OUTSOURCING MADE EASY by Conectys

THE BPO PROVIDER SELECTION
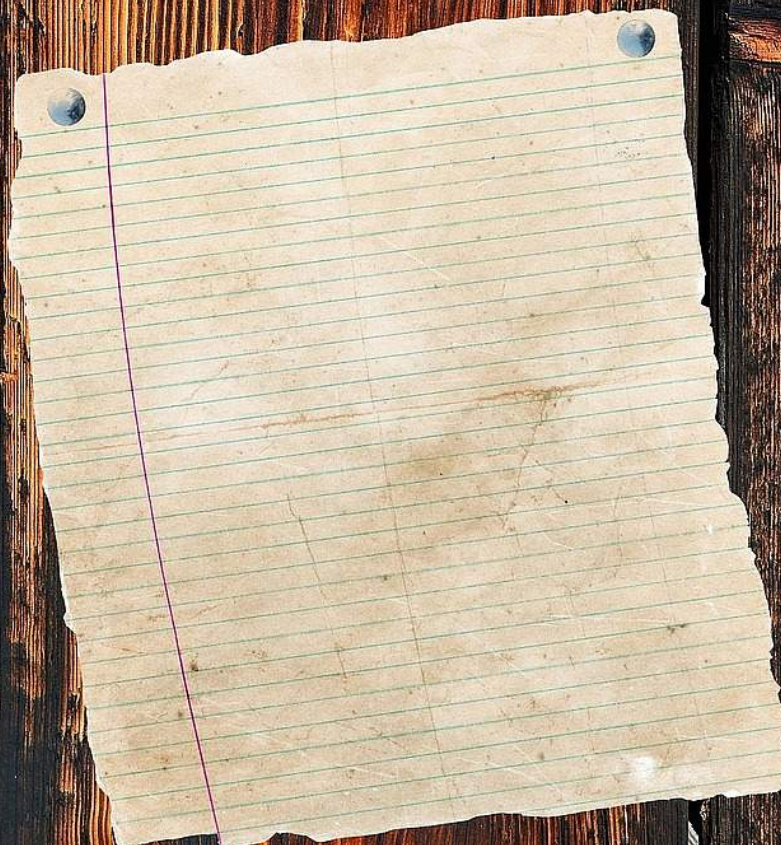# WORKBOOK ✓

conectys
multilingual **people** services

TABLE OF CONTENTS

INTRODUCTION

The most successful outsourcing collaborations are those where the client and the provider are fully aligned, and propelled by the same goals.

It takes open and honest communication to achieve the required level of understanding, both from a business and from a cultural standpoint. Because of that, the outsourcing provider selection process can be time-consuming, but it pays off tenfold in the long-term.

Everything, from the overall strategy down to the smallest technical detail, needs to be analysed before you settle on a provider and the service package they offer. You need to help potential partners understand your needs first, and then compare their experience and capabilities against a clear set of criteria.

Asking the right questions is paramount to the success of the process. That is why we have put together a workbook explaining the 33 aspects you should discuss with any prospective Business Process Outsourcing partner.

The list is by no means exhaustive. Your particular business model or industry may need you to ask for other types of information from your future partner. This workbook is simply a good way to spark a relevant and mutually productive conversation.

Read this workbook to understand why these 33 questions are important, and use the tear sheets at the end to keep track of discussions.

Good luck in your BPO provider selection process!

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BUSINESS OVERVIEW

What examples of value delivered to your clients can you give us?

Outsourcing began as a way to drive down costs and improve service quality by hiring off-site partners. Business Process Outsourcing providers have access to more resources than regular companies. Their experience leveraging multi-client projects and multicultural teams enables them to tailor their services to your particular needs. If they helped their clients expand to new markets, streamlined their processes, or implemented the latest customer satisfaction metrics to provide real-time insights into the customer experience and drive improvement and customer loyalty - you want to know about it.

Which relevant customer references can you give us?

Chances are that providers which have been around for longer than a year or two have some experience in your industry or a similar one with significant overlap and transferable skills. While some providers cater to several industries, others focus on a particular one. Either way, they should be able to tell you about their experience with comparable companies. Depending on the existence of a Non-Disclosure Agreement or other privacy-related measures, they might even put you in contact with some of their clients.

Which industry-relevant certifications have you acquired?

When discussing certifications, each industry has its own standards and certifications, from the more general ISO 9001:2008 for quality management systems, and ISO 27000 for security management, to the HIPAA certification characteristic of the healthcare industry. You want to see that the provider you are evaluating has invested in aligning itself to industry standards and certifications. All the better if they are directly relevant to your business.

What form of industry recognition have you received?

Industry recognition can come in many forms. It can mean awards, prizes, analyst rankings, steady contributions to industry publications and more. While awards cannot guarantee the success of your collaboration with a particular outsourcing provider, they do prove best practice, efficiency and business acumen, three of the marks of a strong, possibly game-changing business.

What is your global presence?

One of the main reasons for outsourcing to an external service provider is the possibility to expand to new markets at lower costs than with in-house resources. The way BPO providers lower your and their own expenses is by opening operational centres in various multilingual, multicultural and cost-effective locations around the globe. From Eastern Europe to the Philippines, you want to make sure the provider has a strong global presence and access to the right local resources to support you.

What is the scope of the services you can deliver?

When you begin an outsourcing relationship with a provider, you usually have a specific need in mind. Even so, by asking about the breadth of services a BPO can offer, you can evaluate the potential for expansion to other lines of business. The outsourcing company's experience and capabilities within different sectors and types of services (from customer service, to content moderation, document processing, infrastructure management and others) will have a positive impact on your ability to shift more services without the burden of new vendor evaluations.

What is your expansion strategy?

A successful provider is one that constantly evaluates opportunities to expand to new locations in order to tap into native language resources and special skills, lower their labour costs and offer more competitive services. Listen to the prospective vendor's expansion plans to see what they seek to achieve where, and how that might help your company.

What is your company's strategic vision?

A BPO provider's expansion strategy is usually guided by an overall strategic vision that dictates where the company wants to be within a given time frame and how it plans to achieve those goals. Discuss the vendor's strategic vision to discover what that company's DNA looks like: their values, business interests, targets, level of organisation and potential for growth.

What examples of co-investment in client partnerships can you give us?

An outsourcing partnership is one of the most complex and intimate relationships you will have with a service provider. As their teams effectively become your teams, they need to understand the ins and outs of your company, absorb your values and culture, and interact with your customers and products as if they were their own. To make the process easier, BPO providers invest in optimised activities, tools and people. Has the provider you are evaluating included clients in the decision-making process? Has it managed buyer-side risks and collaborated to create value?

How are you different from other service providers?

When you ask this, you want to discover what a certain provider's Unique Selling Proposition is. The main aspect that distinguishes them from the rest of the BPO pool - a particular blend of resources, innovation achievements, award-winning processes, deep experience in a particular industry or an unfaltering dedication to giving back to society through CSR activities.

PEOPLE

What recruitment, training and engagement processes are available?

Even as automation picks up speed, people continue to be the most important resource. That is why you want to know what processes are in place to ensure efficient and tailored recruitment, what types of training the provider currently use and what measures they have taken to turn new employees into long-term assets for the company. Handpicked, well-trained, satisfied employees work better, are more accurate and are willing to share improvement suggestions. A provider should always value their teams and reward them fairly and consistently. By asking this question you might even learn a few handy techniques to apply in-house.

What is your approach to building a collaborative environment?

Outsourcing projects can involve small groups of a few specialists, going up to a few hundred highly trained employees dealing with a wide range of processes, acting together as one entity. Collaboration is key, beginning with the CEO, and ending with the individual team member. Smart providers encourage collaboration by ensuring ongoing support through training and management presence on the operational floor, and implement a healthy cycle of feedback and improvement.

How many employees with relevant experience do you have?

If the provider has previous experience with similar companies or industries, you may rest assured that they have both the human and organisational resources to support your activity. If their experience is limited, ask about transferable skills and training paths that can be upgraded to cater to your particular needs. Existing employees with the required skill set are a definite advantage when it comes to onboarding your project speedily and safely. They will be quicker to align themselves with your brand and deliver value beyond KPIs.

PROCESS

How is your onboarding process structured?

A clear and reliable onboarding process is a must-have. It is the blueprint for transferring your in-house operations to an outsourcing company. It must be unequivocal and precise, and should include an extensive information exchange step, a solution development stage, thorough testing prior to go-live, and continuous monitoring after the project launch. Regardless of the actual number of stages, the onboarding process should flow organically from one step to the next as the outsourcing relationship deepens. If you need to see an example, check out our **infographic**.

What is the timeline for onboarding a new project?

How fast do you need your outsourcing team up and ready? How fast can the provider deliver within the project requirements? For the most relevant comparison, you should also know how long it would take you to deploy the same solution internally. The provider's answer is only the beginning of this vital discussion. Be realistic when analysing your needs and time constraints. That will enable you to be realistic when judging the various capabilities of the vendors on your selection list. Be sure to consider alternatives, such as the possibility of a staged deployment for better outcome control.

What is the timeline for expanding an existing project?

Should your collaboration be successful, you might also need to consider what happens when your need grows or if you want to send more processes the BPO provider's way. If that is the case, how soon can they accommodate new activities? Can they do skill-based employee transfers with minimal retraining, or do they need additional time to train new assets? You need to know what steps are necessary in the case of a Scope of Work expansion, and how to grow your project and vendor relationship.

What innovations have you developed for your clients?

Everyone needs innovation. But this elusive concept can take on many shapes and can relate to processes and technology alike, from workforce management, to quality assurance and reporting, to best practices, platform integration, intelligent automation and cloud capabilities. Client-focused innovation is a sign that the provider is invested in the success of its clients as much as it is invested in its own. It shows a willingness to think outside the box and challenge the status quo.

Which KPIs can you deliver relative to our project requirements?

When it comes to outsourcing, BPO companies use Key Performance Indicators as project beacons. Depending on their specialism and the project characteristics, providers should be able to measure anything from Customer Satisfaction, to Net Promoter Score, Customer Effort Score, Quality Score, Brand Protection Score and more. Discuss the KPIs that matter to your business and learn as much as you can about the provider's current capabilities and plans to improve.

What communication model do you use?

Communication is vital in outsourcing relationships. From the first contact, to negotiations, right until the project launch and, of course, throughout its life. Here you want to find out more about the transparency of the provider - will you have easy access to your team, the Project Manager, Account Manager, and even a C-level escalation point? Will there be calibration calls weekly, monthly, yearly or all of the above? The intent is to gauge how responsive and reliable the provider is as a rule and what the protocol is for emergency situations that require quick action on both sides.

What reporting processes and tools do you use?

In business, you rely on transparent, real-time and scheduled reports to evaluate the evolution of a product, project or partnership. In outsourcing, reporting is particularly important, as the results do not only impact the provider, but also the client. Accountability and accuracy should be the defining traits of BPO reporting and, for best results, full transparency is a must. Some providers will go as far as to offer you automatic KPI mishap notifications and dashboards tailored to your specific requirements and brand value definition.

How do you encourage continuous improvement?

Whether it targets people, process or tech development, a provider interested and actively involved in improving its capabilities is, generally, a company you want to work with. Continuous improvement does not happen by itself - it is the result of careful research, analysis and change management. A good BPO provider that constantly benchmarks its services against industry standards and finds new, creative optimisation solutions will ultimately benefit its clients through increased productivity, quality and innovation.

How do you manage quality for your clients?

Measuring quality is not as difficult as you might think. In this day and age, outsourcing companies have proprietary or third party quality scoring tools that help them measure the value their services bring to your end-customers. You want to look for providers that have plug-and-play quality scales where you can choose the metrics that are most relevant for your business and the minimum percentage of transactions to be analysed.

TECHNOLOGY

What is the recommended technical setup for our project?

Depending on your location and the communication channels you connect on with customers, you want to make sure the provider you choose has the technical ability to support your requirements. From hardware and security setups, to telephony systems, cloud-enabled technology with enough storage capacity, and responsive tech teams ready to assist in the case of a mishap, you should always ask for nothing less than the latest and greatest.

How do you ensure Business Continuity and Disaster Recovery?

Where will you be when disaster happens? No one wants to be in one, but you need to think about the worst case scenario. While it will probably never come to happen, you and your provider of choice should have a well thought out plan in case of emergencies. What happens to your customers in case the provider is affected by an earthquake or a flood or even war? Can activity be rerouted real-time to a different location or to you? Will there be someone to answer the phone or reply to e-mails and social media comments? How fast will they be able to recover to full capacity?

How do you ensure project security?

Regardless of the industry or sector you work in, data security is bound to be one of your main concerns when it comes to customer support, tech support, infrastructure services and even document processing activities. Outsourcing providers need to guarantee your project's data safety which, depending on the business profile and local laws, they might ensure through private working areas, electronic passes, surveillance cameras, activity tracking, encrypted backups and so on.

What knowledge management systems do you use?

When you outsource a part of your company to an external service provider, a process of knowledge transfer takes place, through which the BPO teams seek to become accustomed to and master your processes as proficient as possible. Their learning can also help you establish and manage a company-wide knowledge base accessible to all your employees that beams updates as they happen to all involved stakeholders. It is important to discuss these options with providers, as they might have more flexible systems already in place.

Which forecasting, scheduling and related tools do you use?

One aspect outsourcing companies master early in the game is forecasting. The need to know the volumes of activity to schedule existing resources and acquire new ones means that most providers will have highly advanced forecasting tools and techniques to deal with seasonal spikes and unforeseeable events. Do they also use proprietary CRMs for omnichannel communication with your customers or third party tools such as Zendesk, Salesforce, or specific SAP ERP instances?

COMMERCIAL

What would the solution's cost structure be?

When you ask for a price quotation from a BPO provider, make sure you are given the full cost structure with everything that is included defined clearly. Prices may vary from provider to provider as some will include services the others do not, such as office space and utilities, hardware and IT support, telecommunication tools and management overhead. Be weary of hidden expenses and do not postpone the money talk. It can shed some light on the way that outsourcing companies work and what their long-term financial goals are, as well as their willingness to negotiate and share some of the risks with you.

Which delivery model do you propose based on our requirements?

In the case of delivery models, it is best to go for bespoke and flexible. By laying out all your specific needs on the table, you give your partner the opportunity to leverage all their experience in designing the perfect, custom delivery model, unique to you and the challenges you face.

What are your company's structure and financial strengths?

What structure do the vendors on your list boast? Are they tall, flat or informal? Do they have a centralised organisational matrix or, on the contrary, a decentralised one? The answer to this question will tell you a lot about the way in which employees communicate and pass on information, about their involvement in the decision making process, the speed at which you can expect business to proceed and how the company's structure helps them be financially competitive.

Do you support outcome-based and gain-share cost models?

The as-a-Service economy has come knocking on every company's door. Along with numerous benefits, it comes with a few challenges. Two of them are adopting an outcome-based focus and a gain-share cost model. Outcome-oriented BPOs will concentrate on delivering the highest value to your company and end-customers, helping you maximise your revenue and market coverage. More and more outsourcing collaborations move toward charging by gain-share - payment based on the value delivered by the provider beyond KPIs, by virtue of their expertise, which contributes to your company's success.

CONTRACTUAL

Which documents are part of your Due Diligence?

Often there is an entire range of documents that need to be drafted and shared before inking the agreement between you and your BPO partner of choice. It's good to have a general idea from the start on what the provider expects from you - be it an MSA, Scope of Work, Quality Grid and so on - and benchmark their requirements against your own Due Diligence. That way you will be able to set the right expectation for your Legal department, with ample time to meet deadlines.

What are your high level contractual terms?

Before you get around to signing the contract, you should first find out the contractual terms put forward by the outsourcing vendor. Is there a minimum contract duration? What are the terms for termination? What happens in case of a KPI mishap? Is there a Non-Disclosure or Non-Compete Agreement? Does the provider have any requests that your Legal department needs to pay special attention to? Does your company require a particular clause to be included in the contract? This topic should be discussed thoroughly before making any decision about a potential outsourcing collaboration. When the last detail is settled and the papers are signed, it's time to enter the onboarding process at full speed.

THANK YOU!

Deciding on a specialist BPO partner to support most or just some of your activity is as complicated as you make it. So make it easy.

Ask the right questions and you will increase your chances of choosing the perfect business partner.

You may want to adapt these 33 questions to your particular case or use them as they are on the tear sheets that follow.

We wish you the best of luck in your search for the right outsourcing partner.

About Conectys

Conectys is an award-winning leader in multilingual BPO services. Its specialised outsourcing capabilities and investment in the Business Process-as-Service outsourcing model set it apart from its competitors and create brand value for global players in 35+ languages.

Conectys combines talented multilingual and multicultural teams with effective quality processes and an innovative ConectysOS, a proprietary cloud-based platform, to deliver new levels of service personalisation, customer satisfaction and profitability.

Conectys has facilities in Belgium, Romania, the Philippines and Taiwan (ROC), as well as a secure Work from Home delivery system, providing a global footprint and international scale to Telecommunications, Finance, Travel, Hospitality, Gaming and Entertainment companies.

Conectys is ISO 9001:2008 certified and PCI DSS Compliant.

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	Provider #1	Provider #2	Provider #3
What examples of value delivered to your clients can you give us?			
Which relevant customer references can you give us?			
Which industry-relevant certifications have you acquired?			
What form of industry recognition have you received?			
What is your global presence?			
What is the scope of the services you can deliver?			
What is your expansion strategy?			
What is your company's strategic vision?			
What examples of co-investment in client partnerships can you give us?			
How are you different from other service providers?			
What recruitment, training and engagement processes are available?			

	Provider #1	Provider #2	Provider #3
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How many employees with relevant experience do you have?			
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What is the timeline for expanding an existing project?			
What innovations have you developed for your clients?			
Which KPIs can you deliver relative to our project requirements?			
What communication model do you use?			
What reporting processes and tools do you use?			
How do you encourage continuous improvement?			
How do you manage quality for your clients?			

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What would the solution's cost structure be?			
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What are your company's structure and financial strengths?			
Do you support outcome-based and gain-share cost models?			
Which documents are part of your Due Diligence?			
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