

Going Green:

Case
Studies
in



Outstanding Green
Business Practices

How Bringing Customer Service Jobs Home Results in Greener Pastures

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When businesses look for ways in which to go green, there are many avenues that they can explore, from recycling to smart energy usage to utilizing green office products and partnering with other environmentally conscious companies. However, in an uncertain economy, many businesses are looking for both environmental benefit and decreased costs. Due to the desire to meet both the bottom line and help the environment, “home-shoring” has become an increasingly viable choice for companies that wish to manage costs while simultaneously going green.

Instead of outsourcing customer service jobs overseas, businesses are homeshoring—providing home-based customer service agents located within the U.S. IDC has estimated that the number of home-based customer service agents will increase to more than 300,000 by 2010. Homeshoring is beneficial for many reasons: better customer service, reduced costs for businesses and employees and, most importantly, a positive effect on the environment both for individual employees and an enterprise as a whole.

LESS ACTION IN THE TANK

First and foremost, homeshoring saves gas. While this means a great deal on a global environmental scale, it means just as much to individual homeshored agents as gas prices pass the \$100/barrel price tag.

According to the U.S. Census Bureau, the average round-trip commute is 24 miles/day. That means that if a call center employs 100 customer service representatives (CSRs), their combined commute is 2,400 miles/day, or 12,000 miles per five-day work week, or 600,000 miles in a 50-week work year. If the average automobile’s fuel efficiency is conservatively estimated at 25 miles per gallon, the cumulative total of gasoline used just to get these 100 employees to and from work comes to 480 gallons/week, or 24,000 gallons/year. However, gas used while the car is moving is not all that commuters burn on a daily basis. According to the Texas Transportation Institute’s 2007 Annual Mobility Report, the average peak period commuter spends an extra 26 gallons of gas/year sitting in traffic, on top of that used by their commute length. This means that when all is said and done:

A call center that employs 100 CSRs is responsible for the use of 26,600 gallons of gas/year.

An added bonus for homeshored CSRs is that not only does homeshoring mean a reduced carbon footprint due to the reduced use of gasoline—a finite natural resource—but also incredible savings at the gas pump. Using the conservative estimate of \$3/gallon gas prices, a corporation that homeshores 100 CSRs is saving a collective \$79,800/year.

POLLUTION PREVENTION

In addition to the 26,600 gallons of gas saved/year by homeshoring a 100-seat call center, there are other environmental factors to consider that amplify the environmental benefit of keeping employees off of the roads. Four major pollutants are emitted as by-products of burning fuel in a vehicle’s exhaust system. These pollutants are hydrocarbons, nitrogen oxides (NOx), carbon monoxide (CO),

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and carbon dioxide (CO₂). Hydrocarbons and NO_x are both recognized contributors to smog, while the link between CO₂ and global warming has been proven.

According to the U.S. Environmental Protection Agency, average emission rates for passenger cars are:

| POLLUTANT | AVG EMISSION RATE |
|------------------------|------------------------|
| Hydrocarbons Emissions | 2.80 grams/mile driven |
| NO _x | 1.39 grams/mile driven |
| CO | 20.9 grams/mile driven |
| CO ₂ | 0.916 lb/mile driven |

This means that the same 100-seat call center, with its combined commute of 600,000 miles/year, produces 1,680 kg of hydrocarbons emissions, 8,340 kg of NO_x, 12,540 kg of CO and 549,600 lbs of CO₂.

A SHORTER WALK DOWN ELECTRIC AVENUE

Homeshoring has a definite benefit for the environment—less use of natural resources, and less pollutants being released into the environment. However, it is not only oil that is being conserved; there are significant electricity savings as well.

According to Carnegie Mellon University, the average office building consumes approximately 16.8 kWh of energy/year for every square foot of office space. If each employee working in the office requires approximately 100 square feet of floor space, that means that every office worker uses approximately 1680 kWh of energy/year. For a 100-seat call center, 168,000 kWh of energy/year are saved by the elimination of commercial floor space, saved thanks to homeshoring.

Unlike cost savings associated with the conservation of gasoline due to homeshoring, the cost savings associated with less use of electricity are seen on the corporate bottom line versus the individual homeshored workers pocketbook. Using the average retail price of electricity for 2007 as stated by the U.S. Energy Information Administration for Virginia, where VIPdesk is headquartered, homeshoring a 100-seat call center results in corporate savings of \$10,735/year.

VIABILITY OF HOMESHORING

The good news is in today's information age, homeshoring is not limited to customer service. Homeshoring has been proven to be a viable business trend that is good both for the environment and the bottom line in not only customer service jobs, but in any information-based profession. In addition, homeshoring is scalable. The statistics highlighted above refer to a mere 100 homeshored agents. The more employees that are "sent home," the more savings will be recognized, both in terms of cost-savings as well as helping the nation go green. PRN

VIPdesk offers home-based contact center solutions, Concierge Services, and "homeshoring" services.