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# Going Offshore

Under the direction of CEO Scott Stavretis, Acquire BPO is growing at a steady pace to fulfil an increasing demand for outsourcing services across a variety of industries and sectors.

Images by Joseph Feil

Following in his father's entrepreneurial footsteps, Scott Stavretis left school aged 15 and had the foresight to start a business in an industry that was just starting to take off. The teenager recognised a need for an internet service provider in Victoria's Mornington Peninsula where he lived, and developed a concept which would allow locals to easily connect.

"It was at the time when the internet was still dial-up and you needed to make a phone call to connect, and the Mornington Peninsula wasn't a local call to Melbourne," Scott explains. "It was prohibitive for anyone in that region to connect to the internet. I saw an opportunity and managed to raise some money—it was going to cost about \$35,000 to set up the infrastructure and to get a few months service connected to the internet backbone. I pre-sold 100 internet accounts, which was \$350 per year, to fund the launch. Once I had done that, my father gave me his blessing to leave school and continue on with it. I continued some of my education in the background for a few more years

by correspondence, but I ultimately left school to focus on the business."

While most of the already established internet providers on the market dismissed Scott's operation as child's play, he managed to form one solid relationship which helped him out in those first few months by guiding him through some of the processes. His company experienced a consistent stream of growth, but when Scott turned 21, soon after the passing of his father, he decided it was time to sell up.

"It was at that point in time where I didn't want to just stay around the Mornington Peninsula anymore. I wanted to move to Melbourne, experience more of the world, and have a complete change of scenery. That's when I met Larry Kestelman—a man who, at the time, was looking to form an internet company of his own. We knew some mutual suppliers, so got together, and that's when I started with Dodo in 2001."

Scott initially looked after the technology division of Dodo and then moved into operations

to eventually become COO, where he looked after the day-to-day business and the subsidiaries it had. "Timing is a key factor in business; that's for sure," he notes. "I think you can never underestimate the importance of timing."

For the next four or so years, Scott worked with Larry to develop the Dodo brand and turn it into a household name. On the side, they were both running or were involved with additional businesses—one being a sports betting company later sold to Tom Waterhouse and another a business process outsourcing (BPO) enterprise called Acquire.

Dodo was experiencing rapid growth, and Acquire was created to support its need for a better call centre facility, Scott says. "Dodo was finding it very hard to recruit and retain call centre staff who actually wanted to remain in a call centre role and not become a manager within three months. The turnover in the call centre industry in Australia is typically quite high. We visited all the usual places to work out where we could put that call centre. We went to India; we >

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went to South Africa; we researched different places in the Philippines, and eventually decided on Manila as the place for us.

“We built it just for ourselves and invested a lot of capital into it from an infrastructure point of view. A few companies who saw what we did liked it and knocked on our door asking to be a part of that facility. We naturally evolved into an outsourcer from that. It wasn’t something that was originally planned in our initial strategy. We then made a decision that Acquire should be a BPO and it would be run as a separate business.”

In 2011, Scott executed a reverse takeover with ClubTelco into publicly listed Eftel, where he became the CEO of the public company at age 31. During a successful two-year period, Eftel acquired several of its competitors and tripled its revenue in that short time. In 2013, M2 acquired both Dodo and Eftel, and Scott focused on Acquire BPO full time.

Today, he leads the group as CEO and has been instrumental in its exponential growth. The business employs around 7,000 experienced professionals and operates from 12 state-of-the-art locations across Australia, the Philippines, the US, and most recently the Dominican Republic. Its work includes customer service, sales, technical support, retention campaigns, network operations, back-office functions, software development, and marketing services for a range of industries including telecommunications and finance.

The Acquire BPO approach is all about people, process, and performance. It is able to attract and retain well-educated and skilled staff, the majority of whom are based in the Philippines, to deliver the best outcome for its clients all over the world. “We chose the Philippines because of the ease of doing business there, the proximity to Australia, the telecommunications infrastructure, the building infrastructure, and most importantly, the people.



“It has one of the largest English-speaking populations in the world, has some great educational programs, and has a very Western culture. The people, the infrastructure, and the government have supported the outsourcing industry for quite some time; they’ve got the right incentives in place and encouraged the educational systems to deliver a substantial amount of English-speaking students out of school and into the BPO industry. It’s one of the highest-paid careers for an employee in the Philippines.

“Over 90 per cent of our staff have college degrees. They come to work at a BPO because it is one of the more highly-paid and

professional industries with good benefits. We then promote people from within to ensure there is a clear path for their professional development. We don’t lose clients, so we’ve never had to lay off any employees, providing them with job security. In that process, we have created the right workforce with a very strong leadership team.”

Scott says that the experience and scale of Acquire BPO is what gives it a great edge in the marketplace. It has access to a range of resources which many of its competitors don’t have, such as three large subsea cables, and offers a highly personalised service to its customers. “We have a client

services team which comprises project managers and account managers here in Australia,” Scott explains. “Their job for a new client is to go on site, understand the processes, procedures, and the corporate culture of the company that will be outsourcing.

“They can embed themselves in a client’s business for up to three months for some of the larger clients, so they really understand who’s who, what their processes are, what they’re trying to achieve out of the offshoring program. They then take that over to the Philippines and work with our training and onboarding team there to roll out the program. This ensures that the transition is successful. They then stay on as a part of the ongoing relationship between the client and Acquire, acting as a conduit between the client’s company and our Philippines operation, making sure that any changes are implemented and ensuring that the company culture is instilled within the business.

“We don’t just insist on the Acquire way of doing things. We work to support our clients and the way they may wish to do things in their business and their industry. That is quite unique. It’s quite a strong point that Acquire has and something that our clients absolutely love and embrace. That’s why they are our biggest advocates for what we do.

“We’ve built the right team and resources around us and have the right scale to ensure that we can deliver. Our program managers over in the Philippines tend to start making decisions as if they are the client company. That is a big mandate I try to push in the business—to act as if the client program is their own business—and when you start making decisions like that, it adds a lot of value.”

Last year, Acquire BPO purchased two companies—Animation1 and Shore Solutions—to support its operations further and broaden its portfolio. Scott says expansion will

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continue as the group involves more multinational companies and moves into new territories; it recently grew its US nearshoring capabilities by launching the Dominican Republic site. Scott would like to see both organic and merger and acquisition activity in the short- and long-term future. “We’ve got some big targets,” he adds. “I want to get to 10,000 employees quite quickly, so that is a current focus.”

While Australia is somewhat behind the US in the offshoring market, Scott foresees that more and more back-of-house operations will move towards external sourcing services. People are starting to see the benefits of doing business that way and are taking advantage of the skills that can be utilised.

“Today, the trend in offshoring is more around higher skill, knowledge-based functions such as accounting, payroll, marketing services, SEM or SEO activities, development, or programming” Scott says. “Most white-collar work, where you don’t need face-to-face client interaction, can be outsourced. That’s where we’re seeing businesses and leaders go,

especially within the public sector where they are measured by the six-month results. Most Australian companies have taken that first step—usually their call centre or voice operation—and are looking at what else they can offshore. We’re starting to see this increasingly in Australia, although it’s been happening a bit longer in the US, and I think this is a trend that is going to continue over the next few years.

“With all the work that we do overseas, all the profits are brought back into Australia. We certainly contribute to the economy in that way. We help Australian businesses compete on a global level, and they can’t do that if they don’t have two things—the right cost base and the right access to skilled resources. That is what we help Australian businesses do.

“In everything we do and in every decision we make, although it may cost us more in the short term or may mean a lot more work for us, we will go above and beyond what’s in the contracts. That is a mandate right throughout the business and ensures our customers are consistently satisfied.” ●