

Looking at Your Outsourcing Options

We have all had times in managing our call centers (particularly during peak days or hours when we struggle to meet service level) when we wished we could offload some of that call volume. After all, we put considerable time and effort into forecasting and staffing appropriately to meet the workload demands we know we will get. It's during those challenging times that we really earn our paychecks! Still, though, given the scheduling and daily shrink factor issues we all experience, it makes it hard to consistently achieve our service level goals on an hourly, or even daily basis. That's why some of us consider outsourcing some or all of our call center activities.

This article certainly isn't meant to be an "infomercial" for the growing number of service bureaus out there. But sometimes it can be a very viable option that provides many business benefits. I thought it would be helpful to outline some of the potential benefits that can be realized, as well as some key considerations and assessment criteria to think about during the decision making process to outsource calls.

First of all, when does outsourcing really make sense? Usually we begin to think about outsourcing as an option when we face the prospect of increased volume from new business or fluctuating volume (e.g., seasonal volume) from existing business. It makes sense when it provides increased internal operational efficiencies and enables us to place more focus on those calls for which we have built stronger competency and possibly would not want to outsource. It can also make sense if the labor market is shrinking and/or there is increased competition for call center talent.

A key issue that you, and surely your senior management, will want to focus on is the strategic implication of such a venture. Profitability for most companies has become more dependent on strategic and long-term client relationships. The last thing you want to do is jeopardize those relationships. This makes the outsourcing decision, as well as vendor selection, so critical. Typically, you'll need to demonstrate to senior management that the economics will work for such a venture. Keep in mind, the service bureau must invest plenty of time upfront to understand your business and what it takes to manage your customer contacts, and then bring good economics to bear in terms of cost per call. Most have established their size and technical infrastructure to provide economic value to any prospective client.

But the vendor assessment process does not stop here. This is where you really need to understand the supporting systems and processes the service bureau will employ to simulate your business and make it all work for you (e.g., training, coaching, monitoring, performance management, communication of critical information). Here are a few of the most important to assess:

- Understand their hiring process and ability to match your CSR profile requirements. Also, their training approach is probably one of the most critical factors to assess and one that provides the greatest distinction between vendors. What kind of turnover do they experience in their market and how will they minimize the impact to staffing for your workload? And do they provide a variety of services including inbound, outbound, fulfillment, and market research/database management?

- Understand their technology and systems capabilities to virtually link to your site. Make sure their reporting capabilities match up to your requirements. Are they using CTI technology and enhanced skill based routing with the advanced capabilities of today's switches? What kind of forecasting and staffing tools and processes do they use? And be sure and look at the types of real time and remote quality monitoring tools and processes they have in place.
- You should gain an understanding of the vendor's competencies with handling contact types for different types of industry. If they have handled similar business applications to yours, the probability for a successful deployment is greatly increased. The vendor should commit to a project implementation team with industry specific focus and experience who uses a sound project management methodology. In addition, we all know change occurs rapidly in all call center environments. Look at examples of how the vendor has responded to evolving or changing needs of existing clients.
- Finally, as with any outsourcing agreement, price is all so important. Look at the vendor's use of at-risk pricing arrangements. They must be willing to stand by their commitment to meeting your defined service level goals.

This is by no means an exhaustive list of all the requirements you would include in your request for proposal (RFP) to potential service bureaus. It simply provides you with some of the more important considerations when weighing your options for outsourcing call center activities.

As we all deal with the challenges of today's workforce, the ever-changing technology landscape, and the increasing demands of our customers, looking periodically at outsourcing options may be a smart thing to do. If anything, it will give you some perspective on how these challenges are handled by companies whose only business is running effective call centers.

Call Centers Offer:

- Skilled telephone professionals
- Improved market coverage
- Superior technology
- Faster ramp-up, launch, and roll-out of new campaigns
- Experience with programs similar to yours
- Rapid response to market conditions
- Account management expertise
- Enhanced reporting capabilities
- Market testing capabilities
- Remote call monitoring

The Benefits of Outsourcing

- Increased sales and profits
- Reduced costs per sale
- Maximum phone productivity
- Increased number of appointments
- Increased customer base
- Increased lead generation
- Higher number of qualified leads
- Higher number of closed sales
- Better customer retention
- More immediate feedback
- Better results through test marketing
- Increased local, regional, or national market share

Outbound

Marketing Surveys
Marketing Research
Appointment Setting
New Product Introductions
Lead Generation
Maintenance Agreements
After Market Sales
Full Account Management
Credit Card Applications
Telecom Related Sales
Fund Raising
Telesales
Telemarketing
Direct Sales of Products
Direct Sales of Services
Bio-Tech Products
Trade Show Follow-up
Political Polling
High Tech Projects
Customer Service Surveys
Employee Satisfaction Surveys

Inbound

DRTV
Help Desk
Answering Service
IVR
Automated Messaging
Customer Service
Catalog Orders
Product Technical Information
Sales Lead Qualifications
Consumer Response
New Product Information
Dealer Locator
Product Recall
After Market Sales
Order Processing
Advertising Response
Toll Free Response
Direct Mail Support
Promotional Product Handling
Seminar Registration
Trade Show Registration
Inquiry Handling
Complaint Handling
Advertising Campaign Support
Information Requests