Atlantic International University

Atlantic International University

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Course Title: International Business Management

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THEORIES OF INTERNATIONAL TRADE

International Marketing

International Marketing is performance of business activities designed to plan, price, promote and direct the flow of companies goods & services to customers or users in more than one nation for profit

Absolute Advantage Theory

The absolute advantage theory of international trade was put forward by **Adam Smith**. In his work *"The Wealth of Nations"*, Adam Smith said that the real wealth of nation consists of goods & services available to the citizens & not on the quantity of bullion.

Smith believed that every country has an absolute advantage in producing some commodity over the others. Thus a country must import those goods which are relatively cheap in other countries & export those goods which are cheaply produced inside the country. Smith was advocate of Lassiez-Faire or Free Trade between the countries.

According to Smith, a country should specialize in those products in which it either has a natural or an acquired advantage. Natural advantage may be available to a country on account of climatic conditions, availability of natural resources, abundant labour supply etc. The competitive advantage of nations in the export of manufactured goods & services depends upon acquired advantage

E.g. Japan has an acquired advantage in the production of high quality steel although she has a natural disadvantage in not having any iron and coal mines. While India has abundant supply of natural resources in terms of mineral & mines, it can exploit its natural advantage only in exporting iron ore and import value added steel from Japan for want of an acquired advantage.

The theory of absolute cost advantage can be illustrated with the example of a two-country; two-commodity model.

Assumption:

1. Two countries – India and United States
2. Two commodities – Tea and Wheat
3. Both countries have the same quantity of productive resources available to produce tea & wheat & these resources measure upto 200 units.

Productive Resources = 200 units

	India	Unites States
Tea	8 units to produce 1 Qunt.	40 units to produce 1 Qunt.
Wheat	20 units to produce 1 Qunt.	10 units to produce 1 Qunt.
More Efficient	**Tea**	**Wheat**

In the absence of International trade, both countries divide their production resources equally between tea & wheat.

	India	United States	Total
Tea	100/8 = 12.5 qunt.	100/40 = 2.5 qunt.	12.50 qunt +2.50 qunt 15.00 qunt
Wheat	100/20 = 5qunt.	100/10 = 10qunt	05.00 qunt +10.00 qunt 15.00 qunt
	Point A	Point B	

Point A & B shows the production possibility of both the countries.

Now, assume India & U.S decide to specialize in production of that commodity in which it has an absolute advantage. India would specialize in production of tea & U.S in wheat.

	India	United States	Total
Tea	200/8 = 25 qunt.	--	25 qunt
Wheat	--	200/10 = 20 qunt	20 qunt
	Point D	Point C	

Extending this example to all the countries of the world, we may say that international division of labour will lead to specialization, greater efficiency and all the countries can have more of every commodity that is produced in the world.
E.g. Let us assume that India is more efficient in producing tea & wheat than U.S. India therefore has an absolute advantage in producing both the commodities.
Further, let us assume that India & U.S has only 200 units of resources available to produce these goods.

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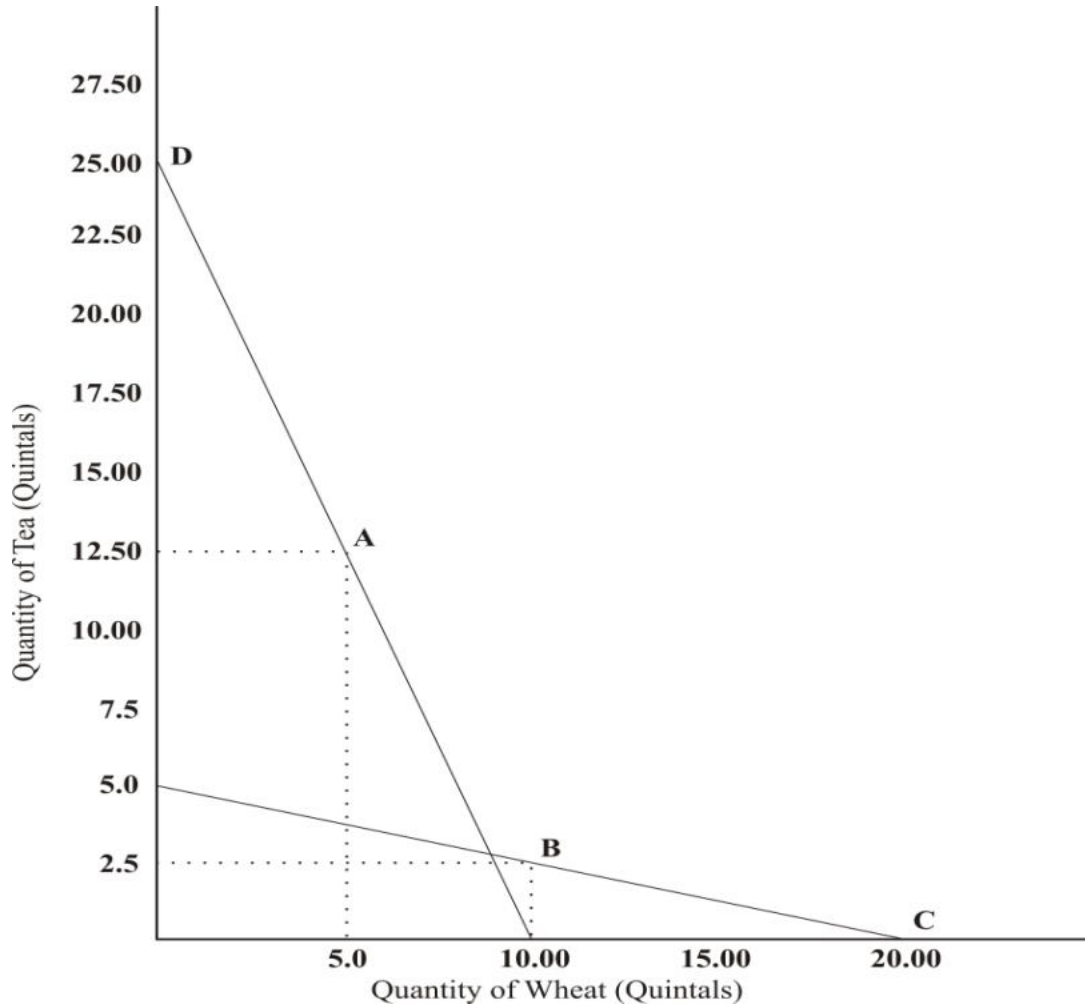
Comparative Advantage Theory

David Ricardo improved upon the Absolute Cost Advantage theory of

Adam Smith & put forward his theory of Comparative Advantage in 1817.

What happens if a country has an absolute advantage or absolute disadvantage in producing all the commodities that it wants to consume?

Will the country import all its requirements in the case of an absolute disadvantage across the board or will the country produce everything that it wants in the case of an absolute advantage across the board?

In both the cases, the answer is "*NO*"

David Ricardo said that countries should produce only those goods in which it either has a comparative advantage or has the least comparative disadvantage. The crux of the theory is that resources should be withdrawn from less efficient uses & redirected to more efficient uses.

	India	Unites States
Tea	8 units to produce 1 Qunt.	20 units to produce 1 Qunt.
Wheat	10 units to produce 1 Qunt.	20 units to produce 1 Qunt.
	More Efficient	

In the absence of international trade, both the countries divide their available resources equally in the production of tea & wheat.

	India	United States	Total
Tea	100/8 = 12.5 qunt	100/20 = 5 qunt	17.5 qunt
Wheat	100/10 = 10 qunt	100/20 = 5 qunt	15 qunt

Now, given the distribution of resources and other things remaining constant the production of tea or wheat in both the countries cannot be increased without involving a sacrifice i.e. if the production of tea is to be increased, wheat production will have to be reduced and vice-versa.

By entering into International Trade, combined production of Tea & Wheat can be increased.

	India	United States	Total
Tea	140/8 = 17.5 qunt	--	17.5 qunt
Wheat	60/10 = 6 qunt	Full 200 units then, 200/20 = 10 qunt	16 qunt

	India	United States	Total
Tea	150/8 = 18.75 qunt	--	18.7.5 qunt
Wheat	50/10 = 5 qunt	200/20 = 10 qunt	15 qunt

This gain can be shared by both the countries, thus increasing the economic welfare of the people.*Product Life Cycle Theory*

Raymond Vernon, explains world trade in manufactured products on the basis of stages in the product life. According to Vernon, certain products go through a cycle consisting of about 4 stages, namely

➢ Introduction
➢ Growth
➢ Maturity
➢ Decline and the location of the production will shift internationally depending on the stage of the cycle.

The **Introduction** stage of the product life cycle, which starts with the launching of the new product characterized by

1.   No sales : because it generally takes sometime for a new product to get wide acceptance by consumers and it also takes time to expand the marketing of the product.

2.   High cost per unit, because of the low sales and high promotional expenditure

3.   Absence of or low competition if the product is entirely new. Loss or negligible profit because of low sales and high cost

The **Growth** stage which follows the International stage is characterized by

1. Fast growth in sales because of increasing consumer acceptance and expansion of marketing
2. Growing profits because of growing sales and fall in the incidence of fixed production cost and marketing cost per unit
3. Increase in competition
4. Market segmentation and the introduction of different versions (models of the product)

The **Maturity** stage is characterized by

1. Saturation of sales: In the early part of the stage sales may grow slowly but at a later part there could even be a fall in sales
2. Intense competition
3. Fall in profits because of high promotional expenditure and falling margins

Last stage (**Decline**) is characterized by

1. Entry of new products which compete with the product
2. Declining sales
3. Declining profits: Profits may even become negative
4. Exit of some of the firms

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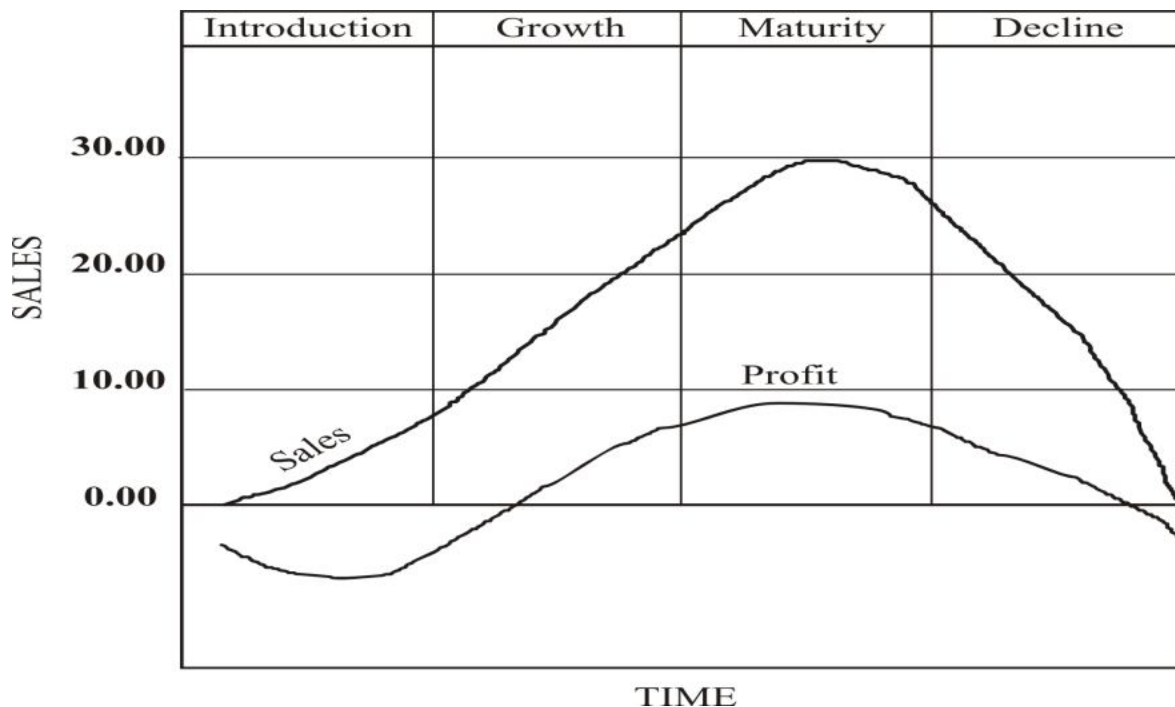
E.g. A Black and White television extensively penetrated households in the USA, nearly a dozen years before, they reached comparable number of viewers in Europe and Japan. In the case of colour television the time lag was 5-6 years for Japan and a few more for Europe.
In the case of video cassette recorders, there was a difference of 3-4 years. But in this case Europe and Japan led the way, the USA kept its focus on cable television.
It may be noted that the Black and White television was introduced in India nationally only after it had reached the declining stage in advanced countries and the Colour television was in the introduction / growth stages in India, whereas it was in the maturity / declining stage in several other countries.

AN INTRODUCTION TO INTERNATIONAL INFORMATION TECHNOLOGY ENABLED SERVICES (IITES)

The ITES is that sector of information technology (IT) which aims at providing various services through the use of IT. The spectrum of IT enabled services includes call centers, medical transcription, back office operations, accounting and legal services, content development especially for the internet, payroll management, logistics management, GIS mapping, etc.

The entire range of IT enabled services varies from pure and simple data entry to customer interaction, which is complex and requires intelligence.
Complete work sphere of ITES Activities involves

- Data entry
- Back office processing
- Medical transcription
- Insurance claims processing
- Salary processing
- Legal database
- Content development
- Call centers
- Customer service

Knowledge Process Outsourcing (KPO) NEW

KPO is an upcoming facility which deals with research and development activities. It has been estimated that by 2010, 300,000 jobs would be created in the KPO space and 70% of these jobs are expected to come to India. But the picture is not as rosy as it looks. The KPO industry will have to wade through many challenges to keep up the expectations and predictions for its bright future.

Difficulties faced by KPO

One of the major problems faced by the KPO industry is the dearth of skilled manpower with domain expertise. The client's expectations and quality requirements are very high. Also in the KPO space, client conversion and development takes longer compared to other processes. If India wants to get 70% of KPO jobs by 2010, then serious intervention at the educational level and investment in training are imperative.

A Peek into the BPO Industry

Business Process Outsourcing (BPO) is the delegation of one or more IT-intensive business processes to an external provider that in turn owns, administers and manages the selected process based on defined and measurable performance criteria. BPO is a broad term referring to outsourcing in all fields. It differentiates itself by either putting in new technology or applying existing technology in a new way to improve a process.

BPO has been the latest **mantra** in India today. As the current sources of revenue face slower growth, software companies are trying new ways to increase their revenues. BPO is top on their list today. IT services companies are making a quick entry into the BPO space on the strength of their existing set of clients. We hope to address all issues related to BPO in India on this portal.

The philosophy behind BPO is specific, do what you do best and leave everything else to business process outsourcers. Companies are moving their non-core business processes to outsource providers. BPO saves precious management time and resources and allows focus while building upon core competencies. The list of functions being outsourced is getting longer by the day. Call center apart, functions outsourced span purchasing and disbursement, order entry, billing and collection, human resources administration, cash and investment management, tax compliance, internal audit, pay roll...the list gets longer everyday. BPO is one way of increasing the profits. If done well, BPO results in increasing shareholder value. Few of the motivation factors as to why BPO is gaining ground are:

These are the Top Reasons why Companies Outsource

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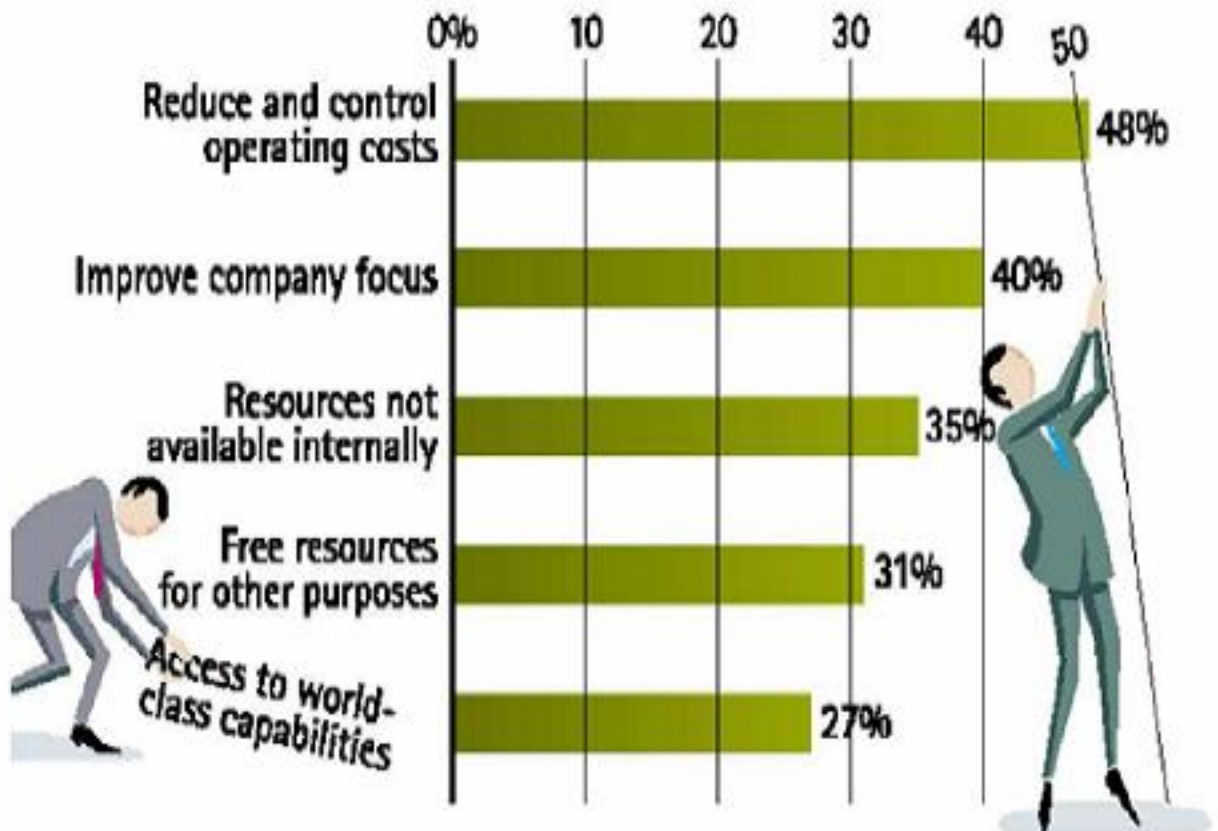
CALL CENTRES IN INDIA

Definition of Call Center

A Call Center is the room or rooms where telemarketers sit at phone banks talking with customers or prospective customers. There are two kinds of call center, though the two are sometimes combined in one place. An **inbound call center** receives call, as when a customer calls a 1-800 number with a question about a product. In an **outbound call center**, the telemarketers call the customer or the prospective customer. Outbound call centers often use an automatic dialer, a setup in which a computer dials random phone numbers from a given file and then transfers any answered calls to an available telemarketer.

Availability of highly qualified skill pool and faster adoption of well-defined business processes leads to higher productivity gains without compromising on quality. Customers across verticals like Insurance, Banking, Pharmaceuticals, Telecom, Automotive and Airlines seem to be the early adopters of Business Process Outsourcing. Of the vertical listed above insurance and banking are able to generate bulk of the savings purely because of the large proportion of processes they can outsource like claims processing, loans processing and client servicing through call centers.

Why Outsourcing from India?

Robust communication infrastructure, a large English-speaking workforce, low labor costs, appropriate time-zone difference with the West and the brand equity built by the software services sector are compelling reasons for choosing India as the BPO destination. The international bandwidth situation has improved dramatically over the last 3 years with the launch of India's first private undersea cable.

The privatization of the telecom Industry has resulted in significant drop in telecom rates. Continuing competition in the industry with the recent entry of newer players will see a further drop in telecom prices. As a result, the telecom costs have dropped by 85% in 3 years. Power availability has also improved dramatically over the last 5 years, thus ensuring power reliability at most ITES locations like Bangalore, Delhi, Chennai, Bombay, Pune and Calcutta. Respective state governments in India have undertaken reforms in the power sector to improve power supply to ITES companies.

INDIA CONSIST OUTSOURCING OF 80% THROUGH OUT THE WORLD.

India emerged as a software service exporter in the late 1980s and early 1990s with the country's transition from centralized planning to a market-oriented economy. Today Indian companies hold the lion share of the global outsourcing market and compete with leading multi-national suppliers across the IT solutions spectrum.

Following is the pie chart describing the share of India as a software service exporter in the global BPO industry
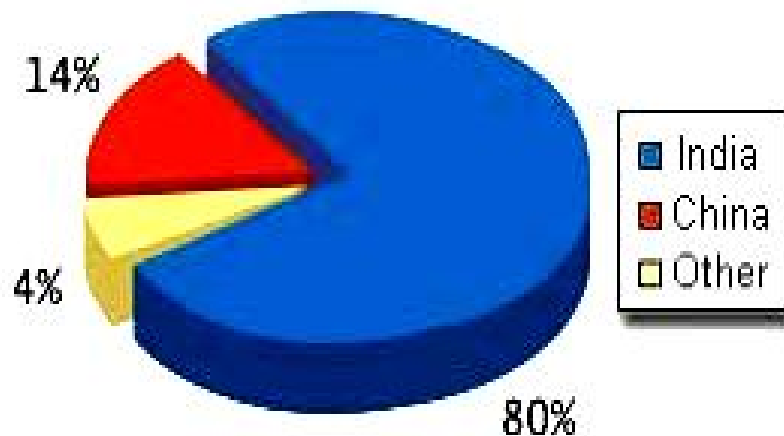
Few of the motivation factors as to why BPO is gaining ground are:

- Factor Cost Advantage
- Economy of Scale
- Business Risk Mitigation
- Superior Competency
- Utilization Improvement

SUTHERLAND AT A GLANCE

Founded in 1986, Sutherland has metamorphosed from a regional startup into a global outsourcing giant. Dilip Vellodi, founder and CEO has been the driving force behind 19 years of relentless endeavor that is catapulated Sutherland Global Services into the top 15 outsourcing firms on the planet.

A pioneer in Closed Loop customer Management, a model replicated in the initial services platform at Sutherland. The company serves fortune 500 clients in the Information, Communication, Technology, Financial Services and e-Retail space. Sutherland has spawned confidence and goodwill among the business across the world by its ability to access market

needs and provide results based Technology and Marketing Solutions. Sutherland, with a legacy of nearly two decades has emerged a leader in an area, still deemed to be in its infancy.

Sutherland Global Services provides world class Business process Outsourcing (BPO) that enables its clients to manage their customer-relationships.

Sutherland Global Services as a BPO has expanded itself to Canada, Philippines and India along with the Sutherland Global Services incorporation in USA. In India, the company established itself as the Sutherland Global Services Limited. It comprises of mainly two branches, one of which is in Chennai from past five years and the other in Mumbai from two years.

The philosophy of Sutherland Global Services limited is laid down in the words of the Promoter, Mr. Dilip Vellodi as follows…

"The most important ingredient Sutherland Global Services puts into any relationship is not what we say, but what we do and who we are. Sutherland consists of professionals: all dedicated 100% to our customers, building a legacy of relationships through the consistent delivery of "end to end" Customer Relationship Management Service. We combine business strategy, business process, people and technology with knowledge relentlessly driving towards one key objective-increasing our clients' productivity"

In today's world where globalization is proceeding at the rapid rate with many BPO incorporations, Sutherland Global Services has succeeded to acquire second position in the top five BPO firms.

MISSION

To be the premier provider of integrated technology, marketing and customer care services. Sutherland's mission statement has remained relevant and unchanged since inception.

VISION

To be the leading global provider of Business Process Outsourcing solutions in the Customer Management space. Sutherland's offerings cover a range of services from consulting for process outsourcing to the implementation and management of outsourced operations. Sutherland Global Services will strive to build strong client relationships and emerge as a partner of first choice for strategic outsourcing, and the employer of choice for each of the geographies within which we operate.
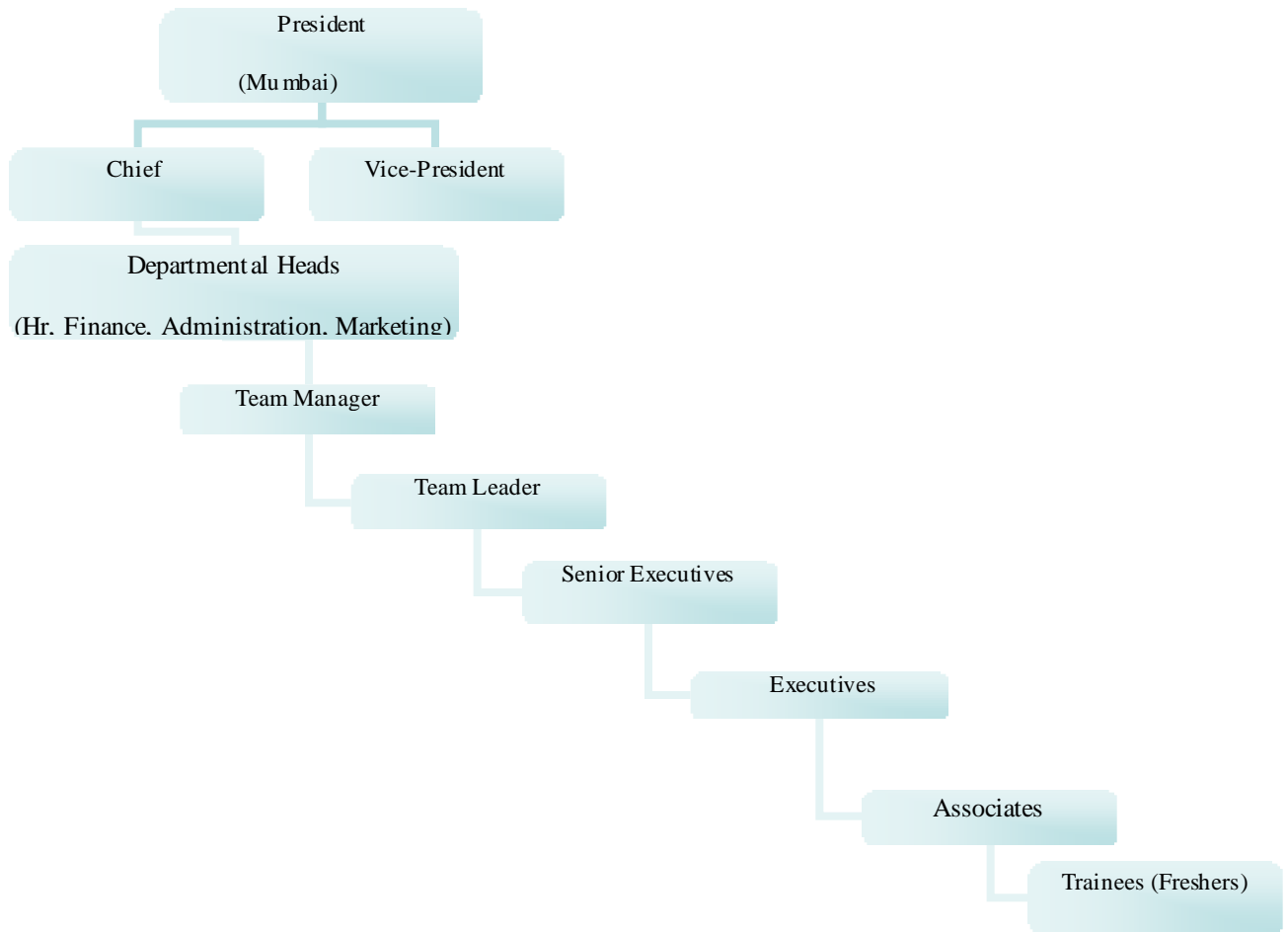
SUTHERLAND AT THE FLOOR

LEADERSHIP

- ❖ Dilip R. Vellodi - Chairman and CEO

- ❖ Don Fairbairn - Chief People Officer

- ❖ Ashok Jain - Chief Operating Officer

- ❖ Prem Puthur - Chief Technology Officer

- ❖ Bharat Chadda - Senior Vice President, Client Services

- ❖ Christopher Crowley - Senior Vice President, Sales

- ❖ Daniel Lang - Senior Vice President, Marketing and Strategic Accounts

- ❖ Joseph Buggy - Senior Vice President, Client Services

- ❖ K. S. Kumar - Senior Vice President, Global Initiatives

- ❖ Muthu Narayanan - CFO, India Operations

- ❖ Tom Stuewe - Senior Vice President, Service Delivery

THE HIERARCHICAL ORDER

The 35000 sq feet area of the Sutherland Global Services, where various inbound and outbound calls are carried on involves the following hierarchy:

```
                        President
                        (Mumbai)
                ┌───────────────┐
             Chief          Vice-President
          ┌─────┘
    Departmental Heads
(Hr. Finance. Administration. Marketing)
             │
          Team Manager
                 │
              Team Leader
                     │
                  Senior Executives
                         │
                      Executives
                             │
                          Associates
                               │
                          Trainees (Freshers)
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THE MAIN DEPARTMENTS

The HR department

In case of BPO industry the HR department plays very important part. The HR specialists introduce a scientific and analytical approach to the organization. This department faces the following challenges:

1. Brand equity: People still consider BPO to be "low brow", thus making it difficult to attract the best talent.

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2. Standard pre-job training: Again, due to the wide variety of the jobs, lack of general clarity on skill sets, etc, there is no standard curriculum, which could be designed and followed.
3. Benchmarks: There are hardly any benchmarks for compensation and benefits, performance or HR policies. Everyone is charting their own course.
4. Customer-companies tend to demand better results from outsourcing partners than what they could actually expect from their own departments. "When the job is being done 10,000 miles away, demands on parameters such as quality, turn around timeliness, information security, business continuity and disaster recovery, etc, are far higher than at home. So, how to be more efficient than the original?
5. Lack of focused training and certifications.

The Finance Department

The Finance Department needs to consider the budget, the objectives for the volume/quality of data wanted, and the in-house resources, in terms of manpower, skills and equipment, compared to the cost of using an outside agency. Telemarketing rarely stands on its own; it is needed establish how it integrates with the other sales and marketing activities within the financial budget.

The Process of calls

Sutherland basically deals with international inbound calls. All the calls are connected with the call center through huge servers.

Typically, a customer calls the call center (usually a toll-free number). This number is displayed on the service tag of the equipment. The customers usually dial this number to find out solutions to the equipment related problems. This call gets connected to any of the call centers which are in contract with the respective equipment company. After pressing numerous numbers (e.g. 1 for upgradation, 2 for warranty period, 3 for technical services etc.) the operator or the associate resolves the respective query by accessing the database relating to the equipment. The query is resolved on phone itself. But, if it is not possible, they mail the respective company to help the customer for services. The timing of attending each call is restricted for a given period of time.

All the receiving, answering, recording and final billing are effectively recorded, taped and at the end of a certain period reported to the programming manager.

Delegation of work

Being a large scale unit the entire work within the organization is rightly delegated amongst various levels. Every team leader has around 20-25 associates (employees) under him with whom he coordinates. There is a particular group of associates for every client.

For e.g. there is a group of 400 associates to manage and answer the calls related to DELL. There is one programming manager for them who is assisted by the team leaders

Weekly schedules are provided to every associate along with the average number of calls to be attended. Even after strict professional training if, in case any associate is not answerable to any call the call is transferred to the superior escalation level. Thus, only very complex issues reach to the top most escalation level. In order to assure more efficiency and quality service there are escalation levels namely:

☻ **Level 1 - Initial** - Software process is ad hoc, chaotic and undefined with little success

☻ **Level 2 - Repeatable -** Basic project management processes established to track cost, schedule and functionality

☻ **Level 3 - Defined** - Software process is documented, standardized and integrated for the organization

☻ **Level 4 - Managed -** Detailed measures of software process and product quality collected and software process and products quantitatively understood and controlled.

☻ **Level 5 - Optimizing** - Continuous process improvement enabled by quantitative feedback from the process and pilot innovative ideas and technologies.

PERFORMANCE MANAGEMENT PROCESS

Analyze and Give Feedback

- Identify Clear

- Measures (involved clients)

Coach and Improve

- Daily Feedback

- Formal Evaluations
Continuous
- Compensation Based on Performance   Improvement
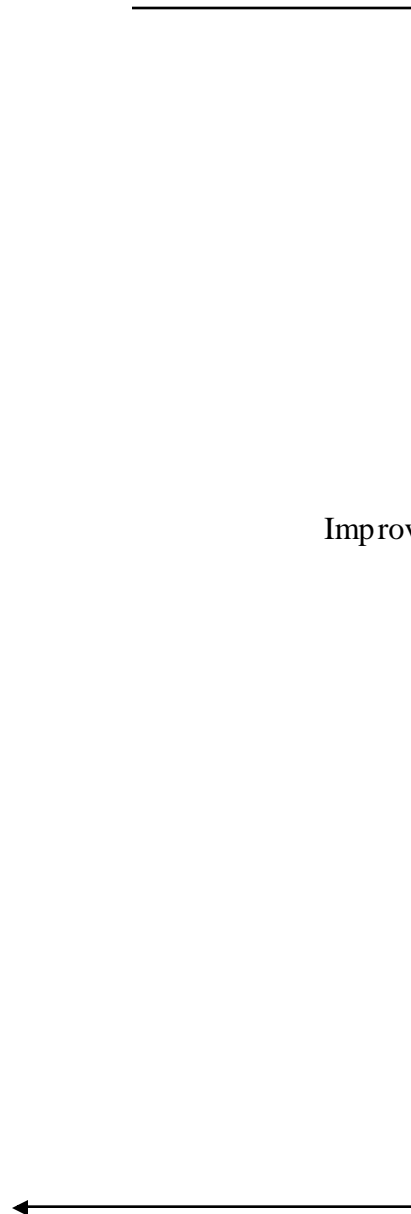

Measure and Monitor

- Measure Performance

- Monitor Calls (online and logged)

- Monitor Reports and Client Surveys

- Client Call and Agent Monitoring

Define Target Metrics

- Nesting – Mentoring by Peers

- Team Leaders focus on Coaching

- Continuous Training

EMPLOYEE CARE

The Associates at Sutherland

Two years from now when Sutherland Global Services Ltd. started in Mumbai it had only 300 associates. At present it has the strength of 1200 associates and is aiming at expanding it to 2500 associates in near future.
At Sutherland, the employees are their valuable assets. They look up to maintain the healthy working conditions and try to fulfill their expectations to the maximum.

Parents meeting

Sutherland helds frequent parent meetings in order to keep the parents of the employees well informed about the work done and also assurance about the safety and comfort of their children. This is because BPO has a great height created in India. The parents want their children to work in good environment. Thus, all misconceptions and misrepresentations are cleared. There queries raised are answered by the chief of Sutherland, Mumbai.

Transport

Sutherland provides transport facilities to their associates. During day shifts, the associates are provided with the pick-drop facility till the nearest station. At the time of night shifts the associates are provided to pick-drop facility from their door step itself.

Shifts

The associates are recruited in three-four shifts depending on the volume of calls that are to be attended by them. One shift consists of ten hours where in they are given one hour as rest time in break-ups of 15 minutes- 15 minutes and ½ hour.

Dress code

The dress code followed at Sutherland is
> Monday- White shirt, Dark trousers & Blue tie
> Tuesday- Formals
> Wednesday- Blue shirt and matching pants
> Friday - In formals
> Saturday – Casuals (light coloured clothes)

Recreations

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The recreation available at Sutherland, Mumbai are**:**

- Gym with all advanced equipments
- Rest rooms with all entertainment provisions
- Canteen facilities with healthy food
- Free tea, coffee, soups etc available any time of the day

Employee Related Officer (ERO)

All the associate's problem issues related to their salaries, taxation, misbehavior not able to understand something, granting leave, transport problem, personal issues like blood donations required or illness of the associates or its family member etc are resolved by this officer effectively and efficiently

Training

Recruitment is done on the basis of campus interviews, consultants recruit fresher. Freshers are given inhouse training in their callcentres itself. Sutherland has seven training rooms and each room has 150 seating capacity it begins with the business strategy and ends with a complete curriculum and delivery program. The channels for delivery include:

- Face-to-face classroom training
- Conference sessions
- Web-based seminars (webinars)
- Self-paced training (books and toolkits

Some of the benefits to the associates at Southerland

- Provident Fund
- Gratuity
- Group Medi-claim Insurance Scheme
- Personal Accident Insurance Scheme
- Subsidized Food and Transportation
- Company Leased Accommodation.
- Recreation, Cafeteria, ATM and Concierge facilities
- Corporate Credit Card
- Cellular Phone / Laptop
- Personal Health Care (Regular medical check-ups.
- Loans
- Educational Benefits
- Performance based incentives

- Flexi-time
- Flexible Salary Benefits
- Regular Get together and other cultural programs
- Wedding Day Gift
- Employee Referral Scheme
- Paid Days Off
- Maternity Leave

*These benefits vary as per the post of each associate

Problems faced by Sutherland

Attrition

Attrition level is not only the problem of Sutherland but of every call centre that is of every BPO all over the world.

In literary language, Attrition implies a gradual, natural reduction in membership or personnel, as through retirement, resignation, or death.

But in practicality, The reasons for the high rate of attrition was due to various factors like salary, work timings, other career options, adding that there is always the danger of costs increasing while billing rates decline.

The new strategy regarding this problem implies that the industry should look beyond the traditional areas of recruitment and some thought should be given to employ physically challenged people and housewives.

Competition

The competition virtually does not prevail. The only fact that in the Interface Building, Malad, and Mumbai there are four other call centers along with Sutherland which adds to the competition. Besides the this office building, there are several call center organization the surrounding areas.

As a result situations are such that at times when a graduate comes for interview, he has interview letters of the other call centers in the same area.

THE EXTERNAL ENVIRONMENT OF SUTHERLAND GLOBAL INDUSTRIES

Sutherland is unique in the outsourcing industry where they are able to build and manage an integrated Blended Solution, in which a client program is comprised of agents located across multiple geographies working under a single management model.

Client experience

Sutherland takes great pride in not only the people they employ and the work they do, but also in their esteemed global client base. Fortune 500 leaders, as well as emerging growth companies, have relied on their proven approach to customer management outsourcing to achieve their business objectives.

The kinds of outsourcing projects managed

- Technical support for a Fortune 500 computer manufacturer.
- Customer care for a Fortune 500 online retailer.
- Cross-sales for the leading cable company in the United States.
- Customer care and licensed sales for a Fortune 500 insurance company.
- Lead generation for a Fortune 500 telecommunications equipment company.
- Account management for a leading U.S. medical equipment company.
- Customer care for a leading electronic payment systems company.
- Sales, customer care and back-office processing for a leading U.S. wireless telecommunications company.
- Direct sales for a Fortune 50 pharmaceutical company.
- Technical support for a Fortune 100 software company.
- Installed base sales and account management for a leading express delivery company.
- Back-office processing for a leading U.S. catalog company

Customers

Sutherland Global Services value their customers as business partners and also treat their goals and objectives as their own.

Supported Modes of Customer Interaction:

Leveraging a rock-solid telecommunications network and technology infrastructure that they have invested in during 18 years as a contact center outsourcing company, Sutherland builds and runs Customer Service operations for companies in the insurance industry. Sutherland

provides multi-lingual support to consumers over telephone, as well as via email and web chat.

Telephone

Live, 24x7 support featuring agents trained on your specific products and procedures, and qualified to interact directly with your customers over the telephone.
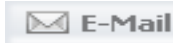
E-Mail

For both automated and agent-based support environments, we can efficiently manage high volumes of e-mail and Web-form inquiries.

Web Chat

Real-time customer support via one-on-one text chat sessions between your customers and our agents

Collaboration

Enhanced agent assistance such as collaborative browsing, forms/desktop sharing, transferring URLs and online shopping cart order assistance.

Remote Assistance

Advanced remote support capabilities such as automated problem detection, diagnostics and repair.

Fax

Sutherland currently uses technology such as fax on demand, automated fax back, and fax servers to add efficiencies to our customer support programs.

Customer care

Sutherland builds a multi-channel customer care operation to handle customer inquiries and provide the level of service they demand. During due diligence process, Sutherland has developed a full understanding of customer service objectives so that it can design and build a customized contact center operation that meets all the requirements. Sutherland will build a customer care solution to provide telephone, e-mail and chat support from a choice of one or

a combination of locations around the world – the United States, Canada, India and the Philippines.

Sutherland's Best shore Delivery Model provides clients with a choice of strategic delivery locations across the globe.

Some examples of the types of customer care services we can provide include:

Pre-sales inquiries	Shipping/delivery	Insurance claims handling
Billing support	Order inquiries	Reservations
Shopping assistance	Payments	Warranty entitlement
Refunds and rebates	Account information	

Technical Support to customers

Technology's proliferation within the business, home, personal communications and entertainment environments is causing a tremendous increase in the demand for first-rate technical support capabilities. Often, the companies that develop and market technical products and services do not have the in-house expertise, resources or desire to operate a high-quality support center. These companies are increasingly turning to outsourced service providers to help them deliver post-sales technical support to their customers.

Sutherland provides technical support services to some of the world's leading technology companies. It has established a reputation in the high-technology industry as one of the most credible accomplished and creative providers of outsourced technical support services by consistently delivering on our commitments and scoring high customer satisfaction marks for our clients. Clients take their customer support reputation seriously. And so do The Sutherland group, which is why all of client relationships are rooted in the ability to deliver high customer satisfaction scores at a competitive value.

- Support team dedicated to each client (no shared resources)
- Business-to-consumer and business-to-business models
- Best shore delivery option – from our centers in the U.S., Canada, India and the Philippines
- Multi-channel capabilities that include voice, e-mail, chat and remote assistance
- Web portal technology, knowledgebase tools, and integrated problem case tracking

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- COPC and Six Sigma methodologies
- Flexible pricing structures

Sutherland also complements technology support with revenue generating customer extension services such as entitlement sales, warranty upgrades, cross-sell and up-sell initiatives.

Our technical support experience spans a wide variety of products:

- Hardware – Desktop, notebook, server
- Software – Operating system, applications, productivity, utilities and security, web publishing
- Broadband Internet services
- Networking/telecommunications equipment
- Computer peripherals
- Consumer electronics
- Online software and services

Customer satisfaction

Quality monitoring is one of the most effective methods for improving customer satisfaction levels. Many supervisors and managers look for correlation between customer service levels and quality monitoring scores. When performing quality monitoring, Sutherland:

- Improve overall employee performance.
- Gain valuable customer feedback.
- Increase customer satisfaction by addressing common complaints and evaluating customer needs.
- Assess associates' listening and comprehension skills.
- Evaluate associates' problem-solving abilities.
- Gain insight as to how well agents are controlling the pace and flow of the conversation.
- Assess associates' customer relationship management skills.

Achievements	1988	Sutherland established in Rochester, NY
	1993	Company lands major BPO client relationships with Digital Equipment Corporation and Xerox Corporation
	1996	Entered into a co-sourcing arrangement with a Fortune 50 technology client. Sutherland is responsible for customer care, account management and marketing support services from four operations centers across the U.S.
	1998	Launches Technical Support/Help Desk practice Achieved ISO 9000 registration
	2000	Offshore operations commence with the opening of first facility in Chennai, India
Core values observed	2003	Near shore operations commence with the opening of first facility in Sault Ste. Marie, Canada
	2004	Sutherland receives first round of COPC certifications
	2005	Sutherland expands into the Philippines with the opening of first facility in Manila
	2005	Company crosses the 10,000 employee mark

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Values

People – The Sutherland Group value their employees and their contributions. They are dedicated to providing a workplace that is professionally challenging and personally rewarding.

Integrity –The Sutherland Group insist on open and honest dealings with our employees, customers and vendors. They believe that this is the only way to do business.

Training – The Sutherland Group is committed to investing in the development of every employee as they progress through their career in the organization.

Customers – The Sutherland Group value their customers as business partners and will treat their goals and objectives as their own.

Entrepreneurial Spirit – the Sutherland group takes personal risks to improve their company and maintain the leadership position as the premier provider of outsourced sales, marketing and technology services.

Focus

Sutherland's back-office services allow clients to focus on strategic functions while outsourcing the management or execution of non value-adding processes to the enterprise. These processes typically involve transaction processing of high volume, repeatable, labor intensive tasks that dominate the back-office.

Flexible

The services are either managed completely by Sutherland, whereby we own all operational aspects of the back-office function, or are co-sourced with both Sutherland and the client managing different aspects together.

Efficient

Sutherland's solutions leverage technology and a global delivery model to enable dramatic cost savings and process improvements, while providing the client with flexibility and control.

Total Solutions

The Sutherland Group provides the highest quality service to the customers. They increase their competitive advantage through superior service and performance, consistently exceeding their goals and expectations.

SWOT ANALYSIS

Strengths

- Highly skilled, English-speaking Workforce.
- Cost Advantage
- Lower attrition rates than in the West.
- Dedicated workforce aiming at making a long-term career in the field.
- Round-the-clock advantage for Western companies due to the huge time difference.
- Lower response time with efficient and effective service.
- Expertise in new technologies and reasonable technical innovations.
- Strong Government Support.

Weaknesses

- Recent months have seen a rise in the level of attrition rates among ITES workers who are quitting their jobs to pursue higher studies. Of late workers have shown a tendency not to pursue ITES as a full-time career.
- The cost of telecom and network infrastructure is much higher in India than in the US.

Opportunities

- To work closely with associations like Nasscom to portray India as the most favoured ITES destination in the world.
- Indian ITES companies should work closely with western governments and assuage their concerns and issues.
- India can be branded as a quality ITES destination rather than a low-cost destination.
- It gives opportunities for creation of global brands.
- Indian domestic-market growth.

Threats

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- Other ITES destinations such as China, Philippines and South Africa could have an edge on the cost factors.
- Internal competition for resources.
- Rising labor costs.
- The biggest challenge the sector is facing is with attrition.

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