

October 12 2009

Issued by Mattison Public Relations on behalf of Incomes Data Services

Call centre agents see pay stuck for first time in more than a decade

- Staff turnover falls to 19% of workforce

The typical salary for a customer service advisor in call centres has remained unchanged over the last year, stuck at an average of £16,200 per annum according to the latest IDS survey of pay and conditions for call centre staff. According to IDS this is the first time that there has been no pay growth for advisors since they started monitoring it in 1997.

IDS says that the lack of pay growth is mainly due to reduced competition for staff as employees 'sit tight' in the face of the downturn while the number of applicants per vacancy has increased dramatically.

The decline in demand from financial services companies, who are typically big users of call centre staff, has also reduced competition and cut staff movement between rival call centres. Three-quarters of firms said that recruitment and retention are currently 'not a problem' with average annual staff turnover falling to 19% of the workforce this year from 23% in 2008. The tighter labour market is also believed to be responsible for lower levels of absenteeism and fewer disciplinary cases as employees 'keep their heads down'. However, call centres are noted for traditionally high turnover of staff and once the economy recovers, pressures on basic pay are likely to return once more.

The median salaries for call centre managers have taken the biggest hit, having fallen by 1.7% on average. IDS says that this is linked to an economy-wide trend where there is little growth in pay for managers but some boosting of pay lower down the hierarchy. The survey shows the typical salary for a call centre manager is now £40,100 a year.

However, the survey shows that employees in posts with a focus on driving performance, improving efficiencies and maintaining employee motivation and engagement have enjoyed growth in pay levels well above inflation. For example, the median salaries for call centre training managers have risen by between 6.7% and 13.2% while team leaders have benefitted from rises of between 3.1% and 6.3%.

Comments Louisa Withers, Senior Researcher, at IDS: "The research highlights the different ways in which the recession affects employers. On the one hand the weaker labour market means there is less competition for employees, giving employers some breathing space as recruitment and retention pressures ease. But on the other hand, employers are under pressure to keep staff focussed and engaged which explains the solid pay growth for team leaders, team managers and training managers."

Annual change in median midpoint salary 2009		
Role	Salary £pa	% change
Customer service advisor	16,200	0.0
Team leader	21,800	3.1
Team manager	26,600	4.4
Management information analyst	24,100	0.4
Training manager	33,400	13.2
Call centre manager	40,100	-1.7

The survey also shows that more employers are using bonuses as a tool for retaining and motivating staff, but the average bonus payment has almost halved from a typical £800 last year to £440 this year. The findings on pay reviews across the industry show that median pay rises have fallen back to 2.8%, reversing a rising trend seen in 2007(3.3%) and 2008 (3.8%).

The **IDS Pay and conditions in call and contact centres 2009/10** executive summary is attached to this press release. The report covers 40,000 employees in 140 call and contact centres.

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