It’s a Big World After All

Just ask anyone … the world is getting smaller.

Smart phones make it possible to check the weather in China and speak face-to-face with family members who live six states away. Hourly flights can drop you off anywhere in the country within hours. Video conferencing lets you attend business meetings from your bedroom. These days, it’s all about shrinking things down to manageable size.

Except in the customer contact industry.

When it comes to the companies charged with handling your business’ customer service, tech support, and sales, the name of the game is growth. More and more contact center firms are buying, merging, and marketing their way to brontosaurus-like dimensions.

Today only a handful of enormous organizations provide the bulk of all outsourced customer contact services.

The question is, when it comes to your company’s most vital interactions – those with your customers – is bigger necessarily better?

The Downside to “Big”

Sixty percent of consumers currently believe that businesses have not increased focus on delivering good customer service.

What happened?

It’s no coincidence that the bigger customer support organizations have gotten, the further service quality has declined. Study after study has shown that massive teleservices organizations react more slowly to changing conditions. And in business, stagnation inevitably ends in failure.

According to an exhaustive investigation recently undertaken by The Journal of General Management, inflexibility has increased at large customer support organizations for the following reasons:

- **Over-adherence to routines** – Set-in-stone formulas have replaced critical thinking.

- **Resistance to action** – Employees often delay moving, boost plusses of maintaining the status quo, and shift responsibility because of perceived negative consequences to risk taking.

- **Flattened thinking** – Because dissent is often seen as career-threatening, employees’ thinking grows increasingly similar, which limits creativity.
To the Point

“Large companies follow established processes, protocol, and prices to accomplish the same things at a much slower speed and a heavy multiple of the cost.”

- Sam Hogg, Venture Capital Investment Manager

Exactly how big are the largest customer support firms?

Convergys – $2.2 Billion in annual revenue
Average: 1,000 agents per contact center

Teleperformance – $3.3 Billion in annual revenue
Example: In one Sao Paulo contact center, roughly 1,330 agents work the phone at any given time

Xerox Services (formerly ACS) – $6.52 Billion in annual revenue
50,000 agents providing customer care alone

Getting in Touch with the People Who Matter

Is it easy to get the CEO of a multi-billion dollar customer support organization on the phone?

Maybe in the beginning.

It’s true that when a client first signs on, high-level executives sometimes show up and might even get involved here and there. But once the relationship enters its day-to-day routine, how much attention can a client expect to get as one company among hundreds?

Not much.

As soon as a project ends its ramp up phase, most mega-outsourcer executives have little incentive to keep focusing a lot of attention on a single program. With so many other clients to worry about, these C-Suite leaders literally can’t afford to concentrate on any one area for too long. And if a client doesn’t like that they can’t reach their service provider’s CEO, CFO, or President to discuss a problem or brainstorm a new strategy … well, there are plenty of others to take their place.

Plus, execs are well aware that with a thousand plus people handling your calls, it isn’t so easy to just pack up and take your business elsewhere.

To the Point

“Unfortunately projects get launched and everybody gives it a lot of attention, and then it’s just up and running. But people need to have an ability to periodically examine if the goals of [their] organization changed. And if they have, or if the direction needs to change, is the project moving with that?”

- Christa Heibel
President, CH Consulting
(specializes in teleservices, sales, and marketing)
Is Smaller Better?

Since it’s clear that the biggest customer support organizations move slowly and restrict access to leadership, could it make sense to swing to the opposite extreme? Will doing business with a small contact center outsourcer solve all your problems?

Unfortunately, putting the fate of your customer support in the hands of a minor teleservices outsourcer can be a minefield.

When a company is servicing your most important asset – your customers – it is important to know for sure that it’s here to stay. However, the fact remains that many small businesses fail. And when a customer support outsourcer is too dependent on just a handful of clients, the chance of its prolonged survival decreases sharply.

Make sure to ask yourself these two questions when deciding which firm you want handling your company’s service, sales, and support:

• What will happen to the firm if it loses its biggest client?

• What’s holding back the firm’s growth?

Not Too Big. Not Too Small. Just Right.

In between multi-billion dollar mega-corporations and small shops exist a third type of customer support company.

The Mid-sized Customer Solutions Provider.

The Mid-sized Customer Solutions Provider is a company with the sturdy infrastructure of a large organization, combined with the flexibility of a boutique.
What Are the Most Common Traits of a Mid-Sized Customer Solutions Provider?

- **Stability** – By definition, Mid-sized Customer Solutions Providers have the revenue, market share, and client base to be sustainable for the long haul. In other words, there’s a good chance that their company isn’t going anywhere, which means that your customers will never get left high and dry.

- **Resources** – Billions of dollars aren’t necessary to supply the high-end technology, top-notch personnel, and sophisticated training necessary for running a first-class customer support organization. Mid-sized Customer Solutions Providers have all of this in spades, and they’re willing to invest in their client programs to attain even higher levels of success.

- **Equipped for Change** – Mid-sized Customer Solutions Providers embrace the one true absolute of business – change. These firms know how to help their clients navigate the ever-shifting winds of business conditions, customer issues, and market preferences.

- **Accessibility** – Mid-sized Customer Solutions Providers have enough client projects to sustain a thriving business, but not so many that they shortchange any one of them. Executives at these firms pride themselves on the relationships they build with their clients and their willingness to jump in and personally help handle issues.

- **“Cozy” Sites** – Mid-sized Customer Solutions Providers have the luxury of not having to support massive facilities. By keeping the headcount in contact centers to a few hundred agents or less, managers can give all agents the attention they need to succeed. With only one or two client programs per site, agents come to identify with their project’s brand and deliver service comparable to an agent working directly for the client in-house.

- **Geographically Flexible** – Mega-outsourcers need to keep their mega-facilities fully staffed with affordable labor at all times in order to remain profitable. As a result, they are often forced to locate their sites in large metropolitan areas or crowded offshore locations. These places may provide an ample supply of “bellybuttons” to fill seats, but quality and experience often fall short. Mid-sized Customer Solutions Providers, on the other hand, have much more flexibility when it comes to location. Without the need to keep 1,000+ seats filled at all times, these firms can place facilities in areas that are well suited to drawing the best people with the right skill sets for their clients’ projects.
A Model Mid-Sized Customer Solutions Provider: The Results Companies

Results is a customer contact solutions organization that provides services to a wide range of companies through over 5,000 customer contact agents located in 12 domestic and international locations worldwide. Originally established in 1990, the company changed its primary focus in 2006 from outbound sales to customer support and inbound solutions. From this point on, the company increased its revenues from $28 Million to nearly $100 Million.

With a foundation rich in technology and innovation, Results has developed systems to improve call management, enhance service, increase performance, and deliver an ideal end experience to the customer on every call. Results’ executives are renowned in the customer contact industry for their high level of personal involvement with clients and their open-door policy.

Results’ Domestic Centers

Results’ domestic business model is based on the concept that it is most effective to operate a number of interlinked centers in less densely-populated areas that are the right size for the projects at hand. This stands in contrast to the “mega-outsourcer” model of operating massive centers in metropolitan locations. The Results model creates a contact center culture that revolves around maintaining customer satisfaction, as well as exceeding client goals.

• Top Employer – Results selects center locations where it is able to become a leading employer in the community. This strategy allows Results to find agents and managers that view working with the company as a career rather than a transitional job.

• Lower Attrition/Higher Retention – The desirability of employment as a Results agent translates into a markedly lower level of attrition as compared to the typical large metropolitan call center. Results selects locations for its centers in which being an agent is a position that people go out of their way to obtain, view as permanent, and do whatever they can not to lose. So once agents start working at a Results center, they stay for a very long time.

• Culture of Caring – Results believes that customer service agents are the voices and hearts of clients in the minds of their customers. Because of this philosophy, Results chooses areas for their domestic centers that are inhabited by people with a strong work ethic, friendly attitude, and empathetic outlook.

• Career Development – Results’ employees have risen from positions on the call floor to high-level executive management. Agents learn about the possibility of growth early on, and site leaders reinforce this message as often as possible.

• Abundance of Eager Quality Agents – Unlike most large metropolitan call centers that struggle to fill vacant seats, Results’ domestic contact centers often have to turn away candidates. Site directors and Human Resources managers know their communities inside and out, which allows them to find the right people for the right positions whenever necessary.
Results’ Global Presence

Results has developed an approach to setting up call centers that it calls “right-shoring.” The company locates its sites outside of the US in areas selected on the basis of the availability of employees with top-tier English language ability and cultural affinity with the United States.

Facilities include the Silver City, Eastwood, and Q Plaza locations in Manila, Philippines. Each facility undergoes an in-depth analysis to ensure that the sites are desirable work environments easily accessible by public transportation, but far enough from popular call center hubs to avoid the problem of an overly competitive market. Another Results location is Hermosillo, Mexico, which is located only three hours by car from the Arizona border.

There is extensive screening of all international agents to ensure they have the ability to communicate with customers on a level that is on par with, or exceeding that, of agents in domestic call centers.