



BPO strategies for Developing Countries

A blueprint for success

Dr. P.K.Mukherji

President & Managing Partner, Avasant Asia

Date: May 2009





The article provides a detailed insight into the BPO opportunities and the ideal path forward for leveraging these opportunities for the developing nations. The articles provides a detailed overview into

- BPO – Market Size & Potential
- Why BPO? – Potential Benefits to developing nations
- BPO Location – Key Selection Drivers
- How to conduct a Self-Assessment
- Develop a Go-to-Market Strategy

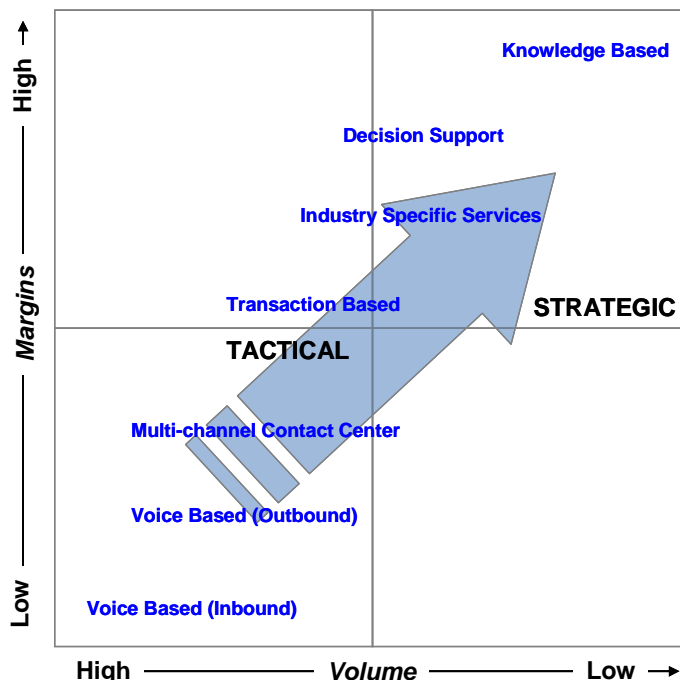
Introduction

Business Process Outsourcing or BPO as it is commonly called is the process of either contracting operations and responsibilities of specific core business functions or processes to a third-party service provider or reorganizing it within a shared services facility in a low cost geography. This includes outsourcing of business processes and functions such as customer service, technical support, accounts management, payroll processing, among others. Over the years, as a number of clients have realized benefits of BPO and as the service provider market has matured, this industry has evolved from providing simple voice based support to transaction based services and now increasingly decision support or knowledge based services.

Global BPO Industry presents a huge opportunity for developing nations. The global market size for BPO services has been estimated to be over USD 115 bn in 2008. The industry has grown significantly over the last few years and is expected to reach USD 181 bn by 2012, growing at a strong and steady rate of over 11% per annum.

The globalization of business services has proved beneficial to emerging economies especially the likes of India and Philippines, in multiple ways. BPO friendly policies have helped these countries generate employment, attract investments, increase exports, improve technical and physical infrastructure, and improve quality of life for their citizens.

Many emerging economies in Africa, Latin America, Eastern Europe and Asia are now realizing the benefits of creating BPO friendly environment in their economies, so as to increase employment. Donor agencies such as World Bank, African Development Bank, UNDP, IRDA and Rockefeller Foundation etc. have realized the importance of Information Technology and allied businesses in transforming developing economies, and are supporting many such initiatives. As the number of countries eyeing a share of the global BPO opportunity increase, it is imperative for governments and industry associations in these countries to clearly understand the BPO market place and its specific investment drivers. Based on a complete knowledge of the BPO environment and a clear understanding of their respective strengths and weaknesses, they need to clearly articulate their vision and design and implement enabling conditions to attract investments. In this paper we look at strategies that some of these countries can adopt so as to attract quality foreign investments and generate employment.



To get the complete article, please email your details to publications@avasant.com



3601 N Aviation Boulevard, Suite 3000,
Manhattan Beach, CA, 90266, USA

Tel: 646-403-9743
Fax: 949-823-6791
www.avasant.com

Global Locations:

- Los Angeles (Headquarters)
- Newport Beach
- San Francisco
- Chicago
- New York
- San Diego
- London
- Mumbai
- Accra, Ghana

© Copyright 2008 – All Rights Reserved
Avasant LLC

About the Author:



Dr. Pradeep Mukherji is the President and Managing Partner of Avasant's Asian operations. Dr. Mukherji has over 20 years of experience and expertise in Consultancy and Management of Technology Business. He has advised leading enterprises in US, Europe and ASPAC on strategic aspects of Services Globalization and Transformational Outsourcing.

His expertise includes IT Consulting & Strategy, Global Risk Assessment and Management, Relationship Management, Contracting and Program Management and M&A. He has in the past worked with Private Equity organizations on deal sourcing, deal structuring and post deal transformation. He has also advised multiple state and country governments on various aspects of IT/ITES business.

For more information please contact at pk.mukherji@avasant.com or +91- 98210-80841

About Avasant:

Avasant (formerly Stradling Global Sourcing) is a next generation sourcing consulting company concentrating on tailor-made solutions for organizations that may already be in sourcing contracts for the delivery of IT services or business processes and for those who are considering sourcing to meet their strategic needs.

Our team of sourcing experts has extensive experience in helping both commercial and governmental organizations keep pace with rapidly changing requirements through the strategic use of outsourcing. At the heart of our process is aligning a sourcing strategy with enterprise needs and then executing transactions and managing relationships to meet those needs.

Avasant has built speed of response and flexibility into the process to differentiate ourselves from other sourcing advisers whose standard solutions may not be as tailor-made to your needs.