



Outsourcing Systems Management

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EXECUTIVE SUMMARY

Acclaris is a relatively young company focusing on business process outsourcing solutions. It has tried, from its inception, to follow its own credo and outsource non-core operations. Acclaris' current strategy focuses on growth in its domestic sites in the United States as well as its overseas facilities in India. Due to recent growth, Acclaris is rethinking its strategy of outsourcing its intranet to Intranets.com. Acclaris' ability to employ technology to gain a competitive advantage is the result of streamlining its processes, hiring employees in India, and developing Web-based applications and infrastructures.

The growth of this intranet system is a major information systems concern for Acclaris. The company is currently investigating three options to ensure that its technology strategies will continue to be aligned with its organizational goals. These options include continuing to outsource with Intranets.com, purchasing/leasing its own server, or moving toward a portal solution.

ORGANIZATION BACKGROUND

Acclaris was borne from the market reality that back-office processes need specific attention and the realization that it requires the right combination of solutions, skilled people, and technology to accomplish process efficiency. Acclaris' top management team has decades of experience working for the nation's industrial giants and leading the world's most prominent consulting firms. The team members have shaped and engineered highly effective processes for literally hundreds of the Fortune 500 companies, utilizing the brightest minds and the most promising technologies.

Acclaris, headquartered in Tampa, Florida, was founded with the goal of providing consulting services to process-intensive companies while simultaneously helping these companies focus on their core competencies. Acclaris takes non-core, yet critical back-office transactions and delivers a processing environment that is more efficient, less costly, and has greater reporting capabilities. Acclaris' key strength is combining people, process enhancement, and technology to help its clients. With domestic facilities in Tampa, Florida, and Baltimore, Maryland, and international sites in India, Acclaris has grown both in scope and size. Its mission reflects this and Acclaris wants "to be the recognized market leader for providing integrated, automated back-office operations through process knowledge, proven technology, and amazingly talented people for solutions that rapidly deliver the greatest quality and the most value to our clients" (Mission/Vision/Values, 2003, p. 1).

Acclaris was co-founded by two seasoned executives with significant professional experience between them. Liana O'Drobinak, formerly a partner with Arthur Andersen, oversees daily operations and strategic direction. Dipankar Mandal, formerly Chief Technology Officer at CBS, oversees international operations and technology innovations. Other members of the management team also bring substantial experience to Acclaris. John Rudder formerly served as the Executive Vice President of Sales for TMP Worldwide (parent company of Monster.com), and oversees sales strategy development at Acclaris. Sanjay Deo oversees Solutions and Consulting activities, bringing over 11 years of IT experience in the areas of solutions implementation, application software development, and information security to Acclaris. Christine Lundquist oversees Accounting Solutions at Acclaris and formerly served as Manager of Business Process Outsourcing for Arthur Andersen (Management Team, 2003).

With the strong and diverse background of its management team, Acclaris has been successful from its inception. Only six months after its founding, the company already had a positive cash flow and currently has revenues of over \$2 million. (As they are a privately held company, they will not disclose specific financial data). Acclaris currently employs 60 people between its Tampa, Baltimore, and India offices, and expects to grow significantly over the next few years. In order to provide low-cost services, Acclaris must, like many other firms, concentrate its growth in India.

"For years Indian developers have had a reputation as the offshore programming outsourcers of choice for Western corporations because of their high-quality, low-cost coding help. Now the continued availability of skilled manpower at costs far lower than in the West, cultural factors, economic conditions, and an improving telecommunications infrastructure in India and worldwide is leading U.S. and European companies to tap the skills of Indian outsourcers in other areas. Indian companies are providing sophisticated, IT-enabled back-office services for customer interaction and data processing." (Ribeiro, 2003, p. 1)

As one might expect from a young company, Acclaris is still in the process of defining its strategy. All of Acclaris' current services center on its credo to allow clients the "Freedom to Focus." Acclaris' clients often purchase/contract small consulting services and then, as they are pleased with the results, move toward using the company's

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