

GROUP PROJECTS

CASE 8: OUTSOURCING INFORMATION TECHNOLOGY

A&A Software: Creating Forecasts

Founded in 1992, A&A Software provides innovative search software, Web site accessibility testing/repair software, and usability testing/repair software. All serve as part of its desktop and enterprise content management solutions for government, corporate, educational, and consumer markets. The company's solutions are used by Web site publishers, digital media publishers, content managers, document managers, business users, consumers, software companies, and consulting services companies. A&A Software solutions help organizations develop long-term strategies to achieve Web content accessibility, enhance usability, and comply with national and international accessibility and search standards.

A&A Software has a ten-year history of approximately 1 percent in turnover a year and its focus has always been on customer service. With the informal motto of "Grow big, but stay small," it takes pride in 100 percent callbacks in customer care, knowing that its personal service has been one thing that makes it outstanding.

A&A Software has experienced rapid growth to six times its original customer-base size and is forced to deal with difficult questions for the first time, such as "How do we serve this many customers? How do we keep our *soul*—that part of us that honestly cares very much about our customers? How will we know that someone else will care as much and do as good a job as we have done?" In addition, you have just received an e-mail from the company CIO, Sue Downs that the number of phone calls from customers having problems with one of your newer applications is on the increase.

As customer service manager for A&A Software, your overriding goal is to maintain the company's reputation for excellent customer service, and outsourcing may offer an efficient means of keeping up with expanding call volume. A&A Software is reviewing a similar scenario of a major company, e-BANK, that outsourced its customer service in order to handle a large projected number of customers through several customer interaction channels. Although e-BANK had excellent people, it felt that its competencies were primarily in finance rather than customer service, and that it needed the expertise a customer-service-focused company could offer. e-BANK also discovered that it was cost-effective to outsource its customer service centre.

Additionally, the outsourcing approach was relatively hassle-free, since e-BANK did not have to set up its own CIC (customer interaction centre/call centre).

Some Particulars You Should Know

1. Create a weekly analysis from the data provided in FORECAST.xls.
2. The price of the products, the actual product type, and any warranty information is irrelevant.
3. Develop a growth, trend, and forecast analysis. You should use a three-day moving average: a shorter moving average might not display the trend well and a much longer moving average would shorten the trend too much.
4. Upon completing your analysis, please provide concise yet detailed and thorough documentation (in narrative, numeric, and graphic forms) that justifies your recommendations.
5. File: FORECAST.xls (Excel file).