

SYKES ENTERPRISES INC

Form DEF 14A

April 18, 2011

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Sykes Enterprises, Incorporated

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No Fee Required

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(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

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**400 North Ashley Drive
Tampa, Florida 33602**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD MAY 19, 2011**

To the Shareholders of Sykes Enterprises, Incorporated:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders (the Annual Meeting) of Sykes Enterprises, Incorporated (the Company) will be held at the Sheraton Riverwalk Hotel, 200 N. Ashley Drive, Tampa, Florida, on Thursday, May 19, 2011, at 9:00 a.m., Eastern Daylight Savings Time, for the following purposes:

1. To elect four directors to hold office until the 2014 Annual Meeting of Shareholders;
2. To hold a shareholder advisory vote on executive compensation;
3. To hold a shareholder advisory vote on the frequency of advisory voting to approve executive compensation;
4. To approve the 2011 Equity Incentive Plan;
5. To approve the performance criteria under the 2011 Equity Incentive Plan;
6. To ratify the appointment of Deloitte & Touche LLP as independent auditors of the Company; and
7. To transact any other business as may properly come before the Annual Meeting.

Only shareholders of record as of the close of business on March 30, 2010, will be entitled to vote at the Annual Meeting or any adjournment or postponement of the Annual Meeting. Information relating to the matters to be considered and voted on at the Annual Meeting is set forth in the proxy statement accompanying this Notice.

By Order of the Board of Directors,

James T. Holder
Secretary

April 14, 2011

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE
SHAREHOLDERS MEETING TO BE HELD ON MAY 19, 2011**

This proxy statement and our 2010 Annual Report to Shareholders are available at:
<https://materials.proxyvote.com/871237>

YOUR VOTE IS IMPORTANT

To assure your representation at the Annual Meeting, please vote on the matters to be considered at the Annual Meeting by completing the enclosed proxy and mailing it promptly in the enclosed envelope. If your shares are held in street name by a brokerage firm, bank or other nominee, the nominee will supply you with a proxy card

to be returned to it. It is important that you return the proxy card as quickly as possible so that the nominee may vote your shares. If your shares are held in street name by a nominee, you may not vote such shares in person at the Annual Meeting unless you obtain a power of attorney or legal proxy from such nominee authorizing you to vote the shares, and you present this power of attorney or proxy at the Annual Meeting.

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**400 North Ashley Drive
Tampa, Florida 33602**

**PROXY STATEMENT
FOR
2011 ANNUAL MEETING OF SHAREHOLDERS**

This Proxy Statement is furnished in connection with the solicitation of proxies on behalf of the Board of Directors of Sykes Enterprises, Incorporated (the Company) for the Annual Meeting of Shareholders (the Annual Meeting) to be held at the Sheraton Riverwalk Hotel, 200 N. Ashley Drive, Tampa, Florida, on Thursday, May 19, 2011, at 9:00 a.m., Eastern Daylight Savings Time, or any adjournment or postponement of the Annual Meeting.

This Proxy Statement and the annual report to shareholders of the Company for the year ended December 31, 2010, are first being mailed on or about April 19, 2011, to shareholders entitled to vote at the Annual Meeting.

SHAREHOLDERS ENTITLED TO VOTE

The record date for the Annual Meeting is March 30, 2011. Only shareholders of record as of the close of business on the record date are entitled to notice of the Annual Meeting and to vote at the Annual Meeting. As of the record date, 46,700,248 shares of common stock were outstanding and entitled to vote at the Annual Meeting.

Votes cast by proxy or in person at the Annual Meeting will be tabulated by the inspector of elections appointed for the Annual Meeting, who will also determine whether a quorum is present for the transaction of business. The Company's Bylaws provide that a quorum is present if the holders of a majority of the issued and outstanding shares of common stock entitled to vote at the meeting are present in person or represented by proxy. At the Annual Meeting, if a quorum exists, directors will be elected by a plurality of the votes cast in the election. Abstentions will be counted as shares that are present and entitled to vote for purposes of determining whether a quorum is present. Shares held by nominees for beneficial owners will also be counted for purposes of determining whether a quorum is present if the nominee has the discretion to vote on at least one of the matters presented, even though the nominee may not exercise discretionary voting power with respect to other matters and even though voting instructions have not been received from the beneficial owner (a broker non-vote). Broker non-votes will not be counted as votes cast in determining whether a Proposal has been approved.

Shareholders are requested to vote by completing the enclosed Proxy and returning it signed and dated in the enclosed postage-paid envelope. Shareholders are urged to indicate their votes in the spaces provided on the Proxy. Proxies solicited by the Board of Directors of the Company will be voted in accordance with the directions given in the Proxy. Where no instructions are indicated, signed Proxies will be voted FOR each of the proposals listed in the Notice of Annual Meeting of Shareholders. Returning your completed Proxy will not prevent you from voting in person at the Annual Meeting, should you be present and wish to do so.

Any shareholder giving a Proxy has the power to revoke it at any time before it is exercised by:

filing with the Secretary of the Company written notice of revocation,

submitting a duly executed Proxy bearing a later date than the previous Proxy, or

appearing at the Annual Meeting and voting in person.

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Proxies solicited by this Proxy Statement may be exercised only at the Annual Meeting and any adjournment of the Annual Meeting and will not be used for any other meeting. Proxies solicited by this Proxy Statement will be returned to the Board of Directors and will be tabulated by an inspector of elections designated by the Board of Directors.

The cost of solicitation of Proxies by mail on behalf of the Board of Directors will be borne by the Company. Proxies also may be solicited by personal interview or by telephone by directors, officers, and other employees of the Company without additional compensation. The Company also has made arrangements with brokerage firms, banks, nominees, and other fiduciaries that hold shares on behalf of others to forward proxy solicitation materials to the beneficial owners of such shares. The Company will reimburse such record holders for their reasonable out-of-pocket expenses.

PROPOSAL 1:

ELECTION OF DIRECTORS

The Company's Board of Directors currently is comprised of 11 individuals, and is divided into three classes (designated CLASS I, CLASS II, and CLASS III), as nearly equal in number as possible, with each class serving a three-year term expiring at the third annual meeting of shareholders after its election. The term of the three current CLASS I directors will expire at the Annual Meeting. The Company's Board of Directors, upon the recommendation of the Nominating and Corporate Governance Committee, has nominated H. Parks Helms, Linda McClintock-Greco, M.D., James K. Murray, Jr. and James S. MacLeod to stand for re-election as CLASS II directors, whose terms will all expire at the 2014 Annual Meeting of Shareholders.

In the event any nominee is unable to serve, the persons designated as proxies will cast votes for such other person in their discretion as a substitute nominee. The Board of Directors has no reason to believe that the nominees named herein will be unavailable or, if elected, will decline to serve.

RECOMMENDATION OF THE BOARD:

The Board of Directors recommends the following nominees for election as directors in the Class specified and urges each shareholder to vote FOR the nominees. Executed proxies in the accompanying form will be voted at the Annual Meeting FOR the election as directors of the nominees named below, unless authority to do so is withheld.

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DIRECTORS STANDING FOR ELECTION AT THE 2011 ANNUAL MEETING

CLASS I TERM EXPIRES AT THE 2011 ANNUAL MEETING

Name	Age	Principal Occupation and Other Information
H. Parks Helms	75	H. Parks Helms has served as a director of the Company since its inception in 1977 and is a member and Chairman of the Nominating and Corporate Governance Committee. Mr. Helms is President and Managing Partner of the law firm of Helms, Henderson & Associates, P.A., in Charlotte, North Carolina and has been with the firm, and its predecessor firm, Helms, Cannon, Henderson & Porter, P.A. for more than the past five years. Mr. Helms has held numerous political appointments and elected positions, including as a member of the North Carolina House of Representatives and as Chairman of the Mecklenburg County, North Carolina Board of County Commissioners.

Mr. Helms has served for more than 30 years on the Company's Board, supporting institutional continuity with Company and industry knowledge accumulated through all phases of industry and economic cycles, and through the Company's expansion over that period. He also brings considerable legal, transactional and business skills to the Board.

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Name	Age	Principal Occupation and Other Information
Linda McClintock-Greco, M.D.	56	<p>Linda McClintock-Greco, M.D. was elected to the Board of Directors in May of 1998 and is a member of the Nominating and Corporate Governance Committee. Dr. McClintock-Greco is currently the Medical Director and President of Age-Less Medicine, practicing quality of life and aesthetic medicine. From 1998 through 2005, Dr. McClintock-Greco was President and Chief Executive Officer of Greco & Assoc. Consulting, a healthcare consulting firm, and in that capacity served as the vice president of Medical Affairs for Entrusted Healthcare Management Services for the State of Florida. Until 1998, she served as Chief Executive Officer and Chief Medical Officer of Tampa General HealthPlan, Inc. (HealthEase) and had spent the past 11 years in the health care industry as both a private practitioner in Texas and a managed care executive serving as the Regional Medical Director with Humana Health Care Plan. Dr. McClintock-Greco serves on the Board of Directors of the Florida Association of Managed Care Organizations (FAMCO). Dr. McClintock-Greco also serves on the board of several charitable organizations.</p> <p><i>Dr. McClintock-Greco has considerable experience in multiple facets of the health care industry, both in private practice and administration, bringing to the Company valuable perspective regarding the Company's health care related services, as well as business experience, diversity of viewpoint and judgment..</i></p>

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Name	Age	Principal Occupation and Other Information
James K. (Jack) Murray, Jr.	75	<p>James K. Murray, Jr., was elected to the Board of Directors in May 2005 and is a member and Chairman of the Finance Committee and a member of the Compensation and Human Resource Development Committee. Mr. Murray currently serves as Chairman of Murray Corporation, a private venture capital enterprise based in Tampa, Florida. In 1970, Mr. Murray was one of the founders of a company that is today HealthPlan Services, Inc. and PlanVista, Inc., which was acquired by The Dun & Bradstreet Corporation (NYSE:DNB) in 1978. From 1978 through 1993, Mr. Murray served in various capacities for Dun & Bradstreet Corporation, including President of Dun & Bradstreet Credit Services, and from 1990 through 1993, served in various capacities including President, principal executive officer and Chairman for the Reuben H. Donnelley Corp., a publisher of telephone yellow pages. In 1994, Mr. Murray and several other financial partners acquired HealthPlan Services from Dun & Bradstreet. In May, 1995, HealthPlan Services became a public company and was listed on the New York Stock Exchange. Mr. Murray retired from HealthPlan Services in 2000. Mr. Murray serves on the boards of the University of Tampa, Canterbury Towers, Tampa Bay Research Institute and The General Theological Seminary of the Episcopal Church where he also serves as Treasurer.</p> <p><i>Mr. Murray's diverse experience in both the public company and private venture capital arenas allows him to bring to the Board significant leadership skills as well as business, transactional and financial analytic skills.</i></p>

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Name	Age	Principal Occupation and Other Information
James S. MacLeod	63	<p>James S. MacLeod was elected to the Board of Directors in May 2005 and is a member of the Audit Committee, Compensation and Human Resource Development Committee and the Finance Committee. Mr. MacLeod has served as in various positions at CoastalStates Bank in Hilton Head Island, South Carolina since February, 2004 and is currently its President. Mr. MacLeod also serves on the Board of Directors of CoastalStates Bank and CoastalSouth Bancshares, its holding company. From June, 1982 to February, 2004, he held various positions at Mortgage Guaranty Insurance Corp in Milwaukee, Wisconsin, the last 7 years serving as its Executive Vice President. Mr. MacLeod has a Bachelor of Science degree in Economics from the University of Tampa, a Master of Science in Real Estate and Urban Affairs from Georgia State University and a Masters in City Planning from the Georgia Institute of Technology. Mr. MacLeod is currently a Trustee of the University of Tampa, Hilton Head Preparatory School and the Allianz Funds.</p>

As a result of his extensive financial services background, Mr. MacLeod brings to the Board valuable financial analytical skills and experience, a deep understanding of cash transaction and management issues, as well as business acumen and judgment.

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Name	Age	Principal Occupation and Other Information
Charles E. Sykes	48	<p>Charles E. Sykes was elected to the Board of Directors in August, 2004 to fill the vacancy created by the retirement of the Company's founder and former Chairman, John H. Sykes. Mr. Charles Sykes joined the Company in September, 1986 and has served in numerous capacities throughout his years with the Company. Mr. Charles Sykes was appointed as Vice President of Sales, North America in 1999 and between the years of 2000 to 2003 served as Group Executive, Senior Vice President of Marketing and Global Alliances, and Senior Vice President of Global Operations. Mr. Sykes was appointed President and Chief Operating Officer in July, 2003 and was named President and Chief Executive Officer in August 2004. Mr. Sykes received his Bachelor of Science degree in mechanical engineering from North Carolina State University in 1985. He currently serves as Chairman of the Greater Tampa Chamber of Commerce, Trustee of the University of Tampa, Secretary-Treasurer of the Tampa Bay Partnership, a director of America's Second Harvest of Tampa and is a member of the Florida Council of 100.</p> <p><i>As the chief executive officer of the Company, Mr. Sykes provides the Board with information gained from hands-on management of Company operations, identifying near-term and long-term goals, challenges and opportunities. As the son of the Company's founder and having worked for the Company for his full career, he brings a continuity of mission and values on which the Company was established.</i></p>

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Name	Age	Principal Occupation and Other Information
Furman P. Bodenheimer, Jr.	81	<p>Furman P. Bodenheimer, Jr. was elected to the Board of Directors in 1991 and is a member of the Nominating and Corporate Governance Committee and the Finance Committee. Mr. Bodenheimer has been Chairman and Chief Executive Officer of Zickgraf Enterprises, Inc. and Nantahala Lumber in Franklin, North Carolina for more than the past five years. Mr. Bodenheimer is retired as president of the First Citizens Bank & Trust Company in North Carolina, where he was employed for 30 years. Mr. Bodenheimer is also a retired Brigadier General in the United States Army and from 1994 to 2008 owned Zickgraf Hardwood Flooring Company, an international wood flooring company with extensive operations in Central Europe, the UK and Japan.</p> <p><i>Mr. Bodenheimer has served for 20 years on the Company's Board, supporting institutional continuity with Company and industry knowledge accumulated through all phases of industry and economic cycles, and through the Company's expansion over that period. He also brings considerable business experience and judgment as well as financial and international business acumen and diversity of viewpoint and experience.</i></p>
William J. Meurer	67	<p>William J. Meurer was elected to the Board of Directors in October 2000 and is a member and Chairman of the Audit Committee and a member of the Finance Committee. Previously, Mr. Meurer was employed for 35 years with Arthur Andersen LLP where he served most recently as the Managing Partner for Arthur Andersen's Central Florida operations. Since retiring from Arthur Andersen in 2000, Mr. Meurer has been a private investor and consultant. Mr. Meurer also serves on the Board of Trustees for Lifelink Foundation, Inc. and as a member of the Board of Directors of the Eagle Family of Funds and Walter Investment Management Corporation.</p> <p><i>As former managing partner of an international public accounting firm, Mr. Meurer brings to our Board relevant experience with financial accounting, audit and reporting issues, SEC filings and complex corporate transactions.</i></p>

Table of Contents**CLASS II TERM EXPIRES AT THE 2013 ANNUAL MEETING**

Name	Age	Principal Occupation and Other Information
Paul L. Whiting	67	<p>Paul L. Whiting was elected to the Board of Directors in December of 2003 and was elected Non-Executive Chairman in August, 2004. He is also a member of the Board's Audit Committee. Since 1997 Mr. Whiting has been President of Seabreeze Holdings, Inc., a privately held consulting and investment company. From 1991 through 1996, Mr. Whiting held various positions within Spalding & Evenflo Companies, Inc., including Chief Executive Officer. Presently, Mr. Whiting sits on the boards of TECO Energy, Inc. (a public company), Florida Investment Advisors, Inc., The Bank of Tampa and its holding company, The Tampa Banking Co. Mr. Whiting also serves on the boards of various civic organizations, including, among others, the Academy Prep Center of Tampa, Inc., a full scholarship, private, college preparatory middle school for low-income children, where he is the Board President.</p> <p><i>Mr. Whiting's public company CEO, CFO and director experience as well as his private investment company business experience provides a unique combination of leadership, financial and business analytical skills, business judgment and investment banking knowledge to the Board as the Company's non-executive Chairman.</i></p>
Mark C. Bozek	51	<p>Mark C. Bozek was elected to the Board of Directors in August of 2003 and is a member and Chairman of the Compensation and Human Resource Development Committee. Mr. Bozek is the President of Galgos Entertainment, a privately held film production company which he founded in January 2003. From March 1997 until February 2003, Mr. Bozek served as the Chief Executive Officer of HSN (f/k/a Home Shopping Network). From April 1993 until February 1996, Mr. Bozek served as the Vice President of Broadcasting for QVC.</p> <p><i>Mr. Bozek's experience as a public company CEO in a call center enabled business equips him to provide industry insight to the Board and management on strategic and business planning and operations as well as employee relations, development and management succession.</i></p>

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Name	Age	Principal Occupation and Other Information
Lt. Gen Michael DeLong (Retired)	65	<p>Lt. General Michael DeLong (USMC Retired) was elected to the Board of Directors in September of 2003 and is a member of the Nominating and Corporate Governance Committee. Since October 2003, Lt. Gen. DeLong has served as Vice Chairman of Shaw Arabia Limited, President of Shaw CentCom Services, LLC, and Senior Vice President of the Shaw Group, Inc. On February 19, 2008, Lt. Gen. DeLong was named President of Boeing Middle East, Ltd. From 1967 until his retirement on November 1, 2003, Lt. Gen. DeLong led a distinguished military career, most recently serving as the Deputy Commander, United States Central Command at Mac Dill Air Force Base, Tampa, Florida. He holds a Master's Degree in Industrial Management from Central Michigan University and an honorary Doctorate in Strategic Intelligence from the Joint Military Intelligence College and graduated from the Naval Academy as an Engineer.</p> <p><i>Gen. DeLong's military career, together with his international business executive experience allows him to bring to the Board leadership, and skills in strategic analysis and judgment as well as a knowledge of international business and political environments.</i></p>

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Name	Age	Principal Occupation and Other Information
Iain A. Macdonald	66	<p>Iain A. Macdonald was originally elected to the Board of Directors in 1998 and served until 2001, when he resigned for personal reasons. Mr. Macdonald was re-elected to the Board of Directors in May of 2004 and since then has been a member of the Audit Committee. During the past 10 years, Mr. Macdonald has served on the boards of a series of technology-based business ventures in the UK which he has assisted to develop and obtain funding. He is currently Chairman of Yakara plc, a developer of SMS telecommunications software solutions and a member of the Board of Northern AIM VCT plc, which is a venture capital investment fund. In 2008 he joined the Board of Scottish Enterprise, Scotland's economic development agency. Prior to joining the Company's Board in 1998, Mr. Macdonald served as a director of McQueen International Ltd. from 1996 until its acquisition by the Company.</p> <p><i>Having served as a director of an entity in the UK which was acquired by the Company in 1998, Mr. Macdonald offers a unique institutional viewpoint and depth of industry knowledge. He also brings to the Board considerable leadership, international business, financial and governmental experience.</i></p>

CORPORATE GOVERNANCE

The Company maintains a corporate governance page on its website which includes key information about its corporate governance initiatives, including its Corporate Governance Guidelines, Code of Ethics, and charters for the committees of the Board of Directors. The corporate governance page can be found at www.sykes.com, by clicking on Investor Relations and then on Corporate Governance.

The Company's policies and practices reflect corporate governance initiatives that are compliant with the listing requirements of the Nasdaq Stock Market and the corporate governance requirements of the Sarbanes-Oxley Act of 2002, including:

the Board of Directors has adopted clear corporate governance policies;

a majority of the board members are independent of the Company and its management;

all members of the key board committees—the Audit Committee, the Compensation and Human Resource Development Committee, the Nominating and Corporate Governance Committee and the Finance Committee are independent;

the independent members of the Board of Directors meet regularly without the presence of management;

the Company has adopted a code of ethics that applies to all directors, officers and employees which is monitored by its Nominating and Corporate Governance Committee;

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the charters of the Board committees clearly establish their respective roles and responsibilities; and

the Company's Audit Committee has established procedures for the receipt, retention and treatment, on a confidential basis, of complaints received by the Company, including the Board and the Audit Committee, regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters. These procedures are described under "Communications With Our Board" below.

Certain Relationships and Related Person Transactions

Review and Approval of Related Person Transactions

In order to ensure that material transactions and relationships involving a potential conflict of interest for any executive officer or director of the Company are in the best interests of the Company, under the Code of Ethics adopted by the Board of Directors for all of our employees and directors, all such conflicts of interest are required to be reported to the Board of Directors, and the approval of the Board of Directors must be obtained in advance for the Company to enter into any such transaction or relationship. Pursuant to the Code, no officer or employee of the Company may, on behalf of the Company, authorize or approve any transaction or relationship, or enter into any agreement, in which such officer, director or any member of his or her immediate family, may have a personal interest without such Board approval. Further, no officer or employee of the Company may, on behalf of the Company, authorize or approve any transaction or relationship, or enter into any agreement, if they are aware that an executive officer or a director of the Company, or any member of any such person's family, may have a personal interest in such transaction or relationship, without such Board approval.

The Company's Audit Committee reviews all conflict of interest transactions involving executive officers and directors of the Company, pursuant to its charter.

In the course of their review of a related party transaction, the Board and the Audit Committee considers:

the nature of the related person's interest in the transaction;

the material terms of the transaction, including, without limitation, the amount and type of transaction;

the importance of the transaction to the Company;

the importance of the transaction to the related person;

whether the transaction would impair the judgment of the director or executive officer to act in the best interests of the Company; and

any other matters the Board or Committee deems appropriate.

Any member of the Board or the Audit Committee who has a conflict of interest with respect to a transaction under review may not participate in the deliberations or vote respecting approval of the transaction, provided, however, that such director may be counted in determining the presence of a quorum.

Related Party Transactions

During the year ended December 31, 2010, the Company paid \$78,418 to JHS Leasing of Tampa, Inc., an entity owned by Mr. John H. Sykes, former Chairman of the Board and Chief Executive Officer and current principal shareholder, for the use of its corporate aircraft. The lease of the aircraft is pursuant to a written agreement which has been approved by the Audit Committee and the Board. On a quarterly basis, the Audit Committee reviews a

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report which provides the details of each use of this aircraft by management, including the business purpose, the passengers, and the destination of each flight as well as the cost to the Company, to determine that each such use is in accordance with Company policy. On January 25, 2008, the Company entered into a real estate lease with Kingstree Office I, LLC, an entity controlled by Mr. John Sykes relating to the Company's call center in Kingstree, South Carolina. On May 21, 2008 the Audit Committee of the Board reviewed this transaction and recommended approval to the full Board, which also approved the transaction. During the year ended December 31, 2010, the Company paid \$395,950 to Kingstree Office I, LLC as rent on the Kingstree facility.

Leadership Structure

Upon contemplating the retirement of Mr. John Sykes, the Company's founder, Chief Executive Officer and Chairman, the Board elected to change the leadership structure to separate the Chief Executive Officer position from that of the Chairman of the Board. The Board determined in 2004 that the change in leadership created an opportune time to change the leadership structure, and that the Company would benefit from having an independent non-employee Chairman who could provide a diversity of view and experience in consultation with the newly elected President and Chief Executive Officer. The Board continues to believe that the Company is best served by having this bifurcated leadership structure.

Risk Oversight

The Board has determined that the role of risk oversight will currently remain with the full Board as opposed to having responsibility delegated to a specific committee. Management has created an enterprise risk management committee which is primarily responsible for identifying and assessing enterprise risks, developing risk responses and evaluating residual risks. The chairperson of the management committee reports directly to the full Board.

Director Independence

In accordance with NASDAQ rules, the Board affirmatively determines the independence of each director and nominee for election as a director in accordance with guidelines it has adopted, which include all elements of independence set forth in the NASDAQ listing standards. Based upon these standards, at its meeting held on March 23, 2011, the Board determined that each of the following non-employee directors is independent and has no material relationship with the Company, except as a director and shareholder of the Company:

- | | |
|------------------------------------|--------------------------------|
| (1) Paul L. Whiting | (6) Iain A. Macdonald |
| (2) F. P. Bodenheimer, Jr. | (7) James S. MacLeod |
| (3) Mark C. Bozek | (8) Linda McClintock-Greco, MD |
| (4) Lt. Gen. Michael DeLong (Ret.) | (9) William J. Meurer |
| (5) H. Parks Helms | (10) James K. Murray, Jr. |

Nominations for Directors

The Nominating and Corporate Governance Committee is responsible for screening potential director candidates and recommending qualified candidates to the Board for nomination. The Committee considers all relevant criteria including age, skill, integrity, experience, education, time availability, stock exchange listing standards, and applicable federal and state laws and regulations. The Committee has a specific goal of creating and maintaining a board with the heterogeneity, skills, experience and personality that lend to open, honest and vibrant discussion, consideration and analysis of Company issues, and accordingly the Committee also considers individual qualities and attributes that will help create the desired heterogeneity.

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The Committee may use various sources for identifying and evaluating nominees for directors including referrals from our current directors, management and shareholders, as well as input from third party executive search firms retained at the Company's expense. If the Committee retains one or more search firms, such firms may be asked to identify possible nominees, interview and screen such nominees and act as a liaison between the Committee and each nominee during the screening and evaluation process. The Committee will review the resume and qualifications of each candidate identified through any of the sources referenced above, and determine whether the candidate would add value to the Board. With respect to candidates that are determined by the Committee to be potential nominees, one or more members of the Committee will contact such candidates to determine the candidate's general availability and interest in serving. Once it is determined that a candidate is a good prospect, the candidate will be invited to meet the full Committee which will conduct a personal interview with the candidate. During the interview, the Committee will evaluate whether the candidate meets the guidelines and criteria adopted by the Board, as well as exploring any special or unique qualifications, expertise and experience offered by the candidate and how such qualifications, expertise and/or experience may complement that of existing Board members. If the candidate is approved by the Committee, as a result of the Committee's determination that the candidate will be able to add value to the Board and the candidate expresses his or her interest in serving on the Board, the Committee will then review its conclusions with the Board and recommend that the candidate be selected by the Board to stand for election by the shareholders or fill a vacancy or newly created position on the Board.

The three Class I directors whose terms expire at the Annual Meeting have all been nominated by the Committee to stand for re-election.

The Committee will consider qualified nominees recommended by shareholders who may submit recommendations to the Committee in care of our Corporate Secretary, 400 North Ashley Drive, Tampa, Florida 33602. Any shareholder nominating an individual for election as a director at an annual meeting must provide written notice to the Secretary of the Company, along with the information specified below, which notice must be received at the principal business office of the Company no later than the date designated for receipt of shareholders' proposals as set forth in the Company's proxy statement for its annual shareholders' meeting. If there has been no such prior public disclosure, then to be timely, a shareholder's nomination must be delivered to or mailed and received at the principal business office of the Company not less than 60 days nor more than 90 days prior to the annual meeting of shareholders; provided, however, that in the event that less than 70 days notice of the date of the meeting is given to the shareholders or prior public disclosure of the date of the meeting is made, notice by the shareholder to be timely must be so received not later than the close of business on the tenth day following the day on which such notice of the annual meeting was mailed or such public disclosure was made.

To be considered by the Committee, shareholder nominations must be accompanied by: (1) the name, age, business and residence address of the nominee; (2) the principal occupation or employment of the nominee for at least the last ten years and a description of the qualifications of the nominee; (3) the number of shares of our stock that are beneficially owned by the nominee; (4) any legal proceedings involving the nominee during the previous ten years and (5) any other information relating to the nominee that is required to be disclosed in solicitations for proxies for election of directors under Regulation 14A of the Exchange Act, together with a written statement from the nominee that he or she is willing to be nominated and desires to serve, if elected. Also, the shareholder making the nomination should include: (1) his or her name and record address, together with the name and address of any other shareholder known to be supporting the nominee; and (2) the number of shares of our stock that are beneficially owned by the shareholder making the nomination and by any other supporting shareholders. Nominees for director who are recommended by our shareholders will be evaluated in the same manner as any other nominee for director.

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We may require that the proposed nominee furnish us with other information as we may reasonably request to assist us in determining the eligibility of the proposed nominee to serve as a director. At any meeting of shareholders, the Chairman of the Board may disregard the purported nomination of any person not made in compliance with these procedures.

Communications with our Board

Shareholders and other parties interested in communicating with our Board of Directors may do so by writing to the Board of Directors, Sykes Enterprises, Incorporated, 400 N. Ashley Drive, Tampa, Florida 33602. Under the process for such communications established by the Board of Directors, the Senior Vice President and General Counsel of the Company reviews all such correspondence and regularly forwards to all members of the Board a summary of the correspondence. Directors may at any time review a log of all correspondence received by the Company that is addressed to the Board or any member of the Board and request copies of any such correspondence. Correspondence that, in the opinion of the Senior Vice President and General Counsel, relates to concerns or complaints regarding accounting, internal accounting controls and auditing matters is summarized and the summary and a copy of the correspondence is forwarded to the Chairman of the Audit Committee. Additionally, at the direction of the Audit Committee, the Company has established a worldwide toll free hotline administered by an independent third party through which employees may make anonymous submissions regarding questionable accounting or auditing matters. Reports of any anonymous submissions are sent to the Chairman of the Audit Committee as well as the Executive Vice President and General Counsel of the Company.

MEETINGS AND COMMITTEES OF THE BOARD

The Board

Each director is expected to devote sufficient time, energy and attention to ensure diligent performance of his or her duties and to attend all Board, committee and shareholders meetings. The Board met six times during 2010, of which four were regularly scheduled meetings and two were unscheduled meetings. The Board also acted twice by unanimous written consent in 2010. All directors attended at least 75% of the meetings of the Board and of the committees on which they served during the fiscal year ended December 31, 2010. All of the directors attended the 2010 Annual Meeting of Shareholders on May 10, 2010.

Committees of the Board

The Board has four standing committees to facilitate and assist the Board in the execution of its responsibilities. The Board may also establish special committees as needed to assist the Board with review and consideration of non-routine matters. The standing committees are the Audit Committee, Finance Committee, the Compensation and Human Resource Development Committee and the Nominating and Corporate Governance Committee. All the committees are comprised solely of non-employee, independent directors. Charters for each committee are available on the Company's website at www.sykes.com by first clicking on Investor Relations and

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then on Corporate Governance. The charter of each committee is also available in print to any shareholder who requests it. The table below shows membership for the entire year 2010 for each of the standing Board committees

Employee Directors	Audit Committee	Finance Committee	Nominating and Corporate Governance Committee	Compensation and Human Resources Development Committee
J. Whiting	X			
John P. Bodenheimer, Jr.		X	X	
John C. Bozek				Chair
John Michael P. DeLong			X	
Theresa M. McClintock-Greco			X	
Thomas W. Helms			Chair	
William Macdonald	X			
William S. MacLeod	X	X		X
William J. Meurer	Chair	X		
William K. Murray, Jr.		Chair		X
Employee Director William S. E. Sykes				
Meetings in 2010	9	4	4	6

Audit Committee. The Audit Committee serves as an independent and objective party to monitor the Company's financial reporting process and internal control system. The Committee's responsibilities, which are discussed in detail in its charter, include, among other things, the appointment, compensation, and oversight of the work of the Company's independent auditing firm, as well as reviewing the independence, qualifications, and activities of the auditing firm. The Company's independent auditing firm reports directly to the Committee. All proposed transactions between the Company and the Company's officers and directors, or an entity in which a Company officer or director has a material interest, are reviewed by the Committee, and the approval of the Committee is required for such transactions. In 2010, the Audit Committee held nine meetings. The Board has determined that Mr. Meurer is an audit committee financial expert within the meaning of the rules of the Securities and Exchange Commission. The Committee is governed by a written charter, which is reviewed on an annual basis.

Finance Committee. The principal purpose of the Finance Committee is to assist the Board of Directors in evaluating significant investments and other financial commitments by the Company. The Committee has the authority to review and make recommendations to the Board with respect to debt and equity limits, equity issuances, repurchases of Company stock or debt, policies relating to the use of derivatives, and proposed mergers, acquisitions, divestitures or investments by the Company that require approval by the full Board. The Committee also has authority to approve capital expenditures not previously approved by the Board of Directors. The level of authority applies to capital expenditures in excess of \$2 million but less than \$5 million. This authority is used and the Committee convened only when management recommends a decision prior to the next Board meeting. In 2010, the Finance Committee held four meetings. The Committee is governed by a written charter, which is reviewed on an annual basis.

Nominating and Corporate Governance Committee. The purpose of the Nominating and Corporate Governance Committee is to: (a) identify individuals qualified to become members of the Board of Directors of the Company and its subsidiaries; (b) recommend to the Board of Directors director nominees for election at the annual meeting of shareholders or for election by the Board of Directors to fill open seats between annual meetings; (c) recommend to the Board of Directors committee appointments for directors; (c) develop and recommend to the

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Board of Directors corporate governance guidelines applicable to the Company; and (d) monitor the Company's compliance with good corporate governance standards. In 2010, the Nominating and Corporate Governance Committee held four meetings. The Committee is governed by a written charter, which is reviewed on an annual basis.

Compensation and Human Resource Development Committee. The Compensation and Human Resource Development Committee's responsibilities, which are discussed in detail in its charter, include, among other things, the establishment of the base salary, incentive compensation and any other compensation for the Company's President and Chief Executive Officer, and to review and approve the President and Chief Executive Officer's recommendations for the compensation of certain executive officers reporting to him. This Committee also monitors the Company's management incentive cash and equity based bonus compensation arrangements and other executive officer benefits, and evaluates and recommends the compensation policy for the directors to the full Board for consideration. The Committee also determines compensation and benefits of the Company's non-employee directors. The Company engaged Mercer Human Resource Consulting to conduct a review of its total compensation program for executive officers and to assist the Committee in establishing a competitive compensation program for its executive officers that motivates performance and that is aligned with the interests of its shareholders. This Committee is also responsible for providing oversight and direction regarding the Company's employee health and welfare benefit programs as well as training and development. In 2010, the Committee held six meetings. The Committee is governed by a written charter, which is reviewed on an annual basis.

Compensation Committee Interlocks and Insider Participation

None

DIRECTOR COMPENSATION

Directors who are executive officers of the Company receive no compensation for service as members of either the Board of Directors or any committees of the Board.

Third Amended and Restated 2004 Non-Employee Director Fee Plan

In May 2009, the shareholders of the Company approved the Third Amended and Restated 2004 Non-Employee Director Fee Plan (the "2004 Fee Plan"). The 2004 Fee Plan provides that all new non-employee directors joining the Board will receive an initial grant of shares of common stock on the date the new director is elected or appointed, the number of which will be determined by dividing \$60,000 by the closing price of the Company's common stock on the trading day immediately preceding the date a new director is elected or appointed, rounded to the nearest whole number of shares. The initial grant of shares vests in twelve equal quarterly installments, one-twelfth on the date of grant and an additional one-twelfth on each successive third monthly anniversary of the date of grant. The award lapses with respect to all unvested shares in the event the non-employee director ceases to be a director of the Company, and any unvested shares are forfeited.

The 2004 Fee Plan also provides that each non-employee director will receive, on the day after the annual shareholders meeting, an annual retainer for service as a non-employee director (the "Annual Retainer"). The Annual Retainer consists of shares of the Company's common stock and cash. The total value of the Annual Retainer is \$77,500, payable \$32,500 in cash and the remainder paid in stock, the amount of which is determined by dividing \$45,000 by the closing price of the Company's common stock on the date of the annual meeting of shareholders, rounded to the nearest whole number of shares.

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In addition to the Annual Retainer award, the 2004 Fee Plan also provides for any non-employee Chairman of the Board to receive an additional annual cash award of \$100,000, and each non-employee director serving on a committee of the Board to receive an additional annual cash award in the following amounts:

Position	Amount
Audit Committee	
Chairperson	\$ 20,000
Member	\$ 10,000
Compensation & Human Resource Development Committee	
Chairperson	\$ 12,500
Member	\$ 7,500
Finance Committee	
Chairperson	\$ 12,500
Member	\$ 7,500
Nominating and Corporate Governance Committee	
Chairperson	\$ 12,500
Member	\$ 7,500

The Annual Grant of cash, including all amounts paid to a non-employee Chairman of the Board and all amounts paid to non-employee directors serving on committees of the Board, are paid in equal installments throughout the year. The Annual Grant of shares vests in eight equal quarterly installments, one-eighth on the day following the annual meeting of shareholders, and an additional one-eighth on each successive third monthly anniversary of the date of grant. The award lapses with respect to all unpaid cash and unvested shares in the event the non-employee director ceases to be a director of the company, and any unvested shares and unpaid cash are forfeited.

The Board may pay additional cash compensation to any non-employee director for services on behalf of the Board over and above those typically expected of directors, including but not limited to service on a special committee of the Board.

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The following table contains information regarding compensation paid to the non-employee directors during fiscal year ending December 31, 2010, including cash and shares of the Company's common stock.

(a) Name	(b) Fees Earned or Paid in Cash (\$)(1)	(c) Stock Awards (\$)(2)	(d) Option Awards (\$)	(e) Non-Equity Incentive Plan Compensation (\$)	(f) Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	(g) All Other Compensation (\$)	(h) Total (\$)
Furman P. Bodenheimer, Jr.	47,500	45,004					92,504
Mark C. Bozek	45,000	45,004					90,004
Lt. Gen. Michael DeLong (Ret)	40,000	45,004					85,004
H. Parks Helms	45,000	45,004					90,004
Iain Macdonald	42,500	45,004					87,504
James S. MacLeod	57,500	45,004					102,504
Linda McClintock-Greco, M.D.	40,000	45,004					85,004
William J. Meurer	60,000	45,004					105,004
James K. Murray, Jr.	52,500	45,004					97,504
Paul L. Whiting	142,500	45,004					187,504

- (1) Amounts shown include the cash portion of the annual retainers and amounts paid for services on Board committees paid to each non-employee director in 2010. The fees earned by Mr. Whiting include \$100,000 for service as non-employee Chairman of the Board.
- (2) The amounts shown in column (c) represent the Annual Retainer amounts paid in shares of the Company's common stock. The amounts are valued based on the aggregate grant date fair value of the awards in accordance with FASB ASC Topic 718 (formerly FAS 123(R)). See Notes 1 and 25 to the Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2010 filed on March 8, 2011 for a discussion of the relevant assumptions used in calculating the grant date fair value in accordance with FASB ASC Topic 718.

EXECUTIVE COMPENSATION**Executive Summary**

Sykes is a complex global business serving sophisticated and demanding clients and with thin operating margins. Our business and financial strategies require careful expense management while providing superior customer service and value. This requires experienced executive leadership with sound business judgment, a passion for service excellence, and a desire to succeed. Our executive compensation strategy is aligned with our business strategy and talent requirements by being sufficiently competitive on fixed compensation elements (such as base salary) while

emphasizing variable compensation elements (such as short-term and long-term incentives) to drive targeted performance and to reward results.

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In many ways, 2010 was a unique and challenging year for Sykes. The following are the key factors that negatively impacted the Company's performance in 2010:

Global macroeconomic and political factors negatively impacted the Company, resulting in a global slowdown in volume across 90% of clients in the second quarter of 2010

Currency exchange rate movements occurred in certain currencies without an established foreign exchange market to hedge these risks, resulting in lower reported operating income as compared to the Company's operating plan

Planning and integration efforts related to the largest acquisition in the Company's history, resulted in some strained resources and less visibility in goal setting

Migration of approximately 20% of the Company's EMEA business to a new country location resulted in some short-term disruption and costs but with strong long-term benefits expected

However, even with the many challenges, the Company did achieve significantly more synergies from the acquisition than anticipated and only missed its threshold earnings goal by approximately 13 percentage points. As a result of these and other factors, the Company did not achieve many of its financial performance goals for 2010. These results are directly reflected in the Company's 2010 executive compensation levels as follows:

Base salaries for named executive officers were not increased in 2010,

No short-term cash incentives were earned under the short-term incentive plan (referred to as the High Performance Plan (HPP))

The performance-based shares tied to 2008-2010 performance were earned at 150% of target reflecting the significant over achievement in years 2008 and 2009

The performance-based shares tied to 2010-2012 performance may not be earned based on the shortfall in the first year results of the three-year performance cycle

The value of all executive stock ownership and outstanding equity awards declined with the decline in the Company's stock price during the year

A discretionary bonus was awarded to a wide group of employees, including the named executive officers, at a level below the threshold payout under the HPP plan in order to recognize and reward the significant accomplishments that were achieved during the year (see page 24 of this CD&A for additional detail regarding the 2010 discretionary bonuses)

Compensation Philosophy and Objectives

The Committee believes that the most effective executive compensation program is one that is designed to enhance shareholder value by attracting and retaining the talent and experience best suited to manage, guide and build our business. This requires fair and competitive base salaries and benefits designed to attract and retain qualified executives, as well as carefully designed incentive compensation programs to link the interests of the executives to the long-term interests of our shareholders.

In evaluating and determining the complete compensation packages for the Company's executive officers generally, and the named executive officers specifically, the Committee reviews relevant market data provided by its consultant which includes an evaluation of the multiple components of the executive compensation and benefit packages paid to similarly situated executives of similarly situated peer companies. The Committee believes that it

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should set compensation of its executives in the general range of 80% to 120% of the 50th percentile of compensation paid to similarly situated executives of the companies comprising the Compensation Peer Group. However, variations from this objective may occur as dictated by the experience level of the individual and other market factors. The Committee recognizes, however, that long-term, equity incentive compensation awards may lift the total direct compensation of its executives above the 50th percentile of the Compensation Peer Group, but if that occurs, it will be as a result of the Company's achievement of long term goals specifically targeted at increasing shareholder value.

A significant percentage of total compensation to our senior executives is allocated to performance-based incentives as a result of the philosophy mentioned above. Although there is no pre-established policy for the allocation between either cash and non-cash or short-term and long-term performance-based incentive compensation, in 2010 the Committee continued the structure utilized in 2008 and 2009, which determined performance-based incentives as a percentage of base salary validated against current market data. A significant percentage of total direct compensation to our executive officers in fiscal years 2007 through 2010 has been in the form of non-cash, long-term equity incentive awards.

Roles and Responsibilities in Determining Executive Compensation

The Role of the Compensation and Human Resource Development Committee. The Compensation and Human Resource Development Committee (referred to in this Analysis as the Committee) of the Board has been charged with the responsibility for establishing, implementing and continually monitoring adherence with the Company's compensation philosophy. The Committee's goal is to ensure that the form and amount of compensation and benefits paid to its senior leadership team, specifically including the named executive officers, is fair, reasonable and sufficiently competitive to attract and retain high quality executives who can lead the Company to achieve the goals that the Board believes will maximize shareholder value. For executives other than the CEO, executive compensation matters are first considered by the Committee, which then makes recommendations to the Board, which then considers and approves or disapproves the Committee's recommendations. As it relates to the compensation of the Company's CEO, the Committee meets first with the CEO to obtain information regarding performance, objectives and expectations, discusses the matter with the Board and then makes a final compensation determination.

The Role of the Chief Executive Officer. The Committee meets periodically with the Chief Executive Officer. The CEO provides the Committee with the appropriate business context for executive compensation decisions as well as specific recommendations for each of the executives, including the named executive officers but excluding the CEO. The CEO is not involved in conversations regarding his own compensation.

The Role of Senior Management. The Committee periodically meets with representatives of Human Resources, Finance, and Legal. These individuals provide the Committee with requested data, information, and advice regarding the executive compensation program, specifically with regard to incentive plan designs, performance measures and goals, and disclosure. These representatives are not involved in conversations regarding their own compensation.

The Role of Outside Consultants. In accordance with the Committee's Charter, the Committee has the authority to retain any outside counsel, consultants or other advisors to the extent deemed necessary and appropriate, including the sole authority to approve the terms of engagement and fees related to services provided. Pursuant to the authority under the Committee's charter, the Committee directly engaged Mercer Human Resource Consulting, a division of Marsh & McLennan Companies (Mercer), to conduct a review of its total compensation program for all executive officers, specifically including the President and Chief Executive Officer and the Chief Financial Officer as well as the other named executive officers. Mercer provided the Committee with relevant market data and alternatives to consider when making compensation decisions for the President and Chief

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Executive Officer, and on the recommendations being made by management for executives other than the President and Chief Executive Officer. The Committee paid Mercer \$82,664 for the services provided to it during 2010.

Mercer was also engaged by management of the Company to provide executive and global compensation reviews and to provide advice regarding Company retirement and savings plans, benefits, expatriate compensation and mergers and acquisitions. The Company paid Mercer \$485,014 for these services provided during 2010 and the Committee approved the engagement of Mercer by management and reviewed and approved the fees for such services.

In the fall of 2010, the Committee carefully considered the decision to engage Mercer in light of the potential conflicts of interest that could result from the concurrent engagement of Mercer by management. Given the magnitude of other services provided by Mercer to the Company, the Committee determined that it should engage an independent consultant that would provide no other services to the Company. After conducting a search process, in which all members of the Committee and the Chairman of Board participated, Pearl Meyer & Partners (PM&P) was selected as the new independent consult. PM&P is directly engaged by and directed by the Committee, and provides no other services to the Company. PM&P began working for the Committee in the fall of 2010 with respect to 2010 incentive compensation awards and 2011 executive compensation decisions. When appropriate, the Committee has discussions with its consultant without management present to ensure candor and impartiality.

The Role of Peer Group Data. In making its compensation decisions for 2010, the Committee compared the Company's pay and performance levels against a peer group of twelve (12) other publicly traded companies which the Committee believes compete with the Company in the customer contact management segment and for executive talent as well (the Compensation Peer Group). The composition of the Compensation Peer Group is reviewed annually to determine whether there are new companies which should be added, or existing companies which should be deleted. The companies included in the Compensation Peer Group and used as the basis for comparison and analysis by the Committee for fiscal year 2010 were:

Genpact, Ltd.
Kforce, Inc.
ExlService Holdings, Inc.
Convergys Corporation
ICT Group, Inc.
MPS Group, Inc.

StarTek, Inc.
TechTeam Global, Inc.
Alliance Data Systems
TeleTech Holdings, Inc.
APAC Customer Services, Inc.
Spherion Corp.

There were no changes to the peer group between 2009 and 2010. As in prior years, the peer group analysis and data are one of many factors considered by the Committee and the Board in making its final pay determinations. Other important factors include the current and expected performance of the Company, the current and expected performance of the executive and internal pay equity.

Executive Compensation Analysis

As in prior years, the Committee requested, reviewed, and discussed an independent analysis of the executive compensation program provided by its consultant. The analysis included a review of pay competitiveness, pay and performance alignment, the long-term incentive plan design, and an overall risk assessment of the executive compensation program. The following were the significant findings from this analysis, considering the executive team in the aggregate:

Base salaries were generally positioned at the 50th percentile

Target total cash compensation (salary plus target short-term incentive opportunity) was generally positioned at the 50th percentile

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Long-term incentive grant values were positioned near the 75th percentile, but the aggregate equity grant rate (as a percent of shares outstanding) was below the 25th percentile

Total direct compensation (target total cash compensation plus long-term incentive grant value) was positioned slightly above the 50th percentile

Company performance (across a variety of financial and operating metrics) on a 1-year and 3-year basis was generally positioned at the 75th percentile

The overall program strikes a balance between risks and rewards, and is not believed to encourage executives to take undue risks that could materially harm the Company

As expected, there is variation by executive (with regard to pay competitiveness) and by performance measure (with regard to relative performance). This study was completed in August 2009 and was one of many inputs into the Committee's decisions with regard to 2010 executive compensation.

Elements of Compensation

The compensation program for our executives includes several direct compensation components. Those components are base salary, annual cash incentive awards and equity-based incentive awards, which are granted in the form of performance based restricted stock (or restricted stock units), time-vested restricted stock and stock appreciation rights. Our executives are also permitted to participate in our 401(k) plan which is available to all employees, as well as our non-qualified executive deferred compensation plan. The purpose of the deferred compensation plan is to provide our executives with the ability to take advantage of tax deferred savings which may not be fully available to them under our 401(k) plan.

Base Salary

Base salary is designed to provide each executive with a fixed amount of annual compensation that is competitive with the marketplace. Having a certain level of fixed compensation provides stability which allows our executives to remain focused on business issues. Base salaries for the named executive officers are determined for each executive based on his or her position and responsibility, and are further informed by using market data provided to the Committee by its consultant. Base salary ranges of our executives are designed so that salary opportunities for a given position will be approximately between 80% and 120% of the midpoint of the base salaries of similarly positioned executives in the Compensation Peer Group. During its review of base salaries for executives, the Committee primarily considers (a) the market data provided by its consultant, (b) internal review of the executive's compensation, both individually and relative to other officers, and (c) individual performance of the executive. Salary levels are typically considered annually as part of the Company's performance review process as well as upon a promotion or other change in job responsibility. Merit based increases to salaries of our executive leadership team, other than the President and Chief Executive Officer, are based on the Committee's assessment of the individual's performance, with input from the President and Chief Executive Officer. As summarized earlier, a review of relevant market data in 2009 indicated that the base salaries of the named executive officers were in line with the benchmarking parameters established by the Committee. Although the Company generally outperformed the Compensation Peer Group, the Committee determined that the compensation of the named executive officers related to Company performance was being adequately addressed through yearly and long term incentive bonuses. Accordingly, the Committee recommended to the Board, and the Board approved that there be no adjustments made to the base salaries of the named executive officers in 2010.

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Performance-Based Annual Cash Incentive Compensation

The annual cash incentive component of the total direct compensation paid to our executive leadership team is designed to reward achievement of pre-determined annual corporate, and sometimes individual, performance goals, reward current performance by basing payment on the achievement of quantifiable performance measures that reflect contributions to the success of our business, and encourage actions by the executives that contribute directly to our operating and financial results. In fiscal year 2010, the annual cash incentive opportunity for the President and Chief Executive Officer, and all other executive officers, was determined based solely upon the achievement of pre-determined corporate financial goals.

At the beginning of the year, the Committee sets minimum, target and maximum levels for the portion of the cash incentive component of total direct compensation that is determined by reference to corporate financial performance. Threshold performance represents the minimum performance that still warrants incentive recognition for that particular goal, and is paid at 50% of the target award level. Maximum performance represents the highest level likely to be attained and is paid at 150% of the target award level. No annual performance-based cash incentive compensation determined by reference to corporate financial performance is paid to any executive of the Company if our financial results do not exceed the threshold determined for that year.

At the beginning of each year, the Committee also sets the award percentage tied to salary for the President and Chief Executive Officer and recommends an award percentage for each of the other members of the executive leadership team that they will receive if the performance goals are met. The Committee's goal in setting target award levels is to create a compensation program such that the potential incentive awards, when combined with each officer's base salary, will provide a fully competitive total cash compensation opportunity, with the portion of compensation at risk (i.e., the target award level) being reflective of the level of that officer's accountability for contributing to bottom line financial results, and the degree of influence that officer has over results. In setting these percentages, the Committee considers these factors as well as data from the market assessment provided by its consultant. In 2010, the target award opportunities were set at 100% of base salary for the President and Chief Executive Officer, 70% of base salary for the Chief Financial Officer, and between 30% and 60% of base salary for each of the other named executive officers and members of the executive leadership team. These target award opportunities were unchanged from 2009.

For fiscal year 2010, the Committee met with management and reviewed the Company's operating plan for 2010 to establish the target financial goal of the Company on which the annual performance-based cash incentive compensation awards would be based. The Committee determined that threshold goal to be \$91,777,000 of consolidated earnings before taxes. Because the Company did not achieve the threshold performance levels, no executive officer received a payout under this plan for 2010 performance.

Discretionary Bonuses

After reviewing, discussing, and considering the overall performance of the Company in 2010, the Committee believed that the lack of payment of any performance-based cash incentives did not seem to adequately align pay with performance. In reaching this conclusion, the CEO presented and the Committee discussed the following factors:

The 2010 goal-setting process was uniquely challenged by the pending acquisition of ICT Group

The Company successfully closed and integrated the ICT Group acquisition, achieving more than 150% of the targeted synergies related to the acquisition

The Company successfully migrated key portions of its business to new country locations

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Significant and unusual currency movements reduced EBIT to a level below the Company's operating plan, but adjusted operating income increased year over year

Absent the unfavorable currency movements, many of which related to currencies for which there is no established foreign exchange market for hedging, the Company would have achieved the threshold level of EBIT and therefore cash incentives would have been earned at 50% of target

Based on the above factors, the CEO proposed a discretionary bonus to recognize and reward the significant accomplishments during the year and to partially overcome the severe effect that currency fluctuations had on cash incentive awards (from a payout of 50% of target to a zero payout). The recommended discretionary bonus payout was set at a maximum of 40% of target for each participant under the cash incentive plan (i.e. below the threshold payout level of the cash incentive plan).

The Compensation Committee reviewed and discussed this issue, including discussions with its independent consultant and the Finance Committee of the Board. The Compensation Committee also considered the fact that such bonuses would result in a reduction in total cash compensation year over year for each participant and position executive compensation below the 50th percentile market pay level. Based on these factors and considerations, the Compensation Committee recommended and the Board approved the discretionary bonuses for 2010 performance paid to a total of 716 employees, which included the following discretionary bonus amounts for the named executive officers (as reported in the Bonus column of the Summary Compensation Table):

Named Executive Officer	2010 Discretionary Performance Bonus
Charles E. Sykes	\$ 220,000
W. Michael Kipphut	\$ 112,001
James C. Hobby	\$ 80,521
Lawrence R. Zingale	\$ 77,281
James T. Holder	\$ 43,201

The Compensation Committee believes this action to be responsible and appropriate given the unique facts and circumstances involved in assessing 2010 performance. Nonetheless, the Compensation Committee also believes that discretionary bonuses should be, and have been, a rare occurrence.

Additionally, in March, 2010, the Compensation Committee recommended to the Board, and the Board approved, a special recognition cash bonus to various individuals for extraordinary efforts in connection with the successful acquisition of ICT Group, Inc. The amount of each bonus was determined by a review of each individual's specific contribution, including objective criteria such as additional hours worked and subjective criteria such as specialized expertise. Included in the group of 33 employees receiving a special recognition bonus were W. Michael Kipphut, who received \$187,500, and James T. Holder, who received \$106,250.

The Compensation committee confirmed that the non-performance related discretionary bonuses paid to named executive officers did not exceed the limits on deductibility prescribed by section 162(m) of the Code and were therefore fully deductible by the Company.

Performance-Based, Long-Term, Equity Incentive Compensation

The long-term, performance-based equity incentive compensation component of total direct compensation for our executives is designed to encourage them to focus on long-term Company performance and provides an opportunity for executive officers and certain designated key employees to increase their stake in the Company. The Committee utilizes a combination of performance-vested restricted stock (or restricted stock units for executives

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and key employees in foreign countries who would incur unfavorable tax consequences due to local tax laws if they were to receive restricted stock) and time vested stock appreciation rights (SARs). The Committee believes both of these components of performance-based long-term equity incentive compensation directly align the interests of the Company's executives with the interests of its shareholders by requiring achievement of both long-term operating results that are the drivers of long-term value creation and actual increases in the Company's stock price

The Committee's goal in setting target long-term equity incentive award levels is to create a complete compensation program, such that the potential annual cash and long-term equity incentive awards, when combined with each officer's base salary, will provide a fully competitive total compensation opportunity, with there being a significant portion of potential compensation at risk. In setting award percentages (which are tied to salary), the Committee considers the level of each officer's accountability for contributing to bottom line financial results, and the degree of influence that officer has over results, as well as data from the market assessment provided by its consultant.

In setting financial targets, the Committee recognizes the benefit of rewarding achievement of revenue and income goals independently. Due to the effort and skill necessary to translate top line revenue into the desired level of bottom line net income, the Committee determined that one-third of the performance-based long-term equity incentive compensation would be based upon attainment of revenue goals and two-thirds would be based upon the attainment of income goals, all as recommended by the Committee to the Board each year. The Committee believes that incentives tied to revenue, income and stock performance provide a balanced program most closely aligning management and shareholder interests.

Utilizing this framework, the Committee meets with management each year to review the proposed operating plan for the upcoming year, and in conjunction with the Board approval of an operating plan, together with growth goals for the succeeding two years, sets the financial targets for the next three-year performance cycle. The Committee first utilized this method for determining long-term incentive compensation on a three-year performance cycle for the performance cycle beginning January 1, 2005 and has continued utilizing this method through 2010. Under the established framework, the SARs vest in increments of 1/3 for each year of the performance cycle. The performance based restricted stock awards vest at the 80% level if the threshold target is achieved and increases proportionately to 100% at the actual target level. The awards vest proportionately between 100% and 150% in the event the actual results are between the target and the maximum target level award. Below is a discussion of the performance-based, long-term, equity incentive compensation performance cycles affecting this disclosure.

2006 through 2008 Performance Cycle. For the 3-year cycle ending in 2008 (2006-2008), the Committee made awards of performance-vesting restricted stock (or restricted stock units as the case may be) and time-vesting SARs. The target award percentages for performance based restricted stock were set at 133% of base salary for the President and Chief Executive Officer, 80% of base salary for the Chief Financial Officer, and between 20% and 67% of base salary for each of the other named executive officers, members of the executive leadership team and other key employees. The target award percentages for SARs were set at 67% of base salary for the President and Chief Executive Officer, 40% of base salary for the Chief Financial Officer, and between 20% and 33% of base salary for each of the other named executive officers and members of the executive leadership team. The target goal for two-thirds of the performance-based restricted share awards was established by the Committee to be that income from operations of the Company, as reported in its audited Consolidated Statement of Operations, increased during fiscal years 2006, 2007 and 2008 (measured as of December 31, 2008) at least in an amount equal to 10% compounded annual growth over the amount reported for the 2005 fiscal year. The target goal for one-third of the performance-based restricted share awards was that gross revenue from operations of the Company, as reported in its audited Consolidated Statements of Operations, increased during fiscal years 2006, 2007 and 2008 (measured as of December 31, 2008) at least in an amount equal to 4% compounded annual growth over the amount reported for

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the 2005 fiscal year. The SAR awards vested in equal one-third amounts on each of March 29, 2007, March 29, 2008 and March 29, 2009. The financial targets were achieved at the 150% level and the stock was delivered to the award recipients on March 30, 2009.

2007 through 2009 Performance Cycle. For the 3-year cycle ending in 2009 (2007-2009), the Committee made awards of performance-vesting restricted stock (or restricted stock units as the case may be) and time-vesting SARs. The target award percentages for performance based restricted stock were set at 133% of base salary for the President and Chief Executive Officer, 80% of base salary for the Chief Financial Officer, and between 20% and 67% of base salary for each of the other named executive officers, members of the executive leadership team and other key employees. The target award percentages for SARs were set at 67% of base salary for the President and Chief Executive Officer, 40% of base salary for the Chief Financial Officer, and between 20% and 33% of base salary for each of the other named executive officers and members of the executive leadership team. The target goal for two thirds of the performance-based restricted share awards was established by the Committee to be that income from operations of the Company, as reported in its audited Consolidated Statement of Operations, during fiscal years 2007, 2008 and 2009 (measured from January 1, 2007 through December 31, 2009) equals at least \$110,210,000. The target goal for one third of the performance-based restricted share awards is that gross revenue from operations of the Company, as reported in its audited Consolidated Statements of Operations during fiscal years 2007, 2008 and 2009 (measured from January 1, 2007 through December 31, 2009) equals at least \$1,992,000,000. Based on actual results, 150% of the performance-based restricted stock awards were earned,

2008 through 2010 Performance Cycle. For the 3-year cycle ending in 2010 (2008-2010), the Committee made awards of performance-vesting restricted stock (or restricted stock units as the case may be) and time-vesting SARs. The target award percentages for performance based restricted stock were set at 133% of base salary for the President and Chief Executive Officer, 80% of base salary for the Chief Financial Officer, and between 20% and 67% of base salary for each of the other named executive officers, members of the executive leadership team and other key employees. The target award percentages for SARs were set at 67% of base salary for the President and Chief Executive Officer, 40% of base salary for the Chief Financial Officer, and between 20% and 33% of base salary for each of the other named executive officers and members of the executive leadership team. The target goal for two thirds of the performance-based restricted share awards was established by the Committee to be that income from operations of the Company, as reported in its audited Consolidated Statement of Operations, during fiscal years 2008, 2009 and 2010 (measured from January 1, 2008 through December 31, 2010) equals at least \$183,720,000. In December, 2009 the Committee recommended, and the Board approved, that this target be adjusted downward by the sum of: (a) depreciation related to assets acquired in the 2010 acquisition of ICT Group, Inc. (the ICT Transaction) that were revalued for accounting purposes and will be depreciated in the future, and amortization of intangibles related to the ICT Transaction; (b) costs to obtain synergies from the ICT Transaction; (c) ICT Transaction costs; and (d) restructuring and impairment charges incurred in 2010 related to the ICT Transaction. The target goal for one third of the performance-based restricted share awards is that gross revenue from operations of the Company, as reported in its audited Consolidated Statements of Operations during fiscal years 2008, 2009 and 2010 (measured from January 1, 2008 through December 31, 2010) equals at least \$2,388,953,000. Based on actual results, 150% of the performance-based restricted stock awards were earned.

2009 through 2011 Performance Cycle. For the 3-year cycle ending in 2011 (2009-2011), the Committee made awards of performance-vesting restricted stock (or restricted stock units as the case may be) and time-vesting SARs. The target award percentages for performance based restricted stock were set at 183% of base salary for the President and Chief Executive Officer, 93% of base salary for the Chief Financial Officer, and between 20% and 93% of base salary for each of the other named executive officers, members of the executive leadership team and other key employees. The target award percentages for SARs were set at 92% of base salary for the President and

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Chief Executive Officer, 47% of base salary for the Chief Financial Officer, and between 23% and 47% of base salary for each of the other named executive officers and members of the executive leadership team. The target goal for two thirds of the performance-based restricted share awards was established by the Committee to be that income from operations of the Company, as reported in its audited Consolidated Statement of Operations, during fiscal years 2009, 2010 and 2011 (measured from January 1, 2009 through December 31, 2011) equals at least \$230,351,000. In December, 2009 the Committee recommended, and the Board approved, that this target be adjusted downward by the sum of: (a) depreciation related to assets acquired in the 2010 acquisition of ICT Group, Inc. (the ICT Transaction) that were revalued for accounting purposes and will be depreciated in the future, and amortization of intangibles related to the ICT Transaction; (b) costs to obtain synergies from the ICT Transaction; (c) ICT Transaction costs; and (d) restructuring and impairment charges incurred in 2010 related to the ICT Transaction. The target goal for one third of the performance-based restricted share awards is that gross revenue from operations of the Company, as reported in its audited Consolidated Statements of Operations during fiscal years 2009, 2010 and 2011 (measured from January 1, 2009 through December 31, 2011) equals at least \$2,821,514,000.

2010 through 2012 Performance Cycle. For the 3-year cycle ending in 2012 (2010-2012), the Committee made awards of performance-vesting restricted stock (or restricted stock units as the case may be) and time-vesting SARs. The target award percentages for performance based restricted stock were set at 183% of base salary for the President and Chief Executive Officer, 93% of base salary for the Chief Financial Officer, and between 20% and 93% of base salary for each of the other named executive officers, members of the executive leadership team and other key employees. The target award percentages for SARs were set at 92% of base salary for the President and Chief Executive Officer, 47% of base salary for the Chief Financial Officer, and between 23% and 47% of base salary for each of the other named executive officers and members of the executive leadership team. The target goal for two thirds of the performance-based restricted share awards was established by the Committee to be that income from operations of the Company, as reported in its audited Consolidated Statement of Operations, during fiscal years 2010, 2011 and 2012 (measured from January 1, 2010 through December 31, 2012) equals at least \$326,468,000. In December, 2009 the Committee recommended, and the Board approved, that this target be adjusted downward by the sum of: (a) depreciation related to assets acquired in the 2010 acquisition of ICT Group, Inc. (the ICT Transaction) that were revalued for accounting purposes and will be depreciated in the future, and amortization of intangibles related to the ICT Transaction; (b) costs to obtain synergies from the ICT Transaction; (c) ICT Transaction costs; and (d) restructuring and impairment charges incurred in 2010 related to the ICT Transaction. The target goal for one third of the performance-based restricted share awards is that gross revenue from operations of the Company, as reported in its audited Consolidated Statements of Operations during fiscal years 2010, 2011 and 2012 (measured from January 1, 2010 through December 31, 2012) equals at least \$4,038,850,000.

The amount each named executive officer received as performance-based long-term equity incentive compensation for each of the three-year measurement periods beginning in 2008, 2009 and 2010 has been reported in the summary compensation table in the Stock Awards column.

Executive Deferred Compensation

Participation in the Executive Deferred Compensation Plan (the DC Plan) is limited to employees at the Director level and above within the Company's organizational structure (in ascending order, Directors, Senior Directors, Executive Directors, Vice Presidents, Senior Vice Presidents, Executive Vice Presidents and the President). Participants in the DC Plan may elect to defer any amount of base compensation and bonus. The Company matches a portion of amounts deferred by participants at the level of Vice President and above on a

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quarterly basis as follows: 50% match on salary deferred, up to a total match of \$12,000.00 per year for Senior Vice Presidents and above and \$7,500.00 per year for Vice Presidents. No match is made on deferrals by other participants. The matching contributions made to the DC Plan by the Company are made in the form of Company common stock.

Compensation deferred by a participant while participating in the DC Plan is deferred until such participant's retirement, termination, disability or death, or a change in control of the Company, as defined in the DC Plan, and in such event is paid out to the participant or his beneficiary. Under current tax law, a participant does not recognize income with respect to deferred compensation until it is paid to him or her. Upon payment, the participant will recognize ordinary income in an amount equal to the sum of the cash and the fair market value of the shares of stock received, and the Company will be entitled to a deduction equal to the income recognized by the participant.

Distributions of a participant's deferred compensation and Company stock contributed as matching contributions is made as soon as administratively feasible six months after retirement or termination of employment, unless the participant dies or becomes disabled while still an employee, in which case both distributions are made on the first day of the second month following the death or disability.

In the event the participant terminates employment (for reasons other than death, disability or retirement) without participating in the DC Plan for three years, the matching contributions and earnings attributable thereto are forfeited. In the event that a participant terminates employment after three years but less than five years of participation in the DC Plan, the participant forfeits 67% of the matching contribution and earnings. In the event a participant terminates employment after five years but less than seven years of participation in the DC Plan, the participant forfeits 33% of the matching contribution and earnings. In the event a participant terminates employment after seven years of participation in the DC Plan, the participant is entitled to retain all of the matching contribution and earnings.

In the event of a distribution of benefits as a result of a change in control, the Company will increase the benefits for the Senior Vice Presidents and the President by an amount sufficient to offset the income tax obligations created by the distribution of benefits.

Participants forfeit undistributed matching contributions if the participant is terminated for cause as defined in the DC Plan or the participant enters into a business or employment which the Company's Chief Executive Officer determines to be in violation of any non-compete agreement between the participant and the Company.

Other Elements of the Compensation Program

Stock Ownership Guidelines

The Board has adopted stock ownership guidelines for the named executive officers and other members of the senior management team, which vary by position from 150% to 400% of base salary. These guidelines, which allow the executives five (5) years beginning January 1, 2008 to acquire this amount of stock, were adopted in 2006. The Committee will review share ownership of the Company's executives on an annual basis to ensure that the executive officers are aware of where each stands in relation to the established guidelines. For purposes of the guidelines, stock ownership includes fully vested stock options, directly held common stock, time-vested restricted stock, performance shares and indirectly held shares that are considered beneficially owned under applicable SEC rules. We believe that these guidelines are appropriate to encourage our executive officers to hold a sufficient amount of our equity to create a mutuality of interest between our executive officers and our shareholders. The Committee reviews the status of officer stock ownership on an annual basis to monitor compliance. There are no additional stock holding periods for shares acquired upon exercise of SARs or upon the vesting of performance-based

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restricted stock. As of the date hereof, all named executive officers are in compliance with the stock ownership guidelines.

Clawback Policy

The Board has not yet adopted a specific clawback policy beyond the requirements already created by various provisions of Sarbanes-Oxley. However, the Board intends to adopt a fully compliant clawback policy as soon as practical following the issuance of final rules and regulations by the SEC in enacting the requirements of the Dodd-Frank Act.

Change-in-Control Provisions

We have change of control provisions in the employment agreements with our President and Chief Executive Officer, and our Chief Financial Officer, as well as in all of the equity incentive agreements with all of our executives and key employees. The change of control provisions in the two employment agreements are double-trigger arrangements, meaning that payments are only made if there is a change in control of the Company and the officer's employment is terminated without cause, or the officer terminates employment for good reason, as such terms are defined in their respective employment agreements. All of our employment agreements with the named executive officers, and the other executive officers, contain severance agreements ranging from one to three years in the event of termination by the Company other than for cause, but do not contain change of control provisions. These agreements are discussed in greater detail on page 40 under Potential Payments Upon Termination or Change of Control. The differences between the change of control provisions contained in the expired 2001 Equity Incentive Plan and those contained in the 2011 Equity Incentive Plan are discussed on page 54 in Proposal 4: Approval of the Sykes Enterprises, Incorporated 2011 Equity Incentive Plan under Change-in-Control Provisions. We believe that providing these agreements helps increase our ability to attract, retain and motivate highly qualified management personnel and encourage their continued dedication without distraction from concerns over job security relating, among other things, to a change in control of the Company.

Perquisites and Other Personal Benefits

The Company provides named executive officers with perquisites and other personal benefits that the Company and the Committee believe are reasonable and consistent with its overall compensation program to better enable the Company to attract and retain superior employees for key positions. For our named executive officers, the amount of compensation shown under the Other Compensation column of the Summary Compensation Table represents less than 2% of their total compensation for the year. These amounts represent mainly Company matches to the DC Plan, excess group term life insurance premiums and additional compensation paid to the named executive officers related to the cost of executive physicals and other health and welfare benefits. The Committee periodically reviews the levels of perquisites and other personal benefits provided to named executive officers.

The named executive officers are permitted to fly in business class when traveling overseas on business and are permitted to attend sporting events utilizing Company paid tickets that are not otherwise utilized in connection with business development.

Tax and Accounting Implications

Deductibility of Executive Compensation

As part of its role, the Committee reviews and considers the deductibility of executive compensation under Section 162(m) of the Internal Revenue Code, which provides that the Company may not deduct compensation of

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more than \$1,000,000 per year that is paid to certain individuals. The Company believes that compensation paid under the management incentive plans is generally fully deductible for federal income tax purposes. However, in certain situations, the Committee may approve compensation that will not meet these requirements in order to ensure competitive levels of total compensation for its executive officers.

Nonqualified Deferred Compensation

On October 22, 2004, the American Jobs Creation Act of 2004 was signed into law, changing the tax rules applicable to nonqualified deferred compensation arrangements. Final regulations have now become effective and the Company has amended its agreements containing deferred compensation components to comply with those regulations. A more detailed discussion of the Company's nonqualified deferred compensation arrangements is provided on page 28 under the heading Executive Deferred Compensation.

Accounting for Equity Based Compensation

Beginning on January 1, 2006, the Company began accounting for stock-based payments, including those under its long-term incentive programs, in accordance with the requirements of FASB ASC Topic 718 (formerly FAS Statement 123(R)).

COMPENSATION AND HUMAN RESOURCE DEVELOPMENT COMMITTEE REPORT

The Compensation and Human Resource Development Committee of the Board of Directors has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, the Compensation and Human Resource Development Committee recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement.

THE COMPENSATION AND HUMAN RESOURCE DEVELOPMENT COMMITTEE

Mark C. Bozek, Chairman
James K. Murray, Jr.
James S. MacLeod

Table of Contents**SUMMARY COMPENSATION TABLE**

The table below summarizes the total compensation paid to, or earned by each of the named executive officers for the fiscal years ending December 31, 2010, December 31, 2009 and December 31, 2008. The Company has entered into employment agreements with each of the named executive officers which are summarized under the section entitled Employment Agreements below. When setting the total compensation for each of the named executive officers, the Committee considers all of the executive's current compensation, including equity and non-equity based compensation.

The named executive officers were not entitled to receive payments which would be characterized as Bonus payments for the fiscal years ended December 31, 2009 or December 31, 2008. Amounts listed under column (g), Non-Equity Incentive Plan Compensation were paid in accordance with parameters determined by the Committee at its December 2, 2008 and December 5, 2007 meetings, respectively, and were paid in March 2010 and March, 2009, respectively.

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Name and Principal Position	Year	Salary (\$) (1)	Bonus (\$) (2)	Stock Awards (\$) (3)	Option Awards (\$) (3)	Non-Equity Incentive Plan Compensation (\$) (4)	Change in Pension Value and Nonqualified Deferred Compensation (\$) (5)	All Other Compensation (\$) (5)	Total
	2009	571,147	0	1,008,837	504,167	582,570	0	29,303	2,696,000
	2008	500,000	0	666,998	333,333	465,000	0	25,401	1,990,000
Michael Kipphut Senior Vice President & Chief Financial Officer	2010	400,005	299,501	373,507	186,680	0	0	40,561	1,300,000
	2009	415,390	0	373,519	186,665	296,588	0	30,540	1,302,000
	2008	374,558	0	294,944	147,400	290,282	0	32,949	1,140,000
James C. Hobby Senior Vice President	2010	335,504	80,521	313,282	156,581	0	0	37,022	922,000
	2009	348,408	0	313,288	156,569	213,226	0	28,245	1,059,000
	2008	310,866	0	203,432	101,667	202,374	0	23,063	841,000
James R. Zingale Senior Vice President	2010	322,005	77,281	300,673	150,281	0	0	33,602	883,000
	2009	334,390	0	300,686	150,270	204,646	0	23,999	1,013,000
	2008	316,769	0	203,432	101,667	206,217	0	15,677	843,000
James T. Holder Senior Vice President General Counsel and Corporate Secretary	2010	270,005	149,451	126,063	62,996	0	0	27,958	636,000
	2009	280,390	0	126,075	63,003	114,399	0	21,497	605,000
	2008	249,565	0	98,267	49,118	123,784	0	19,573	540,000

- (1) The amounts shown in column (c) include amounts resulting from a 27th pay period that fell into 2009.
- (2) The amounts shown in column (d) include discretionary bonuses earned in 2010.
- (3) The amounts shown in column (e) and (f) represent awards pursuant to long term incentive bonus programs (restricted stock and stock appreciation rights respectively) established by the Compensation and Human Resource Development Committee. The amounts are valued based on the aggregate grant date fair value of the awards in accordance with FASB ASC Topic 718, Compensation - Stock Compensation (formerly FAS 123(R)). Amounts for 2008 have been recalculated using the same methodology in accordance with SEC rules. See Notes 1 and 25 to the Consolidated Financial Statements included in the Company's Annual

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Report on Form 10-K for the year ended December 31, 2010 filed on March 8, 2011 for a discussion of the relevant assumptions used in calculating the grant date fair value in accordance with FASB ASC Topic 718.

(4) The amounts in column (g) reflect the cash awards to the named individuals pursuant to annual performance based incentive programs established by the Committee and discussed in more detail on page 24 under the heading Performance Based Annual Cash Incentive Compensation.

(5) The amounts shown in column (i) reflect for each named executive officer:

matching contributions allocated by the Company to each of the named executive officers pursuant to the Executive Deferred Compensation Plan described in more detail on page 28 under the heading Executive Deferred Compensation;

reimbursement for premiums attributable to increased coverage for vision, dental and group medical insurance benefits;

the cost of premiums for term life and disability insurance benefits; and

the Company's matching contribution to the Sykes Enterprises, Incorporated Employees Savings Plan and Trust.

The amount in column (i) for Mr. Kipphut also includes a country club membership paid by the Company.

Table of Contents**GRANTS OF PLAN-BASED AWARDS**

The following table provides information about equity and non-equity awards granted to the named executives in 2010, including (i) the grant date, (ii) the estimated future payouts under the non-equity incentive plan awards, (iii) the estimated future payouts under equity incentive plan awards, which consist of shares of restricted stock, (iv) all other stock awards which consist of shares of the Company's stock contributed as matching contributions under the Executive Deferred Compensation Plan, (v) all other option awards, which consist of Stock Appreciation Rights and the base price of those Stock Appreciation Rights, and (vi) the fair value of the equity awards on the date of grant.

	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards(2)			(i) All Other Stock Awards: Number of Shares of Stock or Units #(3)	(j) All Other Awards: Number of Securities Underlying Options #(4)	(k) Exercise or Base Price of Option Awards (\$/sh)	(l) Grant Date Fair Value of Stock or Option Awards (\$)	
	(b) Grant Date	(c) Threshold (\$)	(d) Target (\$)	(e) Maximum (\$)	(f) Threshold (#)	(g) Target (#)	(h) Maximum (#)				
les E.	3/05				33,758	42,245	63,336			23.88	1,008,
s	3/05								49,381	23.88	504,
	3/05	275,000	550,000	825,000							
	3/31							525		22.84	11,
rael	3/05				12,499	15,641	23,450			23.88	373,
hut	3/05								18,284	23.88	186,
	3/05	140,000	280,000	420,000							
	3/31							341		22.84	7,
	6/30							168		14.23	2,
	9/30							132		13.58	1,
s C.	3/05				10,484	13,119	19,669			23.88	313,
y	3/05								15,336	23.88	156,
	3/05	100,650	201,300	301,950							
	3/31							525		22.84	11,
ence	3/05				10,061	12,591	18,877			23.88	300,
ngale	3/05								14,719	23.88	150,
	3/05	96,600	193,200	289,800							
	3/31							141		22.84	3,
	6/30							194		14.23	2,

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9/30					237		13.58	3,
12/31					136		20.26	2,
3/05			4,219	5,279	7,915		23.88	126,
3/05						6,170	23.88	62,
3/05	54,000	108,000	162,000					
3/31					525		22.84	11,

(1) These amounts are based on the individual's current salary and position.

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- (2) Where amounts are shown in columns (f) and (h), then the amounts shown in column (f) reflect the Long-Term Incentive Stock Grant minimum which is 80% of the target amount shown in column (g), and the amount shown in column (h) is 150% of such target amount. The target amount shown is an absolute target. These amounts are based on the individual's current salary and position. The grant date fair value of the long-term incentive plan awards are based upon the target amounts shown in column (g).
- (3) The amounts shown in column (i) reflect the number of shares of stock granted to each named executive officer as matching contributions pursuant to the Executive Deferred Compensation Plan.
- (4) The amounts shown in column (j) reflect the number of Stock Appreciation Rights granted to each named executive officer as part of the Long-Term Incentive awards as described in more detail on page 25 under the heading Performance-Based, Long-Term, Equity Incentive Compensation. The actual number of shares underlying the Stock Appreciation Rights cannot be determined until such time as the Stock Appreciation Rights vest and are exercised and the spread between the fair value on the date of exercise and the base price is known. The fair value of the Stock Appreciation Rights included in column (l) is the amount determined pursuant to FASB ASC Topic 718 (formerly FAS Statement 123(R)).

Table of Contents**OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END**

The following table provides information on the holdings of stock option and stock awards by the named executives as of December 31, 2010. The table includes both exercisable and unexercisable options together with the exercise price and the expiration date; unvested Stock Appreciation Rights; the number of shares and market value of unvested matching contributions to the Executive Deferred Compensation Plan; and the number of shares of long term incentive (LTI) restricted stock together with the market value of those shares.

(a)	(b)	Option Awards			(f)	(g)	Stock Awards		
		(c)	(d)	(e)			(h)	(i)	(j)
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)
Charles E. Sykes									
2008-2010 LTI									
RS(3)								55,960	1,133,750
2008-2010 SARs(4)		15,432		17.87	01/02/18				
2009-2011 LTI									
RS(5)								58,038	1,175,850
2009-2011 SARs(6)	22,649	45,298		19.69	01/05/19				
2010-2012 LTI									
RS(7)								33,758	683,937
2010-2012 SARs(8)		49,381		23.88	03/05/20				
W. Michael Kipphut									
2006-2008 SARs(1)	20,731			14.56	03/29/16				
2007-2009 SARs(2)	19,093			17.64	01/02/17				
2008-2010 LTI									
RS(3)								24,745	501,334
2008-2010 SARs(4)	13,648	6,824		17.87	01/02/18				
								21,488	435,347

2009-2011 LTI RS(5)							
2009-2011 SARs(6)	8,386	16,771	19.69	01/05/19			
2010-2012 LTI RS(7)						12,498	253,209
2010-2012 SARs(8)		18,284	23.88	03/05/20			
James C. Hobby 2007-2009 LTI SARs(2)	13,169		17.64	01/02/17			
2008-2010 LTI RS(3)						17,068	345,798
2008-2010 SARs(4)	9,414	4,706	17.87	01/02/18			
2009-2011 LTI RS(5)						18,023	365,146
2009-2011 SARs(6)	7,034	14,067	19.69	01/05/19			
2010-2012 LTI RS(7)						10,483	212,386
2010-2012 SARs(8)		15,336	23.88	03/05/20			
EDC Match(9)					1,534	31,071	
Lawrence R. Zingale 2008-2010 LTI RS(3)						17,068	345,798
2008-2010 SARs(4)		4,706	17.87	01/02/18			
2009-2011 LTI RS(5)						17,298	350,457
2009-2011 SARs(6)		13,501	19.69	01/05/19			
2010-2012 LTI RS(7)						10,061	203,836
2010-2012 SARs(8)		14,719	23.88	03/05/20			
EDC Match(9)					1,426	28,881	
James T. Holder 2008-2010 LTI RS(3)						8,245	167,044
2008-2010 SARs(4)		2,274	17.87	01/02/18			
2009-2011 LTI RS(5)						7,252	146,926
2009-2011 SARs(6)		5,660	19.69	01/05/19			
2010-2012 LTI RS(7)						4,218	85,457
2010-2012 SARs(8)		6,170	23.88	03/05/20			

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- (1) The figures in this row represent Stock Appreciation Rights that were issued to the named executive officer in connection with the long-term incentive award for the 2006-2008 performance measurement period.
- (2) The figures in this row represent Stock Appreciation Rights that were issued to the named executive officer in connection with the long-term incentive award for the 2007-2009 performance measurement period.
- (3) The figures in this row represent restricted shares that were issued to the named executive officer in connection with the long-term incentive award for the 2008-2010 performance measurement period.
- (4) The figures in this row represent Stock Appreciation Rights that were issued to the named executive officer in connection with the long-term incentive award for the 2008-2010 performance measurement period.
- (5) The figures in this row represent restricted shares that were issued to the named executive officer in connection with the long-term incentive award for the 2009-2011 performance measurement period.
- (6) The figures in this row represent Stock Appreciation Rights that were issued to the named executive officer in connection with the long-term incentive award for the 2009-2011 performance measurement period.
- (7) The figures in this row represent restricted shares that were issued to the named executive officer in connection with the long-term incentive award for the 2010-2012 performance measurement period.
- (8) The figures in this row represent Stock Appreciation Rights that were issued to the named executive officer in connection with the long-term incentive award for the 2010-2012 performance measurement period.
- (9) The figures in this row represent restricted shares granted to the named executive officer as matching contributions by the Company under the Executive Deferred Compensation Plan.

OPTION EXERCISES AND STOCK VESTED

The following table provides information for the named executive officers on (1) stock option exercises during 2010, including the number of shares acquired upon exercise and the value realized; and (2) the number of shares acquired upon vesting of matching contributions under the Executive Deferred Compensation Plan, and the value realized upon the vesting of such shares.

(a) Name	Options Awards		Stock Awards	
	(b) Number of Shares Acquired On Exercise (#)	(c) Value Realized on Exercise (\$)	(d) Number of Shares Acquired on Vesting (#)	(e) Value Realized on Vesting (\$)
Charles E. Sykes				
EDC Matching Contr.(1)			525	11,991
2007 LTI RS			56,689	1,343,529
2007 SARs(2)	10,572	246,962		
2008 SARs(3)	7,253	169,430		

W. Michael Kipphut		
EDC Matching Contr.(1)	641	11,972
2007 LTI RS(2)	25,068	594,112
James C. Hobby		
EDC Matching Contr.(1)	352	8,034
2007 LTI RS(2)	17,290	409,773

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(a) Name	Options Awards		Stock Awards	
	(b) Number of Shares Acquired On Exercise (#)	(c) Value Realized on Exercise (\$)	(d) Number of Shares Acquired on Vesting (#)	(e) Value Realized on Vesting (\$)
Lawrence R. Zingale				
EDC Matching Contr.(1)			234	3,945
2007 LTI RS(2)			17,290	409,773
2007 SARs(3)	1,133	26,943		
2008 SARs(4)	1,169	27,799		
2009 SARs(5)	1,161	27,609		
James T. Holder				
EDC Matching Contr.(1)			525	11,991
2007 LTI RS(2)			7,993	189,434
2007 SARs(3)	496	11,587		
2008 SARs(4)	534	12,474		
2009 SARs(5)	444	10,372		

- (1) Reflects the Company's matching contributions in the form of shares of its common stock held for the account of the named executive officer in the Executive Deferred Compensation Plan which vested during fiscal year ended December 31, 2010.
- (2) Reflects the number of restricted shares vested (column (d)) and value at the time of vesting (column (e)) from the grant of a long term incentive award to the named executive officer relating to the 2007 - 2009 performance period
- (3) Reflects the number of stock appreciation rights granted in 2007 which were exercised by the named executive officer during 2010 (column (b)) and the value of the stock appreciation rights exercised (column (c)).
- (4) Reflects the number of stock appreciation rights granted in 2008 which were exercised by the named executive officer during 2010 (column (b)) and the value of the stock appreciation rights exercised (column (c)).
- (5) Reflects the number of stock appreciation rights granted in 2009 which were exercised by the named executive officer during 2010 (column (b)) and the value of the stock appreciation rights exercised (column (c)).

PENSION BENEFITS

The Company does not maintain any pension plans for the benefit of its executive officers.

NONQUALIFIED DEFERRED COMPENSATION

Pursuant to the Company's Executive Deferred Compensation Plan (the Plan), certain executives, including the named executive officers, may defer all or any portion of their base salary, and all or any portion of their performance based non-equity incentive compensation. Deferral elections are made on or before December 31st of each year for amounts

to be deferred from income earned with respect to the following year. The table below shows

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the investment options available under the Deferred Compensation Plan and their annual rate of return for the calendar year ended December 31, 2010, as reported by the Compensation Committee of the Plan.

Name of Fund	Rate of Return	Name of Fund	Rate of Return
		Wells Fargo Adv. Money Market Fund	
Invesco Mid Cap Core Equity Fund A	12.52	A	7.75
Columbia Small Cap Index A	25.71	PIMCO Total Return A	8.36
Janus Balanced Fund Class S	7.51	Columbia Small Cap Value I A	25.72
Van Kampen Comstock R	15.32	American Century Inf-Adj Bond Inv.	5.49
Wells Fargo Adv. Index Fund A	14.49	Invesco Small Cap Growth Fund A	26.28
		Wells Fargo Adv. International Equity	
American Funds Growth Fund of America R3	11.95	A	15.29
Goldman Sachs Mid Cap Value A	24.36		

Distributions of the participants' deferred compensation and any vested Company stock matching contributions are made as soon as administratively feasible six months after retirement or termination of employment, unless the participant dies or becomes disabled while still an employee, in which case both distributions are made as soon as administratively feasible.

In the event the participant terminates employment (for reasons other than death, disability or retirement) without participating in the plan for three years, the matching contributions and earnings attributable thereto are forfeited. In the event that a participant terminates employment after three years but less than five years of participation in the Plan, the participant forfeits 67% of the matching contribution and earnings. In the event a participant terminates employment after five years but less than seven years of participation in the Plan, the participant forfeits 33% of the matching contribution and earnings.

In the event of a distribution of benefits as a result of a change in control, the Company will increase the benefits for the Senior Vice Presidents, Executive Vice Presidents and the President by an amount sufficient to offset the income tax obligations created by the distribution of benefits.

Participants forfeit undistributed matching contributions if the participant is terminated for cause as defined in the Plan or the participant enters into a business or employment which the Company's chief executive officer determines to be in violation of any non-compete agreement between the participant and the Company.

The following table shows information regarding contributions by the named executive officers, the Company's matching contributions, aggregate earnings on contributions during fiscal year 2010, and the aggregate balance at year end. There were no distributions from the plan to named executive officers during fiscal year 2010.

(a)	(b)	(c)	(d)	(e)	(f)
Name	Executive Contributions in Last Fiscal Year(1)	Company Contribution in Last Fiscal Year(2)	Aggregate Earnings in Last Fiscal Year	Aggregate Withdrawals/ Distributions	Aggregate Balance at Last Fiscal Year End(3)
	(\$)	(\$)	(\$)	(\$)	(\$)

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Charles E. Sykes	24,000	11,991	(9,272)	0	221,796
W. Michael Kipphut	30,800	11,972	(22,645)	0	414,877
James C. Hobby	113,445	11,991	45,367	0	646,980
Lawrence R. Zingale	24,000	11,955	654	0	128,924
James T. Holder	24,000	11,991	(3,403)	0	200,809

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- (1) The amounts shown are included in the amounts of salary in column (c) of the Summary Compensation Table.
- (2) The amounts shown are included in the amounts of Other Compensation in column (i) of the Summary Compensation Table.
- (3) The amounts shown include 100% of the aggregate executive and Company contributions which have all been reported in the Summary Compensation Table.

EQUITY COMPENSATION PLAN INFORMATION

The following table summarizes the equity compensation plans under which the equity securities of Sykes may be issued as of December 31, 2010:

	(a)	(b)	(c)
	Number of Securities to be Issued Upon Exercise of Options, Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
Equity compensation plans approved by shareholders ⁽¹⁾	70,275	8.54 ⁽²⁾	6,065,744
Equity compensation plans not approved by shareholders	81,310 ⁽³⁾		N/A ⁽³⁾
Totals	151,585		6,065,744

- (1) Includes shares of common stock of Sykes authorized for awards under the 2001 Equity Incentive Plan. Also includes shares of common stock of Sykes reserved for issuance under the 2004 Non-Employee Director Fee Plan.
- (2) Represents the weighted average exercise price of stock options only.
- (3) Represents shares of common stock of Sykes issued as matching grants under the Executive Deferred Compensation Plan for executives described on page 28 above. There is no specific number of shares reserved for issuance under the Executive Deferred Compensation Plan.

Shares awarded under all of the above plans may be from Sykes authorized and unissued shares, treasury shares or shares acquired in the open market. For a summary of the terms of Sykes equity compensation plans, see Note 25 of our consolidated financial statements in the Annual Report on Form 10-K for the year ended December 31, 2010 and incorporated herein by reference.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE OF CONTROL

The tables below reflect the amount of compensation to each of the named executive officers of the Company in the event of a termination of such executive's employment. The amount of compensation payable to each named executive officer upon voluntary termination, involuntary not-for-cause termination, termination following a change of control and in the event of a disability or death of the executive is shown below. The amounts shown assume that such termination was effective as of December 31, 2010, and thus includes amounts earned through

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such time and are estimates of the amounts which would be paid out to the executives upon their termination. The actual amounts to be paid out can only be determined at the time of such executive's separation from the Company.

Payments Made Upon Termination

Regardless of the manner in which a named executive officer's employment terminates, he is entitled to receive amounts earned during his term of employment. Depending upon the date of a termination, such amounts may include:

non-equity incentive compensation earned during the fiscal year;

shares which have vested and for which the restrictions have lapsed under Long-Term Incentive compensation awards;

shares to be issued as a result of the vesting of SARs under Long-Term Incentive compensation awards;

amounts contributed to the Executive Deferred Compensation Plan; and

unused vacation pay.

Payments Made Upon Termination by the Company Without Cause, or by the Executive with Good Reason

In the event the employment of Mr. Sykes or Mr. Kipphut is terminated by the Company prior to the expiration of any renewal period for any reason other than death, disability, or cause (as defined in their respective employment agreements), or if such officer terminates his employment agreement prior to the expiration of the renewal period for good reason (as defined in their respective employment agreements, other than a termination by the officer in connection with a change of control (as defined in his employment agreement)), the officer will be entitled to the following payments:

Mr. Sykes will be entitled to receive an amount equal to two times his annual base salary.

Mr. Kipphut will be entitled to receive an amount equal to his annual base salary, plus an amount equal to the maximum annual performance bonus he could earn under the performance based bonus plan in which Mr. Kipphut is then participating.

In the event that such officer terminates his employment agreement in connection with a change of control, such officer will be entitled to receive the benefits listed under the heading **Payments Made Upon a Change of Control** below.

In the event of the termination by the Company of the employment of any named executive officer other than Mr. Sykes or Mr. Kipphut for any reason other than death, disability or cause, they will be entitled to receive an amount equal to their annual base salary.

Except as provided below, the foregoing amounts are to be paid biweekly in equal installments over 52 weeks, commencing immediately upon such officer's separation from service. If such officer is determined to be a specified employee on the date of his separation from service (each as defined in Section 409(A) of the Internal Revenue Code and applicable regulations), to the extent that he is entitled to receive any benefit or payment upon such separation from service under the employment agreement that constitutes deferred compensation within the meaning of Section 409A of the Internal Revenue Code before the date that is six months after the date of his separation from

service, such benefits or payments will not be provided or paid to him on the date otherwise required to be provided or paid. Instead, all such amounts shall be accumulated and paid in a single lump sum on the first business day after the date that is six months after the date of his separation from service (or, if earlier, within fifteen (15) days following his date of death). All remaining

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payments and benefits otherwise required to be paid or provided on or after the date that is six months after the date of his separation from service will be paid or provided or paid in accordance with the payment schedule described above.

Payments Made Upon Death or Disability

In the event of the death or disability of a named executive officer, in addition to the benefits listed under the heading **Payments Made Upon Termination** above, the named executive officer will receive benefits under the Company's disability plan or payments under the Company's life insurance plan, as appropriate. The Company pays for life insurance and accidental death and dismemberment coverage for its executive team in amounts equal to twice the executive's base salary, up to a maximum of \$500,000. The Company also pays for short term disability for its executives with a benefit of 70% of base salary, up to a maximum of \$2,500 per week, and long term disability utilizing multiple plans. The base long term disability plan provides for a benefit to the executives of 70% of base salary, up to a maximum of \$15,000 per month. The base long term disability plan is supplemented with two individual policy plans designed to provide the executives with long term disability insurance approximating 75% of covered compensation.

Payments Made Upon a Change of Control

The Company has entered into employment agreements with Mr. Sykes and Mr. Kipphut which contain change of control payment provisions. Pursuant to these provisions, if Mr. Sykes or Mr. Kipphut terminates their employment in connection with a change of control (as defined in their employment agreement), instead of the benefits listed under the heading **Payments Made Upon Termination**, they will receive the following benefits:

Mr. Sykes. Mr. Sykes will be entitled to receive an amount equal to three times his then current base salary, plus an amount determined by multiplying the annual target bonus designated or otherwise indicated for Mr. Sykes in the year such change of control occurs by a factor of three. The target bonus amount is to be determined under the performance based bonus plan in which Mr. Sykes is then participating. In addition, all stock options, stock grants or other similar equity incentives and/or compensation programs will immediately accelerate and become fully vested and exercisable at the option of Mr. Sykes.

Mr. Kipphut. Mr. Kipphut will be entitled to receive an amount equal to two times his then current base salary, plus an amount determined by multiplying the annual target bonus designated or otherwise indicated for Mr. Kipphut in the year such change of control occurs by a factor of two. The target bonus amount is to be determined under the performance based bonus plan in which Mr. Kipphut is then participating. In addition, all stock options, stock grants or other similar equity incentives and/or compensation programs will immediately accelerate and become fully vested and exercisable at the option of Mr. Kipphut.

Except as provided below, the foregoing amounts are to be paid biweekly in equal installments over 52 weeks, commencing immediately upon such officer's separation from service. If such officer is determined to be a specified employee on the date of his separation from service (each as defined in Section 409(A) of the Internal Revenue Code and applicable regulations), to the extent that he is entitled to receive any benefit or payment upon such separation from service under the employment agreement that constitutes deferred compensation within the meaning of Section 409A of the Internal Revenue Code before the date that is six months after the date of his separation from service, such benefits or payments will not be provided or paid to him on the date otherwise required to be provided or paid. Instead, all such amounts shall be accumulated and paid in a single lump sum on the first business day after the date that is six months after the date of his separation from service (or, if earlier, within fifteen (15) days following his date of death). All remaining payments and benefits otherwise required to be paid or provided on or after the date that is six months after the date of his separation from service will be paid or provided or paid in accordance with the payment schedule described above.

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The named executive officers of the Company, other than Mr. Sykes and Mr. Kipphut, do not have change of control provisions in their respective employment agreements, but under various equity incentive agreements, all stock options, stock grants or other similar equity incentives and/or compensation programs will immediately accelerate and become fully vested and exercisable at the option of the executive in the event of a change in control.

Charles E. Sykes

The following table shows the potential payments upon termination or a change of control of the Company for Charles E. Sykes, the Company's President and Chief Executive Officer, as if such termination had occurred on December 31, 2010:

Type of Benefit	Company Initiated		Executive Initiated		
	Before Change in Control Termination w/o Cause or for Good Reason (\$)	After Change in Control Termination w/o Cause or for Good Reason (\$)	Voluntary Termination (\$)	Voluntary Termination for Good Reason (\$)	Change in Control (\$)
Severance Pay	1,100,000	1,650,000	0	1,100,000	1,650,000
Bonus Payment	0	1,650,000	0	0	1,650,000
Stock Grants Vesting Acceleration	0	3,973,229	0	0	3,973,229
Stock Option Vesting Acceleration	0	62,702	0	0	62,702
Deferred Compensation Vesting Acceleration	0	0	0	0	0
Payment for Taxes Resulting from Deferred Compensation Distribution	0	79,762	0	0	79,762
Total	1,100,000	7,415,693	0	1,100,000	7,415,693

W. Michael Kipphut

The following table shows the potential payments upon termination or a change of control of the Company for W. Michael Kipphut, the Company's Executive Vice President and Chief Financial Officer, as if such termination had occurred on December 31, 2010:

Type of Benefit	Company Initiated		Executive Initiated		
	Before Change in Control Termination w/o Cause or for Good Reason (\$)	After Change in Control Termination w/o Cause or for Good Reason (\$)	Voluntary Termination (\$)	Voluntary Termination for Good Reason (\$)	Change in Control (\$)

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Severance Pay	400,000	800,000	0	400,000	800,000
Bonus Payment	420,000	840,000	0	420,000	840,000
Stock Grants Vesting Acceleration	0	1,552,645	0	0	1,552,645
Stock Option Vesting Acceleration	0	25,869	0	0	25,869
Deferred Compensation Vesting Acceleration	0	0	0	0	0
Payment for Taxes Resulting from Deferred Compensation Distribution	0	149,198	0	0	149,198
Total	820,000	3,367,712	0	820,000	3,367,712

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The following table shows the potential payments upon termination or a change of control of the Company for James C. Hobby, the Company's Executive Vice President - Global Operations, as if such termination had occurred on December 31, 2010:

Type of Benefit	Company Initiated		Executive Initiated		
	Before Change in Control Termination w/o Cause or for Good Reason (\$)	After Change in Control Termination w/o Cause or for Good Reason (\$)	Voluntary Termination Reason (\$)	Good Termination Reason (\$)	Change in Control (\$)
Severance Pay	335,500	335,500	0	0	0
Bonus Payment	0	0	0	0	0
Stock Grants Vesting Acceleration	0	1,227,595	0	0	1,227,595
Stock Option Vesting Acceleration	0	19,266	0	0	19,266
Deferred Compensation Vesting Acceleration	0	31,079	0	0	31,079
Payment for Taxes Resulting from Deferred Compensation Distribution	0	232,666	0	0	232,666
Total	335,500	1,846,106	0	0	1,510,606

Lawrence R. Zingale

The following table shows the potential payments upon termination or a change of control of the Company for Lawrence R. Zingale, the Company's Executive Vice President - Global Sales and Client Management, as if such termination had occurred on December 31, 2010:

Type of Benefit	Company Initiated		Executive Initiated		
	Before Change in Control Termination w/o Cause or for Good Reason (\$)	After Change in Control Termination w/o Cause or for Good Reason (\$)	Voluntary Termination Reason (\$)	Good Termination Reason (\$)	Change in Control (\$)
Severance Pay	322,000	322,000	0	0	0
Bonus Payment	0	0	0	0	0
Stock Grants Vesting Acceleration	0	1,192,098	0	0	1,192,098
Stock Option Vesting Acceleration	0	18,943	0	0	18,943
	0	28,891	0	0	28,891

Deferred Compensation Vesting Acceleration Payment for Taxes Resulting from Deferred Compensation Distribution	0	46,364	0	0	46,364
Total	322,000	1,608,296	0	0	1,286,296

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The following table shows the potential payments upon termination or a change of control of the Company for James T. Holder, the Company's Executive Vice President, General Counsel and Corporate Secretary, as if such termination had occurred on December 31, 2010:

Type of Benefit	Company Initiated		Executive Initiated		
	Before Change in Control Termination w/o Cause or for Good Reason (\$)	After Change in Control Termination w/o Cause or for Good Reason (\$)	Voluntary Termination (\$)	Voluntary Termination for Good Reason (\$)	Change in Control (\$)
Severance Pay	270,000	270,000	0	0	0
Bonus Payment	0	0	0	0	0
Stock Grants Vesting Acceleration	0	521,878	0	0	521,878
Stock Option Vesting Acceleration	0	8,661	0	&nb	