

Operations management literature review

[Business](#), [Marketing](#)



Operations Management

An organization is a collection of people, procedures and systems brought together with an intention to make profit or any other objective that might be set aside. For an organization to achieve its goals and objectives, prudent operation management is paramount. Operation management is the act of controlling and supervising the operations in the organization. In this area of management, clear structures and line of operations are put in places for effective management. The channel of reporting is created within the organization to minimize conflict of interest while on duties. A contact center is an organization formed to give contact service to customers and its operations need to be fully managed for good results and reputation in the communication industry (Brain, 2001).

As an operational manager in a contact center, effective operation management helps me to evaluate the workers' performances as related to the expected workload assigned to them. By so doing, it becomes simple and easier to retain the best workers in an organization. At the same time, it is easy to monitor the code of ethics of workers and the way they relate with each other in the working place (Voss, Tsikriktsis and Frohlich, 2002). If a manager effectively manages to monitor and coordinate all operations in an organization, his role as a manager becomes simple and easier. By the help of key performance indicators as an operation manager in a contact center, the efficiency of the business process is attained. This is because it is easier to monitor all the operations in all departments and therefore improve on day to day decision making. Therefore, operating the business in a contact center becomes effective and goal oriented.

The main duties of an operation manager are to coordinate and supervise the labor force in an organization. Well founded operational management traits help a manager to attain his or her goals as an operational manager by creating a cohesive labor force. Organizational culture is promoted in this environment making the operational manager relate well with the rest of the organization's stakeholders hence increasing the chances of returning good results.

A contact centre is a very sensitive business venture and every move made by its management has big effects and generates various reactions from the customers and the general public. If the operation of the contact center is properly managed, the contact center decision makers are found to be in a good position to determine on the offers to give to their customers in order to retain them. This factor therefore helps the contact center to grow both in profit and at the same time create a good reputation in the public. A repetitive business is achieved as many customers will always tend to revisit for that service. Service delivery to the customer is improved also. This is due to the good structure formulated in the operations of the contact center. It becomes easier to solve customers' problems hence motivating them to come back again (Geweke, 1992).

The human labor in a contact center is always maximized if the operation manager properly organizes his or her team. The center benefits from the specialization of its workers, who in return produce good results in profit and service delivery. The organizational culture is attained and all workers feel like stakeholders of the center and their will to work with utmost faith to promote the center as well as themselves is increased. The relationship

between the employees and managers is always at an advanced level due to less or no conflicts while delivering services to the customers. The look, services, features and facilities are always in good condition because of effectiveness in management. This results from good operational management practice, which enables all operational tools of trade to be in good condition and to be functioning well. The center also gains from improved technology. Standards are always maintained for the contact center to achieve a competitive edge while in business. Technology also simplifies the work load of the employees hence makes it easy to serve many customers effectively (Pyle, 2003).

An operational manager is compelled to organize and coordinate all the activities in a contact center and to maintain and improve the center profitability, hence promoting capital growth. This helps the center to grow technologically and the improved customer-based approach helps the center to meet its goals and objectives. The contact center enjoys a good relationship with the satisfied customers, who always tend to come back and wish to be associated with the center.

The communication industry has been adopting new shapes as technology changes. This change has brought forth many challenges in technology-related fields. The challenges are noted in the sense that the area of operation keeps on changing hence the need to update the contact centers' structure and operations. This ever changing environment affects the organization's objectives hence leading to drastic changes of the mission statement. The expected direction of business operation changes with technology therefore forcing the affected business to incur heavy losses and

some time a lot of resources are reinvested to keep the business growing. A lot of resources are required to maintain and service these facilities in order for them to remain relevant in the contact center. Equipment like computers are expensive to buy and maintain, yet these are the prime equipments to be considered first when opening a contact center (Denzler, 2006).

Another disadvantage in this organizational set up is that employees are regularly trained to equip them with the needed knowledge to serve customers. This training process is uneconomical and does not support the primary objective of the business, which is growth. Instead, it always creates the need to hire new employees with basic and advanced knowledge. It also discourages organizational culture, which is to develop and retain employees in the organization. Retaining employees becomes a problem because of the high cost of training them on a regular basis, hence discouraging them from working in contact centers.

As an organization grows, its needs and competition also increase accordingly (Swamidass and Adam, 1989). Affordable and cheap online services have posed a big challenge to contact service providers who operate an office-based center. It is economical to maintain an online contact center service, hence making it hard for office-based contact centers to compete. Online services are cheap and are accessible to many customers. This makes them have a big market share as compared to office-based centers. The cultural shift from office-based to online contact centers has totally changed the operations of this industry. Globalization is another major factor that online services have introduced in this area of business. Many contact centers with a good reputation have the ability to compete with local

centers hence creating a great need to upgrade the local centers to match international centers. The number of employees is also expected to rise due to the increase in customers as a result of the effects of globalization. With this effect, customers from different continents can be served online by one company at the same time without changing their location, therefore denying local office-based contact centers a chance to serve these customers.

Contact centers have the potential to grow due to the numerous opportunities offered by the environment they operate in. Due to the change in technology, contact centers have transformed themselves to centers of business as they have the ability to serve many sectors at the same time. Financial, telecommunication and companies in other sectors need their service as it is expensive to maintain and equip customer service departments. This provides green ventures to the contact center businesses due to the increased need for their services.

If properly managed, contact centers can benefit from globalization as well. This is due to the ability of this sector to offer their services to many people in the world without meeting expenses of transport and other related costs when dealing with goods and services. At the same time, contact centers enjoy diversity of information due to the fact that they deal with many customers from different parts and with different requirements, hence making them able to handle any type of challenges as they offer solutions to the world (Sun, 2008).

To improve the operation of a contact center and deal with the above mentioned challenges, a plan must be laid to counter their effects in future.

The cause of the above challenges is the change of technology.

Technological changes are important factors that contact center businesses should monitor failure to which they may be forced out of business. Due to technology changes, the following problems have been witnessed resulting to low profit gain among other negative related damages. Globalization, which has been effected by the change in technology, has led to increased competition in the industry. The training costs of employees have risen due to the ever changing environment in business, forcing some firms to misuse funds while training employees to meet market requirements. At the same time, it has proved expensive to equip the business with required tools of trade, making it hard to operate effectively. Another big problem in this area of business is employees' attitudes and mood. In this business, the answers and responses of attendants can either enhance or destroy the image of the company. If service delivery falls short of expectations by customers, this will discourage repetitive business.

The solutions to these problems can be obtained if and only if the management realizes the need to improve the quality of service delivery in the company by availing enough tools of trade to meet required standards in the industry. This can be achieved if the company sources enough resources to buy and train its employees on how to effectively use new technological devices for the company's advantage. The second and very important move that can be taken is motivating employees. Means and ways of motivating employees should be put in place to take care of bad mood and attitude. Salaries and promotions strategies can be used to improve employees' attitude towards the company. This creates employee welfare concerning the

company hence motivating them to give their contribution with utmost faith. To sum up, organizational culture in the contact center should be encouraged to promote the working relation within the organization and outside. A good environment should be created to reduce the gap between the managers and employees for prosperous and productive result-oriented contact centers (Fink, 2000). To conclude, operational management is important to any form of business, because its effects determine the future and productivity of the company.

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