

My Dear Grandchild,

Whenever I hear the uninformed complain about what they claim are the evils of outsourcing, I jump on them, quickly, defending the right, if not the duty, of any company or industry to advance the cause of increasing profit margins and encouraging the minimality of excess operating costs. I have written to you about my defence of outsourcing and how it benefits the outsourcer as well as the country, as a whole, of the outsourcing entity, in the fullness of time; how it expands geographic markets; how it introduces new products to new customers; while, at the same time, causing inflation to be contained in the outsourcer's country and raising the level of the economy of the outsourcing entity. But, I have never written to you about one of the many problems of outsourcing. As I have stated to you in the past, a company should not sacrifice quality for the sake of saving a small amount of money by shifting certain jobs to other countries/cities, etc, however, in many cases, it has been discovered that outsourcing entities tend to forget, or only partially live up to, their duty of fidelity to their customers. An ethnic Indian sales clerk of Calcutta, for instance, seeking prospective customers in, say, Toronto, Canada, while claiming to be an employee of a certain Canadian insurance company over the telephone, may well utter falsehoods in order to persuade an unwary Canadian housewife to release to the Indian sales clerk, the details of her credit card in order to consummate a sale, thus permitting the Indian sales clerk to achieve her sales' target and ensuring her of another commission. The Indian sales clerk may even be outright rude and could well indulge in harrying the prospective customer if he or she is so inclined, for one reason or another. Since the sale's approach was made in India and not in Canada, there would appear to be little to no redress that an irate Canadian may obtain in Canada after a telephonic assault by an Indian salesperson, who is stationed thousands of miles away. In any event, it would be the Canadian's word against the word of a clerk in Calcutta if push came to shove, assuming that the Canadian could track down the Indian salesperson.

In Hongkong, sadly, many very large companies have lost partial or complete control of both their sales' divisions and their customer services' divisions, it is very apparent. Recently, I had the misfortune to be the unwary victim of the incompetence of people, claiming to be working for PCCW Ltd, the largest, fixed-telephone line company in the territory. This is what happened. Grandpa asked me to obtain a Broadband Internet Connection and Broadband Television Connection to be installed in his new, very expensive Central office. I had my secretary do the preliminary investigations into the matter of obtaining speedy service from Mr Li Ka Shing's Empire (Grandpa is a good friend of Mr Li Ka Shing even though Mr Li Ka Shing is a gentleman from Chiu Chow and Grandpa is a gentleman from Shanghai). As soon as I heard of some of the demands of PCCW. outrageous as they were, I decided to take care of the matter, personally. It appeared to me that a close friend of Grandpa's, even a Chiu Chow friend, would never treat a Shanghainese in such a manner as I had been informed had transpired. It took me just a few telephone calls to realise that the entire sale's team and the installation team of PCCW were all outsourced, locally. It was, also, easily apparent that PCCW had little to no control over the outsourcing entities, whose sole intent was to generate sales on behalf of PCCW, without informing prospective customers that, in fact, the outsourcing entity was not part of the PCCW Group of Companies. What I discovered was that the sale's team of the outsourcing entity did not know what the installation of Broadband Internet Connection entailed, or the requirements for the installation of a Broadband Television Connection. What the outsourcing entity wanted, most of all, were the details of my credit card so that a monthly debit could be instituted with, I suspected, the salesperson, obtaining a commission on meeting her target quota. After I insisted on obtaining an application form, first, did I discover that payment of the services that Grandpa required may be paid in cash or even by cheque: There was no mandatory requirement for

payments to be made by credit card, as the salesperson had earlier demanded. After sending in the application form with the required amount of money, the salesperson telephoned my office and the call was passed, immediately, to me not my secretary. I was informed, very politely, this time, that one fortnight later, the installation would take place and that it was perfectly immaterial that there was no fixed telephone line in Grandpa's new office. One fortnight later, a rather dirty and scruffy young man appeared at the office door about one hour after the appointed time. He was wearing a very dirty shirt with the name, 'NOW', on it. On surveying the situation at the office, he informed me that there would have to be extensive wiring of the office because there was no fixed telephone line near the television outlet. This young man said that he knew of the situation because the entire building had been configured without a telephone jack, being placed near the television jack. A white, three-millimetre wire would, unfortunately, have to be tacked onto the wall, near the skirting board and up the corner of one wall and it would be clearly visible, with the last foot of the wire, having to hang loosely because there was no method by which the wire could be fished through the wooden panelling of the office. This little man was very apologetic and understood, absolutely, when I made the decision not to allow him to continue with his proposed plan for the partial redecoration of Grandpa's new office, resplendent as it would have been with about three hundred feet of new, white wire, hanging here and there and embellishing the skirting board in very visible parts of the outer office area where visitors would be able to view it while awaiting an audience with Grandpa. The installation man left in a bit of a huff, however -I suppose I did not offer him a tip or something – and, on his departure, he informed me to contact the sale's people for all further information, if required. My experience with PCCW does not stop here, however, because, the next morning I had a piece of the salesgirl, who had given me incorrect information and had caused me to lose many hours of my precious time. On that occasion, I was told by this salesperson that she had no idea about the matters that I had raised, but, if I still wanted Broadband Internet Connection, that could be accomplished on the following Monday, just five days hence. I agreed, immediately, determined as I was to get Grandpa's office operational as was my want. Early the next Monday, I received a telephone call from the outsourcing entity to the effect that, due to 'technical reasons', the installation of the Broadband Internet Connection would be delayed until about ten days later. At this point, I demanded an exact date and time. About fifteen minutes later, I received a follow-up telephone call, confirming the time and date, ten days later. Not happy, at all, because, at this point, this seemingly simple installation had taken me more than one month to schedule, I agreed. I am still waiting to learn whether or not the installation will take place. I do not ascribe blame to the installation company or the sales entity, contracted by PCCW to work on behalf of Mr Li Ka Shing's huge telephone company, because, clearly, the left hand has no idea what the right hand is doing. There is not sufficient information, given to the sales' people, allowing them to understand the requirements of the installation company(ies). Further, the personnel of the installation company(ies) have little knowledge of installation, other than the most basic of installations – dangling wires et al. By outsourcing sales and installation or such matters, PCCW has lost control of one of the most-important aspects of a service company: Service.

PCCW is the successor of Hongkong Telephone Company Ltd which, in the distant past, was a rather rum company, in any case, I can assure you. Thank goodness that, in a very short space of time, wireless telephony will make fixed-line telephony obsolete and, when that time comes along, the problems that I have outlined in this letter will be relegated to the annals of the history of Hongkong, in the same way that the leadership of Grandpa will be relegated to the pages of this wonderful territory. In the meantime, it seems only logical that other companies, such as PCCW, are facing similar problems as is this Li Ka Shing company, which was/is headed by his half-educated son, Mr Richard Li Tzar Kai, poor chap(!). To be very fair to Mr Li Ka Shing, he is unlikely to know very much about what is happening in the trenches of PCCW and/or other companies of his sprawling corporate leviathan. It is well known that, the larger and faster that corporate entity grows, the larger looms the probability that that corporate leviathan will lose control of certain aspects of the entity, aspects which were responsible, in the first place, for it to be well regarded by its customers. This is not to suggest, I hasten to add, that the old management of Hongkong Telephone Company Ltd was ever well regarded by the majority of its customers, but it is absolutely certain that PCCW cannot be well regarded if it continues along its present chosen path of incompetence.

It is well that Grandpa and Hongkong, in that order, can fall back on me, the Chief Lady, who, always, knows what is up and what is down, regardless of all protestations to the contrary.

Talk to you next week, and I shall not change the date, unlike PCCW's sales personnel.

While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.

If readers feel that they would like to voice their opinions about that which they have read in TARGET, please feel free to e-mail your views to <u>editor@targetnewspapers.com</u> or <u>targnews@hkstar.com</u>. TARGET does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.

Site Meter