing revenues were worth \$12 billion in the year 2004. McKinsey and Co. has predicted that this figure will reach \$77 billion by the year 2008 (Fannin, 2004). In the year 2004-2005, the five-year old Business Process Outsourcing (BPO) segment in India enjoyed revenues of \$5.2 billion (Nasscom, 2005). "BPO" is the practice of outsourcing various business processes that occur along various parts of the value chain of a business enterprise. Indian BPO firms currently provide a variety of ITeS including customer care, payment services, finance, administration, Human Resource management and content development in sectors such as banking, financial services, insurance, manufacturing, retail, government, utilities, transportation and healthcare (NASSCOM, 2005).

Over the last few years the Indian ITeS sector has rapidly developed into a highly capable, vertically-integrated BPO industry player. Its BPO firms offer a range of services, from low-level call-center services to high-level knowledge processing, IT consulting, design and R & D services. According to Kapur and Ramamurthy (2001), in the year 2001 alone there were "more than 800 firms, located in Indian cities like Bangalore, Hyderabad, Pune, Chennai, and New Delhi that provided a range of software services, mostly targeted at foreign customers." The BPO services which originated in the IT sector have now expanded into other sectors such as bio-technology, medicine, legal, publishing, accounting and financial analysis, just to name a few. This growth in India's BPO sector is projected to continue over the next several years. Gartner Research predicts that the worldwide BPO business will grow up to \$200 billion by the year 2005 (Menon, 2004), of which India is likely to garner a notable share.

Given this trend, it is not surprising that several recent studies have focused on India's IT sector. The studies have focused on various strategic and practical aspects of outsourcing, the growth of BPO firms, off-shore software development (i.e. "off-shoring"), and governmental policies that have influenced the IT sector. Studies by Dedrick and Kraemer (2005), Parthasarathy (2004) and Kapur and Ramamurthy (2001) are representative of such research.

What is generally missing from these studies is the question of how individual BPO firms in India are gearing up to meet the challenges posed by such growth, and what actions are taken by these firms for building organizational capability. As the BPO firms continue to move up the value chain in terms of service offerings, building organizational capability will be a key factor in determining how successful these firms will be in the future. A major aspect of organizational capability-building in a BPO setting is manpower training.

This study attempts to fill the gap in the literature by studying how Indian BPO firms address the issue of organization capability-building through their training programs. The specific focus of this study and the justifications for the same are discussed in the next section.

Focus and Justification

In a study on the roles of IT in organizational capability building, Lee et al (2004) proposed that “the potential capability of a certain IT resource can only be transformed into real capability when the specific IT capability is properly utilized in conjunction with specific business processes that involve other functional capabilities/resources.”

The BPO industry is a labor-intensive industry, every BPO firm’s employee is thus a resource for the firm. Thus the success of the BPO firm requires that it focus a lot of attention on the acquisition and development of skilled human resources who are not only adept in technical skills but also in soft skills. The very nature of the BPO business poses interesting challenges to a BPO worker which in turn impacts the training programs. To elaborate this point, consider a typical BPO service such as IT technical-support. This service has certain interesting characteristics:

IT technical-support is typically positioned higher on the IT services value chain than, say, handling routine ticketing inquiries from an airline company’s customer. Thus, technical-support could typically involve technically varied high-end work such as Linux server support, MS Windows™ server support, MS Exchange server™ support, Oracle Application Server™ support, IBM Websphere Applications Server™ support, etc.

It typically requires skills in rapid trouble-shooting and problem-solving in specific, well defined areas of hardware, software, networking and operating systems. In addition, the constantly changing IT field causes rapid “skills attrition” such as when new upgrades are released, or when the BPO takes on a client or project requiring entirely new systems to be learnt. The BPO worker providing IT technical-support is required to be a quick learner highly skilled in a variety of cutting-edge technologies, and also possess analytical, problem solving skills – the “hard skills.”

In addition to technical skills, IT technical-support personnel also often need to interact directly with their client’s customers on a one-on-one basis through the telephone or instant-messaging systems, and thus need to possess what is commonly referred to as soft skills. “Soft skills” has been defined as “the cluster of personality traits, social graces, language skills, friendliness, and optimism that mark each of us in varying degrees” (Career Opportunities News, 2002). Soft skills are especially important since the BPO worker will typically be interacting with end users and customers from a variety of foreign nations, each with its own culture, nuances and perceptions about other countries and cultures.

Given these unique and sometimes contradictory characteristics of a typical BPO job, several interesting questions arise:

- How are workers trained in Indian BPOs?
- What is the curriculum adopted?
- How does the BPO training regimen cope with rapidly changing requirements of the BPO industry?
- How are training programs assessed?
- How are the trainers trained?

Starting from these questions, there are two broad areas that can be addressed, namely ***technical training*** and ***soft skills training***. The two areas are equally important but mutually exclusive in nature, as the training regimen employed in each is quite different.

Prior research in Information Systems (IS) job skills have often offered conflicting views on the importance of hard skills or technical skills versus soft skills (Litekey et al, 2004). While some research indicate that technical skills are more important for IS professionals, others have just as strongly showed that soft skills are more important. Thus in addition to being technically proficient, the Indian BPO worker needs to have adequate soft skills to facilitate handling clients and customers from foreign counties. Additionally for an Indian BPO worker, acquiring soft skills also implies a degree of cultural sensitization. Cultural sensitization can be loosely described as an understanding and knowledge of different cultures and cultural artifacts such as festivals and sports, speech patterns, accents and nuances, national and individual identities, history and perceptions. It is assumed that all these characteristics are embodied by the “client” whose request for service is handled by an Indian BPO worker. Thus soft skills and

cultural sensitization become very critical in ensuring the success of a transaction between a BPO worker and a client. Given the importance of soft skills, and the sparseness of studies on soft skills in IT workers, this study focuses on soft skills training in Indian BPO firms. (The subject of technical training in the Indian BPO context is the subject of a separate on-going study).

METHODOLOGY

This study employed a qualitative research methodology, and the focus was restricted to soft skills training in a single BPO firm located in Bangalore, India. The firm is HP Global Delivery India Center (HP-GDIC). Restricting the study to a single firm was intentional. By focusing on a single representative firm I hoped to gain an in-depth understanding of the soft skills training philosophy as well as the conceptualization and implementation of such training in the firm. This type of in-depth study of a single firm is quite accepted in the practice of qualitative research. As noted by McCracken (1988), in qualitative research, the issue is not one of attaining generalizability through studying a large number of subjects. "It is to gain access to the cultural categories and assumptions according to which one culture construes the world. (ibid.)" In this case I hoped to understand how a single firm addressed the issue of soft skills training. From the results obtained, I hoped to identify and develop a general framework or a set of additional questions that could then be employed in larger studies of BPO organizations not only in India but also in other countries.

The firm chosen for the study is part of one the five biggest IT groups operating in India, and is one of the top ten BPO firms in India in terms of the number of people employed. The name of the firm has been withheld for reasons of confidentiality.

Data and evidence for the study was collected through interviews with a select group of people in the BPO firm. I first met with the head of Human Resources of the firm and discussed the nature and purpose of my study. After agreeing to basic confidentiality and non-disclosure conditions, the HR manager identified two training managers and three trainers that I could interview. I used the "long interview" approach (McCracken, 1988) to conduct the interviews. The interviews were conducted primarily via telephone and recorded on tape. The questions tended to be general and open-ended to afford the interviewees enough flexibility to give detailed responses. The list of questions used in the interviews is given in Appendix I. The data was then transcribed in India and verified by the author for accuracy. I also collected additional evidence through direct observation of the operations floor of the BPO. In addition, I collected environmental data pertaining to the BPO work environment in India as well as issues and challenges facing the Indian BPO industry from secondary sources such as published articles, newspapers and web-based literature.

After all the data were collected, collated and verified, an analysis of the data was done. I analyzed the data to:

- Construct a picture of the Indian BPO environment as it existed in 2004,
 - Understand the soft skills training program in place at the BPO firm studied,
 - Identify the issues and challenges involved in soft skills training, and
 - Understand the general challenges of working in a BPO environment in India.
- I then interpreted the information to arrive at my overall analysis and conclusions of soft skills training in Indian BPO firms.

The rest of this paper is organized as follows. In the next section I introduce the BPO industry in India. I discuss the current state of the BPO industry and the problems and challenges that it faces as it seeks to maintain and build upon the momentum gained in the last few years. In the section that follows, I address the topic of BPO manpower training. Following that, the next two sections discuss the soft-skills training regimen in the Indian BPO firm studied, and the unique challenges faced by Indian BPO workers, respectively. In the last two sections, I present my analysis and interpretation of the data gathered in the study, along with my conclusions.

INDIAN BPO FIRMS: PROBLEMS AND CHALLENGES OF GROWTH

The recent success of Indian BPO firms has led to widespread fear of white-collar job losses in the US and UK, and the emergence of an anti-outsourcing movement. It is estimated that as many as 300,000 white-collar IT jobs have been outsourced to India in the last few years from the US alone (Hilsenrath, 2004). According to Hilsenrath, this number represents only 0.2% of the total job market in the US in any give year. Despite that, the fact that IT job losses occur among higher income groups with more access to politicians made this a "hot-button" issue during the 2004 Presidential elections in the US. In 2004 the State of New Jersey withdrew from a Social Security-related

outsourcing contract with an Indian BPO *eFunds*. This started a flood of other similar actions by other States, which eventually resulted in more than 50 anti-outsourcing Bills being tabled in the US in 2004 alone. Similar anti-outsourcing actions were started in the UK by British trade unions which feared job losses. However, “since this went against the principles of free markets, it naturally evinced strong protests from eminent personalities like Bill Clinton (President of the US from 1992-2000), Bill Gates (founder-president of Microsoft Corporation), Alan Greenspan (Chairman of the US Federal Reserve) and Marc Andreessen (Founder of Netscape Communications) among others, besides votaries of the Indian BPO industry (De, 2004).”

Despite anti-outsourcing actions, India’s BPO industry grew 24% in 2004. According to Lisa Stone of Gartner Research, “the level of activity that we are seeing now reflects the fact that the value proposition behind BPO has been accepted by buyers. Through year-end 2005, prospective buyers will be energized, creating a seller’s market (in BPO) (Business Standard, 2005).” According to another Gartner Research report, “the worldwide BPO market is projected to grow eight per cent to reach \$133.7 billion in 2005 from \$123.8 billion in 2004 (Business Standard, 2005).” It seems fairly clear that BPO is here to stay, and judging from India’s current pre-eminence in this area, Indian BPOs are most likely to continue their rapid growth.

Despite its strong position, the Indian BPO industry faces other challenges, an important one being the shortage of technically trained personnel. By the end of 2003, it was estimated that the Indian BPO industry employed 170,000 people. At that time, the Indian BPO personnel needs were forecast to climb to 1.1 million by 2008. As noted by Tripathi, Singh and Sen (2003), this meant that the industry must hire a staggering 500 people a day to meet the target. Current projections from a Nasscom-McKinsey study indicates that the 1 million mark of personnel needs will be reached by 2006 itself, at which time the BPO industry workforce shortage will climb to approximately 300,000 if appropriate steps are not taken. Thus, despite the large number of engineers who graduate out of Indian universities each year, the sheer growth of the BPO sector still poses a challenge to the industry (Rediff, 2004).

BPO WOKRFORCE TRAINING

Given this impetus towards personnel requirements and training, this section looks in detail at the training program in place at the BPO firm studied. As mentioned earlier, this study is limited to soft skills training. The data for this section came from the extensive interviews of training professionals and actual observation on the operations floor. The people interviewed for the study included two training managers and three trainers.

The BPO Chain of Action

As soon as an outsourcing contract is ironed out between the BPO firm and the client, the *project transition team* of the BPO firm goes into action.

The Project Transition

The transition team works with the client organization to determine much of the specific details pertaining to the process (or processes) being outsourced to the BPO firm. Assuming that it is a technical-support outsourcing contract, the exact levels of support to be provided is identified at this stage. The level of support could range from “1” to “4” in terms of the technical competencies required. Typically, a “1” might represent a simple competency such as a password-reset. A “4” might represent advanced server trouble-shooting. The details gathered by the transition team during this stage help to set the stage for employee hiring at the BPO firm.

The Hiring Stage

An assessment of personnel requirements for the new project is made by the Human Resources (HR) Department of the BPO firm in conjunction with the transition team. After that, prospective candidates are invited to the selection process.

The Selection Process

For a typical technical-support project hire, the selection process consists of an English test, a technical test, an aptitude test and a voice test to see if a particular candidate is “voice ready.” At every stage, candidates are filtered out of the process. For example, if a candidate does not pass the English test, then the candidate is not allowed to proceed to the voice test and technical aptitude tests. Only if a candidate passes all of these tests, is he/she moved up

to the next stage of the selection process. The successful candidate is then sent to a round of interviews with a technical panel – a team consisting of members from the Training department and Operations department. The training department is responsible for the technical training of all the new manpower recruited. The operations department is responsible for the day-to-day running of the BPO operations. After these stages, the candidate is finally interviewed by the HR department to ascertain the candidate's overall suitability for the position.

Overview of Training

A candidate who is successful in the above process is hired by the BPO firm and starts the training process. From this point onwards, the candidate is referred to as an "agent." The various stages of the training process are discussed below.

Soft-skills Training. Soft-skills training is the first stage of an agent's training program. It is required to be taken by every newly-hired agent in the BPO firm who is to handle a customer's telephone call on the operations floor. Soft-skills includes voice and accent training, customer handling, geographical and cultural issues (as mentioned earlier).

Pre-process Training. Pre-process training begins after the agent completes the soft-skills training successfully. This is for agents who are selected to provide technical-support for a particular product, and they receive introductory training in general software, hardware and networking concepts.

Product, Process and Help-desk Training. After successfully completing the appropriate pre-process training, the agent undergoes (technical) product training, (office/productivity) process training or help-desk training. An example of "product" is the Microsoft Exchange Server. Examples of "processes" would be Microsoft Office or Mail-related processes – pertaining to the day-to-day usage of a set of applications and products. Process training would therefore include topics such as: "How to use a tool," "How to trouble-shoot a problem," and "How to document the case when a customer calls." Process training would also cover policies and procedures relating to customer-relationships. Help-desk training would cover common productivity software and applications such as Microsoft Windows, Office, Outlook, etc. in addition to other vendors' products. Other problem domains such as credit card-related help, health-related customer support, etc. may also be covered under help-desk training. Help-desk training is more or less similar to office/productivity processes, but may also include multiple vendors and their products, whereas the "product" and "process" training typically focuses on a single vendor's products.

Going "live." Once the appropriate training programs are completed, the agent is given a User Acceptance Test (UAT). The UAT is conducted for each agent in the presence of his/her trainer, a member of the Operations team (i.e. the "user" of the agent), a quality specialist, and a soft-skills coach. The agent is made to go through a mock call, after which the trainer either certifies that the agent is ready to move to the operations floor, or that he/she needs more training or mentoring. A successful agent is ready to "go live" at this point. "Going live" basically consists of working in a cubicle in a large operations room along with several other agents and answering customer calls.

Training Duration. Each of the above reflects a different stage in the training process. In a typical situation, a newly hired agent will undergo various types of training for 10 to 13 weeks after the hiring date. In the next section, the paper discusses in detail, the soft-skills aspect of training in the BPO firm that we studied.

CULTURAL SENSITIZATION AND "SOFT-SKILLS" TRAINING

In the particular BPO firm that I studied, soft-skills training was within the purview of HR or the Human Resources department. Therefore in the discussion that follows, when I refer to a soft-skills training manager, I refer to an HR manager who undertakes the role of the training manager.

Baseline Assessment

As seen from the previous section (*Overview of Training*), soft-skills training is the first training module that is given to a newly hired agent. During the initial induction process of each agent, a baseline assessment is done. The baseline assessment primarily focuses on the agent's current communication skills and accent. At that time an assessment is also made of those who have joined as "laterals." "Laterals" are hired from other BPO firms, and upon hiring, a determination is made as to whether they have experience in international call centers, and if so, have they

undergone some kind of training elsewhere. If the lateral hires have prior training, then a determination is made on whether the training duration could be appropriately reduced.

Based on the results of the baseline assessment, a specific training regimen is designed for each agent or groups of agents.

Overview of Cultural Sensitization

In the BPO firm that I studied, soft-skills training focused on an agent's voice, accent, customer handling and cultural sensitization of geographical and cultural issues and cultural nuances. Its aim was also to sensitize Indian agents to various countries or regions of the globe from where they may get service requests (or make a sales call, or receive a credit-card related question). Thus if the BPO firm's client organization contracted with it to provide world-wide support, that would mean that the agents in the project were sensitized to various regions of the world where the client organization has customers. Thus, for example, if a client seeking world-wide support had customers in US, UK and Asian-Pacific countries such as Singapore, Australia, New Zealand, then the agents were "culturally-sensitized" to all these countries and regions.

The Course Content

The course content gave the agents a background about various regions and geographical locations, and included practice sessions on the pronunciation of names of places and people from the regions. For example, if the client was Chinese, then the agents were taught the correct way to pronounce Chinese names. In general, topics pertaining to the client (or the client's customers) such as the geography, climate, common slang words, information on the ethnic groups, religion, politics, holidays, festival seasons, the do's and don'ts of that particular region, their sports and entertainment, state capitals, education, and information on how well the public are informed there, and various aspects of the culture – all of these topics were addressed as part of the cultural sensitization of agents.

The Role of the Soft-skills Training Manager

The soft-skills training manager decided the percentage of time to focus on any one issue during training. For example, if the support offered was world-wide, the manager determined from the transition team as to what percentage of calls would be say, from the US, what percentage of calls will be from UK, what percentage of calls will be from Asia Pacific, etc. The transition team got this information from the client by direct observation and a study of the records. Based on the data collected, transition team did a "call-segmentation" – i.e., what type of calls come in, from where, and the top issues. The soft-skills training manager used this information to plan the training regimen and focus. Thus if 85% of the calls came from the US, the training manager decided that the training module will be mostly focused on US.

Client-Customization and the Soft-skills Team

The soft-skills training manager managed a team consisting of soft-skills trainers. The team typically worked with the project transition team in getting a profile of the client and customer in order to develop a "script" for each client/customer. The transition team studied the culture of the client during an onsite visit – for example, was the culture of the client organization formal or informal? The soft-skills training manager typically prepares a list of thirteen or fourteen questions which were put to the transition team after a site visit. The answers were then used to tailor the training to orient it to the specific client. The agent was trained to try and reflect this culture while dealing with customers belonging to the client. The soft-skills team worked out such details as the opening script (e.g. "Welcome to ABC total care"). Each greeting was tailored for a specific client. Clients are identified in real-time from their ID numbers, and not the names of the callers.

Details as to the culture of the client organization – i.e. whether the client was very formal or informal in dealing with its customers was also ascertained from the transition team. If the client organization was informal, then the training team designed specific scripts for the agent to do "small-talk" on, such as the weather at the customer's location, sports news, holidays and festivals, or the latest happenings in music and entertainment. Notably, the agents were taught to avoid making small-talk on political issues and topics.

Outsourcing Cultural Sensitization Training

Soft-skills training requires detailed knowledge about different cultures and their nuances. For example, if the client's customers are likely to be from Ireland, then it is useful to know local Irish customs, peculiarities and nuances. One drawback is that such specific knowledge may not reside within a particular BPO firm. Such was occasionally the case with the BPO firm we studied. In cases where the firm did not possess adequate cultural knowledge, it employed the services of external "culture trainers" who possessed knowledge of specific cultures or geographic regions. These external culture trainers are a particularly valuable resource on the idiosyncrasies of conversation and comprehension of specific regions and cultures – such as the meaning of a specific noise made while talking (e.g. the meaning of "huh?" versus "huh!"; the incantation of "umm" and "whoa!" and their possible meanings based on the context), the tone and the style of talking, unique expressions etc. The culture trainers provide agents with in-depth familiarity to the cultures they specialize in.

In other cases, when such external culture trainers were not available, the BPO firm followed the policy of seeking the help of the client organization in formulating specific cultural training. A trainer is then sent to the client organization to ensure that appropriate knowledge is acquired.

In the BPO firm studied here, culture training was outsourced to a few selective "culture trainers" located in Bangalore. When soft-skills training is outsourced to culture trainers (or training partners), the service providers or partners followed a training regimen similar to that in the BPO firm. First, a baseline assessment is made of the entire group sent to them, and the duration required for training the group is jointly determined by the BPO firm and the culture trainer. The BPO firm maintains close contact with such service providers in order to ensure the correct type and level of training.

During this study I observed that the current trend is for BPO firms to increasingly use the services offered by external training partners for culture training, language skills development and accent neutralization. This trend has led to the emergence of a new ancillary industry in culture-training in Bangalore and other BPO hotspots in India. It is important to note that in this area, the Indian BPO industry enjoys a distinct advantage as a result of a large Indian Diaspora. Indians have, over the last century, migrated to numerous countries across the globe. They have successfully participated in business, academics and the culture of their adopted countries. The new developments in India are beginning to cause a "reverse brain drain," with highly qualified professionals returning to live and work in India. They also bring back with them, knowledge of new languages and cultures – all indispensable in cultural training of India BPO employees. In most cases, family members of the returning professional provide cultural training assistance to culture-training organizations.

TRAINING METHODS

As seen from the above discussion, soft-skills training comprises of several components or modules – culture, voice, accent, customer handling, etc. Each module consisted of a trainer-led classroom session, followed by a language-skills based activity such as extempore speaking, reading aloud and group discussions.

Listening Comprehension

Part of a module on customer service training would involve specific exercises in listening. For example, when training an agent to support the British and American clientele, British and American movies are shown to the trainees. After the viewing, questions to test the comprehension – both accent and overall content – are posed by the trainers. Popular television shows are also shown to the agent-trainees to train them to understand conversational American and British English. Video and CD libraries are made available to the agents.

Role Play

Role play forms an important part of the training. Typically, a member of the training team would act as the client and pose a request such as "I have this problem with my computer and I need some help on this." The agent-trainee would then be required to ask appropriate questions and perform the right "call opening" procedure. The "client" would usually give the impression of being very anxious to get the problem solved immediately. The agent, while being cognizant of the client's needs and anxiety, will be required to open the call, request and get the appropriate data from the client, log in the data using the appropriate software and then start troubleshooting the problem at hand.

In addition to the technical part of the transaction, the agent will also have to perform “customer behavior-handling.” For example, if there is an irate client who has been waiting on the line for quite sometime, how does the agent handle the irate client? What will the agent do if the client is unable to understand his/her accent?

The outcome of this part of the training is to determine ways to ensure that the Indian accent is normalized and that the client is handled appropriately.

These issues are addressed during training in the following way. Given a 15-day training module, on *Week 1* the agent is given very simple calls to handle; on *Week 2* the difficulty level is raised; on *Week 3* an irate-client situation is simulated through role play. The role play situations are progressively made as realistic as possible, and could include situations such as one where a client is just not willing to listen, and wants to speak to the CEO of the organization. These situations are simulated in the training session, recorded and played back to the entire class followed by feedback from the trainer.

Real-time Coaching

It can be recalled that the training program for agents consists of soft-skills training, pre-process, process and product training. After process and product training, the agent undergoes a User Acceptance Test (UAT) in the presence of a “soft-skills” trainer, product/process trainer, a quality specialist and a member of the operations team. If successful, the agent is certified to “go live,” and starts working on the operations floor. However, if problems are found at the UAT, the agent is assigned to a coach for more specific coaching. In the case of a “soft-skills” problem, the agent is assigned a soft-skills coach.

A soft-skills coach is sometimes paired to an agent even after an agent actually starts working on the floor, in case some problems are noticed at a later time. The details of such coaching are discussed in the next two sections on assessment and remediation.

Performance Monitoring and Assessment

Once an agent goes “live”, the initial performance could be either good or bad. Agents are typically kept on at the operations floor for at least three months to help them stabilize on the floor. To make a determination of an agent’s performance, all calls taken by him/her are recorded. Selected calls are then monitored and analyzed by quality control personnel. If problems are noticed during the initial three weeks, the agent is assigned to a coach. Coaching is done on a one-on-one basis.

In some cases, after a satisfactory initial period, certain dips in the performance of an agent could emerge. This could be as a result of some agents who, despite training, revert to old influences and practices over time – such as talking too much during a call, or not making any small talk at all with a client. If these behavior patterns are unacceptable to the clients (such as if the client *requires, as part of the service agreement*, that the agent indulge in a certain level of small talk while putting a customer on hold), then problems could emerge.

To illustrate, if there is a general belief that Australian customers love to talk, then if an agent transacting with an Australian does not do any small talk while putting the customer on hold – i.e. if there is a two minute period in a recorded call when no sound is uttered by the agent – then that is noted as a black mark against the agent. Other examples of such situations include an agent who does not follow an established customer service pattern, who is not pleasant on the phone, who neglects to say “thank you” while putting a customer on hold, or who neglects to apologize when required.

Such performance problems are either noticed by a quality control person monitoring the calls or by the client organization. The client organization also independently monitors calls and could report to the BPO firm that a particular agent is not up to the mark, or that the person needs some amount of help, and that he/she could be great with additional coaching.

Another trigger for additional coaching could be the operations team – the operations manager, who also monitors the agents’ calls on the operations floor could also notice a problem and raise an alarm.

Remediation Coaching

The HR (soft-skills) department keeps track of the agents on the floor, with a view to identifying and tracking high

and low performers. The managers identify the bottom performers who could be in the twentieth or the twenty-fifth quartile. These agents are then brought out of the operations floor for further training. If, of the other hand, there is a trigger from any of the groups – such operations, quality control or the client, then the agent is assigned for coaching.

During remediation coaching, first the specific problems requiring remediation are identified. Whenever a problem is reported, the HR managers assigned to the task perform a baseline analysis by listening to calls received by the agent. The HR managers make sure that the Operations Manager communicates with the agent concerned that he/she is going to be monitored. The managers listen to at least three calls before deciding on the real issue or problem at hand. Then the managers make a decision on whether the concerned agent requires additional technical training, service training, or “attitude training.” Examples of “attitude” problems are: an agent omitting to thank customers, or omitting to apologize while putting customers on hold.

If an agent is identified to be repeatedly fumbling during a call, a customer-service coach is assigned to first ascertain if the problem is technical or language-related. In each case, an appropriate course of action is recommended.

Once the “base-lining” is done, the HR manager presents the details of the agent’s problem and a plan for working with the agent to remedy the problem, to the operations manager. The approximate duration for remedying the problem is also discussed – such as seven or fourteen days. The results of the baseline assessment are also communicated back to the concerned agent (“we have heard your call and this is where you stand today, and this is the baseline assessment we have done for you”).

If the problem does not fall within the realm of soft-skills but is a process or product-related problem, then the appropriate technical coach is assigned to work with the agent.

If soft-skills remediation is required, a soft-skills coach is appointed for the agent. The coaching is done on a one-to-one basis. The coach listens to the agent’s call, records the call and plays it back to the agent during the agent’s free time. The agent is asked to explain what happened, and where he/she went wrong. The coach then gives a feedback and draws up an action plan for remedying the problem – for example, if the agent is not pronouncing the “V”s and “W”s properly, he/she is advised on what is to be done to remedy that; if it is determined that the agent is not exhibiting appropriate customer orientation, steps to remedy that is pointed out. The coach even advises the agent on what kind of small talk needs to be done, or how to improve the call opening. Handouts are given to the agent so that he/she could paste it on a board in the work cubicle, as a memory-jogging device. In some cases, if the same problem is found among many members of a team, the entire team is pulled out of the operations floor for a classroom session.

The preceding discussion shows that soft-skills training is taken very seriously in the BPO firm studied. Specific systems exist to train, assess, monitor and offer remediation of soft skills in BPO workers.

This concludes the discussion on the soft-skills training done at the BPO firm studied. All the data was collected through interviews with the managers and through direct observation from the operations floor’s observation booths.

In the next section I discuss some of the typical soft-skills related challenges faced by the BPO firms and the BPO workers.

CHALLENGES FACING THE INDIAN BPO ENVIRONMENT

As noted earlier, the rapid growth of Indian BPO firms have caused much political backlash, mostly emerging from the US and UK. However, as noted before, despite such backlash, it is projected that the Indian BPO industry is likely to grow bigger and bigger, as more and more back-office and customer-support jobs are outsourced out of the developed countries to take advantage of the cost and wage differential between developed and developing countries. In addition to the cost advantage, analysts frequently note the large numbers of well-trained, English-speaking Indian BPO workers as reasons for India’s success in this arena.

Given this, it is revealing to notice the presence of manpower problems that seem to afflict Indian BPO firms. According to a Dataquest 2004 report, the employee attrition rate is very high in call centers in India, and 30-40% of

the workers quit their jobs in a year (De, 2004a). This could pose a serious problem for India's BPO industry, and the reasons for such high employee attrition are worth further study.

Dataquest (India) conducted a BPO Employee Survey in 2004. The survey focused on issues such as employee satisfaction and employee stress factors, among other things. The survey results can be found in Dataquest (2004), De (2004a) and Chhabra (2004). According to De (2004), while 49% of the respondents said they joined the industry because they were attracted by the salary, 54% said they would also quit because of the salary (i.e., because a better salary was offered by a competitor). While this may suggest that salary is the main motivation for the high attrition rates, it can be interpreted that the constant pull of higher salaries and the change resulting from that may actually be a symptom of a bigger problem, one related to the health of the BPO workers, most of whom are young college graduates. According to De,

“Young English speaking Indians, who work in call centers in India, are exposed to a host of health problems. Because of the time difference between India and the US, the work for call center employees in India starts late in the evening and goes on till dawn. Such odd hours bring in a host of health problems including digestive diseases, hair loss, back pain and stress. Some girls develop menstrual problems. Orthopedic problems and sharp increase in nicotine consumption are common features. The strain of assuming foreign accents not to mention personalities for long periods causes everything from sore throats to personality disorders. Though call centers in India claim that they try to make life better for the workers by improving the overall work environment, all said and done, there is no alternative to a good night's sleep.”

Another important problem that is beginning to manifest among call center workers in India is the stress resulting from having to deal with constant verbal abuse, mostly from anti-outsourcing elements, unemployed IT professionals in the US, or even racist thrill seekers who have reacted to the constant anti-outsourcing messages in the media that often paints a gloomy picture of white-collar job losses in the US due to the rise of BPO firms in India. Several instances of verbal abuse have been recorded in the media (Lakshmi, 2005).

Given these conditions, it would be interesting to see how Indian BPO firm will adapt and how this will affect employee soft-skills training in the future.

ANALYSIS AND CONCLUSION

In this paper we studied the Indian BPO industry and in particular, the soft-skills training regimen adopted by a large BPO firm in Bangalore, India. This is a qualitative, interpretive study that seeks to understand and identify various factors and aspects that play a role in soft-skills training in a BPO context.

From the study, it becomes very clear that the BPO firm we studied followed a very highly evolved training process which extends all the way from recruitment to the actual placing of the BPO worker on the operations floor to handle live calls from customers across the globe. It is also clear that several processes are in place to identify problem situations during actual operations and remedy those situations in a clear, detailed and open manner.

The study also shows an impressive level of coordination among the project transition team, the HR recruitment team, the soft-skills team, various process and product trainers and the operations and quality teams. It is also clear that the client organization plays a very important role in the BPO firm's operations and its success.

It is also interesting to note the role played by external “culture trainers” to whom this BPO firm outsourced its cultural training operations. This phenomenon of culture and accent training has spawned new ancillary industries in Indian cities like Bangalore, New Delhi, Mumbai and Chennai (Kalghatgi, 2003). Other important ancillary industries that the BPO industry has spawned are the food and catering industries which are focused on supplying food, beverages and refreshments (offered free of cost by the BPO firms to its employees) to the thousands of workers all through the night. The predominantly night time work, and the need to move employees in various night-time shifts back and forth to the BPO centers have also spawned a logistics industry to transport the workers safely and in a secure and timely fashion.

Framework to study the BPO environment

Using the data and evidence collected in this study, I developed a *framework* that could be used to further study,

analyze and understand BPO environments. Such a framework would enable researchers to understand the roles of entities and their interactions in BPO environments. This would help in managing BPO environments and designing effective BPO personnel training methods. The framework emerging from this study is discussed here.

- A typical offshore-BPO arrangement reveals the existence of two environments: that of the *BPO firm* (BPOF) and the *BPO client* (BPOC).
- The two environments are typically informed by disparate nationalities, with varying cultures and histories.
 - Culture and history influence (a) the socio-cultural, political and economic environments on the one hand, and (b) shape the “ethnographic identity” of the nation’s people.
- Considering the national environment of the BPOF: Its nation’s *socio-cultural, political and economic environments* shape *legal, business and industrial policies*, which influence the *technological development of the nation* and its *entrepreneurship climate*. These in turn influence *education and industry*, including the BPO industry and individual BPO firms. The “*ethnographic identity*” of the nation where the BPOF is located plays a major role in the emergence of *cultural norms, values, attitudes and personalities* which directly inform the *BPO worker*.
- Similar considerations apply to the BPO client firm (BPOC), and the BPOC’s *customer*.
- Thus, the *BPOF worker* and the *BPOC’s customer* become the critical interfaces between different worlds, literally. The transaction that occurs between them is crucial, and determines the success and failure of a BPO relationship.

This has several ramifications to understanding BPO operations and well as BPO personnel training. As seen from the above, a BPO worker’s attitudes and behaviors are as important as technical knowledge. These are shaped by various forces which are sometimes outside of the BPO firm’s control. Recognition of the multifarious factors that shape the BPO worker would help the BPO firm in developing training and coaching programs would be critical to the success of the BPO worker and BPO firm.

The framework described above also shows the importance of BPO-client’s customer. In an increasingly globalized business environment, it becomes important for the BPO client to take a serious role in managing the expectations and perceptions of its customers and acquaint them to the international service provider who, while being technically competent, may sometimes follow different social norms that may manifest themselves during a transaction. Again in doing so, the BPO client organization would have to address issues that are shaped by forces outside of its control.

The ideas contained in this framework could be used to address a variety of research questions and studies that examine various issues such as the role of inter-governmental policies, cross-cultural issues, global socio-political issues and behavioral issues at the macro and micro levels that come into play in the BPO environment.

CONCLUSION

This study shows that the BPO industry is likely to be a long-term phenomenon in an increasingly global world. Countries such as India are currently emerging as major BPO players. It is a young industry that provides the vast potential of globalization to millions of educated young people in emerging economies. It is also an industry that has the potential to displace several million white-collar workers in the US, UK and other developed countries. This may cause political actions from those countries, or private actions (such as the verbal abuse issues noted earlier) from disgruntled elements. Because of the tedium and the long and abnormal hours of work involved in BPO firms in India, health problems for BPO workers are likely to continue and be a source of concern to the management and the government. This will also continue to result in job attrition.

In order to get a fuller picture of the BPO training segment, we are continuing this research project to include the entire gamut of BPO training – including pre-process, process and product training using the framework described above.

Future studies could use the framework described above and include more BPO firms in the study, the actual BPO workers, socio-cultural issues, the role of educational institutions and governmental policies in the emergence of BPO firms in India and in other emerging economies such as Philippines, Ghana, China, etc.

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APPENDIX I

Questions to training managers and trainers in the Indian BPO firm studied

1. How is the curriculum determined?
2. Who determines the curriculum?
3. How does the curriculum change over time
4. Who gets selected to undergo training and how do you determine who gets selected for which training?
5. How do you develop curriculum?
6. What is the training environment?
7. What specific training technologies and methodologies are used?
8. How much preparation time does each trainer get?
9. How are the training results measured?
10. What follow-up steps are taken?
11. What are some behavioral issues that you see in this type of training environment

