

Center of Attention

No matter where, call centers have an important responsibility **By Joseph Sanscrainte**

When a presidential candidate proposes legislation during the course of an election campaign, you know it must be important. “A quarter of a million call center jobs have been sent overseas in the past three years,” presidential candidate John Kerry said. “When people pick up the phone, they hear people who have been trained to speak in an American twang and dialect so you won’t know who they are.”

From the perspective of the teleservices industry, the approach by legislators to this issue appears schizophrenic. On the one hand, 2003 witnessed the creation of the National Do Not Call Registry as well as other regulations that may result in an exodus of jobs from the teleservices sector. On the other hand, politicians are doing everything they can to stop exporting to other countries whatever teleservices jobs remain.

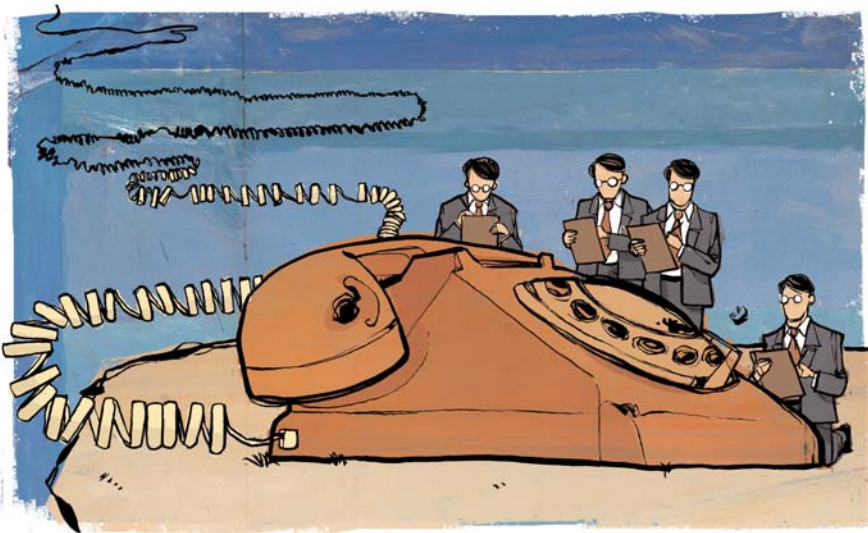
Whether you call it “outsourcing”

the case of the teleservices industry, significant reductions in the cost of telecommunications. Deciding to outsource a call center operation is always a complicated decision — and the offshore factor only adds to that complexity.

Directory Assistance

Regardless of where the outsourcing takes place, you must review a wide range of issues, including proximity/control concerns, audit and inspection capabilities, labor and related costs, and security concerns (as well as language and cultural barriers if you select an offshore vendor). The first hurdle for most companies, therefore, will be whether vendors are capable of providing the type and quality of service that their customers expect.

Assuming these concerns are addressed, it is important to understand that outsourcing your call center takes substantial amounts of time and planning. However alluring the potential for cost savings, the more time you spend up front seeking a company’s references — and reviewing its finances, experience, and internal technologies and procedures — the more headaches you will avoid down the line. In addition, if you select an offshore vendor, the laws of the country where that company is located must also be reviewed. There might be elements of these laws that are unacceptable, and the sooner they are identified, the better.



As politicians jockey for position, anti-outsourcing rhetoric has risen, along with the stakes. At least 27 bills in 19 states have been introduced in 2004, seeking the addition of “location disclosures” and financial data privacy protection in the context of offshore call centers. Two bills, including one co-sponsored by Kerry, were introduced at the federal level.

or “offshoring,” the end result is the same: companies are hiring other companies to do work that was once done in-house, and some of these vendors are located in foreign countries. The trend that began in the 1980s with the domestic outsourcing of payroll and other back-office services has become global in scope due to two factors: the Internet and, in

Once an acceptable vendor is identified, the next hurdle is negotiating a contract. Although the elements of the contract will vary, certain provisions are especially important, including:

- Transition of operations
- Responsibilities for compliance with U.S. telemarketing regulations, and indemnification provisions, should compliance not be met
- Internal procedures and division of responsibilities for data collection and dissemination for compliance purposes
- Deployment of technologies for maintaining compliance
- Results, quality, and performance benchmarks
- Training of representatives
- Procedures for auditing and inspecting any offshore operations
- Procedures, benchmarks, and responsibilities for data privacy
- Procedures for reporting and generating of data in case of an investigation
- Procedures for contract cancellation and quick transfer of operations back to the United States (in the case of offshore operations)
- Business continuity plan in case of disruption or disaster
- Dispute resolution

On the regulatory front, offshore companies must understand that calls to or from the United States are governed by a significant number of state and federal regulations, and these rules apply to the offshore company as well as the company on whose behalf the calls are being made.

Call Forwarding

Once a contract is in place, the next phase is transitioning operations to the vendor. The experience of many companies that make use of outsourced call centers indicates that, despite an understandable tendency to try to quickly ramp up operations,

the more time, effort, and money that are spent in the transition phase, the better the chance of success for the program. The amount of time, effort, and money to spend clearly will be a function of the scale of the work being outsourced, the complexity of the program itself, the level of risk, and your company's familiarity with the call center.

The same holds true for the ongoing monitoring and management of the program. The term "outsourcing" for too many people means transfer of both operations and responsibility. No company should let the desire to save money prevent it from conducting extensive, ongoing audits of its outsourcing programs. The time spent up front on performance and quality benchmarks, as well as technology and reporting requirements, will pay off in the long run. For example, if you mandate the use of certain predictive dialer equipment, or centrally control do-not-call compliance via a call-blocking service, then you have the ability to take charge of important compliance issues.

Although none of the recently introduced "location disclosure" bills have passed, Kentucky has set a precedent by requiring disclosure of the city and state where the caller is physically located. At the same time, the issue of exporting private financial data to foreign countries continues to be a major political concern.

One thing is clear: U.S. companies currently awash in regulations aimed at domestic teleservices programs may face regulatory hurdles that target offshore operations. The companies that properly create and enforce offshore operations will be in the best position to comply with new regulations that appear on the horizon. ■

Joseph Sanscrainte is director of regulatory affairs and general counsel with Call Compliance, Inc.