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Outsourcing on the Home Front

By Jeremy Smerd

At-home call agents are paid less than their counterparts at call centers, but what they lose in pay they make up in savings on transportation, food and time, the agents say. The job appeals particularly to stay-at-home moms and older workers. The economic downturn has meant an abundance of well-qualified workers with college experience.

Unlike Indian outsourcing companies, domestic outsourcing firms, which use customer service agents who work from home, have found their business has picked up in recent months. "We're finding the economy to be good to us," says Rob Duncan, COO of Denver-based Alpine Access.

Angie Seiden, chief executive of Miramar, Florida-based Arise, whose home-based agents work as independent contractors, says half of new potential clients are re-evaluating their commitment to India. Of 47 current clients, six have pulled back from outsourcing their call center work to India, most in the past year, Selden says.

Selden says rising unemployment in the U.S. has been a boon to her workforce. In 2007, 62,000 people made inquiries into working at home as call agents; in 2008, that number was 110,000.

"We've seen an unbelievable increase in the quality of talent -- a significant uptick in sales acumen, professionalism and business knowledge," Seiden says.

One reason these companies are increasingly competitive, executives say, is that they have a workforce they can draw upon from anywhere in the country. The workers are motivated, well-educated and mostly female.

Duncan says the economic downturn has meant an abundance of well-qualified workers -- 85 percent of whom have some college experience -- to meet the needs of businesses more concerned than ever with customer satisfaction and increasingly sensitive to keeping jobs in the U.S.

"No executive wants to be seen as adding fuel to the fire of unemployment," says Peter Allen, a partner with global sourcing consultants TPI. "If there is a domestic option, executives will take it."

Maria Felton, a 42-year-old mother of three, works as a customer service agent from her home in Centerville, Maryland. To become an agent for Arise, she had to form her own business, pay a few hundred dollars for a background check and training, and spring for home-office supplies like a dedicated phone line, broadband Internet and a computer. She remembers some of her first calls.

"People would say, 'Oh, thank God, you are not in another country,' " she says. "They were just happy that I didn't have an accent and they knew they were calling the States."

The job's flexibility is one reason why home-based customer service agents have lower attrition rates, executives say. Felton has a master's degree and is planning to keep her job while going to law school. She chooses to work early in the morning or late at night, when her children -- and her barking dog -- are asleep.

At-home call agents are paid less than their counterparts at call centers, but what they lose in pay they make up in savings on transportation, food and time, the agents say. The job appeals particularly to stay-at-home moms and older workers. Eighty-seven percent of Alpine Access' agents are women whose average age is 41, the company says.

One Alpine Access agent is Lillian Crosby, 30, a mother of two children. Crosby used to work at a call center, but now she works from home in El Paso, Texas. The shifts in the economy have lifted Alpine's business, but Crosby feels the pressure it's putting on some of the people she talks to, especially if she is trying to collect on debts for a credit card company client.

In such cases, she finds that her work requires more than following the usual call center script.

"The last few months, because of the economy, I'm hearing a lot more personal stories," she says. "My job is to listen to the customer and find out what's happening, so we know what to do to help them out."