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## The Boardroom Report



By: Nadji Tehrani,  
Founder, Chairman & CEO, Editor-in-Chief,  
Technology Marketing Corporation

# Tom Cardella Has Done It Again!

The Boardroom Report provides the CRM, customer interaction and call center industry's view from the top, featuring the sector's first in-depth, exclusive, CEO-to-CEO interviews with leading executives regarding industry news, analysis, trends and the latest developments at their companies. As the industry's leading publication since 1982, it is our responsibility to recognize leaders with the best minds in the industry, and share their vision and wisdom with our valued readers. For this installment of The Boardroom Report, Nadji Tehrani, Technology Marketing Corp.'s founder, chairman and CEO, interviewed Tom Cardella, President and CEO of Thomas L. Cardella & Associates.



Thomas L. Cardella  
combining his vast experience with refreshing new innovation.

Cardella has built another outstanding contact center outsourcing company by thinking out of the box. Based on his extensive 20 year teleservices background, he has built another solid company by

During his illustrious career as Founder, President, Chairman and CEO of numerous respected and prestigious companies, Cardella was inducted into the Hall of Fame by the editorial staff of Customer Interaction Solutions, the world's first and pre-eminent magazine of the industry, since 1982. Companies such as Precision Response Corporation, Access Direct, and many other corporations under Cardella's direction have received numerous MVP Quality and Top 50 awards from Customer Interaction Solutions magazine.

NT: How do you differentiate your company from existing teleservices companies?

**During his illustrious career as Founder, President, Chairman and CEO of numerous respected and prestigious companies, Cardella was inducted into the Hall of Fame by the editorial staff of Customer Interaction Solutions® magazine.**

TC: By way of a background, we are a contact center outsourcing company doing inbound, e-mail, web chat, and outbound. We purchased state-of-the art systems, so we're not tied with any systems that can't meet the needs of clients in the 21st century. The vision, having been in this industry for so long, is really to create a top shelf environment, if you will, both for our employees and for our clients. I'm doing this a couple of different ways. First of all, the pay structure for our employees is between \$11 and \$15 an hour to start, depending upon the type of client we bring in. What this allows us

to do, being based in the Midwest, is bring in a much higher level individual into the company. For example, the employee base we have on our phones right now has an average age of 34. The majority of our people have some level of college education. It's certainly a different environment than a lot of people picture when they discuss our industry.

What we're trying to do is change the image that the general public has of our industry through the types of individuals we're hiring and the environment that we have created. Another thing that is of importance is the image that we portray. It really puts us right to the top of the stack from the start, because most clients have this vision of what a call center looks like, whether their perception is real or not.

NT: That's very important, Tom. As we both know, our industry has suffered for a long time because of poor perception. Unfortunately, we get a lot of negative comments in the press because of that.

What other areas do you specialize in? Are you, for example, in financial services, or insurance, fund-raising, or collection?

TC: There are five areas right now that we're really focusing on, three of which we have experience in. The five primary areas are: pharmaceuticals, healthcare, telecommunications, financial services, and insurance services. I actually would add a sixth area of focus, which is education and educational services, as that happens to be an area in which we are excelling for one of our existing clients right now.

The important thing is the management team I have built here in the new company. Having been the Chairman and CEO of Precision Response Corporation, plus having worked in companies like APAC and Idelman (industry leading outsourcing companies), having been out of Omaha, and then, of course, having had Access Direct for several years, I knew several hundred managerial level people in the industry to pick from, and I think we've done a nice job in creating a strong managerial foundation. All of these people have a minimum of ten years in our industry, and some of them as many as twenty years in the industry, many of them having worked with me in the past, so they know my expectations, and we're real fortunate to have them all on my team.

**NT: That sounds excellent. I didn't know you worked for Steve Idelman.**

TC: I got my start there, Nadji. Actually, I got my start on the phone at Idelman, putting myself through school. The other thing is, at Access Direct and here, we use a lot of the principles that Steve and Sherri Idelman brought to the industry. Why would you reinvent the wheel when they did it so well, and, you know, if I had gotten my start with a different company, I don't know that we'd be as successful today.

**NT: I agree with you 100 percent. Steve and Sherri were one of a kind. I don't know if I shared with you that, in the early days, when I didn't know much about telemarketing back in '82, I went to Omaha and I was also trained by Gary and Mary West and Steve and Sheri Idelman.**

**What is your opinion about the recent offshore outsourcing problems?**

TC: You know, a few outsourcers keep chasing the lower cost mentality, and one of the things that we've tried to discover over the years is, what caused them to go offshore? One of the things that we've always tried to educate our clients on is that there's more to this than just the lowest hourly rate you can get. If you're willing to look at your back-end results, it may take a commitment on a client's part of two or three months with a vendor. If you're willing to take a look at those back-end results, you can see that what you're actually paying up front isn't how to measure the cost of the program you're running with the offshore vendor. I think people are starting to realize that, which is why I think we're coming back into the industry at a prime time.

**NT: How about client visits?**

TC: In 1998, I wrote an article that was publicized in your magazine, regarding the twelve steps to client services management and really how we treat the client. We've always been able to demonstrate our ability to do that really well. You know, we're really visible, myself to clients, really looking at their business every day and getting out to visit them on a regular basis. I tell clients when I'm out in front of them that this is not going to be the last time they're going to see me.

**NT: Please tell me more about differentiation.**

TC: You know what, let me boil it back down for you. One of the biggest differentiators at Thomas L. Cardella & Associates is that we stick with the basics. What I mean by the basics is, we don't try to get fancy. We recognize that they are the client and that we're the vendor. I mean, this is not a partnership. Partnership is one of those fluff words, if you know what I mean. I did phone time two nights ago right next to my reps. I still do phone time as do all my staff, that's a basic if you will. We're highly visible to our clients. We treat our phone staff as they should be treated, with ownership of the company, 35% of the stock of the new company, Nadji, is owned by the employees.

**NT: I am very impressed by the way you treat your people. In my humble opinion, customer care begins with employee care. If you don't take care of your employees, your customers are not going to be treated right.**

TC: Absolutely. I refer to Access Direct quite a bit because we're really building this company on many of the same principles, but at Access Direct, any time an employee had an anniversary, I took that person out to dinner. Now we did that in groups, but by the time we had eleven call centers, I was doing nine dinners a month, taking several hundred people out to dinner each month to celebrate their anniversary, one-year, two-year, three-year, four-year, five-year, six-year anniversaries. Sometimes it was really tough to get in the car and drive two hours to go to a dinner, especially in the dead of winter, but once I was there, I really enjoyed it. It was a way to really understand what was going on inside the company, first of all. Secondly, the folks loved it that they sat down with the CEO of the company and had a good dinner. It helped keep our attrition low, and strengthened employee loyalty and communications.

**NT: Tom, do you have any other comments that you would like to share with our readers about what the industry needs, how much we have done for the industry, how much the industry has done for itself, and that sort of thing?**

TC: I will share with you one of the questions I get asked a lot, and that is why I got back into the industry. I retired two years ago after having been Chairman and CEO of PRC with the anticipation I just wasn't going to get back into the industry. However, I had so many past clients approach me and ask me to get back in the industry that I really had to reconsider that initial thought. I really don't know that I could see myself doing anything else. I love doing it, I'm passionate about it. I really enjoy working with the clients, I really enjoy working with the people, and that's why I got back in. It's just a fun place to be and I really think we are making a difference in the industry and in the lives of our employees.

**NT: Thank you very much Tom. I really appreciate your time.**

**Thomas L. Cardella**  
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