

CASE STUDY



DELL



Challenge

Dell had strict requirements for where to locate its new tech support center. The ideal community had to have solid economic drivers, high unemployment, opportunities for technical education, little or no market saturation and no overlapping technical centers. Potential employees had to match the profile of existing Dell employees, including appropriate age distribution and having a college education.

QUICK FACTS

- 700 agents paid at a lower wage translated to \$8.3 million in savings
- LAG was able to deliver for a client that had specific, narrowly tailored requirements
- Twin Falls, ID proved to be an ideal location for Dell
- Dell has been pleased with its new call center and added jobs there on a consistent basis, over the years

Solution

At the Labor Analytics Group (LAG), good information means good results. Because labor markets don't end at city boundaries, LAG has developed models and indicators that identify smaller and rural communities as potential call center locations. LAG provided the knowledge, comprehensive profiling, detailed analysis, market data, reports, and specific community intelligence needed to identify ten potential locations to choose from for Dell.

Dell and LAG visited each candidate community to gather anecdotal information from community employers, employment offices, economic development agencies, academics, and a cross-section of workers. These visits gave the communities the opportunity to demonstrate the ability of all stakeholders to work together as well their desire to have this tech support center located in their community. After 10 weeks of diligent investigation and evaluation, Twin Falls, ID emerged as the location for Dell's new tech support center.

Benefit

With LAG as its guide, Dell significantly reduced planning cycles, minimized risk, lowered turnover, and found a better quality of work force by choosing Twin Falls. Within months of opening, Dell has doubled its employment base and added a customer service function with an additional 175 jobs. Dell's entry-level wage at its Austin, TX center, at the time, was \$13.50 per hour. The Twin Falls center paid \$7.75 per hour for the same positions. The difference amounted to annual savings of \$8.3 million.

Update

According to Dell executives, the Twin Falls Center consistently has scored among Dell's top performers on electronic customer satisfaction surveys since its February 2002 opening. The number of jobs at the center has grown consistently.

For a more detailed accounting of this story, ask for a reprint of the article "Searching for a Site" by Lisa Buddecke and Jan Rogers for Expansion Solutions magazine.

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