



release POINT

Regaining Competitive Advantage

ReleasePoint is a medical data retrieval company who undertook the journey from home-based resources in the United States to a professionally managed operation in the Philippines to lower its costs of service and regain its competitive positioning.



The Challenge

ReleasePoint specializes in medical data retrieval. It's a family business that has been in existence for more than 40 years. ReleasePoint has a strong client base with many long-term contracts in place. These provide the company with a solid and stable supply of work but they also pose a risk when it comes to the long-term profitability of these client engagements. As the company's costs of service increased, they realized that it would be difficult to renegotiate their pricing with their current clients. They needed a way to reduce their costs of service, not only to make the existing engagement profitable again but also to assure that they could stay competitive within their market segment. Something needed to be done.

The Process

At the start of 2013, ReleasePoint started exploring different options for outsourcing two of their main production processes. They carefully reviewed their options, comparing many different providers in Costa Rica, the Dominican Republic, India, and the Philippines. After a careful review process, they chose MicroSourcing as it offered the perfect model that would enable them to maximize cost savings while tightly controlling quality of service. Operations at MicroSourcing went live with a starter team of 34 people on November 2013. The team has quickly grown since then and MicroSourcing and ReleasePoint have worked hand in hand in optimizing performance.

The Results

ReleasePoint and MicroSourcing's operations management group worked together on a large number of initiatives to steadily increase the output quantity and quality of the ReleasePoint team in Manila. The results are impressive:

- ReleasePoint has been able to reduce their per unit production costs by more than 40% and that number is still increasing. This has made existing contracts profitable again and has greatly improved ReleasePoint's competitive positioning.
- MicroSourcing has enabled ReleasePoint to scale up operations quickly and effectively. This, in turn, has enabled ReleasePoint to get larger clients on board much quicker and it has given ReleasePoint a highly scalable platform through which it can grow its business.

ReleasePoint has grown to nearly 100 full-time staff and is planning to double their capacity within the next 12 months.

“MicroSourcing has literally opened up a world of opportunities for our company. We have been able to reduce our cost of service and greatly improve our competitive positioning. We now also have the ability to scale much quicker than we ever could which changes the amount of business we can go after. MicroSourcing had been a great partner to us, making every step of the way easy and highly effective. It’s been terrific.”



Derrick Halvey
Vice President, Operations

About



ReleasePoint is a leading provider of national medical record retrieval services, offering dynamic solutions that satisfy the needs of the insurance industry’s largest carriers. Workflow processes and technology that have served customers well for over 40 years have come together to bring a new level of service, compliance, and value to medical providers across the country. www.releasepoint.com

About



MicroSourcing enables companies around the world to have their own operations in the Philippines through its Managed Operations services model. MicroSourcing offers a powerful alternative to traditional outsourcing or establishing a Philippine corporation. MicroSourcing provides the office space, tools, and all the operations support functions, while clients can customize the way they run operations in the Philippines by taking either a more active or passive role in daily operations management. MicroSourcing currently has more than 2,400 employees working in the Philippine operations of more than 140 companies from all over the world. www.microsourcing.com

The Journey to Identify the Right Partner

ReleasePoint specializes in medical data retrieval. They have two main operations processes; The first is outbound phone calls to US healthcare providers to schedule the retrieval of their medical charts. The second process revolves around quality control on the collected medical data to ensure that it can be used by the client. The end result is digital medical data that ReleasePoint's clients can use for their own medical data processes. Medical data retrieval is a fast-growing segment of the US healthcare industry where the volume of work is increasing rapidly.

"MicroSourcing really stood out during the vendor selection process. We were looking for a partner where we could actively manage quality of service and run things our own way. That eliminated many of the large outsourcing vendors who would have pushed us into their own operations framework. There was one much larger multinational provider that was very similar to MicroSourcing in our ability to have operational control and they also gave us the same sense of professionalism and ability to deliver. Their pricing was twice as high and their response time was twice as slow so in the end, the decision to go for MicroSourcing was made quite quickly."

Derrick Halvey
Vice President, Operations

The big issue ReleasePoint faced was that their cost of service in the United States was steadily increasing. At the same time, they were locked into long-term contracts with their clients. Re-opening those contract and negotiating for higher prices would have been risky and could have resulted in the contract being re-opened for a full bidding process with other vendors vying for the same work. The preferred strategy would be to leave the current contracts in place and find a way to significantly reduce cost of service.

In early 2013, ReleasePoint started reviewing overseas outsourcing options and their initial research led them to Costa Rica and the Dominican Republic as the nearshore options and India and the Philippines as the offshore options. It quickly became clear that the nearshore options could not offer the same dramatic cost reduction that the offshore options could. Other companies had told them about the poor quality of service they were getting out of India and this resulted in ReleasePoint narrowing their search to the Philippines. After extensive desk research, they created a list of 12 providers and started actively engaging with them. In July 2013, ReleasePoint's leadership traveled to the Philippines and visited their top five providers which included MicroSourcing.

The final decision came down to a choice between MicroSourcing and a very large multinational services provider. ReleasePoint chose MicroSourcing as they could provide the same quality of service at a much lower rate. MicroSourcing's leadership was furthermore intimately involved in the early discussions and showed really quick response time. Something that ReleasePoint felt was a good indicator for how things would run once operations got off the ground.

MicroSourcing and ReleasePoint signed the contract at the end of August, ending ReleasePoint's seven-month journey to explore the options and identify the right partner to move forward with.



Getting Started at MicroSourcing

After the contract was signed, both parties agreed on a target start date on the first week of November 2013. This was an aggressive goal, putting quite a bit of pressure on MicroSourcing's account implementation team.

Step 1 Management

MicroSourcing has a dedicated account implementation team with a standard framework for getting new clients on board. This team coordinated with ReleasePoint's project team during the implementation phase. Early on in the process, ReleasePoint was introduced to their MicroSourcing account manager and an operations management framework was built up including all the details around training, performance metrics, and reporting.

Step 2 Talent

MicroSourcing and ReleasePoint worked together in identifying the roles, headcounts, and job descriptions for the pilot team. The pilot team would have an operations manager, a quality and training supervisor, two team leaders, and a total of 30 associates. MicroSourcing's standard skill evaluations and interviews were complemented with five specific skill tests chosen by ReleasePoint to be included in the initial screening phase. Final interviews were taken by ReleasePoint's VP of Human Resources. It came down to the wire, but in the end, MicroSourcing's talent acquisition department was able to deliver the entire pilot team on time.

Step 3 Working Environment

MicroSourcing had just completed the fit-out on a brand new office in Eastwood City, the third delivery center MicroSourcing has in that location. ReleasePoint was assigned to a brand new work floor that would give them enough space for the pilot team and enable them to grow quickly after. Each workstation was provided with a 24" LCD monitor, Jabra headset, and a thin client workstation running remote desktop to connect to ReleasePoint's servers in the United States. IT deployment and testing were a joint effort between the IT teams of both companies.

Step 4 Training & Go Live

ReleasePoint sent over two of their US-based managers to conduct the training of the pilot team. Training went very well with both trainers impressed with the speed with which the new hires absorbed the training. MicroSourcing created T-shirts and tumblers as giveaways to celebrate training milestones. MicroSourcing took care of the HIPAA training and used the in-house developed MicroStatus tool to take the HIPAA compliance test. All trainees passed in their first go. Overall, training was a great success with live operations starting on schedule.



Mission Accomplished

At the time of writing, ReleasePoint just celebrated their one year of operations at MicroSourcing. In that period, the following has been achieved operationally:

- From the initial pilot team of 34 people, operations have grown to nearly 100 people by November 2014. ReleasePoint expects to at least double in size within 2015, reaching a total of at least 200 staff members in the Philippines.
- Staff attrition has been very low at less than 10% per annum and employee morale has been very high with a 2014 employee engagement score of 90%. Associates from the pioneer team were promoted to team leaders as the team expanded. Frequent visits by ReleasePoint have helped greatly with client visibility and employee loyalty.
- New processes and job roles which include inbound customer support and more specialized roles have been introduced.
- The IT infrastructure has been improved by deploying a local server at the MicroSourcing operations. This reduced latency, improved processing time, and improved the scalability of the team in the Philippines. This was another well-coordinated joint effort by the IT teams of both companies.
- MicroSourcing worked together with ReleasePoint in improving the staff performance framework and sharpening the processes around performance measurement, coaching, training, and workforce management. This has helped improve production per associate every month since go-live.
- At a strategic level, ReleasePoint achieved its original goal of significantly reducing its cost of service. Its competitive positioning has been greatly improved.
- Cost of service has already been reduced by more than 40%. This number is going to increase further as staff experience and performance improve and additional process and system improvements are implemented. This reduction in cost of service has made existing client contract highly profitable again and has greatly improved ReleasePoint's ability to compete in the medical data retrieval market space.
- MicroSourcing's Managed Operations model works and it has given ReleasePoint a proven platform from which it can quickly scale up by leveraging MicroSourcing's assets and capabilities in the Philippines. This, in turn, enables ReleasePoint to bid on much larger contracts at a highly competitive price point.
- MicroSourcing has proven itself as a true partner. MicroSourcing has been able to use its extensive experience to help ReleasePoint optimize its operations from a people, process, and system perspective. Challenges are discussed in an open, transparent, and collaborative way where the

“It is incredible to see where we are today when compared to when we started this journey. MicroSourcing has enabled us to be highly competitive again and we feel that we are currently ahead of all our competitors in terms of our quality of service, our pricing, our flexibility, and our scalability.”



Heather Kurkierewicz
Vice President, Human Resources

Key Takeaways

The ReleasePoint success story showcases a company's mission to regain its competitive positioning. Some key takeaways include:

- Our Managed Operations model enables clients to leverage MicroSourcing's assets and resources in the Philippines to quickly establish highly flexible and scalable offshore operations. Implementation is fast and effective.
- Cost savings of at least 40% are easy to achieve and they do not require any large one-time investments or sunk costs of any sort.
- Clients can retain operational control and work together with MicroSourcing to run things they want them to run. MicroSourcing does not force clients to adapt to a predefined operational framework, IT platform or methodology.
- The Managed Operations model effectively aligns all interests and provides the correct framework for both parties to operate in a true partnership. Challenges are openly discussed and resolved in a collaborative manner.

We would love to have the opportunity to discuss your business and discover how we can bring the same level of success to your company.

Email us to talk to one of our executives:
info@microsourcing.com

Find out more:
www.microsourcing.com