

Arise Virtual Solutions, Inc.
Teleworking Model Case Study
www.arise.com

Arise Virtual Solutions, Inc. has broken new ground to be a leading provider of virtual call center services in North America. The company delivers 24x7 quality customer service results for the customers of America's premier brands through a labor pool of certified professionals who perform work in their homes.

Arise started in 1997 as a consortium of Bell South, the State of Florida, and Florida State Services for the Blind, with growth facilitated by the Internet and web technology. To enhance recruitment and selection opportunities, training became web-based in 2002. This change allowed increased access to military spouses, retirees, stay-at-home parents, and persons with disabilities. It has also enabled training for new clients to be performed more rapidly and without travel expenses for the agents. Arise has more than 7,500 agents with plans to increase this number in the next couple of years.

Realizing Business Incentives Through Telework. Arise's virtual contract call center model provides a number of advantages for clients, as traditional call centers have: 1) higher overhead costs due to building and real estate expenses; 2) difficulty providing consistently good services for peak load periods and at atypical hours, such as late evening and very early morning; and 3) high turnover, leading to inconsistent service and increased recruitment, selection, and training costs.

Arise offers their corporate clients well-trained agents who can provide superior service for more complicated transactions. Increasingly, clients not only need services to be provided around the clock, every day of the week, but a team of agents who can provide more detailed explanations and responses to unstructured situations. About four of every 10 Arise corporate clients want seven-days a week, 24-hours per day coverage. Arise uses interactive voice response (IVR) to monitor quality of certified professional calls.

The virtual agent/certified professional model is quite different than the traditional call center operation for employees as well as clients. Each certified professional is required to incorporate as a small business and establish a separate business checking account. Agents pay for their own computer, high-speed internet connection, and IT maintenance charges. Arise provides workshops on tax matters and other small business topics.

For the most part, agents are guaranteed an average wage per hour, with final compensation being determined by either the number of minutes on the phone or the number of completed calls. The average starting wage is between \$10 and \$14 per hour. Some agents can earn up to \$20 per hour by staffing higher stress positions such as the American Automobile Association's emergency line.

Work Flexibility Impact on Productivity. Agents typically work 10 to 65 hours per week, based principally upon the teleworker's desire. Most agents provide services to more than one client, which Arise has found beneficial for both clients and teleworkers. Service levels for clients are generally higher as customers encounter more positive agents. And because certified professionals do not handle the same type of calls at all times, they tend to be less tired, more refreshed, and higher performing. There are promotional opportunities for some teleworkers. Some become specialists in providing

technology support to other agents. Others have become involved in advising applicants. Still others are promoted to a group leader role and supervise a number of other agents. Finally, some agents find a niche in training agents about new services or new clients' products.

Successful teleworkers must be technology savvy, entrepreneurial, disciplined, self-starting, and able to set and work their own hours. They must also have strong communication skills, be willing to ask for help if needed, and adapt to, and learn, new technologies. The average age of an Arise agent is 38, and more than 80% of agents have had previous call center experience. About 70% of agents are women, and 30% are bilingual.

Outreach to New Geographic Labor Pools. Arise offers a dispersed workforce that is important to corporate clients who are particularly concerned about customer service during regional disasters. With certified professionals spread geographically across the country, the likelihood is minimized that there will be loss of technology and major blackout periods without customer service.

Arise's business model has evolved through years of customization and adaptation to technology and market conditions. The company's expansion illustrates that its telework business model is meeting a true market need of corporate clients by offering enhanced service levels at lower cost than traditional customer call operations

Because of the virtual aspect of Arise's business and its continuing need to recruit potential new agents from non-traditional populations, there may be increased employment opportunities for new underutilized pools of labor in rural areas as well. Successful recruitment strategies revolve around: 1) flexibility of scheduling and home employment; 2) tasks mostly involving inbound calls, instead of outbound sales, thus reducing job-stress and pressure; 3) a certified professional association for obtaining various types of group benefits if desired; and 4) an opportunity that enables individuals to feel productive as they are a contributing member of the workforce.

A Teleworker's Perspective. Bob is in a wheelchair. He used to become sick regularly but has not had a cold, let alone anything more serious, in more than four years. This is because he is simply not around people as much because he teleworks from home and does not need to commute. Bob has a college degree, performed an internship at the University of Miami, and has an information technology background. He has also been a teacher's assistant. Currently he resides in Fort Lauderdale, Florida.

Bob has worked with Arise for 10 years, and is highly complimentary of the firm. He said Arise provides individuals with multiple opportunities to succeed. If one job does not prove satisfactory, an agent can try another. Further, the firm shows confidence in agents who perform well--once an agent's performance reaches an acceptable level and an agent demonstrates he or she is working satisfactorily, there is less monitoring of his or her calls. Other advantages include: scheduling flexibility ("it is wonderful"), rewarding tasks, and his home-based location, which allows him the energy to travel for himself when he desires. He said he has no sense of being isolated, because of his frequent interaction with customers. An enormous advantage is that he is able to perform necessary therapy every morning, which maintains his health. Despite his considerable physical limitations, he has no need for a personal assistant, and his wife is able to work full-time outside of the home. Bob stated that the primary negatives of the job have been technology glitches, which can disconnect temporarily an agent from the system, and few co-worker relationships.