

Call and Contact Centre Workers and the Roles of Labour Unions in Africa

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Introduction

Many African countries have pinned high hopes on new information economy activities such as business process outsourcing as an answer to high levels of unemployment and as a tool for poverty reduction. Call and contact centres are seen as important drivers of job creation among the youth, the demographic with highest unemployment levels. For example, South Africa has youth unemployment of about 52% according to the latest World Bank figure.¹ We set out to examine the impacts of call and contact centre jobs on workers in Africa under a large multi-year European Research Council (ERC) funded project called GEONET.²

Methodology

The outsourcing sector is comprised of various types of economic activities in its value chains. We are concerned with call and contact centres, which occupy the most upstream nodes on the outsourcing value chains, offering entry-level jobs for many unemployed in African countries. We selected four case study countries: South Africa, Kenya, Nigeria and Ghana. These countries are important regional economies on the African continent and have witnessed a significant growth and development of call and contact centres. So far, we have conducted 80 semi-structured interviews with respondents such as contact centre agents, firm officials, employment agencies, private sector associations, government officials, union leaders and industry experts across South Africa (July-October, 2016), Kenya (October-December, 2016) and Nigeria (ongoing fieldwork from February until April, 2017), with Ghana to be covered between April-June 2017.

Our research fieldwork is ongoing, but we do have some preliminary publications available. Email us if you would like a copy. We present here some of our preliminary findings.

1 <http://data.worldbank.org/indicator/SL.UEM.1524.ZS>

2 For more information, see <https://geonet.oii.ox.ac.uk/>

Findings and Impacts

Call and contact centre jobs have both positive and negative impacts on workers. These include:

1. Employment generation.

- An easy entry point into formal labour markets.³
- Popular among first time job seekers, mostly youth.⁴

2. May bridge social and racial divides.

- For example, provides job opportunities to unemployed black South Africans, the most vulnerable group of population in South Africa.

3. Expands social safety nets among workers through the provision of non-monetary benefits such as pensions and medical insurance and reduces the burden on governments' social welfare budgets.⁵

4. Career progression.

- There is the risk of career stagnation.⁶
- Call and contact centre jobs are not career jobs but can 'act as a springboard'⁷ for professional careers in other sectors.

3 The informal economy accounts for 70% of the employment and 80% of the labour force in Sub-Saharan Africa, <http://www.un.org/en/ecosoc/integration/2015/pdf/eca.pdf>. Most of these jobs are categorised as vulnerable by the International Labour Organisation. http://www.ilo.org/addisababa/whats-new/WCMS_377286/lang--en/index.htm

4 The contact centre agents we spoke to were between 18-27 years of age.

5 Social welfare schemes are under tremendous pressure across Africa. Case in point is South Africa, where 17 million citizens receive social grants under the categories of pension, disability and care dependency, foster care and child support grants totalling about US\$ 11 billion. <http://theconversation.com/why-social-grants-matter-in-south-africa-they-support-33-of-the-nation-73087>. Also, 35 million Kenyans are without health care, according the World Bank. <http://www.worldbank.org/en/news/feature/2014/10/28/improving-healthcare-for-kenyas-poor>.

6 A point made to us by a contact centre official in Lagos, Nigeria, two contact centre agents in Johannesburg, and a team leader at a contact centre in Nairobi, among others

7 A quote from the Managing Executive of a leading international BPO firm, Johannesburg South Africa.

5. Highly monitored jobs.

- High levels of workplace controls with adverse psychological and physical impacts. Most workers complained about mental stress, back pain, weak eye sights and self-induced social isolation.
- Digital technologies and automation create new forms of control. For example: LED screens on walls for monitoring worker performance (see Fig. 1). And automated calling system means work becomes like an 'assembly line in the head'.⁸

6. Job insecurity.

- Flexible employment structures (temporary contracts are common, for example).
- Workers can be fired/made redundant easily.

Labour unions in call and contact centres

1. No separate labour unions exist for call and contact centre workers in our case countries.

- A Communication Workers Union exists as an alternative in both South Africa and Kenya.

2. Union activities are highly disorganised.

- High levels of attrition make it hard to organise workers.⁹
- Image of labour unions: 'Unions are a bad idea'.¹⁰
- Firms also use employment contracts to prevent workers from joining a union.
- Workers often sign up to lower wages without union representation. For example: An Indian outsourcing firm ISON BPO took over Airtel's captive customer service centre in Kenya and reassigned workers on lower wages (our own research and discussion with a ISON BPO official and several contact centre agents). Another example is MTN South Africa's call centre in Limpopo province.¹¹

Role for labour unions in the future

Collective bargaining and collective action can help workers mitigate some adverse impacts of their work and achieve better life prospects. Therefore, it is necessary for existing unions to:

1. Take remedial actions to improve their image by running educational workshops/seminars for workers to understand their rights in their respective country, channels available to them to access/demand those rights and the role of unions in helping workers achieve those.
2. Enter into dialogues with governments and firms to gain recognition for unionisation by advocating and demanding no violence from all parties/stakeholders and peaceful negotiations.
3. Company/union collaboration on fair working conditions could build a loyal workforce and reduce the problem of high turnover in the industry.
4. Increase membership of new workers through a range of campaigns (social media, door to door, offering free and/or subsidised memberships, etc.).
5. Build national, regional and international coalitions and collaborations with other labour unions.
6. Understand the value chains of digital work in order to understand where value is created and captured, and how workers might receive a fairer share of it.
7. However, also understand that there are inherent structural problems in any digital sector where high costs drive firms away. Contact centre firms are notorious for being footloose. Therefore, unions and firms should look for strategies that makes a place 'sticky' for work other than simply low labour costs.

Fig.1: A customer contact centre in Pretoria South Africa.



8 Taylor, P., Bain, P., 1999. "An assembly line in the head": work and employee relations in the call centre. *Industrial Relations Journal* 30, 101–117.

9 One of the authors attended a meeting with a union organiser and a contact centre agent in Nairobi, where both of them made this point.

10 Quote from a contact centre worker in Johannesburg.

11 <http://www.cosatu.org.za/docs/cosatu2day/2017/pr0315.html>