

# Outsourcing customer service essay sample

[Business](#), [Company](#)



## **Outsourcing Customer Service**

One function that is often outsourced by banks is their customer service function, which can include both sales support and support for the various banking issues and questions that customers have.

One advantage of outsourcing is that the organization incurs lower costs for labor (Power, n. d.), as wages for these experts cost less in countries like the Philippines and India. Moreover, these countries may have more professionals with the skills that the organization needs, which makes the recruitment process faster and easier. It makes operations expansion easier and faster. In addition, the presence that the organization creates in that country or region is another advantage, as this helps the organization in expanding their client base, especially if the company is geared towards globalization.

There are also organizations that have customer service teams, for example, in both their Saudi Arabian and foreign offices. By having a team that's also working in other countries, it can be ensured that there's a team of staff who can attend to the clients 24/7.

On the other hand, the disadvantages would include the costs for setting up the necessary infrastructure that would enable the outsourced company to access the main organization's system, as well as to enable communication between the outsourced company and the main organization and the outsourced company and the clients. These would include setting up infrastructure for VoIP, email systems, and the like. Moreover, there will be costs incurred from travelling as the organization's management will have to occasionally visit the outsourced company to ensure that everything is going

well there.

Another disadvantage is that client relations may be affected as the clients won't have direct interaction with the outsourced employees. Similarly, the outsourced staff won't be able to easily and quickly address urgent client issues due to the geographical distance. The outsourced staff will be incapable of physically attending to the client's needs. Face-to-face consultations with banking experts give clients a different experience from merely talking to these experts over the phone. Moreover, the main organization's control over the outsourced company is reduced.

When outsourcing to a foreign country, there's also the disadvantage of the outsourced staff not being well-versed with the English language or with them having a different accent, which can cause some communication problems. As well, the main organization should be able to adapt well to the outsourced staff's culture and vice versa. This may imply the need for the main organization to develop cultural diversity programs to ensure that all employees from all offices are able to work harmoniously and effectively together. Finally, when the outsourced staff leaves then they would be taking some company information with them, in turn posing some security issues for the organization.

## References

Power, D. (n. d.). Outsourcing: The advantages and disadvantages of outsourcing. Retrieved from

<http://www.entinst.ca/outsourcing.htm>

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