SMOOTH HANDOFF

Steps to make sure your switch to outsourcing goes off without a hitch

By Carol Tice

Choosing an outsourcer to handle your call center's quality monitoring is often a long and complex process. Once a decision is made to outsource, different possible vendors are compared and questioned in an effort to find the best fit to a call center's needs, budget, and technology.

When a company finally makes a decision on a third party to handle quality monitoring, there can be a tendency to want to move on. Visions of the time about to be freed up by offloading this task begin to dance in manager's heads.

But really, the journey to a successful outsourcing relationship is just beginning. Making the switchover from doing quality-monitoring inhouse to using an outside company can be full of unexpected problems and hitches if it isn't well-planned and closely monitored, says Brad Peterson, partner in Chicago law firm Mayer, Brown, Rowe & Maw, which specializes in outsourcing issues.

Clear expectations, a strong, committed transition team, and a well-thought-out changeover plan both sides understand can help make the transfer go smoothly, Peterson says.

Key points on the road to a successful transition:

Map out a timeline. It's important to agree on dates when various handoff metrics will be achieved. When will your inhouse managers stop monitoring calls? When will you first get data? How long of an overlap period do you want, where both the company and the vendor will be monitoring calls? Be sure everyone is clear on an expected timeline for when the vendor will assume responsibility for various tasks, says Peterson.

A clear contract. Your contract should be detailed and spell out everything your company expects the vendor to do. Pricing should be clear. The company should have clearly delineated rights to pull the plug on the relationship if certain metrics aren't met, Peterson says. Penalties for poor performance, including payment credits, should be spelled out. The vendor's responsibilities to fulfill the contract should be clear. "You need to assure yourself your supplier cannot walk away from providing the services," he says.

In "Outsourcing—Maximizing Value and Avoiding Pitfalls," an 80-page guide put out by Peterson's firm, dozens of possible contract points are outlined, from future price hikes, to spelling out incentives, quality assurance measures, defining service levels and more. Taking the time to hammer out a clear contract will pay off in fewer misunderstandings later.

Nail down the details. The outsourcer needs to understand everything about your business, from details about what products or services will be discussed on calls to your expected call volumes, Peterson notes. For example, will there be peak periods when you are running ads that might generate high volumes of calls, during which you'd like more monitoring? The vendor needs to know.

Calibrate. When the vendor begins doing monitoring, there should be an overlap period where the call center continues doing its own monitoring, says Tim Searcy, CEO of the American Teleservices Association (ATA) in Indianapolis. Then this data can be cross-compared and further training implemented until the vendor's workers are creating evaluations on a par with those being done in-house. During this period, there should be a high volume of monitoring too, to gather more data to compare.

"If you'd normally have two sessions a week monitored, the first week you have eight sessions," he says. "You get an ingrained knowledge that way, when it's repeated a lot. You can't teach age – sometimes experience just comes from repetition."

Who will manage the vendor? Though the outside company will now be doing the bulk of the work involved in quality monitoring, someone at your call center will still need to closely monitor the quality of the work that company is doing. You've defined what you expect your outsourcer to do in terms of call monitoring, and outlined what performance benchmarks they'll be expected to meet. Someone at the company needs to continually review whether the vendor is meeting those expectations.

A call-center manager needs to retain an active role in directing the outsourcer's work and reviewing progress, says Keith Fiveson, managing director and CEO of New York City-based global-sourcing consulting firm

Itesa. "When's the last time 'Just sit back and I'll handle your life' has worked?" he asks. "You need to establish who is driving the process."

Peterson agrees. "You need to do quality assurance on your quality-assurance consultant, so you can be sure you've actually solved your problem."

Shifting jobs. Often, a decision to outsource means a number of workers in-house are being laid off. It also means uncertainty and a potential threat to the power of managers who previously oversaw those workers. Dealing in a forthright way with those job changes will help avoid morale problems with the employees that remain.

Fiveson notes sometimes that previous department managers are sometimes interested in a new challenge, and can be ideal to put in charge of managing the outside quality-monitoring vendor. But other times, it would be more prudent to perhaps seek another management position for them in another part of the company and look around the organization for someone who might better spearhead the project. He says, "There's always the opportunity for rebadging."

Sometimes the outsourcer may want to hire some of the people being laid off, or the manager formerly in charge of overseeing the department. Fiveson notes this can be a positive outcome for both the company and the outsourcer.

Dealing with change. You've set a schedule of how many calls a week your outsourcer will evalute per agent, and what they will listen for and grade in those calls. But new products, promotions and federal regulations occur nearly every day. You'll need to establish a communication pipeline both sides understand for how the paper trail will flow, so that call evaluators always have the same information as agents talking to customers back home.

"If it isn't legal to call Louisiana and make a pitch, but then a new law passes and it is, everyone needs to have that information at the same time," Searcy of ATA says. "If [your vendor's agents] ding you for doing it, everybody's chasing the wrong information."

Who owns what. If new intellectual property is created in the course of servicing your account, who owns it? This thorny question needs to be hammered out in advance, says Mayer, Brown's Peterson.

Document everything. If you decide down the line you want to use another vendor, a second switch will be easier if you have documented all your expectations, policies and procedures around the outsourced task, Peterson notes.