

# Verifying the adoption of best practices in Corporate Responsibility



## ARVATO - Global Contact Center Provider for Microsoft

arvato is a Subsidiary of Bertelsmann AG, providing customer support and logistical services with more than 65,000 employees across 40 countries. They are one of the main Business Process Outsourcing (BPO) suppliers for many of the world's leading telecoms, airlines, and technology companies, including Microsoft, who recently set forth certification expectations within its supply chain.

## VEREGO SRS – Corporate Responsibility Standard

Built on best practices across 5 AREAs of Corporate Responsibility: Leadership, Ethics, People, Community, and Environment.



Verego was founded by Baldrige Quality Award Lead Auditor and COPC chairman, Cliff Moore. [Verego's Steering Committee](#), made up of over a dozen supply chain and sustainability experts, are in charge of developing and evolving the standards.

The goal of [the Verego SRS Standard and Certification Process](#) is to verify the CR practices within a Buyer's supply chain in order to reduce operational and reputational risks, while minimizing duplicate auditing efforts, and encouraging the adoption of best practices.




## arvato AG - 2015 Case Study

With mitigating supply chain risk now sitting firmly atop the agenda for the entire technology industry, many companies are exploring new methods for identifying and addressing risk through the responsible sourcing of goods and services.

arvato, a global contact center provider for many of the world's largest technology companies, was experiencing ever increasing expectations from their large customers to ensure they were operating with the upmost social and environmental responsibility. Microsoft, in particular, was keen to have their key strategic suppliers like arvato become certified to best practice standards like the Verego SRS, ISO 14001, OHSAS 18000, and SA8000 in order to validate that their

most important suppliers were operating at the same level of responsibility as Microsoft itself.

This case study describes the experiences of arvato, one of Microsoft's biggest call center suppliers, as they adopted new corporate responsibility standards by collaborating with Verego, the third-party verification body that was chosen by arvato to assess and certify their Corporate Responsibility (CR) management systems. Additionally, this case study will provide an investigation of arvato's rationale for choosing to adopt the Verego SRS Standard and highlight the results of aligning their management systems to the Verego Corporate Responsibility Standard (Verego SRS) throughout their journey to full certification in all 5 Areas of the Verego SRS.

 **Microsoft** "In order to verify our suppliers operate using best practices in CR, Microsoft has implemented a Responsible Sourcing program. For the past three years, Microsoft has been working to systematically and continuously improve our strategic contact center suppliers' sustainability, recognizing a number of certification schemes such as ISO 14001, SAI 8000, and Verego SRS. The Verego SRS Certification process adds another useful new tool to our procurement team's risk mitigation toolbox, reducing our auditing costs while at the same time enabling our suppliers to improve." – Mike Simms (Microsoft CPO)

## CHOOSING THE VEREGO SRS CERTIFICATION – ARVATO’S PERSPECTIVE

Since the Verego SRS was not the only option for going above and beyond Microsoft's expectations, arvato needed to choose between the world's leading certifiable standards for Corporate Responsibility: ISO 14001 for environment, OHSAS 18001 for Health & Safety, and SA8000 for Labor Practices. Although robust and globally recognized, these standards were developed around manufacturing processes and in many cases were not so relevant to the global service-based operations of arvato. Besides their lack of applicability to arvato's operations, having to achieve 3 different certifications at once to cover the spectrum of Corporate Responsibility would have created redundancies in auditing efforts and the multiple sites visits would have resulted in significant costs. Alternatively, Verego's SRS certifiable standard covered the entire spectrum of CR, was flexible enough to apply to arvato's service-based business model, and the cost-effective site validation of the certification process **reduced the total 3 year cost compared to the others by almost 70%.**

## Verego SRS Certification Assessment Process Steps

### 1. Project Onboarding

arvato and Verego first collaborated on the project scope, including the sites, the timeline, and the responsibilities of both parties. Verego also introduced the assessment tools that aided arvato in the overall certification process.

### 2. Complete Application

Using the assessment tools, arvato collected documentation evidence for each section of the Verego SRS Standard which was then submitted to the assessment team at Verego for review and validation.

### 3. Gap Analysis

After reviewing the submitted evidence, the Verego assessment team highlighted sections of the arvato's CR practices that were in con-compliance with the SRS Standard. The reasoning and preliminary scores were compiled into arvato's Pre-Impact Report.

### 4. Validate Implementation

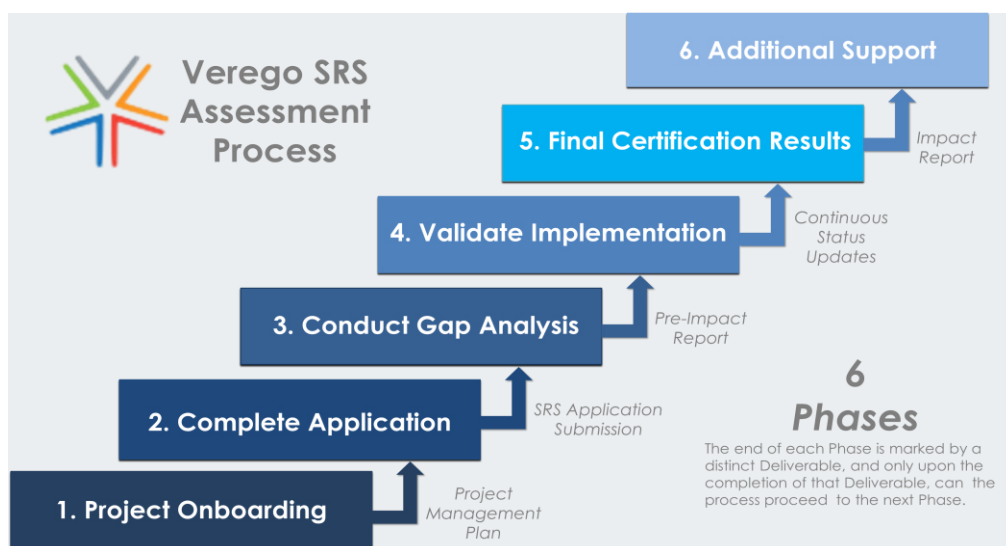
An Employee Survey was launched to understand the awareness and implementation of arvato's CR performance at each of its sites. Additionally, one Site Lead from each site was also interviewed and responsible for submitting site-specific evidence for verification.

### 5. Final Certification Results

The Verego assessment team combined arvato's latest round of submitted documentation with the Site Validation results to create a final Impact Report. Passing AREAs earned Certification Awards, while others were considered Conditionally Certified due to arvato's formal commitment to close them within 180 days.

### 6. Additional Support

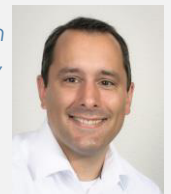
Verego supported arvato to implement improvements to their gaps through adopting best practices, which ultimately achieved full certification in all 5 Areas.



*“During the Assessment Process, Verego took a very supportive approach and shared best practices from other leaders. This helped us to bring Responsible Sourcing at arvato Bertelsmann to the next level.”*

Daniel Seemann  
(Director Global,  
Arvato CRM  
Solutions)

**arvato**  
BERTELSMANN



## Supplier Benefits

- Verego offers a cost effective certification with a suite of project management tools and assessment software streamlines the overall audit and certification process.
- Verego's integrated system of assessment, support, and certification enables targeted, value-add improvements to best practices of CR management systems within the market.

## Buyer Benefits

- Verego's SRS Standard focuses on the validation of key Management Systems, which is the best option for promoting continuous improvement and reducing potential non-compliances.
- Verego is a potentially zero-cost solution for Buyers when used as a certification requirement for their supply chain.
- Verego also offers an Assurance Program (VAP), which allows Buyers to further evaluate and manage their supplier social responsibility performance through a series questionnaires aligned with the SRS Standard.

To learn more about how the Verego SRS or Assurance Program can support your organization, connect with a Verego representative at [info@verego.com](mailto:info@verego.com)

## ARVATO'S EXPERIENCE WITH VEREGO – "THE SUPPLY CHAIN RIPPLE EFFECT"

One of arvato's biggest achievements, while working with Verego, was adopting best practices for Corporate Responsibility within their own supply chain. No longer does arvato just consider themselves a supplier, but this 'ripple effect' caused the corporation to re-evaluate their own supply chain, and thus illuminated their own risks and opportunities.

In order to achieve a full Verego SRS Certification at their call center sites, arvato improved their already robust supplier evaluation process for information security to also include additional dimensions of CR. So far, nearly 125 of arvato's strategic suppliers have undergone a CR evaluation and all of their suppliers' evaluation results are stored within a supplier performance management system in order to identify risks, best performing suppliers, and track supplier improvements over time.

## arvato's Key Learnings with Verego

*In order to achieve certification, best practices were adopted in order to improve compliance gaps with the SRS Standard.*

### Promotion of CR in Supply Chain

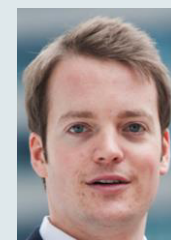
As part of arvato's continuous improvement process, arvato's Supplier Code of Conduct was expanded and implemented along with a robust supplier assessment process that evaluates their suppliers' CR performance.

### Habitat Conservation

In a partnership with Climate Partners, arvato set out to mitigate climate emissions while at the same time enhancing ecological habitat by offsetting executive air travel with planting trees in Tamil Nadu, India on degraded agricultural lands.

### Achieved Verego SRS Re-Certification for 2015

After successfully achieving full Verego SRS Certification in 2014 at 8 call center sites, in 2015 arvato achieved re-certification at 10 sites.



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