

National Statistics feature

Offshoring and the labour market: the IT and call centre occupations considered

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Key points

- Recent technological developments, especially in IT, have enabled some sectors of the service economy to be produced anywhere in the world.
- The UK is a net exporter of IT-enabled services.
- The trend in both exports and imports of these services is increasing, but this rise is in line with the rise in UK output.
- Employment growth over the last four years in relevant occupations has been three times (8.8 per cent) the overall UK employment growth (3.2 per cent).
- Redundancy rates are higher and re-employment rates have been lower in relevant occupations compared with the overall UK figures.
- The re-employment trend appears to be positive and generally the rate of re-employment is similar between individual occupations.

Introduction

Recently, there has been a great deal of media coverage of ‘offshoring’ – the movement of jobs from the UK to abroad. For example, the press has focused on stories of call centre jobs being moved to countries such as India. This article places offshoring in the context of the economics of international trade, both in theory and practice. It then examines the evidence of recent labour market impacts using official UK labour market data.

International trade, technological progress and the labour market

Less developed countries are focusing on production intensive in low-skilled labour. A consequence of this is that low-skilled labour in developed nations becomes increasingly less price competitive and high-skilled labour faces increased demand. This is a trend that is beneficial for all economies involved (see **Box 1** for an

explanation of the theory of international trade), but leads many economic observers to attribute increased wage inequality in developed nations to international trade. This is because increased demand for high-skilled workers and reduced demand for low-skilled workers in developed countries leads to a widening pay differential between the two types of workers.

Although an important factor, trade is only partly responsible for the increasing wage inequality observed in most developed countries. The other factor, which is probably much more important, is that we are getting better and better at producing goods using low-skilled labour. Technology has allowed us to program machines to do what many workers would once have done. The lack of a need for the ‘human touch’ is precisely why sectors such as farming, car manufacturing and computer assembly have become so productive and economies have focused more and more on the ‘non-tradeable’ activities.¹ By comparison, ►

► Box 1

A brief overview of the theory of international trade

Trade exists nationally and internationally because of the interaction between the constant demand from consumers for an ever wider range in choice and quality of goods and services, and firms' desire for profits. This is met by agents specialising in the production of particular goods and/or services which are then traded. Trading internationally gives scope for greater levels of specialisation and hence greater choice in goods and services than would otherwise be possible.

There are two drivers that explain why international trade is generally beneficial. The first is the idea of 'absolute advantage' in production and is fairly straightforward. If the UK can produce some set of goods at a lower cost than a foreign country, and if the foreign country can produce some other set of goods at a lower cost than the UK, then clearly it would be best for us to trade our relatively cheaper goods for their relatively cheaper goods. In this way both countries may gain from trade.

The second is the theory of 'comparative advantage', which is perhaps the most important concept in the economics of international trade. The theory of comparative advantage explains why it can be beneficial for two countries to trade, even though one of them may be able to produce every kind of item more cheaply than the other. It shows that what matters is not the absolute cost of production, but rather the ratio between how easily the two countries can produce different kinds of goods or services. First described by Robert Torrens in 1815 in an essay on the corn trade, the theory is usually attributed to David Ricardo who explained it in his 1817 book *The Principles of Political Economy and Taxation*² with an example involving England and Portugal. His example suggested that in Portugal it is possible to produce both wine and cloth with less work than it takes in England. However, the relative costs of producing those

two goods are different in the two countries. In England it is very hard to produce wine, and only moderately difficult to produce cloth. In Portugal both are easy to produce. Therefore, while it is cheaper to produce cloth in Portugal than England, it is cheaper still for Portugal to produce excess wine, and trade that for English cloth. And conversely, England benefits from this trade because its cost for producing cloth has not changed but it can now get wine at closer to the cost of cloth. Hence, there is a motivation to trade and hence, according to the principle of comparative advantage, the gains from trade follow from allowing an economy to specialise.

This idea is very powerful, but the model doesn't explain how these comparative advantages arise. The factor proportions model (originally developed by the two Swedish economists, Eli Heckscher and his student Bertil Ohlin in the 1920s)³ shows, although quite simplistically, that comparative advantages are derived from the ratio of resources with which the country is endowed. From this postulation it would be sensible for countries with large amounts of low-skilled labour to specialise in the production of goods intensive in the use of this resource. Indeed, the increasing international trade observed between developing nations such as China and India, which are abundant with low-skilled workers, and developed nations, which are abundant with high-skilled workers, backs this claim. Sources of comparative advantage don't necessarily have to come from the labour market; they can arise from the natural resources a country is endowed with, for example.

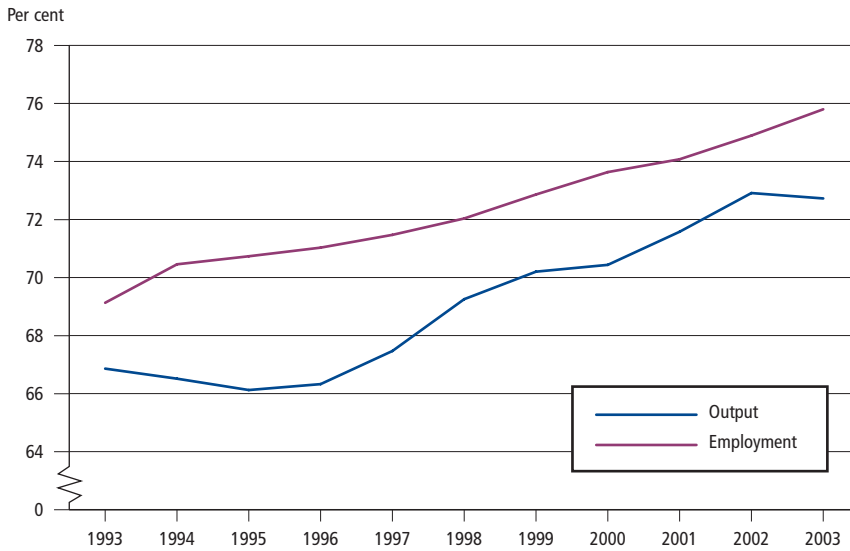
Trade also enlarges the size of markets, which gives dynamic benefits to economies through intensified competition and the diffusion of knowledge and best practice. This raises innovation and productivity and spurs further trade.

services are thought of as products that need to be provided locally, due to the greater hands-on human involvement in provision. Services such as medical care and hairdressing look a long way off being mechanised. They are generally more intensive in skilled labour also. This gradual shift to production in high-skilled labour intensive areas, thanks to advances in technology, is probably a much more important underlying cause of the increasing inequality in wages in

developed nations' labour markets than could ever be attributed to international trade.

Specialisation in the production of particular goods and services does carry some costs, especially when considering the labour market at the micro level. With the economy moving to particular specialisations or niches, it means job creation in a particular market, but the probable loss of jobs in other specialised markets where international demand for domestically produced goods

and services isn't so great. Workers with skills that are in areas of shrinking demand will need to re-skill in order to remain in the labour market. Firms will also need to be able to adjust as readily as possible to shifts in demand so that labour can be used in the most efficient way and in areas of greatest added value. What should be clear is that job losses occurring through competition from trade do have an impact on the labour market, but the biggest cause of job losses in any

Figure 1**Service sector output and employment^a as a proportion of total; United Kingdom; 1993 to 2003**

Sources: *United Kingdom Input-Output Analyses; Labour Force Survey*

^a Annual LFS service sector employment calculated as four-quarter averages.

industry tends to be technology replacing what costly labour once did. It is this 'creative destruction' of labour that has allowed economies to raise their labour productivity and hence their standard of living.

Moving production abroad because of a cheaper labour base increases the competitiveness of those domestic firms through cheaper production and frees up valuable domestic labour to be utilised in areas of greater value. This raises the standard of living of both economies through better wages and cheaper products. Both trade and technological progress give rise to short-term issues for the labour market but raise the long-term employment prospects for the economy.

Service sector's significance to the UK economy

The service sector is the largest sector of the economy in terms of

the proportion it contributes to output and the proportion of labour it employs (see **Figure 1**).

It employs just over 76 per cent of all those in work⁴ and produces just over 72 per cent of gross value added⁵ in the economy. Its importance to the UK economy is in no dispute. It is also growing in size, with employment growth in the whole service sector of 3.2 per cent⁶ in the four years to March-May 2005. Comparing internationally, the UK's service sector is the largest as a proportion of employment of all the OECD countries.⁷ Compared with Germany, the UK's service sector as a proportion of employment is 13 per cent larger, and compared with France, 5.9 per cent larger. The UK service sector is important nationally and internationally.

Specialisation, outsourcing and offshoring

The service sector was previously thought of as a part of the economy

that is 'non-tradeable' due to the need for the service to be provided locally, but recent technological developments have enabled increasing internationalisation of some sectors within the service economy.

Increased processing power of IT and the readily available and affordable high-speed communications technologies have made some areas of the service sector location independent, i.e the delivery of the service does not need to be located near the consumer. This has allowed firms to consolidate departments, such as IT support and administration to a central location in a bid to pool expertise, lower the cost base and gain from economies of scale. It has also allowed firms to completely remove sections of their business and 'outsource' it to specialist firms. This offers the benefits that the service will probably be cheaper and possibly of a higher quality also.

In both instances new technology has allowed this to happen and the geographical boundaries are not limited to just the UK. Low cost high bandwidth communications have enabled this trend to occur globally either in the form of 'foreign direct investment' where the firm relocates or expands its department abroad – 'offshore in-house sourcing' – or through subcontracting abroad, where the firm buys the service from an overseas firm – 'offshore outsourcing'. The umbrella term used for these two activities is 'offshoring'. Other factors that make the UK able to participate in offshoring are the fact that it speaks the global language of business – English – and that it currently operates a very open and free trade policy.

Offshoring and outsourcing are generally business to business

► transactions and the demand for this is referred to as intermediate demand, because it is demand for services that are provided between businesses rather than directly to the public. It should be noted that call centres can be seen as an example of business to consumer transactions as well as business to business.

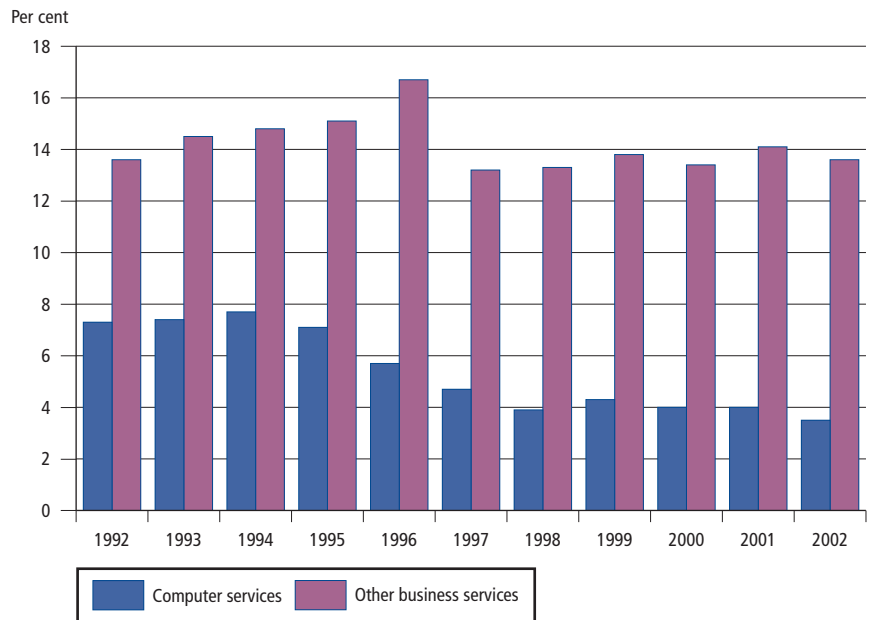
Effects of offshoring for the UK economy

Offshoring in the service sector is a relatively new phenomenon. An example of an early UK offshorer is British Airways, which in May 2002 created call centres in India to handle flight booking and processing. The partial evidence available shows that it is a growing trend that is receiving increased media attention. 'An analysis of newspaper and magazine articles on outsourcing and offshoring in the UK using Factiva indicates that the number of articles rose from a mere 6 in November 2002 to 54 in October 2004'.⁸

There are currently no data series on how many firms are offshoring sections of their business or how many are selling offshoring services to foreign firms. Neither are there any data on the effect of offshoring on the labour market, showing how many jobs are lost due to firms moving sections abroad or even how many are created due to offshoring. It is also very hard at the moment to know exactly what workers who lost their jobs due to offshoring are now doing and whether there is a problem for these workers, and whether offshoring is a regional phenomenon or not. The primary reason for this is that the concept of an 'exported job' is difficult to define in a dynamic economy where change occurs simultaneously on a number

Figure 2

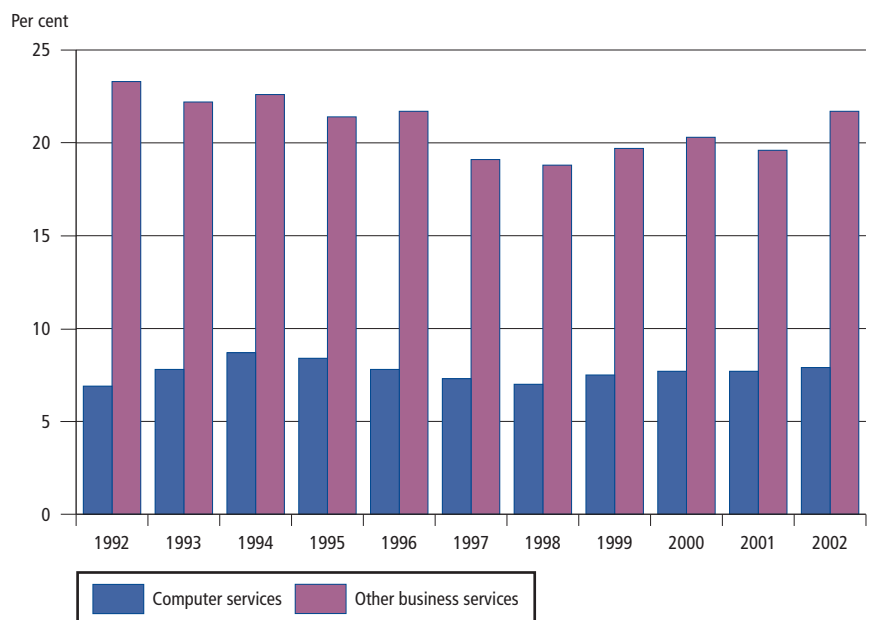
Imports of ICT-enabled services as a percentage of total demand for these services; United Kingdom; 1992 to 2002



Source: United Kingdom Input-Output Analyses

Figure 3

Exports of ICT-enabled services as a percentage of total supply of these services; United Kingdom; 1992 to 2002



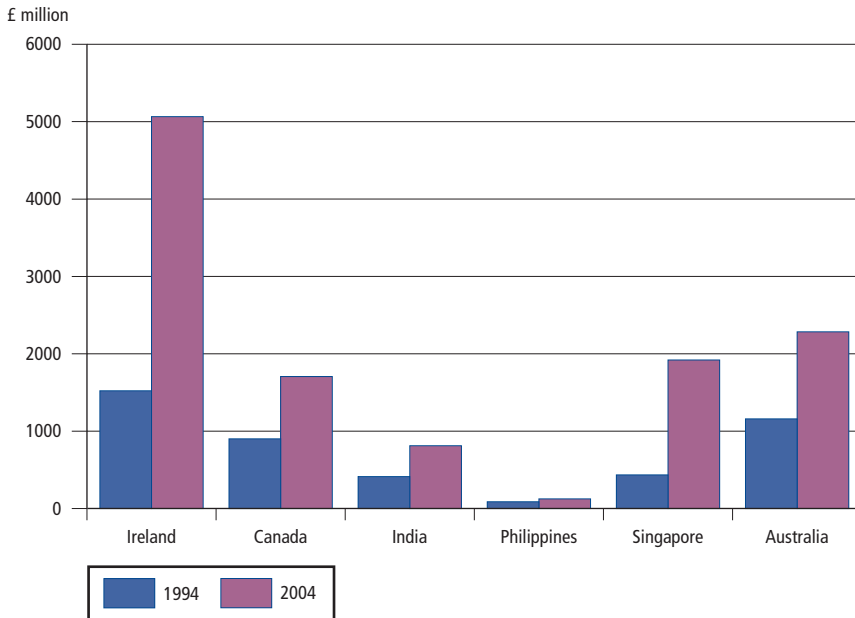
Source: United Kingdom Input-Output Analyses

of dimensions. In part this is because firms die, merge and grow, constantly changing the make up of

industries. In part it is due to firms changing their nature and activity base as the dimensions of

Figure 4

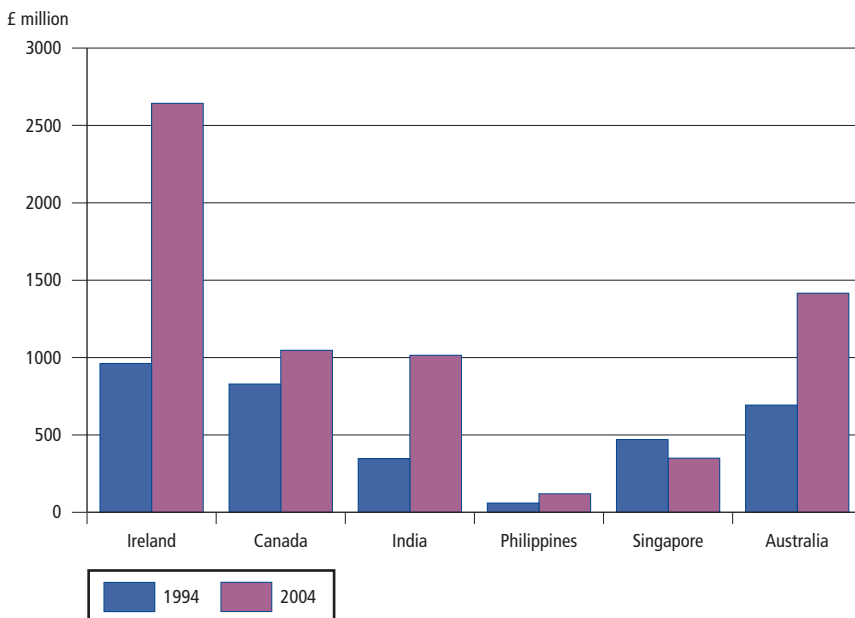
Exports of services; United Kingdom; 1994 and 2004



Source: United Kingdom Balance of Payments

Figure 5

Imports of services; United Kingdom; 1994 and 2004



Source: United Kingdom Balance of Payments

competition evolve. However, currently available data can give us some limited insight.

At the macro level the National Accounts include data for intermediate demand under the

heading 'business services'. Within this section of the National Accounts the two categories of interest are called computer services and other business services (which include call centres). To see whether offshoring is an increasing phenomenon, the balance of trade in these sectors will be looked at. Increasing imports imply that outsourcing abroad by UK firms is increasing.⁹ If foreign firms are increasingly offshoring in the UK, then UK exports of these services will be increasing. Figures 2 and 3 show imports and exports of computer services and other business services.

The imports of both computer services and other business services in the last five years, expressed as a percentage of output in these sectors, show no change. So although imports have increased, they haven't increased faster than output. In fact imports of computer services over the last ten years expressed as a percentage of output of this sector have fallen off slightly.

The exports of both computer services and other business services in the last five years, expressed as a percentage of output in these sectors, again show little change. Comparing export levels with import levels shows that the UK has a current account surplus in both sectors, making the UK a net producer and hence exporter of these services.

Looking at the trade levels with other English speaking countries (Figures 4 and 5), it can be seen that not only has trade in services increased with these countries, the UK also has a current account surplus with almost all of them, which supports the evidence found in the input-output tables above.

In summary, the UK has a trade surplus in services and this surplus ►

► has been very steady for the sectors considered here. The UK currently gains from the increasing trend in trade of IT-enabled services and hence offshore-outsourcing. Its imports may have increased but its exports have increased just as fast.

Effects of offshoring for the UK labour market

The UK has rising imports of services where offshoring is highly present and increasing exports of services in these areas as well. This suggests that at the micro level there may be a fair amount of movement with regards to jobs and trends in employment by type and skill. Using the Labour Force Survey (LFS), five categories of occupation have been highlighted as jobs central to outsourcing and offshoring industries, using the recently introduced SOC 2000 occupation definitions (see **Technical note**). Looking at employment by occupation has the benefit of ignoring sectoral definitions. Manufacturing firms subcontracting services that were originally performed in-house within the manufacturing sector results in falls in manufacturing employment and increasing service sector employment, but no major change to the work being done or to a worker's job description.

The categories of occupation identified (see **Table 1**) employed 3.7 per cent of all those in employment, standing at just over a million in spring 2005. Compared with overall employment growth of 3.2 per cent over the four years to spring 2005, growth in these occupations combined was much larger at 8.8 per cent. Indeed, independent research into the contact centre industry by CCA shows that employment growth in this particular sector has

Table 1

Employment in IT and call centre occupations; United Kingdom; spring 2005

	Thousands
	Employment
ICT managers	271
Software professionals	124
IT operations technicians	276
Call centre agents and operators	87
Customer care occupations	287
Total	1,046

Source: Labour Force Survey

been very strong.¹⁰ This evidence further backs up the trade data evidence that the UK is a net exporter of these services.

It can be seen from the above macroeconomic investigation that imports are increasing as well as exports increasing, which would imply there is an issue that some occupations have less of a comparative advantage in the UK than in other countries.

A job lost only affects employment levels if the worker could then not find another job. There are currently no data available that show whether a job was lost due to offshoring or not, however the LFS can provide some limited insight.

Using the LFS, the best representation of a person who had lost their job to offshoring is a person who had been made redundant. This is because the worker would have lost their job because the firm no longer needed the labour and it wasn't the worker's incompetence or decision to leave. Although it cannot be said whether or not the workers were made redundant because of offshoring, in both circumstances they are similar in that they both lost

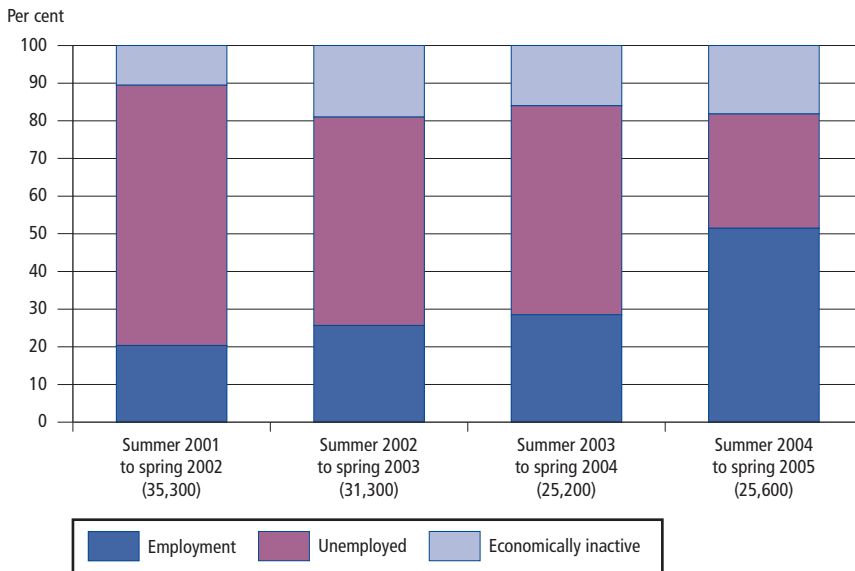
their job because they were no longer needed by their employer. Other reasons for job loss, especially for highly innovative sectors like the ones considered here, are that skills can become out-of-date, firms die and new ones are born, and this can happen without competition from overseas. However, higher redundancy rates and worsening labour market conditions would be expected for the IT-enabled occupations if offshoring were having the impact sometimes suggested.

The redundancy rate for these occupations in the year to March-May 2005 was 24.6 per thousand employed, much higher than the national rate of 5.1 per thousand employed.¹¹ This is as expected. However, redundancies have been falling (see **Figure 6**), which isn't expected given the suggested impact of offshoring on service sector jobs.

Re-employment as defined here is a worker who has been made redundant within the three months before interview, and who has managed to find employment before the same interview. **Figure 6** shows re-employment over the last four

Figure 6

Current economic activity status of people made redundant in IT and call centre occupations;^a United Kingdom; annual averages 2001-2002 to 2004-2005

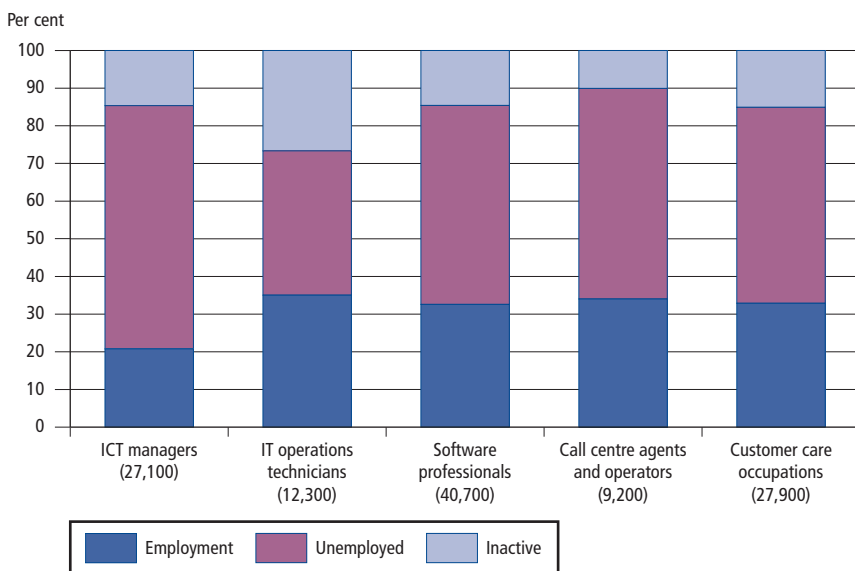


Source: Labour Force Survey

a The average numbers made redundant in the three months before interview are shown in brackets.

Figure 7

Current economic status of people made redundant in IT and call centre occupations, by occupation;^a United Kingdom; summer 2001 to spring 2005 average



Source: Labour Force Survey

a The average numbers made redundant in the three months before interview are shown in brackets.

years for the IT-enabled occupations considered. This is a very short period of time for any reliable trend analysis and is due to the fact that the Standard Occupational Classification (SOC) 2000 variables considered here only recently became available for analysis in spring 2001. They replaced the previous occupational classification (SOC 90) and as most of the major groups were renamed and many new occupation classifications were added there is no correspondence between SOC 90 and SOC 2000 on any level.¹²

The average re-employment rate for the whole economy in the four years to March-May 2005 was 45.3 per cent¹³ and the recent trend in re-employment for the whole economy was downwards. Historically the occupations considered here, as a group, do seem to have suffered from a greater cost of redundancy in terms of re-employment, with their re-employment rate lower (31.5 per cent in the four years to spring 2005) than that seen in the overall economy. Despite the very short time period considered, the trend in re-employment for these occupations appears to be up, with a large pick up in the year to spring 2005. With the observed increased trade in these sectors seen above, this is a positive sign. There is also an increase in inactivity among those previously employed in these IT-enabled occupations and this is at the same time as a rise in overall UK inactivity.

Figure 7 shows the average re-employment rates of those made redundant in the last three months by occupation over the four years up to spring 2005.¹⁴ Call centre agents and customer care occupations appear to be one and the same thing for our purposes – call centres. ▶

► Other sources suggest the level of employment in call centres is around 400,000 and the sum of employment of these two categories (see **Table 1**) is very similar to this figure.¹⁵

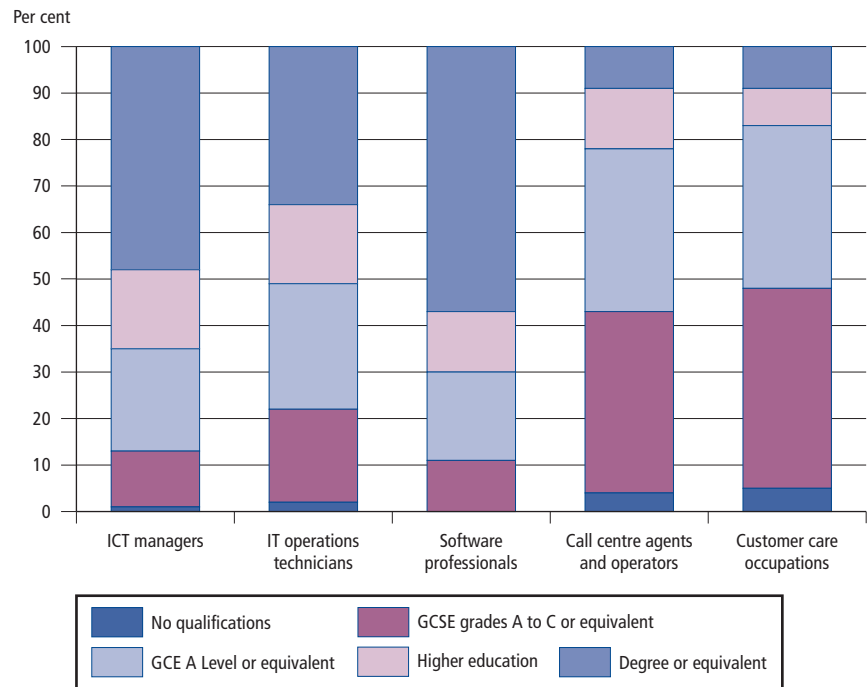
There is no real pattern in the average rates of re-employment by occupation. The information and communication technology (ICT) managers show a slightly lower rate of re-employment (just above 20 per cent) within three months of being made redundant compared with the other occupations. The remaining occupations all show a similar re-employment rate of just over 30 per cent. The two call centre occupations (call centre agents and operators and customer care occupations) are showing similar patterns, which further strengthens the assumption that they are occupations in the same industry.

There are some differences in the average rate of inactivity for each occupation over these four years. It is the IT operations technicians that look to be the most different with an average inactivity rate of almost 3 per cent. There is less variation in the remaining occupations. Looking at the IT-enabled occupations as a whole, there has been an increase in the proportion of those who are inactive. However the rise in inactivity appears stronger than the economy-wide increase in inactivity and more than simply a general economic trend. Further analysis into the reasons for inactivity was considered but sample sizes were too small to draw any reliable conclusions.

The LFS collects data on many characteristics of individuals and through these it is possible to investigate if there are any similarities in characteristics between occupation groups that could explain the variability in re-employment rates.

Figure 8

Highest qualification of employees in IT and call centre occupations; United Kingdom; spring 2005



Source: Labour Force Survey

Figure 8 shows the highest level of qualification by occupation. At first sight it seems that there is little link between the skills possessed by workers and their re-employment rate. Software professionals have very similar qualification levels to those of ICT managers, and to a lesser extent IT operations technicians, yet exhibit different re-employment rates. However, the two call centre occupations, which have very similar re-employment rates, do seem to employ workers of similar qualifications in almost exactly the same proportions. Re-employment levels by occupation are seemingly not just determined by workers' qualifications and hence their level of skill. Trade theory suggests a developed country's skilled labour force is one of its sources of comparative advantage, so there

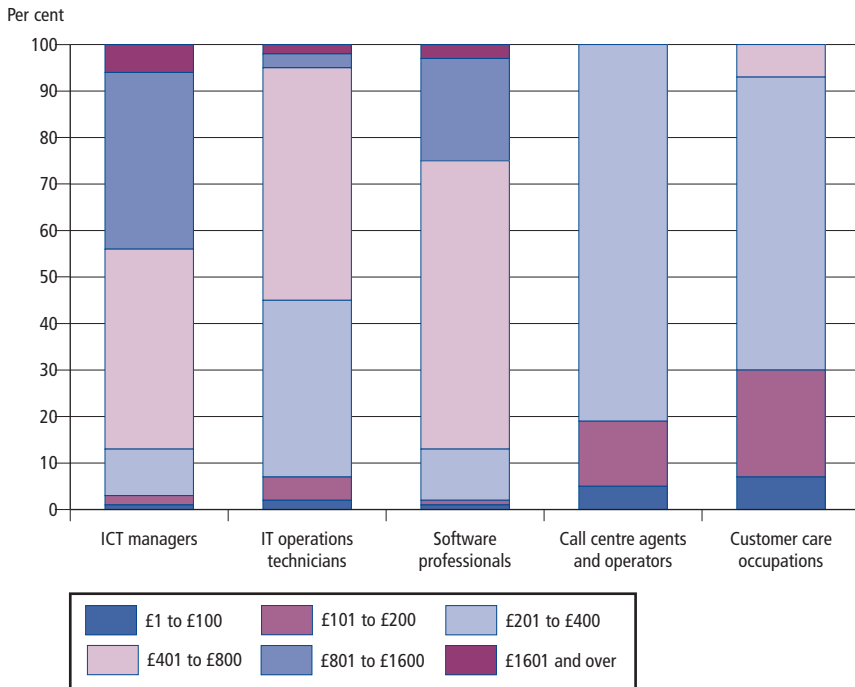
must be something else that is determining re-employment rates.

Taking into account average weekly earnings, the significance of education becomes more apparent (**Figure 9**). Most of the software professionals and ICT managers, the two categories that have proportionately more workers with degrees compared with all other occupations, earned more than £400 a week in the period March-May 2005. Moreover there is a clear link between educational attainment and wages; the amount of time spent in education does seem to show a clear positive relationship with earnings.

What this data doesn't do is help explain the lower re-employment rates observed by the ICT managers occupation. With the relatively low sample sizes available here, it is possible that sampling variability is

Figure 9

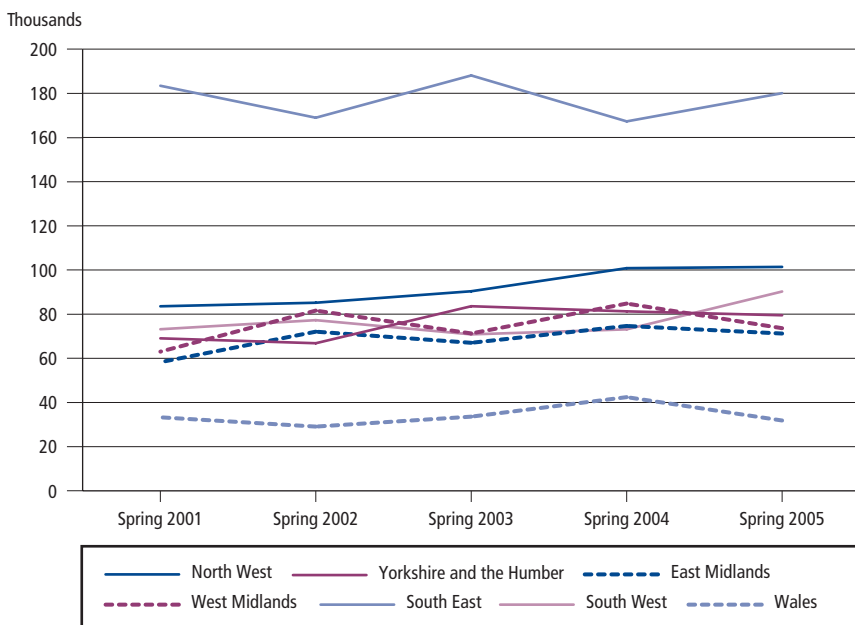
Actual weekly earnings of employees in IT and call centre occupations; United Kingdom; spring 2005



Source: Labour Force Survey

Figure 10

Employment in IT and call centre occupations in selected government office regions; United Kingdom; spring 2001 to spring 2005



Source: Labour Force Survey

the cause. However, if sample variability isn't the cause, and the available evidence shows it isn't skill that determines re-employment and the pattern in wages indicates it isn't responsibility or experience either, then there must be something more subtle within the market, which the LFS is unable to pick up, that is determining the varied re-employment rates.

Further analysis was considered using the LFS longitudinal dataset to look at the actual movements of individuals who were made redundant, but because of the very small sample sizes involved no real conclusions were possible.

Regional trends

Employment trends by region for the occupations concerned are looked at in Figure 10.

Many regions have been omitted from the chart for clarity; these were regions that showed minimal change over the last four years (See Technical note, Table 2 for complete data). Having only four years of data available also makes it hard to pick out any real trend changes. There are some points worth noting. The South East has shown the greatest volatility in its employment level with a pick-up in the last year but a fall over the four years of 3,000. However, the overall change over the four years is marginal compared with the total employed in the South East. Two other regions showed a fall over the last four years, these being Wales (down 1,000) and Northern Ireland (down 3,000). All other regions either show little change or an increase in the level of employment, reflecting the 8.8 per cent increase in employment for the UK as a whole in these IT-enabled occupations. The employment data by region don't

- ▶ show any major movements, which suggests that the offshoring that has occurred has had minimal effect on the employment prospects of the IT-enabled occupations by region.

Conclusion

There are currently no direct sources of labour market data on offshoring. The data available does allow some plausible inferences to be made.

Employment growth in the occupations considered susceptible to offshoring has been very strong. The redundancy levels for these occupations, although high relative to the whole economy, have been falling

in the last four years. The overall re-employment rate for these occupations has also shown an increase, showing the cost of moving low-skilled jobs abroad is either falling or positive job creation is highly prevalent in these IT-enabled occupations. There doesn't seem to be an obvious regional effect in terms of regional employment changes.

The patterns observed in the labour market not only reflect what economic theory would suggest of a high-tech, fast-paced industry, where job turnover and creation rates are expected to be high, but also the macroeconomic observations. The

overall picture for the UK is very healthy with the UK being a net exporter of intermediate services and also possessing a very buoyant labour market in this sector.

At the moment anecdotal evidence suggests that offshoring is just beginning to become a popular method of business.¹⁶ The analysis performed in this article would thus be very useful if repeated in few years time when more data across time and in these occupations (as they continue to grow) will be available. This will enable changes in trends to be observed more easily and possibly more in-depth analysis considered.

Notes

- 1 See Krugman P., chapters 3-4 for detailed discussion.
- 2 See Ricardo D., chapter 7.
- 3 See Samuelson P., pp 163-184 for discussion of this model.
- 4 Source: Labour Force Survey.
- 5 Source: Input-Output tables.
- 6 Source: Labour Force Survey.
- 7 Source: *Labour Market Trends*, November 2004, Table B.51.
- 8 See Abramovsky L. et al, p 7.
- 9 See Abramovsky L. et al.
- 10 See CCA, p 3.
- 11 LFS micro data are based on Census population estimates and have not been interim reweighted adjusting for new population estimates, unlike First Release figures. The revisions are small though, but comparisons should be seen as indicative, not exactly comparable.
- 12 For further and more detailed discussion see Heap.
- 13 Source: LFS Redundancy Tables at www.statistics.gov.uk/StatBase/Product.asp?vlnk=9474.
- 14 Three year averages have been taken to increase the size of the sample and improve accuracy.
- 15 Estimates vary. A 2004 report by Datamonitor estimates that the number of staff employed in UK call centres was 435,000, and that this number will grow to almost 500,000 by 2008. They estimated too that there were currently 5,980 call centres, and that this number will grow to 7,320 in the next four years. Economic analysts Business Strategies (www.business-strategies.co.uk) last year estimated that UK call centres currently employed the equivalent of 423,000 full-time employees and that this will grow to 665,000 by 2008.
- 16 See Abramovsky L. et al, p13.

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Technical note

Definitions of offshoring occupation unit groups (SOC 2000)

1136 INFORMATION AND COMMUNICATION TECHNOLOGY MANAGERS

Job holders in this unit group plan, organise, direct and co-ordinate the work necessary to operate and provide information communication technology services, to maintain and develop associated network facilities and to provide software and hardware support.

TYPICAL ENTRY ROUTES AND ASSOCIATED QUALIFICATIONS

There are no pre-set entry requirements. Candidates are recruited with a variety of academic qualifications and/or relevant experience. Off- and on-the-job training is provided. Modern Apprenticeships, professional qualifications and NVQs/SVQs at Levels 2, 3 and 4 are available.

TASKS

- plans, organises and directs the information and communication technology resources of an organisation;
- liaises with user group representatives to clarify requirements and development needs;

- implements feasibility studies to guide the development and direction of Information and Communication Technology (ICT) systems;
- plans work schedules and assigns tasks to ICT staff;
- advises on the uses and capabilities of ICT services;
- co-ordinates the introduction of new ICT systems or the modification of existing systems.

RELATED JOB TITLES

Computer manager
Computer operations manager
Data processing manager
IT manager
Systems manager
Telecom manager

2132 SOFTWARE PROFESSIONALS

Software professionals are responsible for all aspects of the design, application, development and operation of software systems.

TYPICAL ENTRY ROUTES AND ASSOCIATED QUALIFICATIONS

Entrants usually possess a degree or equivalent qualification, although entry with other academic qualifications and/or relevant experience is possible. There

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are a variety of vocational, professional and postgraduate qualifications available.

TASKS

- examines existing software and determines requirements for new/modified systems through consultation with clients and staff;
- undertakes feasibility studies of software solutions through specifying and costing functional details, equipment, staffing and operational procedures;
- investigates, plans, designs and develops software solutions within stated constraints;
- installs, implements and maintains the reliability and security of software systems as business functions;
- writes operational documentation and provides subsequent support and training for users.

RELATED JOB TITLES

Analyst-programmer
Computer programmer
Software engineer
Systems analyst
Systems designer

3131 IT OPERATIONS TECHNICIANS

IT operations technicians are responsible for the day-to-day running of computer systems and networks including the preparation of back-up systems, and for performing regular checks to ensure the smooth functioning of such systems.

TYPICAL ENTRY ROUTES AND ASSOCIATED QUALIFICATIONS

Entry is possible with a variety of academic qualifications and/or relevant experience. Entrants typically possess GCSEs/S grades and A levels/H grades, BTEC/SQA awards, an Advanced GNVQ/GSVQ Level III or a degree. Training is usually provided on-the-job supplemented by specialised courses. Postgraduate and professional qualifications, and a variety of NVQs/SVQs at Levels 2, 3 and 4 are available.

TASKS

- installs, monitors and supports area networks and accompanying hardware and software;
- analyses performance and makes recommendations to enhance reliability, usability, security and other aspects of system performance;
- provides guidance to users on hardware, software and network operations;
- identifies problems, agrees remedial action and undertakes emergency network maintenance if required;
- acts as a liaison between users, outside suppliers, engineers and other technical groups;

- develops and maintains site administration documentation and configuration records.

RELATED JOB TITLES

Computer operator
Database manager
IT technician
Network technician
Systems administrator
Web master

7211 CALL CENTRE AGENTS/OPERATORS

Call centre agents and operators receive telephone calls from potential clients and existing customers regarding the products and services offered by an organisation.

TYPICAL ENTRY ROUTES AND ASSOCIATED QUALIFICATIONS

There are no formal academic entry requirements, although many employers expect candidates to possess GCSEs/S grades. Training is typically provided on-the-job, supplemented by specialist short courses.

TASKS

- answers incoming telephone calls from existing or prospective customers;
- interviews caller to establish the nature of any complaint or the requirements of the client;
- informs existing and potential customers on any immediate action to be taken, advises on services available and sells additional products or services;
- maintains details of calls received, the action taken as a result of a call and updates customer records as required;
- arranges for field staff to visit the caller if further assistance is required.

RELATED JOB TITLES

Answer line operator
Sales order clerk
Telephone adviser

7212 CUSTOMER CARE OCCUPATIONS

Workers in this unit group provide information to existing and potential clients regarding the products and services offered by an organisation, and further services to customers after the point of sale.

TYPICAL ENTRY ROUTES AND ASSOCIATED QUALIFICATIONS

There are no formal academic entry requirements, although many employers expect candidates to possess

Technical note

GCSEs/S grades. Training is typically provided on-the-job, supplemented by specialist short courses.

TASKS

- receives enquiries from potential and existing clients, discusses requirements, and recommends products or services;
- discusses pricing processes with clients, agrees payment arrangements and handles customer accounts;
- follows up clients to ensure their satisfaction with a product or service and to gain renewal of customer service agreements;
- addresses customer complaints and problems;

- informs customers of special promotions and new product launches.

RELATED JOB TITLES

Commercial officer (telecommunications)
Customer care adviser
Customer liaison officer
Customer services assistant

Regional employment in IT and call centre occupations

Table 2 shows the available data for the selected occupations for all government office regions.

Table 2

Employment in IT and call centre occupations by government office region; United Kingdom; spring 2001 to spring 2005

	Thousands				
	Spring 2001	Spring 2002	Spring 2003	Spring 2004	Spring 2005
North East	33	33	34	41	42
North West	106	103	112	123	127
Yorkshire and the Humber	69	67	84	81	79
East Midlands	58	72	67	75	71
West Midlands	63	82	71	85	74
East of England	95	106	103	100	102
London	153	161	159	158	157
South East	183	169	188	167	180
South West	73	77	71	73	90
Wales	33	29	34	42	32
Scotland	75	77	80	84	83
Northern Ireland	12	17	13	9	9
Total	954	993	1,016	1,038	1,046

Source: Labour Force Survey