

Stevie Award Diversity & Inclusion, the GlowTouch Way

Globally, Business Process Outsourcing is on its way to becoming a half-trillion-dollar industry. More than half of all companies outsource at least a portion of their customer service functions. What does that have to do with diversity or inclusion? In a word, opportunity. The BPO industry has moved millions of people worldwide into the middle class. While the term "outsourcing" conjures visions of offshore locations, it is worth noting that there are more than 60,000 contact centers in North America.

Every single one of those centers relies on human capital. In a time of spirited competition for talent, recruiting has intensified, compensation has improved, and the need for people has pushed the search for employees into previously overlooked populations. The last factor speaks to the impetus behind impact sourcing, which creates career opportunities for people in disadvantaged communities.

This is happening in a time when corporate social responsibility has gone from the conceptual to the strategic. Impact hiring addresses economic inclusivity and is an effective tool for disrupting the often-cyclical nature of poverty by introducing a factor often missing in specific demographics: hope. It is one of several tangible approaches that GlowTouch takes toward creating a diverse culture while keeping in mind that the value of different experiences and perspectives lies in harnessing them toward a unity of purpose.

This document will outline our work in several areas:

- Impact sourcing and its effect on the workforce
- Partnership efforts to reach marginalized populations
- Training programs to develop skills that may benefit other employers
- Programs that benefit constituencies that are not part of our recruiting pool

Impacting Lives

At a high level, impact sourcing draws from an abundant pool of untapped talent that is thirsting for an opportunity. This approach also addresses attrition, a common industry topic, in a significant way by taking a motivated cohort and augmenting that desire with good training and careful coaching. The training aspect is essential as the typical person hired through impact sourcing initiatives will have a steeper learning curve. Nationwide, about 75 million people are classified as underskilled, and the global number is far higher. Our impact sourcing approach is centered around five constituencies:

- People in underserved communities
- Military spouses and dependents
- The disabled
- Senior citizens
- Youths 18-24 without post-high school training or education



We have a longer history with Impact sourcing in India than anywhere else. In the past four years, an average of 13% of new employees have hailed from economically challenged areas of the country. We used this strategy domestically in 2021, and about one-third of new US employees came from one of the five groups listed above. In addition, we started working with an organization that uses the growing prevalence of remote work as the catalyst for economic development in rural areas. Within a few months, that effort led to nearly 20 people being hired, and this initiative is now extending to other regions of the US where similar pockets of distress exist. Our experience with Teleworks USA partnership reinforces the point about realizing how the workforce has changed and adapting accordingly. This initiative allowed us to target some of the poorest counties in the nation without forcing participants to make a difficult choice: work or leave what, for many, is a generational home.

Partnerships

We recently began working with Goodwill on a potential program that would leverage the organization's workforce development programs with our industry-specific training to create and staff a contact center in an under-resourced corridor of Louisville. Part of Goodwill's expansive facility will operate like a GlowTouch office. Employees would have access badges just like their peers in other locations and use the same type of log-on credentials.

As with TeleWorks, we could simply give these future agents laptops and other equipment to allow them to work from home. But this program has a different goal, one that is as much about lifestyle change as economic opportunity. For this group, "going to work" will mean just that. And working at the Goodwill facility means a much easier commute for inner-city Louisville residents, especially those who rely on mass transit.

Another program is called Salute and it targets several constituencies within the military community: spouses, dependents, disabled vets, and reservists. This program led to us being a part of the Military Spouse Employment Program, providing a benefit many in this community have not had before - portability. Spouses' careers are often disrupted by the frequent transfers that are part of military life. But remote work eliminates that stress; these jobs can be moved to the family's next duty assignment along with the rest of the household. This method of enhancing enhance career mobility caught Google's eye, and the search giant has made us one of its Employer Partners.

Training

One result of the pandemic was pushing more people online more often, which has created more engagement for customer service teams. Along with increased volume, factors such as the faster speeds of 5G, the impact of the Internet of Things, and the growth of AI are making technology more complex which, in turn, can make customer care issues more intricate. This makes training vital, whether the training is for customer service and support agents or for teaching people how to navigate these increasingly intricate systems, and we are party to several such initiatives.

The US Department of Labor awarded us funding for on-the-job training. This money will be leveraged to hire and develop homegrown talent in the IT field and improve the skills of current staff members who want to pursue opportunities within the company. For new employees, the funding will cover 75% of their salaries during the training period and up to \$2,000 for classroom instruction.

Another \$75,000 in training funds has come through the Bluegrass State Skills Corporation. This money is also meant to raise the skill level of people in Kentucky, whether on our staff or not. GlowTouch was selected for this



grant from hundreds of businesses across the state because of our commitment to employees and the training they are provided from their first day forward.

Efforts like these and others, including an ongoing partnership with Kentuckiana Works and the Jefferson County Public Schools, address the changing dynamics of the labor force and the future growth of the BPO industry. As we add more clients, at least some employees will have the opportunity to pursue promotion opportunities. And as the BPO industry itself changes, people will be able to pursue interests in areas other than customer-facing support, disciplines such as data analytics, in-house IT administration, or project management. The goal extends well beyond creating entry-level seats; it is forward-thinking that envisions where our industry and business as a whole will be in the coming years, and creating a plan to meet the anticipated demand.

Extending Our Reach

The last of the initial four bullets is about company initiatives that do not relate to our core function but are worth doing because we can. A thumbnail sketch of these activities includes:

- A program that introduces minority middle- and high-school girls to the STEM fields and entrepreneurship: <u>Founder and Daughter Featured on Cover of Girl Scouting Publication</u>
- An application for managing scholastic science fairs and other school-based events: STEM Wizard
- A school preparedness app built around the skills that children should have before starting kindergarten being used by the Jefferson County (KY) Public Schools: JCPS Read4K

Initiatives like this fall under the company's work in using the success of the business as a means of doing good in the communities that surround our locations. There is a long list of projects undertaken either by the corporation or its charitable foundation, and they touch on areas such as health care, education, tree planting, and anti-poverty.

Why Do It?

Perhaps the better question is, why not? The most obvious rationale, particularly with impact sourcing, is the economic benefit to the individual. This approach creates career opportunities that might not otherwise exist for the beneficiaries, and we are focused on creating paths to careers rather than filling job openings. Tenure among our agents averages 4½ years, which is unusual in an industry where attrition is a common challenge. But it's not just about us.

Domestically, impact hiring follows the outline of federal empowerment zones within urban settings. It also reaches into rural areas that have fallen behind, military spouses who face a staggering 33% unemployment rate since frequent moves make consistent employment difficult, a significant portion of the disabled community whose issues are more logistical than skills-based, and older Americans who want or need to continue working past traditional retirement age.

Creating career tracks among people in distressed communities also has a contagious effect. When one person's situation changes, others in similar straits start to believe that they, too, can experience a similar outcome. And they can. We often break down problems by asking if the issue is one of skill or of will. A skills issue can be rectified; that's why we have training, coaching, mentoring, and other means of preparing people to succeed.



For the person being hired, a potential career path has motivational value. Employees need not fear being "stuck" in one position or believe they were held back due to their previous circumstances. Achievement is driven by the individual's drive to learn and succeed; as such, not only are people employed, but they are also empowered. Our experience has often been that these employees needed 1) a chance and 2) an organization that would provide them with the right tools. And our industry has no shortage of performance metrics to gauge a person's output.

The Challenges

Impact sourcing is a disruptive approach to the norms of recruiting and hiring, and every such mechanism has some built-in or potential obstacles. In this case, there are three primary items to consider:

- Getting in front of the right people. The usual recruiting/hiring plan won't work. This usually means developing a partnership with organizations that specialize in specific populations.
- Gathering internal data to track results and inform further decision-making. It can be tricky to encourage
 people to self-identify while not being intrusive or coercive. Even when belonging to a particular group has
 benefits, some people feel they are given something rather than earning it. This concern is overcome through
 focused communication that stresses recipients are only provided an opportunity; success is up to them, and
 they're held to the same standards as anyone else.
- Building trust. This takes time and people are often wary of perceived motives before considering whether a program aligns with their goals. Also, the organizations involved can be protective of their clients, so it is incumbent on us to show how we can add value.

A related challenge is that much of what we do requires a measure of technical competence or familiarity, which means people must believe that they can do the work. Our industry can be more successful in presenting itself as a customer service enterprise that uses technology, just like any other workspace.

People tend to act in their self-interest, so our best weapon is to make a compelling offer that appeals to the individual's more significant goals. Pay is always part of it, but so is stressing the career potential in a growing industry that does not always require post-secondary education. We can also point to multiple living examples of people who came to us as blank slates and are now thriving in the contact center environment, having learned new skills that benefitted them and us.