



Case Study at a Glance

Leading South Africa-based global contact center turns to impact sourcing to help scale its labor pool by accessing untapped talent and achieves significant results:

- Reduced attrition
- High morale and work ethic
- Equal or better performance and customer experience outcomes

Passion to Perform

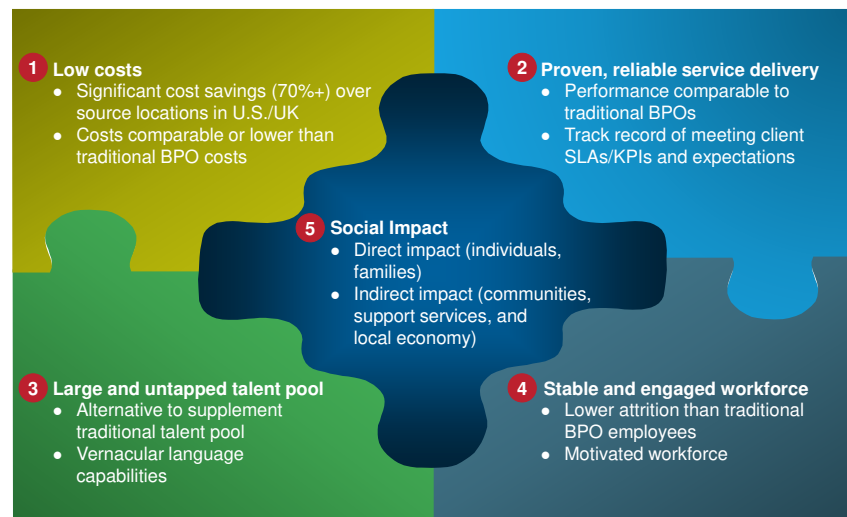
Teleperformance Business Imperative Improves Service Delivery and Drives Social Development through Impact Sourcing In South Africa

Introduction to Impact Sourcing

Impact Sourcing (IS) is a business process service delivery model that provides quality and cost at parity with traditional BPO services, but with optimized enhancements such as:

- A qualified, trained, untapped talent pool with skillsets aligned to match client needs,
- Lower attrition rates and higher corresponding levels of employee engagement, and
- Opportunities to fulfil corporate social responsibility and diversity objectives while operating within a traditional BPO framework

Value Proposition of Impact Sourcing



This document highlights several elements of impact sourcing value proposition, such as **reliable service delivery, stable and engaged workforce, and social impact.**

The Backstory

Teleperformance South Africa (RSA), a leading global contact center in South Africa that serves clients in the Americas, the UK, and South Africa, found itself wanting to seek new and effective solutions to an increasingly pressured South African labor market. Concerned about skills development as the industry expands and keen to achieve its own growth goals on an ongoing basis, the company sought a solution that would meet both its talent needs and its quality requirements. Teleperformance RSA identified impact sourcing – which could provide expanded access to talent, resulting in a larger, more balanced total employee pool – as a solution to its challenges.

Impact sourcing has had a promising start. Teleperformance RSA has experienced **lower attrition and higher motivation to deliver** among impact workers versus traditional BPO workers – and at a total cost of ownership comparable to traditional BPO workers over the long term.

Why Impact Sourcing? A Triple Win

South Africa has a large population of young people who, disadvantaged by their socio-economic background or health status, plus lacking technical skills and work experience, are unemployed. Teleperformance RSA **saw potential in this untapped talent pool**, hypothesizing that these youths could be trained and molded into valuable assets. Once trained they would be more likely to stay with Teleperformance RSA for longer than their peers from other backgrounds and deliver a differentiated service experience following the initial investment and once provided the opportunity to work.

The impact sourcing option offered a potential triple win: young people would find **employment enabling them to elevate their lives by socio-economic improvement**; Teleperformance RSA would expand its pool of trained, committed talent; and, **the community would benefit from the economic and social stability afforded by an improved employment rate.**

Addressing an Impact Sourcing Challenge: Preparing Talent

With the decision to test impact sourcing made, Teleperformance RSA still faced a significant hurdle: how to identify, assess, and train these workers, and particularly at a cost on par with traditional BPO workers.

To address this challenge, Teleperformance RSA formed a partnership with Harambee Youth Employment Accelerator, a non-profit organization that works with employers to deliver work-ready young people who have been locked out of the formal economy. Harambee's – bridging training program instills the necessary behaviors and competencies to prepare trainees for work in the BPO industry.

Teleperformance RSA then supplements this initial training with a two- to four-week program that offered process-specific training needed to perform particular jobs.

"Passion to perform among these workers has helped us in achieving customer satisfaction and freeing up managerial bandwidth."

– General Manager,
Teleperformance RSA

"The average attrition rate for impact workers remains lower compared to traditional BPO workers."

– General Manager,
Teleperformance RSA

Although this talent acquisition model had marginally higher up-front training and recruitment costs, Teleperformance RSA managers **believed that the overall benefits would outweigh those costs**. They carefully monitored and measured performance of impact workers versus traditional BPO workers to test their assumptions.

Impact Worker Performance: No Compromises

Teleperformance RSA utilizes extensive metrics (calls per hour, call classification, first call resolution, net promoter score, handling time) to measure and compare the performance of 12 impact workers with traditional BPO workers (33 in number), all belonging to the same team. Pilot program metrics demonstrated that, on most parameters, **impact worker performance is comparable to – or better than – that of traditional BPO workers**.

In average number of calls per hour (**Exhibit 1**), while impact worker’s performance initially trailed overall performance as this talent pool embed their new learning with effective multi-skilling, it improved over time, ultimately outpacing the overall average.

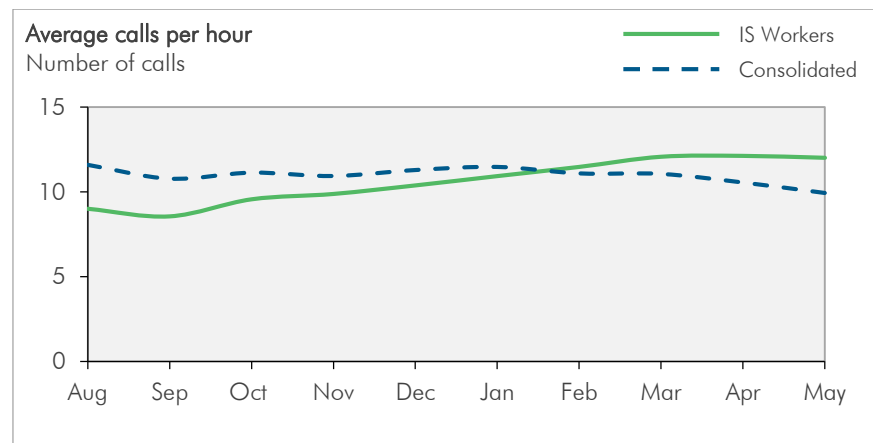
“Impact workers have high morale and their drive to achieve more is higher.”

– General Manager,
Teleperformance RSA

Exhibit 1

Average number of calls per hour indicates calls taken per agent per hour, taking into account login and wait time. **Impact workers show a steady increase in performance, outpacing the average over time.**

Source: Teleperformance RSA



Average handling time per impact worker (**Exhibit 2**) mirrored the overall average.

Exhibit 2

Average handling time measures time spent per call. It indicates call efficiency, agent efficiency, and customer satisfaction, and is a generally accepted metric for cost per contact. **Impact workers show comparable or better average handling time.**

Source: Teleperformance RSA

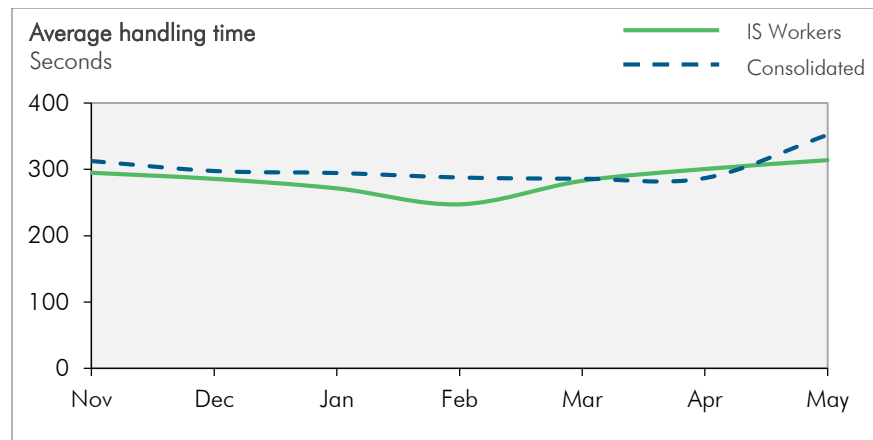
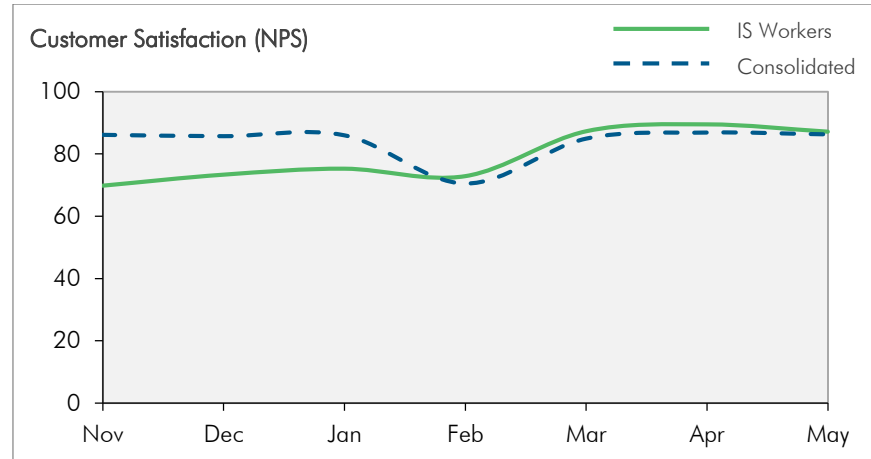


Exhibit 3

Customer feedback based on the question, “Was your problem resolved according to your expectations?” shows that **impact workers are performing on par with the other workers.**

Source: Teleperformance RSA



The Outcome: An Effort Worthy of Pursuit

The Teleperformance RSA impact sourcing program is considered a success. Teleperformance RSA realized a broad range of benefits, both anticipated and unanticipated, including an **improved attrition rate, operational efficiencies** – importantly in the area of customer experience driven by **high morale and work ethic** among impact workers, a resulting **bottom line growth, and social impact of improving lives of disadvantaged youth.** Following its successful pilot program, Teleperformance RSA management continues to hire more impact workers in SA and other centers across the globe.

About Teleperformance

Teleperformance is a leading global outsourcing company providing multi-channel experiences to consumers. Teleperformance has been providing customer care services for leading companies throughout the world since 1978, with expertise in many markets and verticals. It has 230 contact centers and has presence in 62 countries.

About This Joint Project between Everest Group and The Rockefeller Foundation

The Rockefeller Foundation has funded Everest Group to conduct an in-depth assessment of how the growth of impact sourcing can be accelerated using a fact-based business case that substantiates benefits of the IS model. This assessment includes sizing the market, profiling the landscape, detailing the business case, and creating case studies to raise awareness of IS in the enterprise buyer and BPO communities. Establishing the business case for IS will contribute to the growth of the sector, which means that more high potential but disadvantaged youth will have the opportunity for employment, improving their lives and the lives of their families and communities.

About The Rockefeller Foundation

For more than 100 years, The Rockefeller Foundation's mission has been to promote the well-being of humanity throughout the world. Today, The Rockefeller Foundation pursues this mission through dual goals: advancing inclusive economies that expand opportunities for more broadly shared prosperity, and building resilience by helping people, communities and institutions prepare for, withstand, and emerge stronger from acute shocks and chronic stresses.

About Everest Group

Everest Group is an advisor to business leaders on the next generation of global services with a worldwide reputation for helping Global 1000 firms dramatically improve their performance by optimizing their back- and middle-office business services. With a fact-based approach driving outcomes, Everest Group counsels organizations with complex challenges related to the use and delivery of global services in their pursuits to balance short-term needs with long-term goals. Through its practical consulting, original research and industry resource services, Everest Group helps clients maximize value from delivery strategies, talent and sourcing models, technologies and management approaches. Established in 1991, Everest Group serves users of global services, providers of services, country organizations and private equity firms, in six continents across all industry categories. For more information, please visit www.everestgrp.com and research.everestgrp.com.