

DON'T OVERLOOK THESE CRO OUTSOURCING ESSENTIALS

I have been on all three sides of the outsourcing issue. As planning director at United Airlines, I was a popular target of outsourcers, given the 96 million calls in our portfolio. As a consultant with The Graycon Group, I often helped others decide if and where to outsource. And now, as president of Virtual-Agent Services, I provide those services. Here are key elements of my perspective:

► **Don't assume an outsourcer can do it better or cheaper.**

Vendors get their hard goods, labor and management from the same market as you. They are not afforded any magic cost advantages and also need to build a margin into their pricing. Unless their operating model is significantly different from yours, they will not be able to dazzle you with pricing. If they say they can, something is wrong.

► **Learn how the vendor achieves efficiency.**

Many outsourcers rely heavily on cross-utilization of equipment and people to gain efficiency and manage costs. This can have a profound impact on their ability to provide you with a quality product and any sort of

personalized service.

► **Call centers are about people.**

Any vendor can purchase office space and equipment, but few can attract qualified people to staff the telephones. Learn about the available labor market of your prospective vendor. Don't be drawn in by glossy presentations about recruiting and training programs. The best of these programs cannot produce quality employees if those prospects are not available in the marketplace. Also, beware of vendors claiming an advantage because they have a lot of "available workstations." This could simply mean that they can't get good people to fill the seats.

► **Your best option is probably not in your neighborhood.**

Don't select vendors simply because they are close by and you think you will be able to check up on them. The most experienced call center practitioner cannot determine the quality of an operation by simply walking around. Call center performance is managed with good reporting and quality management.

► **Be careful when exploring new cultures.**

Like manufacturing, the call center business is constantly moving around in search of cheaper labor. Unlike manufacturing, however, language skills and cultural awareness are critical to success. It is very difficult and costly to enhance these qualities when they are not inherent to the workforce. Geopolitical issues also might matter when you're shopping for vendors in the world market.

Robert Camastro, president of *Virtual-Agent Services* (www.vagent.com), was named a "Fast 50 Innovator" by *Fast Company* magazine for his work with the Distributed Workforce Concept. *Virtual-Agent Services* is a leading provider of customer care services for the hospitality industry.



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