

Customer Service Representatives

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Significant Points

- Job prospects are expected to be excellent.
- Most jobs require only a high school diploma but educational requirements are rising.
- Strong verbal communication and listening skills are important.

Nature of the Work

Customer service representatives are employed by many different types of companies to serve as a direct point of contact for customers. They are responsible for ensuring that their company's customers receive an adequate level of service or help with their questions and concerns. These customers may be individual consumers or other companies, and their service needs can vary considerably.

All customer service representatives interact with customers to provide information in response to inquiries about products or services and to handle and resolve complaints. They communicate with customers through a variety of means—by telephone; by e-mail, fax, regular mail; or in person. Some customer ser-



Customer service representatives answer questions and assist customers over the phone.

vice representatives handle general questions and complaints, whereas others specialize in a particular area.

Many customer inquiries involve routine questions and requests. For example, customer service representatives may be asked to provide a customer with their credit card balance, or to check on the status of an order. However, other questions are more involved, and may require additional research or further explanation on the part of the customer service representative. In handling customers' complaints, they must attempt to resolve the problem according to guidelines established by the company. These procedures may involve asking questions to determine the validity of a complaint; offering possible solutions; or providing customers with refunds, exchanges, or other offers, like discounts or coupons. In some cases, customer service representatives are required to follow up with an individual customer until a question is answered or an issue is resolved.

Some customer service representatives help people decide what types of products or services would best suit their needs. They may even aid customers in completing purchases or transactions. Although the primary function of customer service representatives is not sales, some may spend time encouraging customers to purchase additional products or services. (For information on workers whose primary function is sales, see the statements on sales and related occupations elsewhere in the *Handbook*.) Customer service representatives also may make changes or updates to a customer's profile or account information. They may keep records of transactions and update and maintain databases of information.

Most customer service representatives use computers and telephones extensively in their work. Customer service representatives frequently enter information into a computer as they are speaking to customers. Often, companies have large amounts of data, such as account information, that is pulled up on a computer screen while the representative is talking to a customer so he or she can answer specific questions. Customer service representatives also usually have answers to the most common customer questions, or guidelines for dealing with complaints. In the event that they encounter a question or situation to which they do not know how to respond, workers consult with a supervisor to determine the best course of action. They generally use multiline telephone systems, which may route calls directly to the most appropriate representative. However, at times, they must transfer calls to someone who may be better able to respond to the customer's needs.

In some organizations, customer service representatives spend their entire day on the telephone. In others, they may spend part of their day answering e-mails and the remainder of the day taking calls. For some, most of their contact with the customer is face to face. Customer service representatives need to remain aware of the amount of time spent with each customer so that they can fairly distribute their time among the people who require their assistance. This is particularly important for those whose primary activities are answering telephone calls and whose conversations are required to be kept within a set time limit. For those working in call centers, there is usually very little time between telephone calls. When working in call centers, customer service representatives are likely to be under close supervision. Telephone calls may be taped and reviewed by supervisors to ensure that company policies and procedures are being followed.

Job responsibilities also can differ, depending on the industry in which a customer service representative is employed. For example, those working in the branch office of a bank may assume the responsibilities of other workers, such as teller or new account clerk, as needed. In insurance agencies, a customer service representative interacts with agents, insurance companies, and policyholders. These workers handle much of the paperwork related to insurance policies, such as policy applications and changes and renewals to existing policies. They answer questions regarding policy coverage, help with reporting claims, and do anything else that may need to be done. Although they must have similar credentials and knowledge of insurance products as insurance agents, the duties of a customer service representative differ from those of an agent as they are not responsible for seeking potential customers. Customer service representatives employed by utilities and communications companies assist individuals interested in opening accounts for various utilities such as electricity and gas, or for communication services such as cable television and telephone. They explain various options and receive orders for services to be installed, turned on, turned off, or changed. They also may look into and resolve complaints about billing and other service.

Work environment. Although customer service representatives work in a variety of settings, most work in areas that are clean and well lit. Many work in call or customer contact centers where workers generally have their own workstation or cubicle space equipped with a telephone, headset, and computer. Because many call centers are open extended hours, beyond the traditional work day, or are staffed around the clock, these positions may require workers to take on early morning, evening, or late night shifts. Weekend or holiday work also may be necessary. As a result, the occupation is well suited to flexible work schedules. About 17 percent of customer service representatives work part time. The occupation also offers the opportunity for seasonal work in certain industries, often through temporary help agencies.

Call centers may be crowded and noisy, and work may be repetitious and stressful, with little time between calls. Workers usually must attempt to minimize the length of each call, while still providing excellent service. To ensure that these procedures are followed, conversations may be monitored by supervisors, which be stressful. Also, long periods spent sitting, typing, or looking at a computer screen may cause eye and muscle strain, backaches, headaches, and repetitive motion injuries.

Customer service representatives working outside of a call center environment may interact with customers through several different means. For example, workers employed by an insurance agency or in a grocery store may have customers approach them in person or contact them by telephone, computer, mail, or fax. Many of these customer service representatives work a standard 40-hour week; however, their hours generally depend on their employer's hours of operation. Work environments outside of a call center also vary accordingly. Most customer service representatives work either in an office or at a service or help desk.

Customer service representatives may have to deal with difficult or irate customers, which can be challenging. However,

the ability to resolve customers' problems has the potential to be very rewarding.

Training, Other Qualifications, and Advancement

Most jobs require at least a high school diploma. However, employers are increasingly seeking candidates with some college education. Most employers provide training to workers before they begin serving customers.

Education and training. Most customer service representative jobs require only a high school diploma. However, because employers are demanding a higher skilled workforce, many customer service jobs now require an associate or bachelor's degree. High school and college level courses in computers, English, or business are helpful in preparing for a job in customer service.

Training requirements vary by industry. Almost all customer service representatives are provided with some training prior to beginning work. This training generally includes customer service and phone skills; information on products and services; information about common customer problems; the use of the telephone and computer systems; and company policies and regulations. Length of training varies, but usually lasts at least several weeks. Because of a constant need to update skills and knowledge, most customer service representatives continue to receive training throughout their career. This is particularly true of workers in industries such as banking, in which regulations and products are continually changing.

Other qualifications. Because customer service representatives constantly interact with the public, good communication and problem-solving skills are a must. Verbal communication and listening skills are especially important. For workers who communicate through e-mail, good typing, spelling, and writing skills are necessary. Basic to intermediate computer knowledge and good interpersonal skills also are important qualities for people who wish to be successful in the field.

Customer service representatives play a critical role in providing an interface between customers and companies. As a result, employers seek out people who are friendly and possess a professional manner. The ability to deal patiently with problems and complaints and to remain courteous when faced with difficult or angry people is very important. Also, a customer service representative needs to be able to work independently within specified time constraints. Workers should have a clear and pleasant speaking voice and be fluent in English. However, the ability to speak a foreign language is becoming increasingly necessary.

Although some positions may require previous industry, office, or customer service experience, many customer service jobs are entry level. However, within insurance agencies and brokerages, these jobs usually are not entry-level positions. Workers must have previous experience in insurance and often are required by State regulations to be licensed like insurance sales agents. A variety of designations are available to demonstrate that a candidate has sufficient knowledge and skill, and continuing education courses and training often are offered through the employer.

Advancement. Customer service jobs are often good introductory positions into a company or an industry. In some

Projections data from the National Employment Matrix

Occupational Title	SOC Code	Employment, 2006	Projected employment, 2016	Change, 2006-16	
				Number	Percent
Customer service representatives.....	43-4051	2,202,000	2,747,000	545,000	25

NOTE: Data in this table are rounded. See the discussion of the employment projections table in the *Handbook* introductory chapter on *Occupational Information Included in the Handbook*.

cases, experienced workers can move up within the company into supervisory or managerial positions or they may move into areas such as product development, in which they can use their knowledge to improve products and services. As they gain more knowledge of industry products and services, customer service representatives in insurance may advance to other, higher level positions, such as insurance sales agent.

Employment

Customer service representatives held about 2.2 million jobs in 2006. Although they were found in a variety of industries, about 23 percent of customer service representatives worked in finance and insurance. The largest numbers were employed by insurance carriers, insurance agencies and brokerages, and banks and credit unions.

About 14 percent of customer service representatives were employed in administrative and support services. These workers were concentrated in the business support services industry (which includes telephone call centers) and employment services (which includes temporary help services and employment placement agencies). Another 11 percent of customer service representatives were employed in retail trade establishments such as general merchandise stores and food and beverage stores. Other industries that employ significant numbers of customer service representatives include information, particularly the telecommunications industry; manufacturing, such as printing and related support activities; and wholesale trade.

Job Outlook

Customer service representatives are expected to experience growth that is much faster than the average for all occupations through the projection period. Furthermore, job prospects should be excellent as workers who leave the occupation will need to be replaced.

Employment change. Employment of customer service representatives is expected to increase 25 percent from 2006 to 2016, which is much faster than the average for all occupations. This occupation will have one of the largest numbers of new jobs arise, about 545,000 over the 2006-16 projection period. Beyond growth stemming from expansion of the industries in which customer service representatives are employed, a need for additional customer service representatives is likely to result from heightened reliance on these workers. Customer service is very important to the success of any organization that deals with customers, and strong customer service can build sales, visibility, and loyalty as companies try to distinguish themselves from competitors. In many industries, gaining a competitive edge and retaining customers will be increasingly important over the next decade. This is particularly true in industries such as financial services, communications, and utilities, which already employ numerous customer service representatives. As the trend

towards consolidation in industries continues, centralized call centers will provide an effective method for delivering a high level of customer service. As a result, employment of customer service representatives may grow at a faster rate in call centers than in other areas. However, this growth may be tempered by a variety of factors such as technological improvements that make it increasingly feasible and cost-effective for call centers to be built or relocated outside of the United States.

Technology is affecting the occupation in many ways. The Internet and automated teller machines have provided customers with means of obtaining information and conducting transactions that do not entail interacting with another person. Technology also allows for greater streamlining of processes, while at the same time increasing the productivity of workers. The use of computer software to filter e-mails, generating automatic responses or directing messages to the appropriate representative, and the use of similar systems to answer or route telephone inquiries are likely to become more prevalent in the future. Also, with rapidly improving telecommunications, some organizations have begun to position their call centers overseas.

Despite such developments, the need for customer service representatives is expected to remain strong. In many ways, technology has heightened consumers' expectations for information and services, and the availability of information online seems to have generated more need for customer service representatives, particularly to respond to e-mail. Also, technology cannot replace human skills. As more sophisticated technologies are able to resolve many customers' questions and concerns, the nature of the inquiries handled by customer service representatives is likely to become increasingly complex.

Furthermore, the job responsibilities of customer service representatives are expanding. As companies downsize or take other measures to increase profitability, workers are being trained to perform additional duties such as opening bank accounts or cross-selling products. As a result, employers increasingly may prefer customer service representatives who have education beyond high school, such as some college or even a college degree.

While jobs in some industries—such as retail trade—may be affected by economic downturns, the customer service occupation generally is resistant to major fluctuations in employment.

Job prospects. Prospects for obtaining a job in this field are expected to be excellent, with more job openings than jobseekers. Bilingual jobseekers, in particular, may enjoy favorable job prospects. In addition, numerous job openings will result from the need to replace experienced customer service representatives who transfer to other occupations or leave the labor force. Replacement needs are expected to be significant in this large occupation because many young people work as customer service representatives before switching to other jobs.

This occupation is well suited to flexible work schedules, and many opportunities for part-time work will continue to be available, particularly as organizations attempt to cut labor costs by hiring more temporary workers.

Earnings

In May 2006, median hourly earnings for wage and salary customer service representatives were \$13.62. The middle 50 percent earned between \$10.73 and \$17.40. The lowest 10 percent earned less than \$8.71 and the highest 10 percent earned more than \$22.11.

Earnings for customer service representatives vary according to level of skill required, experience, training, location, and size of firm. Median hourly earnings in the industries employing the largest numbers of these workers in May 2006 were:

Insurance carriers	\$15.00
Agencies, brokerages, and other insurance related activities	14.51
Depository Credit Intermediation	13.68
Employment services	11.74
Telephone call centers	10.29

In addition to receiving an hourly wage, full-time customer service representatives who work evenings, nights, weekends,

or holidays may receive shift differential pay. Also, because call centers are often open during extended hours, or even 24 hours a day, some customer service representatives have the benefit of being able to work a schedule that does not conform to the traditional workweek. Other benefits can include life and health insurance, pensions, bonuses, employer-provided training, and discounts on the products and services the company offers.

Related Occupations

Customer service representatives interact with customers to provide information in response to inquiries about products and services and to handle and resolve complaints. Other occupations in which workers have similar dealings with customers and the public are information and record clerks; financial clerks, such as tellers and new account clerks; insurance sales agents; securities, commodities, and financial services sales agents; retail salespersons; computer support specialists; and gaming services workers.

Sources of Additional Information

State employment service offices can provide information about employment opportunities for customer service representatives.