The Positive Impact of Applying Economics to Communication Centers

Christina Davis
University of North Carolina at Greensboro

Communication Centers as Uniquely Positioned to Benefit from Economic Praxis

Communication centers are essential for businesses, government agencies, and non-profit organizations. These centers serve as a hub for communication between universities, clients of the center, and the public. Communication centers are also responsible for providing customer service, support, and information to clients, staff, and their communities through various channels, such as phone calls, emails, chatbots, and social media platforms. According to Sowell (2019), as cited by Chandra (2023), economics is the study of how people make decisions when resources are scarce, which is a particular specialty of communication centers. The implementation of economic principles in communication centers can optimize their operations, increase efficiency, and improve customer satisfaction. This essay will specifically discuss the principles of cost-benefit analysis, supply and demand, the law of diminishing returns, marginal analysis, and game theory.

Cost-Benefit Analysis

Cost-benefit analysis involves comparing the costs and benefits of a decision or action to determine its profitability (Beggs, 2021). Communication centers can use this method when deciding on which communication channels they should prioritize based on the cost-per-interaction satisfaction rate. For example, suppose email interactions have higher retention than phone calls, but phone calls result in higher ratings with student clients. Through cost-benefit analysis, companies can identify which investments are worth pursuing. The same thing goes for communication centers. Not a lot of centers get funding, causing them to have to make those hard decisions in order to still be able to provide as much as possible to their communities. This economic principle could help with those disadvantages.

Supply and Demand

Supply refers to the number of goods or services available, while demand represents the desire for those goods or services (Chandra, 2019). In the context of communication centers, supply could refer to the number of consultants and desk managers available to handle appointments, while demand could represent the volume of appointments received during specific periods. By analyzing supply and demand data over time, communication centers could adjust their staff levels accordingly to ensure optimal efficiency. Nevertheless, communication centers generate large amounts of data through interactions with student clients. This data can be analyzed using supply and demand concepts to identify trends and patterns that inform future decisions. For example, if a communication center receives many inquiries regarding specific questions about appointments or services at certain times of day, they could schedule more staff during those hours to handle the increased demand better.

The Law of Diminishing Returns

The law of diminishing returns states that as more resources are added to a production process, the marginal increase in output decreases (Beggs, 2021). In other words, for communication centers, increasing staff levels beyond a certain point would result in lower efficiency and productivity. Therefore, communication centers could determine the optimal number of consultants required based on the volume of inquiries received and adjust staffing levels accordingly. For instance, we know that our particular communication center usually gets busy during the end of the fall and spring semesters. On those busy days, there are usually more consultants staffed, plus our manager on duty, to make sure all appointments are successfully in progress and that there are people on standby ready to jump into an appointment if needed.

Marginal Analysis

Another economic principle that could benefit communication centers is the marginal analysis which examines the additional costs and benefits of producing one more unit (Beggs., 2021). For instance, if a communication center decides to add an extra consultant to its team during peak hours, it must analyze whether the cost of hiring this new employee will produce enough benefits to justify the investment. For communication centers, this means weighing the benefits and costs of hiring an additional employee. The company must compare the cost of recruiting, training, and remunerating a new hire with the potential revenue generated by satisfying the client's needs.

Game Theory

Lastly, communication centers could benefit from implementing game theory strategies to predict the client's behavior and optimize outcomes. Game theory involves analyzing strategic interactions between multiple parties to determine the best course of action (Chandra, 2023). Communication centers can use game theory principles when dealing with difficult clients or situations where multiple channels are available for support. For example, if a client has had a negative experience via phone support, they may choose to interact with support through email instead. By enforcing training courses and optimizing their responses, communication centers could improve satisfaction rates as well as attract more clients, staff, and community members to their centers.

Best Practices for Implementation

By utilizing these strategies, communication centers can optimize their operations while improving their clients' satisfaction. These principles should be implemented gradually over time to ensure minimal disruption to the relationships that communication centers already have with their staff, students, and community by building a new system. These strategies can then keep the existing workflows that they have growing. This staggered approach will then help maximize the benefits that come with these strategies, like having the right amount of employees work to balance their supply and demand, enforcing their training to maintain their game theory strategy, and more. In applying these principles, centers can provide more to their communities with their precious resources that they might have been unable to offer before these strategies were implemented in their systems.

References

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