To Outsource or Not to Outsource

Jeffrey S. Kimel, Manager - Customer Service/Billing
Department of Water Resources City of Greensboro

Joseph Martin, Director
Woodfin Sanitary Water & Sewer District

Lora H. Southard, Regional Sales Manager
SouthData, Inc.

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“....where the work can be done outside better than it can be done inside, we should do it.”

In 1998, he became president of American Electric Power-Texas, an Austin based $13 billion utility company. Jackson was responsible for operations, public and community affairs at AEP subsidiaries, Central Power and Light Company and West Texas Utilities Company for the next three years.

In early 2001 Jackson's name was approved by Congress to serve as the deputy secretary of the Department of Housing and Urban Development (HUD), a post that essentially made him second-in-command and chief operating officer of the cabinet department, working under HUD Secretary Mel Martinez.
Possible Pitfalls
Public Perception
• Push back on sending business outside the County/State
Effect on Local Post Office
• Is your local Post Office dependent on your outgoing mail?

Cost
• After all calculations are made is it more expensive to outsource?

Expertise of Staff
• Do you have staff that can communicate effectively with a vendor?

Possible Pitfalls

Loss of Control
• How will I know they are right?
• What if I need to change something?

Effect on Local Post Office
• Is your local Post Office dependent on your outgoing mail?

Loss of “Community Jobs”
• Is there an expectation that jobs will be lost internally?
Benefits
Reduce Operating Costs

- Equipment
- Paper/Envelope/Toner
- Square Footage
- Postage
Benefits

Working with the USPS
• Design
• IMB Coding (Intelligent Mail Barcode)
• Presort Rates
• NCOA, DPV, LACS, CASS
• Optional USPS Services; ACS, AEC
Professional Design
• Use of color, fonts and blocking
• Graphs
• Logos
Value Added Services
- IMB Tracking
- EStatements
- Integration with other Vendors
- QR Codes
- Archival and Retrieval Systems
Things to Consider
Things to Consider

References

Proofing and Approval Process

Quality Control Procedures

RFPs

Price

USPS Knowledge and Relationship

Financial Stability

Escrow Requirements