

What is the impact of homeshoring

Patrick van Blarcum, Oracle



Homeshoring, made feasible by the widespread adoption of broadband, has revolutionised the contact centre industry in little over five years.

Primarily driven by the high cost of having a centralised, UK-based contact centre, homeshoring is finally being recognised for its ability to lower capital costs and staff turnover, without having to outsource abroad.

Contact centres have traditionally been reluctant to embrace the concept of homeshoring for fear of relinquishing control of staff, team spirit and quality of service. This is no longer the case. Today, companies can retain the same level of visibility of agents, promote a team spirit and incentivise – while at the same time empowering staff with the information they need to provide exceptional customer service from any location. Previously, this was impossible, but technology has finally matured to a stage where it can now offer businesses a genuine commercial advantage.

Homeshoring is opening new markets and opportunities for businesses. Hiring independent, specialist consultants, sometimes up to only 15 minutes a day and in the comfort of their own home, is now becoming commonplace. With staff turnover reduced by up to 60% through homeshoring, the industry is beginning to appreciate the rewards of employing a widely-dispersed but highly-skilled workforce.

One of our customers, LiveXchange, uses our contact centre technology to do just that. It has a remote workforce of 25,000 member agents located

throughout the globe. Negating the need for a physical contact centre has led to \$1m savings in the first six months, with an additional 60% reduction in call costs and a further 60% reduction in training time. Examples such as this highlight just how much homeshoring is re-shaping the traditional model for contact centre operations.

With a backdrop of high UK labour costs, competition from abroad and the growing need to provide staff with the flexibility they demand to work around their own time constraints, homeshoring has evolved from simply accommodating individual needs to offering a genuine commercial opportunity. Finally, companies have the chance to re-invest in a UK workforce, without suffering the financial setbacks.

Patrick van Blarcum has been working in the Contact Centre market for 12 years in various pre- and post-sales roles for a Telephone Switch vendor, a CTI middleware vendor, and a CRM vendor. In his post-sales role he implemented large enterprise contact centres including those for Nokia and Reuters. Today, Patrick van Blarcum is the Contact Centre Product Champion for Oracle EMEA, where he is responsible for the direction and positioning of Oracle's Contact Centre Product line across EMEA.

Erica Swales, Ventura



Off-shoring, near-shoring, home-shoring... I'm not sure which shore we'll be heading for next. However, one thing is for certain, wherever it is, I am sure it will create a debate of its own.

The debate around homeshoring has sprung to prominence over the last few years and there are strong cases both in favour and against it. The pros and cons are well documented and can be easily found through a quick internet search; they range from reduced commuting on one side to data security issues on the other.

In terms of what impact it is having on the contact centre industry I would say it is currently limited. Rather than being the future of the contact centre industry, homeshoring adds another option for organisations to consider, it provides further choice.

Look back at the start of the off-shoring era: it was billed as the future of the industry and the demise of the contact centre worker in the UK, but this hasn't been the case. Off-shoring has provided organisations with a choice. At Ventura we run a number of successful operations for our clients from India, but at the same time we know that it's not for everyone – or every service.

Homeshoring must be viewed in the same way. From our perspective as an outsourcer, it provides another operating model to offer our clients; it isn't going to suddenly make the contact centre

on the contact centre industry?

industry change unrecognisably. For some of our clients it may not be possible: for example, those with financial regulation – it may be too risky and the traditional contact centre environment is more secure.

Look at the US, where homeshoring is a more established practice. Industry reports suggest there are around 100,000 home agents. However, compare this to the four million who work in traditional contact centre operations and you see even here there is not a major step change in terms of the industry make-up.

For homeshoring to make a major impact in the industry, it will require a change of mind set, and in most cases, of business model. It requires rethinking the way our organisations work, how we manage people remotely, through to the health and safety considerations of people working in the home.

The technology is available, the case is compelling and in pockets people are proving it works but for homeshoring to make a large scale impact there remain many questions to answer and just as many hurdles to get over. Until then, homeshoring sits with in-house, outsourced, offshore and near-shore – it provides organisations with a choice.

Erica Swales is Ventura's Operations Director, responsible for the UK and India. As a passionate leader, Erica manages her extensive operations team to deliver exceptional customer service on behalf of our clients, putting their satisfaction at the heart of the business. Erica has worked at Ventura for nine years as General Manager and as Head of Operations.

Paul Clark, Plantronics



Homeshoring is not yet common practice in the contact centre industry, but it is the next logical step in call centre innovation and will make the landscape much more competitive. The move to bring jobs back to the UK, as evidenced by Orange recently, rising fuel costs and the need to lessen impact on the environment and combine low cost staff processes with a quality service are all factors which will make companies seriously consider homeshoring as a viable choice.

Homeshoring is a valid option for business. Evolving technologies like wireless headsets have given staff more freedom as to where they work, while personal cost reductions and the motivational effect of home-working contribute to reduce the staff churn that is a blight on many contact centres. BT has noted, for example, that churn drops by 10% and absenteeism by as much as 60% among home workers. Comfortable, motivated workers, unencumbered by the noise, lack of privacy and the environmental concerns that affect many contact centres, are exponentially more likely to do a better job not only for your company but also for your customers. At a time when no company can afford to be spending money on recruitment, home shoring is a retention model that works while also expanding the geographical range staff can be sourced from.

Technology is driving the trend.

Broadband is now a ubiquitous commodity, and there are no barriers to setting up call centre quality headsets which meet legal requirements in the home environment. Plantronics itself has seen a number of requests from the largest contact centres for headset appreciation days for example, training staff on the technology itself, its value and how to look after their headsets, so even maintenance is not a problem.

Companies also benefit from the lessened need for commuting and premises, not only through reduced costs but by improving sustainability. Less travel reduces the company carbon footprint. In a climate where the environmental strengths and weaknesses of a brand are closely scrutinised, homeshoring can really benefit an organisation's green credentials.

If staff are given the right support and technology, homeshoring can make businesses much more competitive. Cost-savings, staff retention and a better carbon footprint are all achievable with the right technology and company culture.

Paul Clark heads up the Sales and Marketing division for all Plantronics Business Solutions in the UK and Ireland and is responsible for both business growth, development and a team of 24.

Joining Plantronics in 1994, Paul was promoted to EMEA Marketing Manager in 1995 and launched the industry's first headset reseller programme in 1996, which is now used as a benchmark within the industry. In 1997 he was promoted to EMEA Marketing Director and strategically launched Plantronics Computer and Mobile products into the retail sector.