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Competing in the Call Center Industry: The Case of Spectrum Communications

Aaron S. Robertson

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Running head: COMPETING IN THE CALL CENTER INDUSTRY

Competing in the Call Center Industry:
The Case of Spectrum Communications

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A Capstone Research Product submitted
in partial fulfillment of the requirements for the degree of
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COMPETING IN THE CALL CENTER INDUSTRY 2

Approval Page

I approve the Capstone Research Product of Aaron S. Robertson:

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Date

Abstract

This author, through a combination of personal work experience, academic research, interviews, data, and other sources, discerns ways in which his employer, Spectrum Communication Services Inc., a Milwaukee, Wisconsin-area answering service and call center, can remain an industry leader amidst growing competition and ever-changing technology.

Keywords: answering service, call centers, telephone answering service, business services, continuous improvement, quality improvement, intrapreneurship, Milwaukee, Wisconsin

Acknowledgement

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Competing in the Call Center Industry:

The Case of Spectrum Communications

Chapter 1: Introduction

Overview of the Research Project

Spectrum Communication Services Inc., this author's employer, is a Milwaukee, Wisconsin-area answering service and call center. This author analyzes the company better known as Spectrum Communications, offering the reader a comprehensive history of the firm, as well as an in-depth critique of its commitments to ethics and intrapreneurship, and the opportunities that it can potentially capitalize on, given some adjustments to its processes and service offerings. More specifically, this paper seeks to adequately address the question, "How can Spectrum Communications continue to be an award-winning, industry-recognized leader in answering service/call center solutions in an environment where technology is constantly changing and competition is on the rise?"

The call center industry landscape has changed dramatically. New competition is constantly arriving on the scene. New software and hardware applications are being released by industry vendors. And call center clients are coming to expect more personalized service and attention for their callers. As Clark, Murfett, Rogers, & Ang (2013) points out,

Scripts are used less often than people might assume. As Forey and Lockwood (2007) observed, 'The notion that call center discourse is scripted and predictable is outdated' (p. 323). For highly repetitious tasks that require uniformity and standardization, such as sales calls, scripts may play a greater role. But there is less scripting of aftermarket calls such as those we studied because they necessitate more customization to complete the service (Deery, Iverson, & Walsh, 2004) (p.29).

The paper begins with a history of Spectrum and an explanation of this author's role with the company, and continues with an analysis of the firm's overall culture, procedures and processes, and its commitments to innovation (by way of intrapreneurship) and ethics. Both PEST and SWOT analyses are introduced, as well, identifying a number of risks and obstacles the firm faces, along with a number of unique opportunities and strengths it can capitalize on. A PEST analysis examines potential political, economic, social, and technological challenges an organization faces, while a SWOT looks at its strengths, weaknesses, opportunities, and threats. Next, this author presents a literature review, data collection and corresponding analysis plan, and a description of findings. He then closes by offering recommendations addressing the research question. Along the way, this author incorporates a rich variety of both prime and secondary source material in the form of interviews, personal work experience, and peer-reviewed academic research in order to enhance the data collection, its corresponding findings, and the overall knowledge base pertinent to the answering service and call center industries.

About Spectrum Communications

Spectrum Communications was established in 1983 by Roy and Mari Osmon, a husband and wife team. Originally starting out as a traditional answering service, in which simple messages from callers are passed along to the designated recipients, the company has found itself increasingly involved over the years in call center services, which involve more complex tasks like event registration, order entry, appointment scheduling, troubleshooting help, and incident and claims reports, among others. Occasionally, the company will accept a brief outbound project, in which one or more phone operators will make calls on the behalf of a client for purposes such as invitations to an event, confirming appointments, or conducting a survey, as a few examples.

Spectrum employs nearly 40 staff, both part- and full-time, and is located on N. Executive Drive in the city of Brookfield. Management staff consists of the firm's owners, Roy and Mari Osmon. For the past decade or so, Mr. Osmon has been serving as president and acting as more of the managing partner of the two, maintaining an office presence and coming in regularly. Ms. Osmon served as president for the first 20 years and continues to play an integral role in the company's strategic planning initiatives and the design and implementation of training programs for staff. She also puts together workshops for Spectrum's management and support staff. Ms. Osmon is a published author, speaker and presenter, and involved in other business pursuits outside of Spectrum. In addition to the Osmons, management also includes a vice president of operations, a human resources manager, and a sales/client services manager. A number of supervisors, referred to as team leaders or TLs, supervise the day-to-day routine operations that go along with fielding calls.

A majority of staff members work as remote operators, or TeleServices Representatives (TSRs), as industry jargon refers to operators, fielding calls from their homes. This author explains the benefits that come with working from home, from the standpoints of both the TSR and the company:

The policy is truly a win-win scenario all-around for the company, its clients and callers, and the remote operator. It is a policy that aligns exceptionally well with the company's first core value of "Fair (x 3): Fair to our clients, our staff, and Spectrum." Aside from the short-term costs incurred by the TSR for the laptop, the operator is realizing significant cost savings over the long run due to less gasoline consumption and general vehicle wear-and-tear, in addition to the convenience that comes with working from home. In return, the company can virtually, at a moment's notice, ramp up its staffing to

assist at peak times or in situations where call volume is surprisingly high. Additionally, from a human resources perspective, the policy serves as a highly-desirable benefit for attracting and retaining top talent. Spectrum's clients and their callers can rest assured that calls will always be handled with prompt attention. Even when remote operators are on their days off, having this policy in place helps make the operator a lot more willing to want to help out during busy times by logging into the system from home and answering calls for an hour or two. This flexibility greatly assisted the company during the noteworthy snow storm that hit southeastern Wisconsin in early February 2011 (Robertson, 2013).

This author, however, who has been employed with the company since July 2012, works in the Brookfield office. He serves as both a TSR and, since February 2013, the head of the company's online marketing and PR efforts. Among other duties, this role, which was created for him, includes maintaining the company's Web site, blog, and social media profiles, as well as writing and distributing articles, press releases, slide presentations, and other forms of content for an online audience.

Mission and Vision Statements

The company does not possess traditional mission and vision statements, per se. Rather, it has its *core values* in lieu of these statements. The inspiration behind these core values comes from author Verne Harnish's 2002 work, *Mastering the Rockefeller Habits* (Harnish, 2002; C. Luser, personal communication, August 30, 2013), which the firm's management team read some years back after coming across it at a conference. The company's core values are:

Fair (x 3)

Fair to our clients, our staff and Spectrum

Peace of Mind

Bridging our clients to their customers – 24/7/365

The “WOW” Factor

Striving for excellence with every contact

Every Challenge an Opportunity

Specializing in creative and innovative solutions

Building Partnerships One Client at a Time

We promise to care

We believe there is no substitute for a warm, friendly voice.

The Relevancy of an Answering Service/Call Center

Why would a business choose to employ the services of an answering service/call center?

There are many reasons. As this author wrote in a blog post for Spectrum’s Web site, these reasons include, “A helping hand in keeping up with call volume; After-hours support; To act as a gatekeeper by screening calls for levels of importance and timeliness; and a more professional, successful appearance” (Robertson, 2013). For some businesses, it is simply the realization that, “...there is no substitute for a warm, friendly voice” (Spectrum Communication Services Inc., 2013). To that effect, research conducted by Dulude (2002) demonstrates the frustration many seniors experience when calling a business, only to be taken through a complex menu of automated options when an interactive voice response system (IVR) is being employed by the business. And no one is particularly fond of reaching an answering machine, especially during

an urgent or emergency situation. This can cause a business to leave money on the table, so to speak. As this author noted in a blog post,

In an emergency situation, not reaching an actual person right away may cause many callers to just keep going down the list of providers, whether they're using the Yellow Pages, Google, etc., even if they left a message for you. They're looking for immediate help, and they don't know how long it's going to take until someone follows up on the message they left. So they just keep trying to reach someone until that happens (Robertson, 2013).

Answering services are particularly popular with contractors and service technicians for these very reasons. Answering services have long been a mainstay in the operations of physicians and attorneys (Rosch, 1978), as well, particularly for after-hours support.

Spectrum also offers call center services. While the services of an answering service and call center arguably go hand in hand because they often involve overlapping skill sets, call center offerings, as previously noted, are often viewed as being distinguished from answering service offerings because they generally involve more complex applications. Call center services can include tasks such as order entry, event registration, basic troubleshooting assistance, the filling out of incident and claims reports, and appointment setting, among others. The reasons for hiring a call center are often the same for employing an answering service – to free up time for the business, act as a gatekeeper of sorts, and help with high call volume.

An Intrapreneurial Environment

Spectrum's culture centers around intrapreneurship. In order to discuss the ways in which the company fosters an intrapreneurial environment, it is necessary to first define just what exactly intrapreneurship is, which Eesley & Longenecker (2006) calls, "... a key

component to organizational success, especially in organizations that operate in rapidly changing industries” (p. 19). The Web site, Investopedia.com, defines intrapreneurship as, “Acting like an entrepreneur within a larger organization...usually highly self-motivated, proactive and action-oriented people who are comfortable with taking the initiative, even within the boundaries of an organization, in pursuit of an innovative product or service” (n.d.). The entry goes on to note that,

The major difference between entrepreneurs and intrapreneurs is that the fruits of success default to the organization rather than to the intrapreneur. On the other hand, the intrapreneur also has the comfort of knowing that failure will not have a personal cost - as it would for an entrepreneur - since the organization would absorb losses arising from failure (Investopedia, n.d.).

Shabana (2010) takes the definition further, noting that intrapreneurs, “...can help established companies implement innovative policies and procedures or introduce innovative products or services. Intrapreneurs, however, must have a fair amount of latitude within a company in order to effect any significant changes” (p. 32). The author continues, “Workers who earn the title ‘intrapreneur’ usually go well beyond their narrow job descriptions, providing valuable help in innovating some aspect of their companies” (Shabana, 2010, p. 32).

There are essentially two types of intrapreneurial organizations: the incremental innovator, and the radical innovator. The former tends to take smaller, more cautious and gradual steps toward innovation, while the latter, the radical innovator, approaches innovation in a far bolder, riskier way. Hogan (2005) offers a great working explanation of these two types of innovators in terms of product design and production:

Today, the vast majority of product innovations take the form of incremental improvements to an existing product or create upgrades with no radically different features. At the other end of the spectrum lie the exciting ‘disruptive’ innovations, that is, products that challenge the status quo of an existing market (p. 21).

Spectrum Communications can most likely be regarded as an incremental innovator. The reason for drawing such a conclusion is that the company is not doing anything of a significant nature that would be regarded as out of the norm in the industry. Granted, while all companies in the industry have their own unique cultures, management styles, and base of talent from which to draw, many of them are using the same software programs and have many similar, if not identical, business processes and procedures in place. In other words, this is an industry that is not frequently prone to shakeups. Rather, it is one that tends to, for the most part, run smoothly and quietly. However, this was not always the case.

For a time after first launching in 1983, Spectrum was certainly a radical innovator, setting the standard for the industry on many levels. From the start, the company forged a close relationship with AMTELCO, arguably the industry’s premier manufacturer of various software and hardware solutions. The relationship was such that Spectrum became one of a few selected proving grounds for innovative programs and applications AMTELCO was designing for the industry in the early-mid 1980s. Spectrum and its TSRs, through significant trial and error and corresponding feedback, came to heavily influence the way the final versions of these early programs turned out (M. Osmon, personal communication, August 8, 2013). The Spectrum-AMTELO relationship will be discussed further later on in this chapter.

Another radical move at the time was the decision about what to call the company. At a time when physical *Yellow Pages* phone books were the primary means of advertising a

business, most answering services looked to name themselves “A+ Answering Service,” “A1 Answering Service,” or anything closely resembling such names, in order to be listed closest to the beginning/top of the appropriate category. Therefore, choosing a name starting with “S” was seen at the time to be a risky, bold move. “We wanted to convey that we are truly able to provide a wide-ranging *spectrum* of service offerings, and that’s how we settled on the name” (M. Osmon, personal communication, August 8, 2013).

How Spectrum Communications Displays the Qualities of Intrapreneurship

There are a number of ways and built-in processes in which Spectrum promotes creativity and innovation. For starters, the company has a strong policy of promoting from within. All employees start out working as phone operators. This author, who has headed up the company’s online marketing and PR efforts since February 2013, was promoted to that role in line with this philosophy. The company’s management team knew that he came from a background in the areas of freelance writing and journalism, press release creation and distribution, search engine optimization, and social media, and that the company needed to boost its presence on the Web in order to remain competitive. Aware of these facts, then, the management team created the role for this author.

As this author discusses in a blog post, “My case is not unique here at Spectrum. Throughout its 30-year history, it has always been both policy and philosophy to promote from within – to identify and cultivate talents and skill sets from amongst the operators that can assist in taking the company to the next level” (Robertson, 2013). Specifically tying this author’s new role with the company to the concept of intrapreneurship, co-founder Roy Osmon told this author as the position was created for him, “You’re the expert in this area. You lead *us*. You tell *us* what we need to do, or should be doing” (R. Osmon, personal communication, February 2013).

Similarly, the company's human resources manager, sales manager, customer service and sales representatives, and supervisors were all promoted from within along the same grounds. Having all employees start out as phone operators equips them with true, firsthand knowledge and understanding into the kinds of services the company provides to its clients and their callers.

Another way in which Spectrum promotes innovation and creativity in the spirit of intrapreneurship is through its open access to all of the company's staff. This author explains the concept in a blog post in this way:

...our work environment resembles a matrix of sorts, where every one of us has the ability to communicate and collaborate with those above us, below us, and on par with us across departments. This approach fosters learning, and hence continuous improvement and growth, across the organization. Managers, supervisors, operators, IT staff, and sales and marketing personnel all interact with each other on a regular basis and team up with one another on training and development or projects and efforts that lift up the organization as a whole. Each of us truly possesses a team mentality and approach. We really are all in this together (Robertson, 2013).

This author, in his role of handling the company's Web presence, regularly consults with customer service and sales staff, in particular, to ensure that everyone is on the same page, so to speak, before publishing certain content onto the Internet.

A daily management meeting, known as "The Huddle," provides yet another means for encouraging creativity and the sharing of ideas and resources. The daily huddle, which usually lasts approximately 25-30 minutes, brings together any management, supervisory, customer service, and sales personnel that are in that day. This author, in his role of marketing, participates whenever he can, as well. The assembled staff members inform one another how the

day is going, what is being worked on, and what obstacles, if any, are being encountered.

Sharing with one another what is going on that day presents a great opportunity to gather fresh ideas and perspectives from others. The inspiration for this huddle, like the establishment of the company's core values discussed earlier in lieu of traditional mission and vision statements, was inspired by Verne Harnish's, *Mastering the Rockefeller Habits* (Harnish, 2002; C. Luser, personal communication, August 30, 2013).

Account suggestions provide an outlet for all staff, particularly phone operators, to offer input and feedback for improving the call scripts of client accounts. The process put in place for this is the completion of a simple computerized form. They may be suggestions allowing the call to be handled more quickly and efficiently, or they may be ideas that make more information available in a script for the operator's use, as two examples of various possibilities. Because the phone operators are in the trenches, so to speak, answering calls continuously, it makes good business sense to seek out and incorporate their input when altering a script, since they are essentially the experts at that particular function. While the rewards for submitting account suggestions may not be immediately known to the operator, participation in submitting them is taken into account at review time.

The Intranet is also an asset. With the ability to access it from all work stations, the company's Intranet provides a number of resources and tools allowing staff to deepen their understanding and familiarity with certain client accounts or types of scripts. Information about the company, such as policies, some procedures, and company history, can also be found on the Intranet. Admittedly, however, the Intranet has not been revised or updated in a noteworthy amount of time, so an opportunity exists here.

The firm has an employee referral program in place, as well. The program pays an employee \$1.00 per hour for every hour that a personally-referred employee works, for up to 250 hours. This serves as a meaningful strategy by the company to hire employees that already have a trusted, albeit indirect, relationship with the firm by way of knowing a current staff member. Furthermore, it creates buy-in for staff to refer what they feel is trustworthy, long-term talent to the company by offering an incentive that has the potential to prove lucrative for the referring employee. If a referred employee leaves shortly after being hired for whatever reason, the pay that can be collected on the referral ends. Therefore, it is in the best economic interests of staff to refer prospective hires they know possess good work ethic and are looking for a long-term opportunity with a firm that is based on a strong promote-from-within model. The result of this program is a close, tight-knit staff consisting of old high school and college friends, business associates and acquaintances, and even family members.

Finally, the company offers a finder's fee award to any staff member who refers a business to Spectrum that becomes a client. However, it is an incentive that is rarely brought up simply because few, if any, staff members pursue the opportunity. The award is usually in the \$50 range and can potentially be greater, depending on the magnitude of the account that is secured.

Rounding all of these policies and strategies out nicely is a highly-supportive management team that allows staff members the freedom to do what they do best. As company co-founder Roy Osmon stated during a March 2013 interview with this author on the topic of change,

“Change is forever. I surround myself with good people who can hold my hand and help me handle these changes. I sleep better at night knowing I have good people who know

more than I do.” To ensure an appropriate in-house response to such a changing environment, Osmon said that it is important to be open to all options. “Bring me the options. Pursue the options. Once we know the options, then we can have meaningful dialogue,” Osmon stated (Robertson, 2013).

The management philosophy at Spectrum is undoubtedly in line with what is known as the Theory Y management style. Formalized by Douglas McGregor, Theory Y embraces the assumption that employees are motivated, willing to take on responsibilities and risks, and eager to share other skill sets and talents they may have for the advancement of the organization if presented with the opportunity to do so (Jones & George, 2011, pp. 58-59). This management philosophy is backed by Roy Osmon’s personal philosophy and moral convictions. He stated in that same March 2013 interview,

It’s the Lord holding our hand and guiding us, and it’s fair cubed – every proposal needs to be fair to our clients, fair to our employees, and fair to Spectrum. I surround myself with people who know more than I do. And an employee will never, ever be terminated in this office unless I know about it, and unless this question is asked: Have we, as management, done everything we possibly can, to make this employee successful?

Because of this culture, Spectrum possesses, in the words of Mark Nardolillo, founder and CEO of BEM Systems Inc., in an interview he gave on the subject of innovation and entrepreneurship in organizations, “...the vision to see opportunities where others don’t, mainly by connecting different sectors of our business and bringing together the talents and relationships to turn an opportunity first into a strategy and then into concrete, revenue-generating projects” (Salwen, 2003, p. 154). In this sense, the company also clearly displays the characteristics of a learning organization, which Wheelen & Hunger (2012) defines as being, “...skilled at creating,

acquiring, and transferring knowledge and at modifying its behavior to reflect new knowledge and insights” and one that, “...is a critical component of competitiveness in a dynamic environment...particularly important to innovation and new product development” (p. 13).

In short, Spectrum’s culture closely resembles that which a captain in the U.S. Navy attempted to accomplish on his ship, the U.S.S. Benfold. Captain D. Michael Abrashoff recalled in his 2002 book:

I wanted sailors to open their minds, use their imaginations, and find better ways of doing everything. I wanted officers to understand that ideas and initiative could emerge from the lower deck as well as muscle and blind obedience. And I wanted everyone on the ship to see one another as people and shipmates. As captain, I was charged with enforcing 225 years of accumulated Navy regulations, policies, and procedures. But every last one of those rules was up for negotiation whenever my people came up with a better way of doing things. As soon as one of their new ideas worked in practice, I passed it up the chain of command, hoping my superiors would share it with other ships. (Abrashoff, 2002, p.83).

Replacing the terms officers and sailors with management and operators in Abrashoff’s reflection here yields the same philosophy that Spectrum is based upon. The company fully embraces the concept of teamwork, which Scholtes, Joiner, & Streibel (2003) notes,

...requires managers to create an environment that supports trust, respect, and collaboration. Teamwork results from a common understanding of the organization’s vision and values and a shared commitment to delighting customers...All of this requires that everyone is constantly learning. Management encourages employees to continuously

elevate their level of technical skill and professional expertise. Employees gain an ever greater mastery of their jobs and learn to broaden their capabilities (p. xxiv).

Along with this sincere commitment to teamwork, to a Theory Y management philosophy, to cultivating talent, etc., naturally comes a propensity for transparency. Krivkovich & Levy (2013) warns of the dangers when transparency is not present in an organization, particularly as it relates to risk management. The authors define Spectrum's situation well when they state,

Managers who are confident that their organizational policies and controls can handle—and even benefit from—openness about risk are more likely to share the kinds of information that signal risk events and allow the institution to resolve emerging issues long before they become crises (Krivkovich & Levy, 2013).

On the contrary, “Companies with a culture that discourages such discussions—as well as those in which overconfidence leads to denial—are prone to ignoring or failing to recognize risks...As a result, they alert managers to risks only when further delay is impossible” (Krivkovich & Levy, 2013).

Internal Factors Affecting Intrapreneurship at Spectrum

This author cannot think of any internal factors that would hinder the company's bid to become, or maintain its status as, an intrapreneurial organization, other than the fact that the very nature of its business requires that staff pay more attention to handling calls than to anything else. Because Spectrum operates around the clock without interruption, the company's first and most important priority must be ensuring that adequate staffing is allocated to answering phone calls at all times. Having a staff of just 40 makes it difficult then, at times, to devote staff, time, and other resources to activities other than this prime function.

External Factors Affecting Intrapreneurship at Spectrum

A number of factors outside of the company's control impact the ways in which it can be innovative in the intrapreneurial spirit. For example, certain laws play a particular role in the way the company can conduct business. Because the company has a number of doctors, dental offices, and healthcare facilities as clients, compliance with the HIPAA and HITECH laws must be maintained.

HIPAA refers to the Health Insurance Portability and Accountability Act, first signed into law in 1996 during the Clinton administration. The law is enforced by the Office for Civil Rights, and, in a nutshell, "...protects the privacy of individually identifiable health information" (U.S. Department of Health and Human Services, n.d.). HITECH stands for the Health Information Technology for Economic and Clinical Health. Passed as a part of the broader American Recovery and Reinvestment Act of 2009 (ARRA) during the Obama administration, HITECH requires all entities subject to HIPAA to, "...notify individuals when their health information is breached" (U.S. Department of Health and Human Services, n.d.).

As this author pointed out in a blog post not long ago, "...it was recently determined that text messages are no longer considered a secure means for sharing certain private information. This definitely affects answering service providers, who work with many doctors and medical facilities" (Robertson, 2013).

To help remain compliant with these laws, Spectrum recently purchased a software program called miSecureMessages from AMTELCO, a leading provider of equipment and programs for the answering service and call center industries. As a press release announcing the release of miSecureMessages explains, the program is,

...an on-premise or cloud-based solution for sending secure smartphone messages, saving critical time and keeping communications private...Because the messages are encrypted, miSecureMessages is a vital tool for healthcare organizations, maintaining Protected Health Information (PHI) to ensure healthcare organizations meet HIPAA and HITECH regulations. Since keeping data safe and eliminating outside access to personally identifying information is more important than ever, miSecureMessages is ideal for any organization, helping ensure customer data is kept confidential...Since miSecureMessages uses its own App on the mobile device, the messages are kept separate from the recipient's other text and e-mail messages (AMTELCO, 2011).

“[This] only makes sense,” this author noted in a blog post about the purchase of miSecureMessages, continuing, “Your average, run-of-the-mill cell phone is easily susceptible to hacking attacks these days, no different from computers. And if a cell phone becomes lost or stolen while having personal, protected information stored on it, well, there could be some serious consequences” (Robertson, 2013). This purchase of the miSecureMessages software program is an example of an incremental innovation. Spectrum did not design the program, and the program is readily available to other answering services and call centers. However, Spectrum is one of the early adopters of this product in a bid to stay ahead of the curve, so to speak.

Ever-changing technology and its ensuing demands, expectations, and suggestions from clients and prospects also play a significant role in the way Spectrum conducts business. As Roy Osmon, Spectrum's co-founder, explained to this author during an interview in March 2013,

“At one time, 100% of our business was traditional answering service. Today, it is only 35%. This means that 65% of our business consists of more complex operations, the

result of client input,” Osmon explained. A lot of this client feedback has led to changes in the software and hardware employed by Spectrum through the years for its operations, and, along with it, Spectrum’s training program for its phone operators. “We now have many clients whom we service through their software rather than our own,” Osmon pointed out, continuing, “As a result, the way we train our staff has had to change. It used to be, ‘Learn our software.’ Now, it’s, ‘Learn 25 types of software’” (Robertson, 2013).

Finally, professional organizations governing the answering service and call center industries also play a significant role in the way Spectrum does business. One organization in particular, the Association of TeleServices International (ATSI), really serves as the driving force behind industry ethics, best practices, certifications, and awards. It is the subject of ATSI’s awards, in particular, that has led to this author’s research question, “How can Spectrum Communications continue to be an award-winning, industry-recognized leader in answering service/call center solutions in an environment where technology is constantly changing and competition is on the rise?”

The proposed research question follows news learned in mid-June 2013 that the company, for the first time in nine years, had failed to win ATSI’s annual Award of Distinction, although it did manage to secure, for the ninth year running, the organization’s annual Award of Excellence (K. Harrigan, personal communication, June 14, 2013). ATSI is arguably perhaps the most well-known professional organization in the industry. Its Award of Distinction is bestowed on companies that excel in call center services, while the Award of Excellence is given to firms for noteworthy answering service offerings. As previously explained, call center services consist of more complicated tasks and applications such as appointment setting and troubleshooting

assistance, as just two examples. The announcement of not attaining ATSI's Award of Distinction arguably serves as a sort of wake-up call, so to speak, for Spectrum. The reasons for not achieving the award could be wide-ranging, from the training phone operators receive to the software programs being utilized, and from the company starting to fall behind in the types of innovative solutions it is offering its clients to winners of the award simply having more complex tasks to complete on calls. Nonetheless, the company must find a way to rebound amidst an environment that is going through changing technological and regulatory factors, along with increased competition.

Ethics at Spectrum Communications

All of this innovation is set within a strong ethical framework. As this author wrote in a blog post on how ethics and innovation work together in harmony at Spectrum, "Ethics and innovation go hand-in-hand at Spectrum. The former does not, in any way, hinder the company from discovering and developing new and innovative solutions for its clients" (Robertson, 2013). This author continues in that same blog post, "In fact, a good number of these clients have come Spectrum's way through personal connections and friendships with fellow members of Osmon's church, who want to do business with an ethical company" (Robertson, 2013). So important is the role of ethics in business, and innovation in particular, that this author concludes in that blog post:

If an organization is to survive, it must pair its quest for innovation with a solid ethical framework. Today's world is arguably "smaller" and more socially engaged than ever before, and an organization pursuing an unethical path will quickly be discovered and scorned. Ethics and innovation are inseparable, and meaningful dialogue on the subject of innovation cannot occur when the ethical is ignored (Robertson, 2013).

Other Incentives for Operators

A number of other incentives exist for operators, as well. For starters, one of the firm's large national clients will from time to time reward an operator, via management at Spectrum, with a gift card to a retailer or movie tickets for a call that was handled exceptionally well.

Periodically, Spectrum will hold a contest of its own in order to meet some sort of collective objective, usually in the form of securing a certain number of booked appointments for a client within a certain amount of time, for example. The reward may be lunch brought in or a pizza party held, as two types of previous examples have demonstrated.

A quarterly bonus known as "the good health bonus" rewards operators who go through a quarter without any attendance issues, either by calling in sick for the day or through incidents of tardiness. For the last quarter, which ran from March 24 – June 29, 2013, 38% of Spectrum's staff received the bonus, including this author. The average payout was \$139 (K. Harrigan, personal communication, August 14, 2013). There is also a bonus paid out at each employee's annual anniversary with the company.

Holidays always pay double time, with the eves of holidays, where applicable, paying time and a half until 5:00pm, when the switch to double time occurs. The day after Thanksgiving, popularly known as "Black Friday," pays time and a half. Premium pay exists for working weekends and third shift, as well.

Operators have the flexibility to trade, give away, or pick up partial or entire shifts through a sign-up sheet that is updated by the human resources manager about every two-three days or so, if not more frequently. Additionally, if a shift needing coverage on the sign-up sheet is not the most attractive (i.e. third shift or very early first shift, or unusually long), the human

resources manager may include an enticement of “bonus hours” – a number of hours that are paid to the operator complimentary just for picking up the shift.

Finally, a full benefit plan is offered for all full-time employees that includes health, dental, and life insurance, as well as a retirement plan. In addition to their full-time counterparts, part-time employees also receive paid vacations. About the retirement plan, co-owner Roy Osmon recently told this author and two other employees now eligible for participation in a recent e-mail, “We all know there are many places for you to spend your hard earned dollars. You are taking advantage of what I think is one of the best opportunities available and that’s ‘free money’ from Spectrum” (R. Osmon, personal communication, September 3, 2013).

Training, Goals, and Feedback at Spectrum

Spectrum provides comprehensive, ongoing training for all of its operators. With each new account that starts up, supervisors, also known as team leaders as previously established, as well as other staff members authorized to train, go around to each operator to show them the account and address any questions or concerns that may arise. In many cases, detailed e-mail instructions and tips go out to the operators, as well, for their records and reference. The same process is employed each time there are significant changes made to an already-existing account.

In addition to training on new accounts, there is also ongoing feedback and coaching that is provided as it pertains to certain benchmarks that operators must strive for. Noe et. al. (2010) defines benchmarks as, “An instrument designed to measure the factors that are important to managerial success” (p. 763). They play a key role in performance management, which the authors define as, “The means through which managers ensure that employees’ activities and outputs are congruent with the organization’s goals” (Noe et. al., 2010, p. 768). For example, once per week, random calls will be selected from the previous week in what are referred to as

“monitors” and scored on certain criteria. Areas covered include professionalism, tone, and knowing the client, among others. Each of these criteria is graded on a scale of up to 5.0, with higher numbers being better. An overall score is assigned for the call, as well, that merely adds up and divides the individual sections accordingly. The one scoring the calls will offer coaching tips for future improvement. Also, operators receive scores in the form of averages each week for performance during the previous week on how fast they answer calls and how fast they get off of calls from the time the caller disconnects from the operator. These are known simply as “stats”.

As a company-established benchmark, the average time to answer a call from the moment it drops to an operator’s computer screen from the system should ideally be instantaneous. If it is not answered immediately, the screen will give off quick ringing noises, much like a telephone, until the call is answered. Depending on whether or not the system is inundated with calls at any given moment, the caller may have already been waiting on hold for a long period of time. Operators have the ability to see the calls that are waiting to be answered on their computer screens, as well as the number of rings they have equivalently gone through. One ring equals approximately seven seconds. Hence it is imperative that the call be answered right away once it falls to an operator.

A measurement called “disconnects” tracks how long it takes an operator to complete the call script from the moment the caller hangs up on the operator. The firm has set as a goal that operators should have no more than 3% of their calls completed more than the equivalent of six telephone rings after the caller disconnects. Two chief reasons why this goal is critical are because the client is still being billed for time while the operator has the call script still up on the computer screen, and it prevents the operator from taking the next call in a timelier fashion – the

next caller may be sitting on hold in the cue for a while. Primary reasons why this situation usually happens in the first place are because the operator is either cleaning up typed notes or is still going through menu options that catalogue the call appropriately. As with “monitors,” meaningful feedback and coaching tips are provided with these stats, as well.

The element of feedback is crucial in any business in order to achieve goals, or at least head in the right direction. As Kreitner & Kinicki (2010) notes,

Feedback enhances the effect of specific, difficult goals...Feedback lets people know if they are headed toward their goals or if they are off course and need to redirect their efforts. Goals plus feedback is the recommended approach. Goals inform people about performance standards and expectations so that they can channel their energies accordingly. In turn, feedback provides the information needed to adjust direction, effort, and strategies for goal accomplishment (p. 230).

Having goals without feedback is pointless, and the company is aware of this. Providing comprehensive, meaningful feedback and coaching tips in a non-confrontational way helps the operators stay motivated and on track, which ensures the best results for the firm’s clients and their callers. Having continuously ongoing problems not attaining at or near the desired benchmarks, though, can potentially lead to reprimands, such as in the forms of write ups and probation, and can hurt an operator’s raise in wages when reviews come up.

Industry Involvement

Spectrum is highly involved in the broader answering service/call center industry. A number of staff members, primarily in the management and supervisory ranks, attend industry workshops, conferences, and conventions, bringing back a rich variety of ideas and strategies ranging anywhere from the information technology (IT) and training realms to customer service

and marketing. Additionally, Kelli Harrigan, the firm's vice president of operations, serves as conference chair and is a past president of the National Amtelco Equipment Owners, an association of answering service and call center businesses that own equipment by AMTELCO, a well-known manufacturer of software and hardware solutions for the industry. Likewise, co-owner Mari Osmon has held a number of officer positions in industry organizations throughout the years, as well, and continues to facilitate motivational and training workshops and presentations at industry-related conferences.

Employee and Client Retention Rates

All of these factors mentioned – the company's commitments to ethics, innovation, training, customer service, participation in the broader industry, and incentives for employees – all contribute to its strong retention rates. Spectrum can rightfully boast of some of the best retention rates in the industry, for both employees and clients. The average employee stay is almost nine years, while clients stay on average just shy of 12.5 years. Both figures are higher than their corresponding industry-wide averages (Spectrum Communication Services Inc., 2013).

These rates are of extreme importance for long-term success, particularly employee rates, which are often overlooked in favor of client longevity. As Frederick Reichheld, a Bain & Co. director, argued in a 1996 talk, "Retaining employees is as critical as retaining customers because 'you can't get customer loyalty if you don't have employee loyalty,' yet most companies churn half of their employees in three to four years" (Peak, 1996, p. 7). A pair of studies conducted by Spencer a decade earlier on retention rates in hospitals are noteworthy here. He found that, in the first study, "...the more an organization gives employees the opportunity to voice dissatisfaction over aspects of their work in order to change dissatisfying work situations, the greater the likelihood that its employees will remain with the organization," while the second

study suggests that, "...high numbers of voice mechanisms are associated with high levels of employees' expectancies for problem resolution and high perceived effectiveness of an organization's procedures for resolving problems" (Spencer, 1986, p. 498).

As alluded to throughout this entire chapter, the company and its management team promote openness, dialogue, cooperation and collaboration, creativity, and the constant search for improvement in processes. These facts arguably are what contribute to such a high retention rate, for both employee and client. The company appears to be seeking out the most realistic, balanced compromise between what German sociologist Georg Simmel (1858-1918) observed as, "...the never-ceasing struggle between the creative potentials and urges of individual human nature and the forms and requisites of the social order," a conflict, "...between those who would retain the old, the tried, and the true and those who would like to 'puncture the principle of form itself'" (Sherman, 1970, p. 126). In this respect, then, it can be argued that the company does not possess a corporate culture, at least not in the strictest, most traditional sense of the term, insofar that staff, while certainly united by a set of basic rules and principles and in wanting to see the company successful, are encouraged as individuals, and granted the corresponding autonomy, to think outside the box and contribute unique talents and strengths at all times. This appears to stray from what French sociologist Emile Durkheim (1858-1917) had in mind in regards to corporate culture:

The role of corporate culture as expressed in rituals, ceremonies, heroes, stories and symbols (Deal and Kennedy, 1982) is precisely to contribute to the creation of unitary feelings and the 'elicitation of sentiment and emotion and, in Durkheimian terms, keep the eyes of all participants fixed on the same goal and concurring in the same faith' (Ray, 1986, p. 291) (Dahler-Larsen, 1994, p. 6).

Pest Analysis

<p>Political</p> <ul style="list-style-type: none"> • Negotiations with clients and prospects • Negotiations with vendors 	<p>Economic</p> <ul style="list-style-type: none"> • Health of overall economy vital • Diversity of clients
<p>Social</p> <ul style="list-style-type: none"> • Cost of health insurance • Patient Protection and Affordable Care Act of 2010 	<p>Technological</p> <ul style="list-style-type: none"> • Growing emergence, popularity, of cloud computing • Staying current on new software programs and applications coming out

Table 1. PEST Analysis.

Political challenges include negotiations with clients and prospects over the packaging, customization, and corresponding pricing of service offerings. Similarly, successful negotiations with vendors are vital to the company, as well.

The economic sphere certainly cannot be downplayed or ignored in this line of work. Unlike companies that rely on particular industries, specialty niches, or certain kinds of businesses for their survival, the health of an answering service/call center is really dependent on the overall state of the broader economy, since it is a model or function that can support just about any type of business or organization in existence. If the broader economy is performing sluggishly, prospective clients tend to view an answering service/call center business as being more of an expense and luxury item rather than as an investment and solutions partner. Of course, that is where strong marketing and messaging would alleviate some of that.

Beyond the number of mere clients that an answering service/call center has, however, and further advancing the argument that the health of it truly is dependent on overall economic

performance, the number of *callers* – not clients – needs to be taken into just as much, if not more, consideration. When the economy is slow to rebound, much less make gains, individuals, families, businesses, and organizations tend to hold the line on spending and new investment. As a result, there are less calls coming into the answering service/call center for service, estimates, products and parts information and orders, repairs, and appointments of all kinds. Since such a business generates revenue based on the amount of time spent on the phones assisting callers, then, an overall economic downturn hampers its potential and can cause significant damage if dragged on long enough. But predicting where the economy is heading – and even trying to determine where it is *currently* at – can be tricky. Raum (2013), in an article for the Associated Press that appeared in the *Milwaukee Journal Sentinel*, notes that, here in the United States, members of the Republican Party currently, “...see the [economic] glass as half empty; Democrats view it as half full. And the economists aren’t sure” (p. 3D). This author, on the contrary, has seen numerous headlines throughout July 2013 in the Business section of the *Milwaukee Journal Sentinel* and elsewhere that appear to indicate the economy is, without any doubt, turning around for the better. He recalls seeing news about Ford Motor Company wanting to add 8,000 engineers and other salaried staff to its ranks; home values and sales on the rise; unemployment rates declining; and, here in the metro Milwaukee area, long-vacant or underutilized commercial space getting new life breathed into it, among other news items (A. Robertson, personal communication, July 31, 2013).

There are social concerns, as well. In particular, the company, like so many other firms, is closely watching the cost of health insurance and how the Patient Protection and Affordable Care Act of 2010, popularly known as Obamacare by both opponents and supporters of it,

including the administration of President Barack Obama itself (ProCon.org, 2013), plays out. These worries, of course, also spill into both the political and economic realms, as well.

The emergence and growing popularity of cloud computing onto the scene poses some tough technical questions that the company will have to mull over during the course of the foreseeable future. Laudon & Laudon (2012) defines cloud computing as,

...a model of computing that provides access to a shared pool of computing resources (computers, storage, applications, and services), over a network, often the Internet. These “clouds” of computing resources can be accessed on an as-needed basis from any connected device and location...[it] is the fastest growing form of computing, with global revenue expected to reach...nearly \$149 billion by 2014 (p. 170).

The use of traditional hardware in an office setting is quickly becoming a thing of the past. Linthicum (2013), citing a report by analysts at Baird, discusses the threat cloud computing poses to vendors and technicians of traditional commercial-grade hardware applications, noting:

According to a report by Baird Equity Research Technology, “Cloud services will drive a shrinking IT spending pie. As companies increasingly replace server and networking infrastructure with cloud services, we see a meaningful direct impact on existing hardware and software vendors.” That is, traditional enterprise tech vendors will earn less as IT migrates more and more to the cloud (Linthicum, 2013).

Gold (2013) has declared, “The popularization of cloud computing and ubiquitous access to high-speed Internet connectivity mean that the days of the specialized branch office IT appliance are numbered, according to industry sources.”

Other technical issues the company faces include trying to stay current amidst a number of new software programs and applications coming out. For example, as previously discussed, a

newer product called miSecureMessages is changing the way a significant number of messages are dispatched, particularly to those in the medical field. miSecureMessages is an answer to recent amendments made to such laws as HIPAA and HITECH that further enhance the security of protected information. Keeping pace with these new programs will be critical for the company's long-term success.

SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> • Intrapreneurial environment • Employee buy-in • Industry recognition 	<p>Weaknesses</p> <ul style="list-style-type: none"> • More staff needed • Company's intranet underutilized • Overall communication, to some extent
<p>Opportunities</p> <ul style="list-style-type: none"> • Acquired knowledgebase in tier/level 1 technical support assistance • Continued marketing and lead generation success online • Addition of online marketing services for clients 	<p>Threats</p> <ul style="list-style-type: none"> • Future laws and regulations on the industry • Growing competition, both domestically and internationally • Alternative products and services

Table 2. SWOT Analysis.

Strengths that the company possesses include an intrapreneurial environment, a Theory Y management philosophy, employee buy-in, significant industry recognition, excellent training, and a good number of stable, national clients. Management is also small enough that it can be

very flexible and quick to make decisions and seize on opportunities. In another words, bureaucracy does not exist.

Weaknesses include not enough operators as of late and an Intranet that is underutilized. The latter hinders the company's ability to adequately transfer knowledge. Therefore, it can be argued that overall communication suffers, as well.

The company is poised to expand on, and take advantage of, its acquired knowledgebase in helping callers with tier/level 1 technical support assistance. The company has a number of clients whose callers are in need of troubleshooting help. Spectrum's operators act as the caller's first point of contact, able to provide basic help. Should the situation be out of the operator's purview, the call can, in most cases, be immediately transferred to a representative from the company for further assistance. In other instances, a message will be taken and a representative of the company will follow up with the caller. The latter usually occurs after normal business hours.

Other opportunities include further marketing and lead generation success in the online realm, and perhaps even the addition of online marketing services for clients. Additionally, a long-time national client with independent local offices throughout the United States has been boosting the company's revenue in recent months, and does not appear to be slowing anytime soon. Highly recommended by the national corporate offices of this particular client, numerous independent local offices are turning to Spectrum to handle the bulk of their incoming calls around the clock. There remains a lot of growth potential here.

Threats include future laws and regulations set by governments, whether at the federal or state levels. Additionally, there is growing competition, both from within the United States and abroad. It has always been relatively affordable and easy to start an answering service here in

the U.S. (Entrepreneur.com, n.d.; MoreBusiness.com, 2009; M. Osmon, personal communication, August 8, 2013), and cheap labor in countries like India is taking away potential clients from domestic call centers. Numerous alternative products and services pose a continuous threat, as well, such as answering machines, interactive voice response (IVR) systems, and even e-mail, among others.

Scope of Limitations

It is necessary to acknowledge the limitations of this study. Many of these limitations center on the obstacle of limited time. Had this author been equipped with more time, he would have liked to have had conversations with industry professionals outside of his own company. For example, interviews or surveys conducted with officials of the National Amtelco Equipment Owners (NAEO) and/or the Association of TeleServices International (ATSI) may have contributed significantly to this study. Even conversations with owners or managers in other answering service companies may have added more noteworthy insights to this author's research. That being said, this author was only able to solicit the feedback of Spectrum employees.

Additionally, this author would have liked to have gone even further into the overall culture of the company. Though he feels he has captured much of the firm's cultural essence here, there is always room for further detail.

Finally, when it comes to the Web statistics being analyzed, this author only considers unique visitors to Spectrum's Web site over a limited period of time. Again, this is due primarily to time restrictions. There is so much more Web data that could have been looked at, such as the number of actual leads generated through Spectrum's Web site over a period of time by way of a contact form that visitors to the site fill out. The number of actual leads generated from a toll-

free phone number published on the site and other locations on the Internet over a period of time could have been examined, as well.

Nonetheless, this author hopes this work, as presented, will offer a good amount of insight into the overall industry, add some value to its already-existing knowledgebase, and form a rock on which further research can be built upon.

Conclusion

In concluding this chapter, it is clear that Spectrum Communications is a leader in the answering service/call center industry. Now in business for 30 years, its retention rates for both clients and staff are impressively noteworthy. Strong employee buy-in is present. The company has many long-term, financially stable clients. And management embraces a culture that seeks to promote from within and cultivates talent for the betterment of the organization as a whole. Yet, there is some room for improvement, as outlined in this author's SWOT analysis. This room, this author contends, is not so much about reinventing or scrapping anything within the company's processes or culture as it is to do with merely seizing on some potentially lucrative opportunities. The company already has the ideal culture and management philosophy in place, and, for the most part, runs very efficiently. Some minor adjustments or additions, however, are warranted for further improvement and efficiency.

Chapter 2: Literature Review

For this study, this author utilized a wide variety of resources, ranging from the textbooks issued to him for previous courses and academic articles already accumulated during said courses to the Business Source Premier database accessed through the library's Web site of Cardinal Stritch University. Articles were also found via the Internet through Google's search engine. Search terms employed for the Business Source Premier database included "quality improvement," "quality improvement call center," "process improvement," "Georg Simmel culture," "Emile Durkheim culture," "answering service," "call center," and "employee retention," while the terms used for searches in Google came to include, "cost of starting an answering service," "startup costs for an answering service," "intrapreneurship," and "cloud computing."

Having already written extensively on Spectrum Communications prior to this particular inquiry, this author also turned to papers from his previous courses that had since been repurposed as blog posts featured on the company's Web site. These blog posts, which are published live on the Internet, are referenced in this study accordingly as such. One of these refitted papers features an interview with company co-owner Roy Osmon conducted in March 2013. More recent personal communications via informal face-to-face conversations and e-mail correspondence with Mr. Osmon and other management staff are referenced in this latest research, rounding out the March interview with Mr. Osmon nicely.

This author relied on his knowledge of sociology, having minored in the discipline during his undergraduate studies at Cardinal Stritch University, to seek out the thoughts expressed on the topic of culture by Georg Simmel (1858-1918) and Emile Durkheim (1858-1917), both

founders of the discipline. This author's personal library of books was utilized in the research, as well, including his print subscription to the *Milwaukee Journal Sentinel* newspaper.

Essentially, this author's work centers on the theme of continuous quality improvement and identifying ways in which Spectrum Communications can continue to lead the answering service/call center industry with a strong competitive advantage. The case for continuous improvement is clear. Farahmand (2013) states that, "A fundamental proposition in quality improvement is that it must be aligned with customers and competitive advantage" (p. 28). In today's economic climate, this is not always an easy task. Farahmand (2013) describes this modern age as being bombarded with, "...high-velocity change, short product life cycles, mass customization, narrowing customer niches..." (p. 28). Because of this, he says, "...the successful integration of technological and quality improvement capabilities for a given product conveys little long term strategic advantage to organizations" (Farahmand, 2013, p. 28).

Yet, this is all the more reason why it is so critical for organizations to embrace continuous improvement if they wish to remain, not only in existence, but viable, relevant, and in tune with the times. Pirasteh & Kannappan (2013) declares, "Without a doubt, continuously improving your processes is a necessary condition rather than an option for your business to survive and thrive" (p. 42). The authors warn, "...if you...elect to maintain the status quo, competitors and their substitute innovations, products and services will capture or erode your favorable market share. In most instances, it becomes difficult and sometimes impossible to regain your competitive advantage or niche" (Pirasteh & Kannappan, 2013, p. 43).

This concept, continuous improvement, also referred to as quality improvement or process improvement and largely used interchangeably by this author, is what fuels this author's

inquiry and guides the spirit of his research methodology, which is coming up for discussion in the following chapter.

Chapter 3: Method

Statement of Purpose

The purpose of this author's research methodology is to identify ways in which Spectrum Communications can improve efficiencies in the spirit of continuous improvement

Research Question

For this author's study, two types of data were utilized in the forms of interview questions sent out to all of Spectrum's employees, and traffic statistics for the company's Web site. Guiding the selection of these particular methods and data sets this whole time is this author's original research question, "How can Spectrum Communications continue to be an award-winning, industry-recognized leader in answering service/call center solutions in an environment where technology is constantly changing and competition is on the rise?"

Alternatives & Criteria

This author's work is largely theoretical, qualitative, and open-ended in nature. Therefore, this author, within the limited framework of this particular study, has no quantitative alternatives and criteria to present. He is not searching for the *one* "best" or the most "cost-effective" solution. Rather, he is looking for a number of solutions that improve overall process and quality.

Data Collection

The interview questions were distributed via the popular online surveying tool, Survey Monkey (SurveyMonkey.com), to the e-mail addresses of all staff members, totaling around 40, including owners and management. The questions were sent out on Friday, August 16, 2013, with a cut off for response time set seven days later, Friday, August 23. The questions are as

follows. The first five are demographic-type questions meant to allow for a much richer analysis. The first four questions are close-ended, with answer choices in parentheses.

- 1) Your name (solely for follow-up purposes by Aaron, if necessary)
- 2) Your position (TSR, TSR and Project, Team Leader, Management)
- 3) Work status (Full-time, Part-time)
- 4) Work location (Office, Remote, Both)
- 5) How long have you been with Spectrum?
- 6) What processes or policies do you think can be changed in order to allow operations to run more smoothly and efficiently?
- 7) What resources, do you think, are being underutilized here at Spectrum?
- 8) What more can we do for our clients?
- 9) What more do you need to know or have at your disposal to better understand and represent our clients?

As far as the company's Web traffic goes, this author mainly looks at metrics during the period February 1 to August 31, 2013, the last full month that such statistics can be provided for purposes of this study. He is interested in this time period specifically because he started in his marketing role for the company around the middle of February. In addition to covering this period, however, he also performs additional analysis in order to deepen perspective by looking at a few other angles, all of which is detailed in the following chapter along with findings from the interviews.

Chapter 4: Results and Analysis

Interviews

A total of 12 participated in the interviews, which represents approximately 30% of Spectrum’s staff of about 40. Of these 12 who responded, 10, or 83.3%, are female, while two, or 16.6%, are male. Five (41.6%) are TSRs, or phone operators; four (33.3%) are team leaders, or supervisors; two (16.6%) are in management; and one (8.3%) serves in both TSR and Project roles.

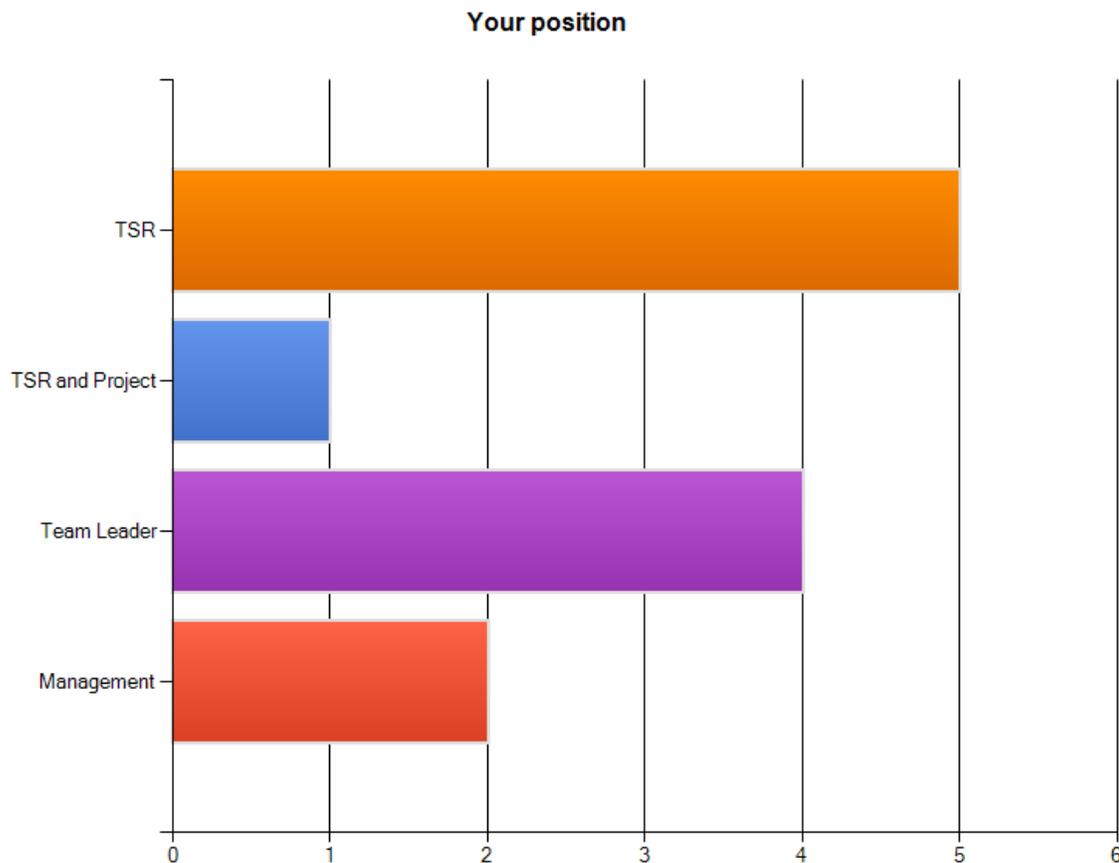


Figure 1. Position of employees interviewed. Source: SurveyMonkey.com.

“Project” is the term applied internally within the company to refer to a TSR who also assists the company in a support role. For example, this author, in addition to serving as a TSR, also

handles the firm's online marketing efforts. When he is in this capacity, he is said to be on "project." The lone respondent to reply "TSR and Project" is both an operator and in a sales position with the company. Nine (75%) of the respondents stated that they work full-time, while three (25%) listed their work status as part-time. Six (50%) work in the office; one (8%) works remotely from home; and five (41.6%) work both in the office and remotely from their homes.

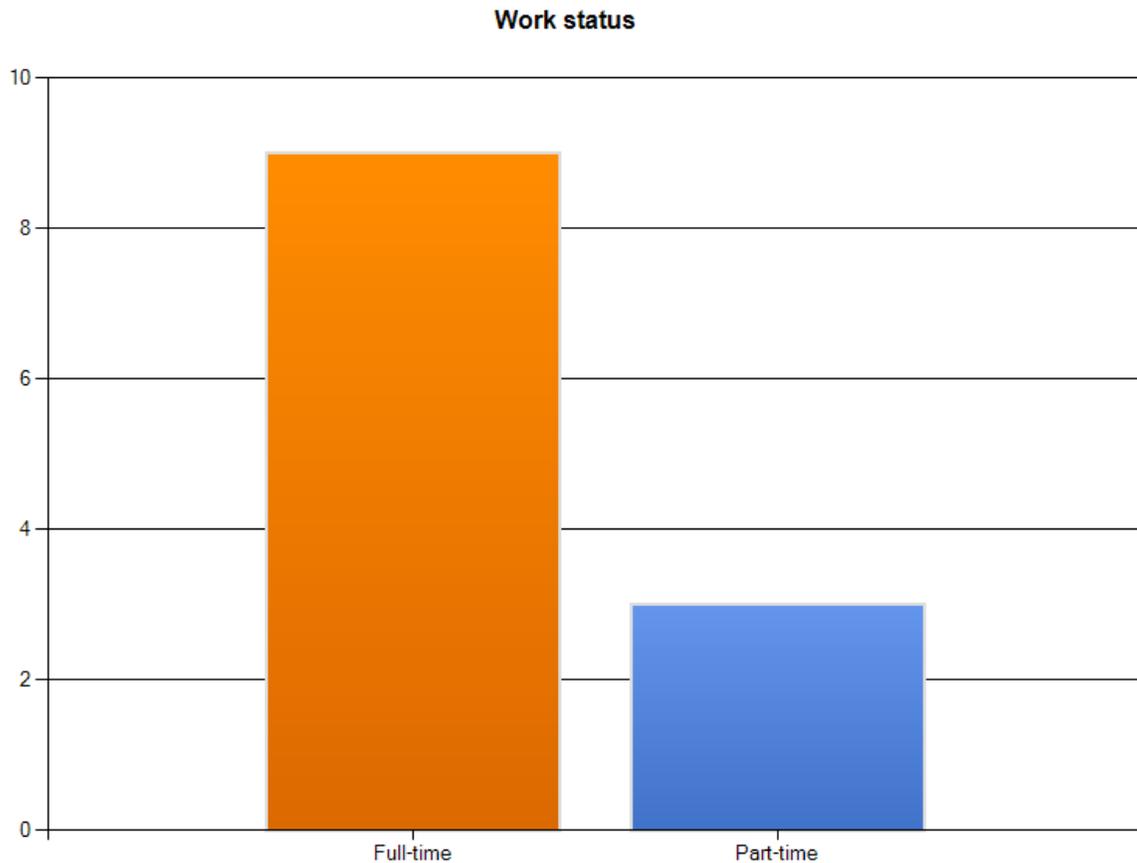


Figure 2. Status of employees interviewed. Source: SurveyMonkey.com.

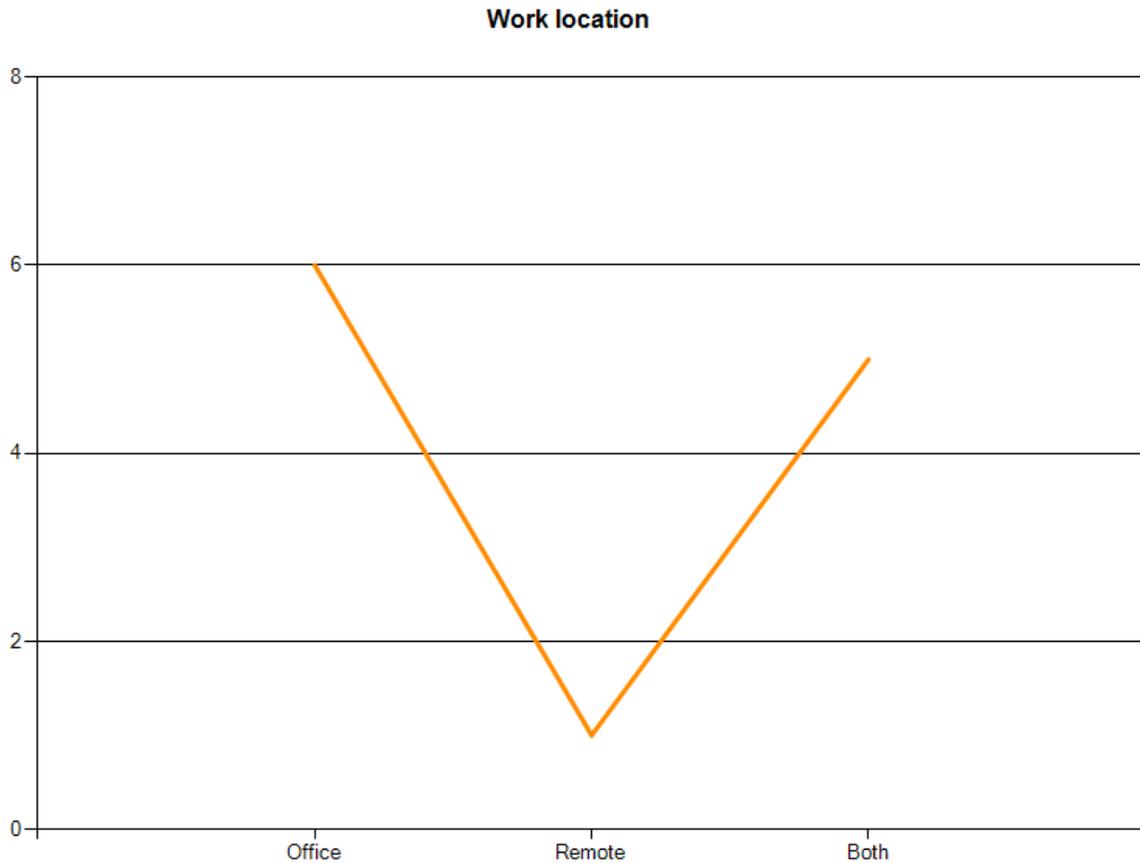


Figure 3. Work location of employees interviewed. Source: SurveyMonkey.com.

When interview participants were asked the question of how long they have been with Spectrum, many responded, partially or fully, in months, with one new employee replying two weeks. Accordingly then, this author, when analyzing the data, broke the responses to this question down in both years and months, and designated the new employee's two weeks as half of one month. The 12 participants combined have been with Spectrum for a total of 106.71 years, or 1,280.5 months. This averaged out to 8.89 years of experience for each of those interviewed. The range was 27 years, with the highest being 27 years (324 months) and the lowest being half of one month. One employee stated that she has been with the company for 19 consecutive years (228 months), with a previous run of 8 years (96 months). For this analysis,

her two runs have been combined for a total of 27 years (324 months). One employee stated that she will be with Spectrum for five years in September 2013, while another respondent listed being here for just under a year. For purposes of this analysis, both said respondents were rounded up to the next full year. In other words, the participant stating that it will be five years in September is considered to be at five years now for this analysis, while the respondent stating that she has been here for just under a year is considered in these calculations to be here for one year.

Among themes that arose from the interviews, this author found one that is particularly recurring throughout the responses to all of the open-ended questions. A good number of respondents indicate they would like to know more about the companies they represent. Having more information readily available at their disposal, they contend, will allow them to better interact with the callers of these clients. The information can be distributed in a format as simple as what one respondent referred to as “cheat sheets” made available at workstations, to what two participants, representing 16.67% of the total number of respondents, recommended specifically by name, which is making better use of the company’s Intranet. In any case, it is clear that there is a call for some improvement, whatever the means may be, to make more readily available additional information about the company’s various clients. Likewise, there is an interest for some form of ongoing refresher training on client accounts that are seldom called and/or are more complicated in nature from the standpoint of the operator’s duties.

Overall process improvement and its corresponding communication has been cited as a concern, as well, with one of the two participating managers stating for question six (What processes or policies do you think can be changed in order to allow operations to run more smoothly and efficiently?), “Management having detailed ‘processes’ documented FOR

processes in the event someone would need to cover duties unexpectedly” (Manager at Spectrum Communications, personal communication, August 16, 2013). The other manager who responded is particularly concerned with the processes surrounding new hires. She notes, in response to the same question, “too many to count! fresh on my mind is onboarding of new staff - need to improve on the overall process in making it consistent with every new employee to give them the best opportunity for success” (Manager at Spectrum Communications, personal communication, August 23, 2013).

Finally, there were concerns expressed by a number of respondents that the company is not doing a good enough job of sharing with *current clients* everything it is capable of doing for them. This results in sizable opportunities potentially being lost.

Web Metrics

Following is a table composed by this author and portraying the number of unique visitors to Spectrum’s Web site for the months February-August 2013. The first row depicts the total number of unique visitors for each respective month, while the second row reflects the change, by both percentage and whole number, compared to the previous month’s traffic count. The data is taken from the company’s HubSpot (HubSpot.com) account. HubSpot is Spectrum’s Web hosting provider.

February	March	April	May	June	July	August
344	490	698	764	803	757	747
-	+ 42.44 % (146)	+ 43.33% (211)	+ 9.46% (66)	+11.07 (80)	- 5.73% (46)	-1.32% (10)

Table 3. Web Traffic, February-August 2013.

As Table 3 above demonstrates, traffic to Spectrum's Web site rises each month from February through June. It then declines slightly in July, and again in August. This author credits the decline largely to the fact that, during these months, he had to fill in more as an operator while the company found itself short-staffed and in need of new hires. More time was also spent during these months on this author's research and data collection, as well. Nonetheless, the numbers demonstrate a positive relationship between having a staff position dedicated to carrying out online marketing duties and overall traffic to the company's Web site. This translates into more leads, and ultimately, more sales.

Furthermore, a look at the quarter April 1-June 30, 2013 shows that site traffic was up 111.09%, or 1,192 unique visitors, compared to the same timeframe the previous year, for a total of 2,265 such visitors. Traffic was also up 89.08% (1,036) for the 90-day period June 8-September 5, 2013 compared to the same period in 2012.

Implication for the Research Question

A number of concerns expressed by the respondents in the interviews align with the SWOT analysis introduced in the first chapter of this work, particularly the underutilization of the company's Intranet as a tool for the efficient sharing of knowledge and resources. Based on these findings, this author offers a number of recommendations in Chapter 5 to enhance efficiency and effectiveness at Spectrum, as well as seize on a number of opportunities that may prove significant to the firm's bottom line.

Chapter 5: Conclusion

Suggestions to Retain Competitive Advantage

As stated previously in Chapter 1, a great opportunity exists to expand the company's Intranet, which has not been updated, revised, or added to in a considerable amount of time. This concern is validated by participants in the interviews discussed in the previous chapter. Revamping the Intranet can spur additional learning and its corresponding transfer of knowledge throughout the company by making more readily available a wealth of different tools, resources, and processes. An expansion of the Intranet is likely to lead to an overall increase in general innovation, as well, because such a move will present staff with additional information and knowledge that can foster creative ideas; ideas that could potentially be implemented by the company if deemed feasible.

One particular instance where the Intranet would prove helpful for operators is recent concerns expressed by supervisors and management with a big national account. This account involves setting appointments for callers responding to either a televised national commercial or to an advertisement in either a local newspaper or on a direct mailer. The operator's role is to book an appointment, but it is understood that this is not always possible, for a variety of reasons. If the operator is not able to set an appointment with a caller, he or she, at the end of the call script, must select between a few options that are a part of a triage and that ultimately determine the disposition of the call. These options help provide an accurate answer to the question of why an appointment was not set. The final disposition is recorded for tracking and statistical purposes for the client. Operators sometimes have troubles determining the correct disposition, which ultimately skews the results given to the client. Perhaps a tutorial featured on the Intranet, then, would help alleviate a good amount of this confusion on this key account.

Another instance where the Intranet would prove helpful is promoting the finder's fee award that staff members can receive if a referral to the company turns into a paying client. As previously mentioned in the first chapter, the award is hardly ever discussed, simply because it is seldom sought after. This could be because staff, the overwhelming majority of which being comprised of operators, are not sure how to initiate such a conversation with a prospect. They do not particularly come from a sales background and have very little networking opportunities available to them, or so they may believe. A tutorial, then, can be developed for the Intranet that teaches operators how they can play a role in the company's lead-generation process without a lot of effort or sales training. It can offer, for example, ideas and suggestions on how to strike up a conversation with a prospect and how to establish, or improve on, networking skills. Relying on the old mantra that everyone knows someone, these operators most likely already know one or more prospects through their regular interactions outside of work.

The Intranet can also be used to efficiently share knowledge and resources pertaining to clients. A number of interview participants have expressed a desire to want to learn more about Spectrum's clients so that they feel better equipped to address the questions and concerns of callers. In short, having more information readily available on the company's clients allows operators to be more effective in their duties. As just three potential examples, this information could include more contact information (in the forms of phone numbers or extensions, fax numbers, e-mail addresses for specific personnel, etc.), longer descriptions of product or service offerings, and perhaps even a frequently asked questions (FAQ) list. To supplement this goal of furthering client knowledge and understanding, "cheat sheets" available to operators at their work stations (and given to operators who work remotely from home, as well) is certainly worth

the consideration. Perhaps some sort of binder can be created with its content standardized across the board.

Operators should receive a small amount of time per week for self-directed study time, in which they can browse whatever accounts and scripts they need additional understanding on, conduct outside research on clients, such as reviewing their respective Web sites, or consult with team leaders on issues of concern. Some sort of orderly schedule will have to be devised, however, as it would be impossible to allow multiple operators to take this time simultaneously.

Perhaps a committee can be formed, as well, that would be chaired or co-chaired by TSRs and meet on a regular schedule, such as monthly or even bi-weekly. The committee would be composed of other operators, as well, with its purposes being to share best practices and ideas, as well as to bring any common concerns to the attention of front-line supervisors (team leaders) or management. Any operators available during that time can sit in on these committee meetings.

Based on the Web metrics presented in the previous chapter, the online marketing position this author currently occupies should be upgraded to full-time status. Beyond the significant progress made to Spectrum's own online analytics, however, there is another reason why this author believes his marketing position should become a full-time fixture. He sees a unique opportunity to not only utilize his expertise in the areas of search engine optimization, social media, and content writing for the benefit of Spectrum's own online marketing and public relations efforts, but for the company's clients, as well.

By offering online marketing services to its clients, Spectrum can directly tap into another revenue-generating stream by billing clients for said services, whether in the form of an hourly rate, fixed fees, or a combination of the two. On top of these direct fees, however, the

company can also realize additional revenue indirectly by way of increased call volume as a result of these marketing efforts. Offering these services may appear as an attractive option for the company's clients, particularly the smaller businesses with less time and resources to invest in a full-scale campaign. To be able to offer these smaller firms both phone answering and marketing services under one roof will greatly free up their time to focus on more critical tasks, such as servicing their current customers or clients and building up their businesses.

Finally, the company should establish a program of regular communications with its current clients. This author knows from management staff that the company has in the past sent out the occasional electronic newsletter and customer satisfaction survey, but nothing real consistent. Not maintaining regular interaction with clients can lead to many missed opportunities to secure additional business from them. There are many services that the company is capable of offering, yet it has not been real good at promoting them.

Conclusions

In summary, Spectrum Communications has proven itself to be an effective and innovative leader in the answering service and call center industries. This observation by Davila, Epstein, & Shelton (2006) describes Spectrum very well:

Part of an innovation-friendly culture is recognizing that those things that brought success in the past will not necessarily do so in the future; core capabilities have the property of becoming core liabilities if they do not adapt and change. This requires a culture that is open to questioning assumptions and to debating alternatives to the current approach to business. Managers must also understand that only by taking risks (preferably small risks where the cost of failure is low), closely observing results, learning from them, and trying again, can innovation occur (p. 23).

The company would most likely now be considered an incremental intrapreneurial organization. While the proper mindset and processes conducive to intrapreneurship are clearly in place at the company, and while the firm does stand out as a leader among answering services and call centers in a number of areas, Spectrum does not deviate much from the typical norms, standards, and guidelines set by the industry. In other words, it is not radically reinventing the industry with new and innovative products or services. To its credit, though, neither are any other companies in the industry. Nonetheless, Spectrum's future, so long as it continues on its current path, albeit with some modifications, is bright and filled with promise.

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Appendix A

Glossary of Terms

IVR: Stands for interactive voice response system. An IVR is a system in which an automated menu of possible sequential options is utilized in order to help a caller get to where he or she needs to, such as the correct person or department. The caller either speaks words or presses buttons on the phone in order to move through the menu.

Stats: Collectively refers to the set of key performance indicators that TSRs must strive to meet.

Team Leader: Also known sometimes as a TL for short. A team leader is a supervisor, overseeing the day to day operations of TSRs.

TSR: Stands for teleservices, or tele-services, representative. A TSR is a phone operator assisting callers by taking messages for them or helping them with a call center task, such as setting an appointment or offering technical support, for example. A TSR can work in the office or remotely from home. TSRs are also referred to throughout this paper as operators.

Remote Op or Remote TSR: A TSR who works remotely from his or her home, rather than in the company's office.