



**DELIVERING THE
PROMISE AND
VALUE THROUGH
OUTSOURCING**

“...Traditionally companies look to outsourcing to reduce costs which is, and continues to be, a critically important component. However, a bigger benefit typically lies in taking advantage of the outsourcers’ personnel, processes and technology to drive an improved customer experience, which ultimately will have a higher impact on bottom line ROI...”

Needless to say, those of us who are avid readers within our industry know that there has been a myriad of whitepapers and articles written on the topic of the “ROI of Outsourcing”. I must admit, in an effort to acknowledge the efforts of my predecessors in this endeavor, I must have downloaded and read another dozen or so, just to make sure I wasn’t about to repeat what had already been said. Ultimately, what I came away with was that the consensus of opinion in the marketplace, from both the clients’ and consultants’ point of view, is that over time outsourcing generally does pay for itself and produce a positive return on investment in terms of cost savings for the client. However there are several areas that I feel have not been adequately addressed. Specifically, 1) how can a company truly assess their outsourced ROI; 2) what does a good outsourcing prospect look like; 3) what breaks down after the contract has been signed; and 4) what is the bigger ROI opportunity that typically gets overlooked?

These issues I believe are pivotal in establishing and achieving ROI and for that reason I have chosen to address them in this paper.



About the Author:

Tom Davis is CEO and Employee-Owner of USA800, the largest employee-owned contact center located in the Midwest. Having been in the contact center industry for over 20 years, he is passionate about measuring and delivering ROI for his clients.

Introduction

There are four primary areas that are critically important in determining the potential ROI of outsourcing that will be discussed in more detail in this paper, they are:

- 1) The honest, often dreaded discussion, between outsourcers and their clients prior to developing the outsourcing agreement, as to how they actually calculate ROI and get to a true “apples to apples” cost/performance basis of comparison. *How can a company go about proactively assessing what their potential ROI might be?*
- 2) From the outsourcer’s perspective, an honest assessment of what ROI they feel they can realistically deliver, without forsaking quality and potentially long-term degradation of the customer experience. Hand in hand with that discussion then, *what are the key criteria or characteristics of a good outsourcing prospect, from an ROI perspective?* They may not necessarily be what you would think.
- 3) Identifying the barriers to achieving the expected ROI. *What breaks down after all the metrics have been defined, the SLAs have been mutually agreed to and the contracts have been signed?* Virtually all of the literature you read is from the client’s viewpoint, but I believe there is room to share the ESP’s (external service provider) point-of-view. To understand as an ESP, some of the inhibitors to achieving the client’s expected cost savings.
- 4) Solid case study examples or research that demonstrate *the much larger return on investment that outsourcing can deliver from improved revenue growth, increased retention and lifetime value of the customer base, versus just cost savings.* I did find some discussion around the “hidden value” and “long-term ROI” of outsourcing, but to me this is where I believe clients and outsourcers, alike, truly miss the mark.

I. Getting to the Nitty Gritty

In the world of outsourcing, and more specifically contact center outsourcing, there is nothing more challenging than trying to compare the true cost of sales and/or service delivery between the internal service provider’s (ISP) and external service provider’s (ESP) operations. It is the quintessential discussion that always ensues prior to any serious contract negotiation. Truth be known, most companies really do not have a good handle on the actual cost of operating their contact center. “To do an accurate ROI analysis, you need to understand what your own costs are--both direct and indirect--to deliver the processes”, says Jim Holincheck, research director at Gartner Inc. in Chicago. “But many decisions are made only on anecdotal information and without the benefit of benchmarking.”¹

Fixed cost allocations for shared facilities, technology, phone systems, and personnel, are often the culprits in trying to come up with an apples-to-apples cost comparison between the internal and external operation. Where in the ESP’s world, all costs essentially go to support the contact center, in the ISP’s world, most of their costs, with the exception of direct labor, are likely shared with other company cost/profit centers. Even where these costs are functionally aligned, if the company decides to split or siphon off part of the operation to try to achieve better results (e.g. outsourcing sales, but retaining customer care) the allocation process becomes a nightmare.

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¹Grossman, Robert J. "Sticker Shock: When calculating the ROI of outsourcing efforts, don't miss these hidden and potentially expensive costs". *HR Magazine*, July, 2004.

Unless the ISP can consolidate or move the balance of its operation, they may not be able to make sense of the ROI benefit for outsourcing, because they are still saddled with 100% of their fixed cost structure. Worse yet, they may demand the ESP bear the burden of making up that differential in order to obtain the contract. I've seen that happen too many times where in order to get the business, outsourcers will overestimate their expected ROI calculations to make the deal palatable – but this is nearly always a recipe for disaster.

Another common area where ESP and ISP comparisons often break down is in the definition of the performance metrics (e.g. Average Handle Time, Abandonment Rate, First Call Resolution, Cost per Sale, Occupancy, Utilization, etc.). For those of us who have been doing this for a while, we know that service level agreements drive cost, as well as measure performance. Therefore, a critical factor in setting and achieving ROI expectations is entering into negotiations with consensus not only on the metrics that will form the agreement, but more importantly on the specific definitions of each metric. The absence of this “alignment of understanding” is a primary reason many ESP/ISP partnerships result in turmoil and sometimes difficult contractual renegotiations.

One such example that comes to mind involves USA800's experience in providing direct response “soft” sales support to the health and fitness marketplace. Based on a four year period, USA800 had established baseline numbers for a diet supplement program and established a baseline understanding of achievable conversion percentages.

Later, another client, with a very similar diet supplement program launched with USA800, but was resistant to leveraging this experience. They established a conversion rate goal that was nearly double what experience had proven to be achievable. Despite our coaching that the conversion number may be unrealistic, the client, basing it on their own internal economics (Performa), was insistent that their conversion number was realistic. In spite of the fact that USA800 continues to provide out of the box solutions and additional un-funded resources to continually improve conversion, we were not able to achieve our

partner's original objectives. As a result the goals for the program have been reset, exemplifying the premise that program goals should be set in collaboration with the experience of the service provider, versus developed in a vacuum with no real experience.

At USA800 we have a very straightforward method for evaluating prospective clients' cost structures and drawing comparison to USA800. We also encourage prospects, before they engage with us, to do the same and conduct a high level comparison of their current internal operations against our operations as an outsourcer, with respect to both top-line and bottom-line performance drivers. To facilitate this process, we have created a tool called the USA800 ROI Calculator that clients and prospects can access from our website www.usa800.com/roicalculator. The ROI Calculator offers a way to see how we stack up, based on the key cost and revenue improvement metrics that we have established over the course of doing business for the last 20 years.

The ROI Calculator lets you enter your costs and do a comparison against USA800 by entering in different performance scenarios. If the savings are not there, the calculator will tell you. If they are, a high level savings will be provided. While this is a high level tool, it will give you a basic idea of the cost savings and revenue that can be gained by using an ESP.

Step 3: Performance Improvement Zone with USA 800		
This section gives you the opportunity to model different scenarios based on improvement for certain metrics. Column 1 includes your existing performance from above. Column 2 gives you the opportunity to select an improvement for each metric listed to identify the potential savings or revenue gain.		
	1 Existing Performance	2 Improvement
Abandon Rate	5.0%	5%
Average Contact Length (in seconds)	280	5%
Estimated First Call Resolution	85%	1%
Conversion Rate	5%	5%
Average Order Value	\$15.00	5%
Potential Improvement from Cost Savings	\$ 2,491,067	
Potential Incremental Revenue Gain	\$ 375,492	

Figure 1: Excerpt from USA 800 ROI Calculator, www.usa800.com/ROIcalculator

Looking Beyond the Honeymoon and Finding the Perfect Mate – From an ESP’s Perspective

To be perfectly honest, not all outsourcing prospects are good candidates for outsourcing. Further, as an ESP we need to know how to recognize the danger signs and be willing to walk away. I recognize this may sound a bit radical to a number of my colleagues and competitors, but it’s true. The fact of the matter is that the decision to enter into an outsourcing relationship represents a long term commitment and should not be entered into lightly. Not unlike a marriage, if you want to be successful at finding the right partner and making it work beyond the honeymoon, you have to be willing to do the right amount of due diligence during the courting process to establish and fully understand shared expectations and obligations.

At times, prospective clients have an unrealistic expectation of what level of cost savings an ESP can deliver. This is another reason why we created the ROI Calculator. It helps bring these cases to light. For example, in situations where the prospective client operations are finely tuned and performing well, relative to their industry benchmarks, there may be less of an opportunity to achieve any cost savings or experience any revenue uplift by outsourcing. Of equal concern, are cases where the cost analysis is not accurately reflective of the total costs.

For example, USA800 provides after-hours, overflow, spike management, and disaster recovery sales and service calls on a 24 x 7 basis for a major retailer (catalog and on-line). When comparing cost per call numbers between the two centers, USA800 costs are equal to or occasionally 3 - 5 % higher than the internally supplied cost allocations. There are two issues with the comparisons.

First, as an after-hours and overflow provider, USA800 is handling call volumes that are spiky and inefficient to manage (third shift). The reality is that the retailer’s cost per call would sky rocket during these timeframes if they had to staff to manage after-hour volumes resulting in less efficient management of resources (Occupancy Rates). By outsourcing the retailer is essentially able to keep a steady fixed headcount and maximize internal occupancy rates.

Secondly, after walking through the cost allocation provided by our partner in determining the cost per call, the retailer has many of the major cost components, but does not allocate any technology, human capital costs, or depreciation, and does not include some compensation expenses such as payroll taxes and 401K costs.

At the other end of the spectrum are companies whose internal operations and processes are more dysfunctional and possibly in shambles. One may think this situation would be perfect for outsourcing because the bar is already set pretty low. With the ESP’s help and expertise, things can only improve, right? In reality, a responsible ESP would never simply “fork-lift” a malfunctioning operation into their outsourced environment. The costs and time commitment required to reengineer or retool the program requires a significant long-term commitment on the part of both partners. And again, the expectation of potential “cost savings” on the part of the client may not be in line with the more needed and strategic benefits of obtaining improved infrastructure, higher quality labor, and mature business processes.

USA800 was entertaining the notion of providing inbound customer care and member services to a large publisher who was interested in coming back on-shore (from a large Philippine based ESP). They were interested in improving the customer experience and reducing churn, but keeping the same low cost structure. As a total solutions provider, USA800 was looking at taking on this challenging opportunity through call avoidance strategies (IVR, FCR), improved top line revenue (through aggressive up-sell programs), integrating off-line work during idle periods, and CRM interface redesign to provide more efficient call handling (lower AHT). The publisher was unwilling to partner on redesigning the overall program and USA800 was not willing to match the pricing without the process reengineering to support a lower cost structure. Therefore we opted to walk away from the opportunity.

This scenario is best captured in a quote published in Deloitte’s 2008 Outsourcing Report, “In our experience, simply transferring dysfunctional operations to a service provider in the hopes of reducing costs from economies of

scale or labor arbitrage can reduce or even eliminate opportunities to reap the significant benefits outsourcing can provide. Outsourcing CAN BE transformation."²

There is no 'rule of thumb' as to what should be expected in terms of an ROI from outsourcing. Every client situation is different. However, there has been research that supports most executives target to achieve a 25% or better return. Surprisingly, in the same study conducted by Deloitte among 300 executives who had outsourced portions of their IT and contact center operations, 83% reported having met or exceeded their ROI objectives.

Many companies are cashing in, usually saving less than expected, but still doing well. "It winds up being cheaper and, in many instances, much cheaper," says David Rhodes, principal at Towers Perrin in Stamford, Conn. "The average cost-per-head savings is 15 percent to 20 percent," says Rhodes. "Contracts are now cutting costs as much as 30 percent to 40 percent."³

Just as every client's situation is unique, so is the cost composition and competency of each outsourcer. We all have our strengths and areas where we excel in terms of cost efficiency and performance – although some of us are better at scaling those attributes than others. Speaking on the part of USA800, we are unique to our industry in that we can profitably take on work that most outsourcers could not afford to consider. This includes seasonal/peak-call overflow, after-hours contact volume, e-mail/web chat response as a stand-alone or add-on channel, disaster recovery or emergency programs (e.g. service outages). Our flexible staffing and shared technology model, across all of our contact center locations, enables us to be cost efficient at performing this type of work.

Most of our clients are hosted on our proprietary eCRM application or some hybrid of our technology that has been integrated with the client's back-end systems. Our Contact

²Robinson, Paul. (2008) "Why settle for less?" *Deloitte 2008 Outsourcing Report*.

³Grossman, Robert J. "Sticker Shock: When calculating the ROI of outsourcing efforts, don't miss these hidden and potentially expensive costs". *HR Magazine*, July, 2004.

Central™ integrated voice/web platform and real-time operational reporting capabilities enable us to turn up new programs quickly and operate at a much more efficient level than we would be able to if we were using their internal systems. Therefore, technology is a key criterion we look at when determining what level of ROI we can achieve for our client.

We also look heavily at the top-line of our clients' ROI model, in terms of helping them grow their business. We have developed a sales driven culture where our hiring, training and compensation model is geared around sales performance and excellence. Therefore, we look as heavily at the top-line of our client's ROI model, as we do the bottom-line.

So to recap, what is the formula for the perfect outsourcing partnership? As with marriage - it is different for every relationship.

What's important is taking the time to complete the due diligence and understand each other's strengths

Every client is different in what they should expect, but research supports a target of 25% or better. The majority of executives report meeting or exceeding ROI expectations.

and weaknesses up-front. This will serve to establish the critical baseline to the long-term success of the partnership. In all cases, we want to find partners that are willing to make a long-term investment in the relationship, who are committed to growth and prosperity and demonstrate mutual respect.

II. Breaking Down Barriers– Poorly Architected SLAs, Misaligned Business Goals and Outside Intervening Variables

So the ROI has been forecasted, the contract has been signed, the SLAs have been negotiated and everyone's business goals and objectives have been assigned from the Program Director down to the front-line Customer Advocate – what could possibly go wrong? This is where, frankly speaking, the supporting research and case studies in our industry fall short. I think this is primarily because as an industry we do not like to talk about or report on failure and we certainly hate to admit when we've made a mistake. However, I will be the first to admit that we all make mistakes and my company is no exception to the rule.

I would say that there are principally three major reasons outsourcing partners fail to meet their clients' ROI expectations:

Poorly architected Service Level Agreements (SLAs) – this would equate to the set of operational and performance metrics, benchmarks and performance objectives (what we frequently refer to as Key

Selecting an outsourcing partner is like a marriage, you need to understand strengths and weaknesses upfront and be willing to make a long-term investment in growth and prosperity with an underlying mutual respect for the relationship to flourish.

Performance Indicators, or KPIs) that the client and the service provider agreed to during contractual negotiations.

- 1) **Misalignment of the outsourcing contact center strategy, goals and objectives with the broader business strategy of the company.** Company goals and objectives are often being set without linking those

goals and objectives to the strategy planning process for the contact center, even though the contact center is the front line to the customer.

- 2) **Outside intervening variables** – by this I am referring to changes in management, market climate, competition, personnel, production or service outages, etc. - basically any type of business dynamic that as a consequence can unforeseeably impact the contact center operation.

Barrier #1 - Poorly Architected SLAs (Service Level Agreements)

Service Level Agreements are a necessary evil in the outsourcing industry, but there are two inherent problems with them, with which I think most of my peers would agree. First, clients and service providers alike, never have enough good historical benchmark data to provide good reference points upon which to base their performance targets. If they do, clients are generally inclined to want to set the bar higher for the ESP, than they would for themselves. Second, the key performance indicators that are established for the program do not necessarily drive the best long-term results. For example, if Average Handle Time (AHT) is set too low, there may be an adverse effect on sales conversion rates or the ability to resolve a service issue on the first contact. This in turn, negatively impacts First Call Resolution (FCR). Furthermore, an adverse effect on FCR will ultimately result in lower customer satisfaction scores, that I think most would agree is more important than minimizing AHT.

According to Deloitte, "...SLAs have traditionally tended to focus on cost related metrics, such as cost per transaction. However, if companies are pursuing more strategic goals then it is essential that the SLAs include such items as responsiveness, customer satisfaction, reduction in defects or errors, or the time needed to implement a new process."⁴

The good news from a USA800 perspective, is that we have a long operating history on our side. The mistakes of the

⁴ Robinson, Paul. (2008) "Why settle for less?" *Deloitte 2008 Outsourcing Report.*

past are fewer and farther between – which includes not allowing clients to establish unrealistic or unobtainable SLAs, while at the same time, placing greater focus and emphasis on the customer experience.

Barrier #2 - Misaligned Business Strategy with the Outsourcing Strategy, Goals and Objectives

Most research and articles published on the topic of ROI and outsourcing touch on the issue of business strategy and outsourcing strategy misalignment. However, what does that really mean and how does that get translated into the day to day activities of servicing the contract? A real world

As with any successful partnership, letting the outsourcer understand the strategic objectives of the organization will help drive success and bottom line results.

example of strategy and outsourcing goal misalignment would be in the area of technology innovation. Specifically, short-term contact

center cost-cuts do not allow for the longer-term value and ROI that can be delivered by better integration of the company's web and voice channels.

A perfect hypothetical example of this, very close to home is in the on-line retail business for women's clothing. The client has an overall market objective to gain a 10% increase in market share within the 18-24 year old market segment. The company is seeking an outsourcing contract to handle the increase in contact volume expected as a result of intensified marketing and promotional activities to this new demographic. However, the contract does not mention the business goal, and simply calls for handling IVR, live agent and some e-mail management capabilities integrated with the client's existing and antiquated CRM and order management system. Knowing this market and understanding that 18-24 year olds are much more inclined to shop and order on-line, USA800 would strongly recommend that the client integrate the use of an

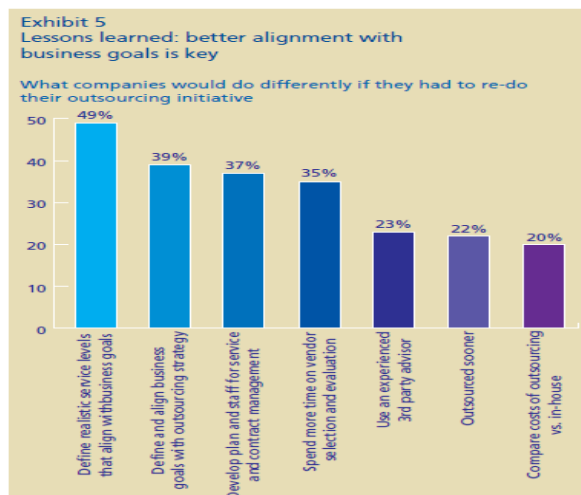
interactive web chat capability and a more robust e-CRM solution, with their existing order management system. Not to mention that moving to the partner's platform would be more efficient and cost effective in the long run.

This scenario exemplifies where the up-stream business goal and activities of increasing the 18 – 24 year old market share was not within the purview of the ESP at the time of contract negotiations. Consequently, it would not have been translated to the technology budget or operational plan, thus setting up a barrier to success.

As a service provider, I believe these kinds of barriers can be overcome by allowing the ESP the opportunity to collaboratively participate with the senior leadership team during business strategy planning sessions, thus providing insight into the broader and longer-term goals of the company. This type of partnership encourages the ESP to share their experience and insight with the leadership team to ultimately drive a more profitable and better customer experience. Today, quite often, negotiations are handled via a Procurement Office whose sole focus is negotiating the most financially favorable contract for the client with little insight to the broader business plans. Sometimes this is a necessary evil, in which case, the ESP should be given a copy or overview of the company's strategic plan, so that a plan can be developed that is in line with the overall strategy and better serve the needs of the business.



Figure 2: In Deloitte's survey of over 300 executives who currently outsource - when asked what they would do differently....



Barrier #3 – Outside Intervening Variables

The third major barrier to achieving expected ROI is perhaps the most interesting challenge. It includes all the 'stuff' that we as outsourcers cannot control, and to be truthful, is frequently also outside the control of our clients. These variables are what we refer to as the dynamics of the business that no one can see coming at the time the SLA's and KPI's are developed and the contract is signed, sealed and delivered. Yet, we all know they are going to happen and that change is an inherent part of our daily business environment.

A common example of an outside intervening variable would be unexpected call volumes (either higher or lower), due to any number of positive or negative market conditions, that greatly distort the overall expected staffing and service level agreement. The same kind of impact could result from a newly appointed CEO or President, who has an aversion to interacting with IVRs, and requests that all calls be handled by a live agent (what we call a high class problem). Or, in the same scenario, an executive that wants to dramatically cut costs by moving 25% of the live agent volume off-shore by the end of next quarter.

Case in point, a fast growing wireless provider partners with USA800 to provide inbound sales support for its direct

line of business. As the wireless provider enters new markets, runs new marketing campaigns, and/or new offers, the call volume can dramatically dip from day-to-day, week-to-week, and month-to-month. It is not uncommon for USA800 to manage call volume variances to forecast over/under 60+%. With much of the volume driven through DRTV efforts, a service level expectation of 80/30, and a variable per minute cost structure, USA800 is heavily burdened to consistently exceed sales conversion and Average Order Value AOV KPI's, exceed service level expectations, and remain profitable. Through intelligent call routing strategies, use of shared sales resources as an overflow group, innovative CTI and CRM strategies, and a philosophy that places a premium on servicing the customer at the expense of high internal occupancy rates, USA800 is able to meet and exceed these divergent goals on a consistent basis. Alternative wording: We are generally able to meet, and sometimes even exceed, these divergent goals in spite of the large fluctuations in call volume, using our technology and operational ingenuity.

However, in these kinds of situations, it is imperative that the outsourcing partners have a good enough relationship to be able to work it out and have the flexibility to work toward a mutually acceptable solution. While I would like to say there should be provisions in the contract to allow for these kinds of occurrences, I think it is an unrealistic goal. There are 1,001 different factors that could come into play on a day-to-day basis that even the most experienced professionals cannot control. Hence, my advice in these types of situations is to call your partner, be open and honest, talk about it and hash it out together. Being as proactive as possible and making sure both sides maintain mutual respect and care for the overall relationship will provide the best results.

At USA800 we have a unique vantage point that plays a very important role in this scenario. USA800 is the largest 100% employee-owned contact center in North America. As such, all of our employee-owners have a vested interest in making sure we deliver on our partners' goals and objectives. In all aspects of our partnership our employee-owners take their ownership position with the utmost

importance, but in particular cases of unexpected or occurrence of outside intervening variables, employee-owners have a much greater investment in working through to a mutually beneficial solution.

IV. Getting a Bigger Bang for Your Outsourcing Buck

I think Deloitte's 2008 Outsourcing Report – Why settle for less?, which I have notably cited reference to throughout this paper, makes some really excellent points in their analysis of the outsourcing market and would highly suggest to my constituents to download it and read it in its entirety. Paul Robinson really hits the nail on the head when he refers to the notion of “outsourcing transformation” with this statement:

"In an ever more competitive world, companies need to fully take advantage of the tools at their disposal - and outsourcing is a significant one. Yet, by following a traditional cost-focused approach to outsourcing, we believe most companies are under utilizing this key strategy, and missing opportunities for tremendous benefits. But companies that view outsourcing in a broader strategic context, and implement it systematically, can gain a competitive edge over those that remain stuck in a traditional procurement mind set."⁵

As I pointed out at the beginning of this paper, it is no secret that the primary motivation for companies to outsource is the common belief that they are going to be able cut costs and save money, but that clearly is not where the biggest benefit lies. If other service providers are like me, we are often frustrated that our clients don't take greater advantage of our personnel, our processes or our technology. Too frequently, it is about fearing a loss of control on the client's part, or lack of ownership. However, I have found that over time, as partners gain an understanding of one another's business and capabilities, there are significant opportunities to take ROI to next level and obtain the kind of strategic advantage Paul Robinson refers to in his paper.

⁵ Robinson, Paul. (2008) "Why settle for less?" *Deloitte 2008 Outsourcing Report*.

So what kind of strategic ROI advantages are we talking about? Most of the more strategic top-line value drivers have to do with increases in value that can be attributed to the contact center, but are difficult to measure in terms of actual revenue contribution. Examples include, increased customer satisfaction, customer loyalty, customer retention, and/or repeat purchase behavior. By nature these benefits are also longer term and therefore require some fairly rigorous measurement processes be put in place to prove not only the benefit, but the source of the benefit. Since most client operations are co-sourced it is often difficult to prove which center actually contributed the most value. Technology innovations, improvements in quality processes or personnel hiring/training are easier to isolate and measure the contribution within an individual outsourced environment.

USA800 is fortunate, in that a number of our clients started their outsourcing experience with us. As a result, we have been able to measure our success over time and directly align our efforts with our client's success.

Such is the case with our tenured relationship with a leading US awning manufacturer. USA800 is one of two service providers that the company partners with to manage the entire customer lifecycle - from inbound sales, to billing and customer service inquiries, to installation and technical support. We have worked with the client to ensure key performance metrics, which align with the changing nature of the business, are consistently met. As a result of our cooperative and collaborative relationship, we have been able to drive increased ROI for the client. For example:

- Reduced average handle time on customer service calls by 12.5%, substantially reducing cost per call.
- Lowered agent attrition due to employee ownership, which in turn reduced hiring, training and recruiting costs.
- Rapid scalability of capacity up or down, as needed to handle fluctuating call volumes.
- Improved service levels by nearly 10 points as a result of real-time, on-line reporting, with time critical

information that improves agent results and supervisors ability to control service levels.

As discussed earlier, a key criterion for us is to leverage our technology, in this case USA800's Contact Central eCRM platform is used to provide a seamless input process and GUI interface to the client's order management and inventory management applications.

In conclusion, just as the role of the contact center continues to evolve from being a cost center for centralizing customer calls to, in many companies, a profit center and strategic asset of the business, so is the outsourcing relationship taking on new meaning. Companies are beginning to understand the true value of partnering with their ESP. At the same time, ESPs have learned over time what their own tolerance levels are in terms of what it takes to meet the goals and objectives of their clients. Now both sides need to become more assertive in terms of better, more open and realistic dialogue to properly set the stage for success. Both sides need to take longer term views of the relationship and appreciate the importance of "growing old together".



About the Author:



Tom Davis
CEO/Employee-Owner
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Tom has been in his role at USA800 for 13 years and has been with the company for a total of 19 years. Tom was principally responsible for developing USA800's ESOP offering and establishing its landmark position as the largest employee-owned, contact center company in the industry. Under his leadership the company has experienced double-digit growth over the course of the last 10 years while achieving record profitability.

Tom has a degree in political science and economics from Bucknell University and is passionate about measuring and delivering ROI for this clients. In his own words.....

"We focus on delivering an exceptional customer experience for our clients because our employee-owner agents are an extension of our clients business. However, at the end of the day, if we aren't delivering ROI for our clients, then we aren't doing our job. Our people, processes and technologies are focused around being performance-based. And, we'll keep doing it because it's worked for us and for our clients for 30 years."

About USA800

USA800, Inc. is a 100% employee-owned, inbound customer care center which employs 1,300+ employee-owners at its three contact center locations (Kansas City, Missouri, St Joseph, Missouri and Halstead, Kansas). USA800 has been named as one of the Top 50 Inbound Call Centers by Customer Interaction Magazine. The three Midwest call centers are comprised of 900+ multi-media workstations. For more than 30 years, USA800 has been providing inbound sales, customer care and technical support functions. USA800 serves a cross section of industries including: Catalog/On-Line Retail, Consumer Goods, Communications, Education, Government, Healthcare, Insurance, Utilities and Not for Profit. For more information, go to www.usa800.com.

