

People and Talent in BPO





From Serendipity to Excellence: BPO as a Career

A career-defining moment...

In the early days, people used to arrive at a career in BPO as if by accident. It's now a more clearly defined profession in itself. Clients are more trusting than ever in the skills, knowledge, experiences and assets that BPO professionals bring to the table. Increasingly, BPO is helping to drive transformation and set the future vision for its clients. I firmly believe the next generation of BPO professionals will be the trusted partners of the CFO, tasked with building better internal customer satisfaction, driving shareholder value and creating an organisational culture that mitigates risk.

The required skillset brings together an understanding of traditional operational outsourcing with the more creative and strategic thinking associated with large-scale business transformation. Typically, BPO is more associated with the former, but growth in the latter now offers exciting scope for career progression.

I am a passionate advocate of BPO and the people involved in it – on both the client and supplier sides. BPO is without doubt a 'people business'. BPO needs strong and skilled experts who can collaborate with clients, understand their distinct challenges and drive improvements through innovation. As an industry, we need to attract and retain those people better. That means better recognition for the work we do, greater training and support to share knowledge and strengthen skills, and formal qualifications to underpin and give value to career development.

Earlier in the year, I posed the question "Does 'Generation BPO' have a professional identity yet?", which you can read later in this paper, but first I'd like to report on some recent analysis by HfS Research (commissioned in partnership with Capgemini BPO), which surveyed BPO staff about their perceptions of BPO as a profession.

Its findings are generally positive, with the majority of experienced professionals seeing BPO as an enabler of innovation and business change. Yet there is work to be done. Particularly among newer entrants to the industry, with only one in eight seeing it as a long-term career option. Overall, the message is that BPO is a "profession that is becoming more sophisticated and important for achieving strategic business outcomes", but to "keep these professionals engaged... requires a more comprehensively defined career path". That's the challenge facing BPO leaders now if we are to continue the reputational growth of recent years.

Christopher Stancombe
CEO of Capgemini BPO



Business Process Outsourcing (BPO) has never been in a better state. Customers recognise that it now means far more than just more of the same for less money, and they can see the value BPO professionals can bring to broader business transformation. Backed by supporting evidence from Horses for Sources (HfS) research, Christopher Stancombe believes the time is right to build a sense of professional identity to match its professional approach and make BPO a career of choice.



BPO: a view from the ground

In April 2015, HfS Research published its “BPO Profession” paper, which analysed the findings of a survey of more than 500 BPO industry stakeholders, including enterprise buyers, service providers and advisors.

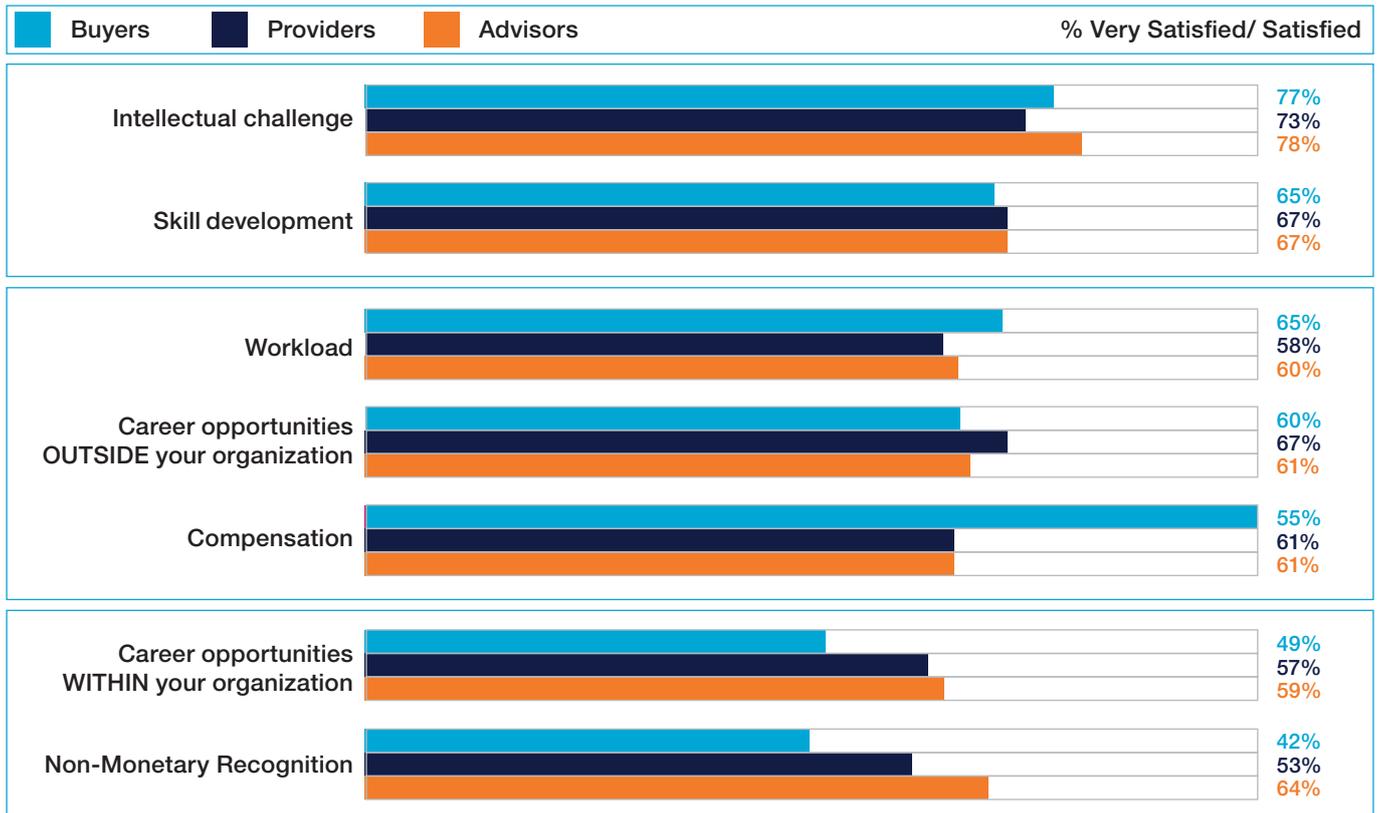
Key points

- Research conducted during February and March 2015
- Entailed a survey, plus qualitative and quantitative interviews
- Explored views on current BPO roles and long-term career potential
- 540 respondents from across North America, India and Europe
- Over 50% of respondents had more than 10 years’ experience in BPO

The recognition factor

A key finding from the research was that “professionals in BPO like the intellectual challenge, but many fail to see corporate commitment to BPO as a career”. Although around three-quarters of respondents felt satisfied with the intellectual challenge of their role, many did not see it as a long-term career or feel there was enough recognition (non-monetary) within their own organisation.

How would you describe your satisfaction with your current role as it relates to:



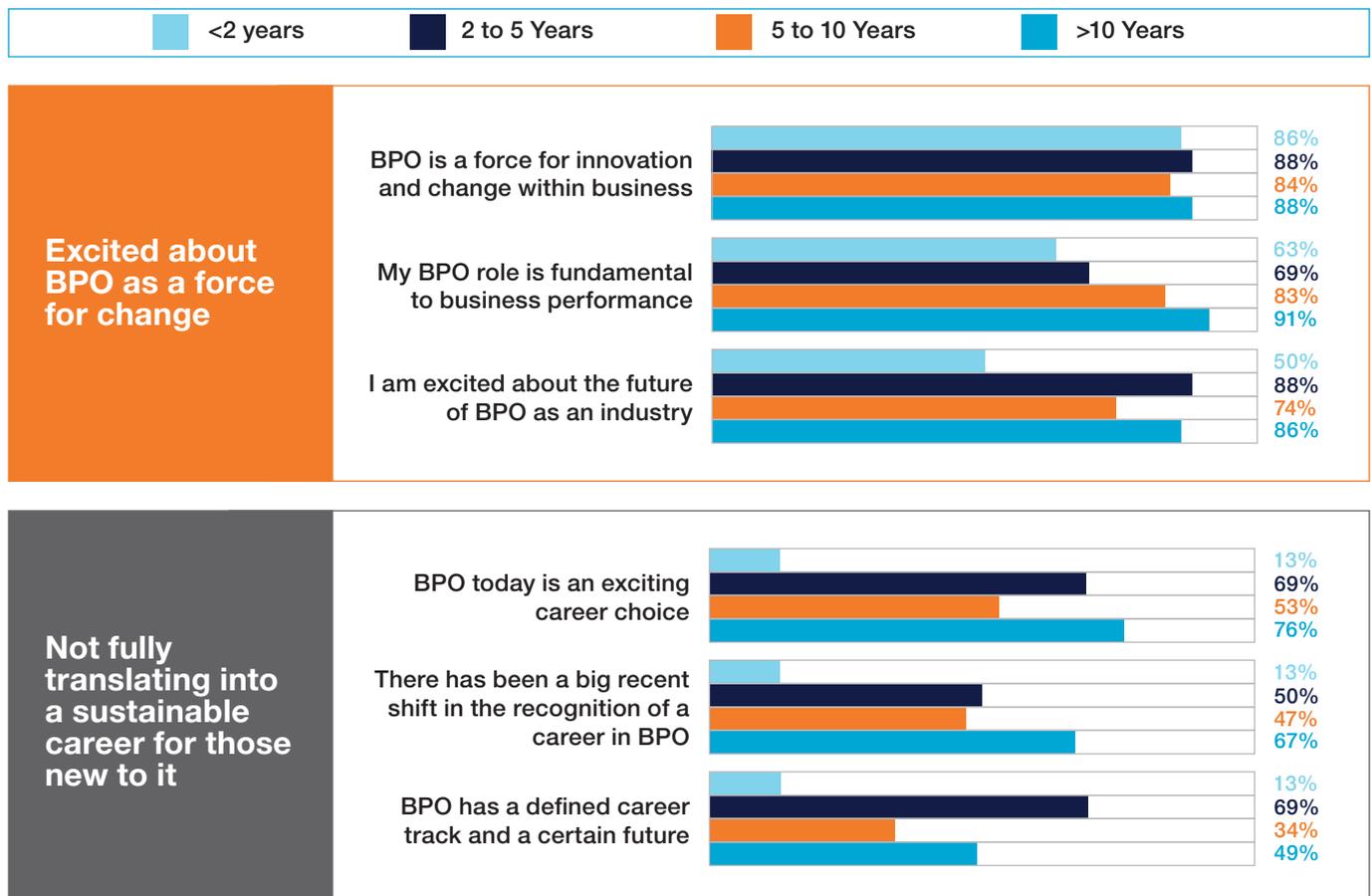
Source: HfS Research, 2015, Sample: Enterprise Buyers = 121; Advisors/Consultants = 158; Service Provider Executives = 229

While in some ways this is a positive reflection on the changing nature of BPO away from “lift and shift” towards problem-solving and solution-building, it also underlines the need for more recognition of BPO across the corporate environment. The investment is there internally, with growing commitment to training programmes and skills development, and the bridge is starting to be made to executive engagement (at CFO level) – it now just needs a further push to embed the concept of BPO as a profession.

A framework to retain

One of the most significant findings from the research is the perception held by “new” BPO professionals (those who have worked in the industry for less than two years). Only one in eight view it as an exciting career choice, or believe that it has a defined career path, or have seen a positive shift in the recognition of it as a profession.

To what extent do you agree/ disagree with the following? (by BPO experience)



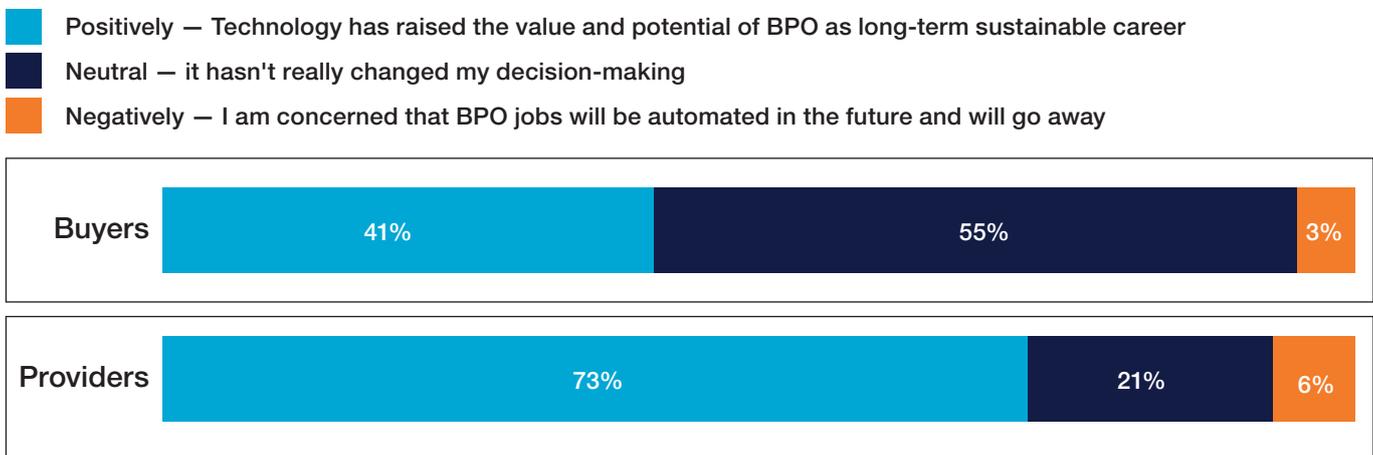
Source: HfS Research, 2015, Sample: Enterprise Buyers = 121; Advisors/Consultants = 158; Service Provider Executives = 229

This firmly reinforces the view that BPO needs to be professionalised. HfS suggests that providers need industry-standard frameworks in place for skills development, certifications, training and support if BPO is to be viewed on a level playing field with other professions. Similarly, on the buyer side, HfS talks about how “BPO professionals see peers in other parts of the business [Finance, HR, Supply Chain, etc.] being promoted for doing the same or less” and advocates the use of leadership and mentoring programmes, in collaboration with executives, clients, academics and university partnerships, to “create a cohesive, well-defined, and engaging industry-recognised career path”. Such frameworks to attract and retain talent, both on the provider and client sides, will be vital to the future of BPO.

Technology enables. People deliver

It would be understandable if the rapid advances in enterprise technology and, in particular, automation were seen as a threat to the sustainability of BPO as a profession. However, it is pleasing to see that the vast majority of BPO people see it the other way, as HfS puts it: “the increasing role of technology in BPO is having a positive impact on engaging professionals in a long-term career choice”. Of particular note, only 6% of BPO providers fear that automation will eliminate the need for their skills in the future.

How does technology influence your decision to pursue a long-term career in BPO?



Source: HfS Research, 2015, Sample: Enterprise Buyers = 121; Service Provider Executives = 229

HfS asserts that developments in technology are integral to the emergence of a BPO career. When routine tasks are automated and networks are optimised, it allows more BPO time to be spent on adding business value – for example, through intelligence-gathering and strategic planning. When clients embrace the “as-a-service” mentality and liberate themselves from internal (legacy) technology, BPO can step in to ensure technology aligns to and delivers the required business outcomes. Technology, therefore, is not a threat to a career in BPO, but an enabler of it.

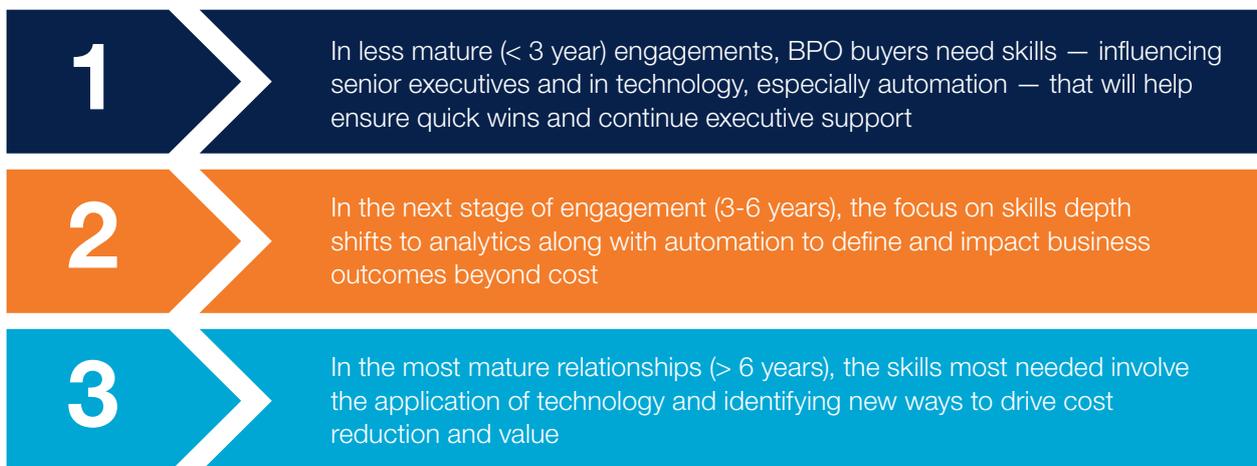
“As we move into the As-a-Service Economy, technology is becoming more integral to BPO and therefore to the BPO career.” (Source: HfS Research, BPO Profession in 2015, page 13)

The birth of the BPO consultant

Eight out of ten BPO providers report being under heavy pressure to increase their skills in “defining business outcomes beyond cost reduction and efficiency”. This can also be described, as one service provider exec put it, as “the increasing need for consultative skills in a BPO role”. Simply put, to encourage lasting relationships with clients, BPO needs to do more than meet the same service level agreements year after year. It needs to anticipate future challenges and the next set of targets laid down from the C-level.

Operating in this type of consultative capacity requires an understanding of how technology can help clients work smarter, not just cheaper. Around two-thirds of respondents believe that an increased understanding of automation is key to this. HfS sees automation as the “building blocks to develop more streamlined end-to-end processes, to perform more meaningful analytics”. They see it as less about reducing labour costs and more about helping clients to deploy their talent on higher-value activities.

Furthermore, their analysis suggests that the BPO consultant (or “Capability Broker”, as HfS calls it) will need to respond to changing demands over the course of the client relationship:



Source: HfS-Research, BPO profession in 2015, page 19

Download the full study at:

www.horsesforsources.com/wp-content/uploads/2015/04/RS_1504_HfS-Report-BPO-Talent-1.pdf

This makes it crucial for BPO service providers to have a deep pool of talent that can deliver the evolving requirements of long-term contracts. Investment in career development therefore becomes a real differentiator. If new entrants to BPO can see where the industry can take them in the future, and they have the training, education and mentoring infrastructure in place to get them there, retention becomes so much easier.

The emergence of a profession

In summary, there is huge appetite on all sides to professionalise the BPO industry. The research provides the beginnings of a blueprint to get us there, and it is now the responsibility of BPO leaders to take definitive steps, as HfS puts it, “to turn what perhaps started for many as an ‘accidental’ career path into something much more dynamic and well-defined, with associated training, mentoring, roles, and recognition.”

Chris Stancombe Interview



In advance of the publication of this study, Phil Fersht, CEO and President of HfS Research, sat down with Christopher Stancombe to talk candidly about BPO as a profession. Here are some highlights of that conversation

Q. Is BPO evolving into a genuine long-term career choice? Will it become more widely recognised by our fellow professionals over time?

A. My view is that we have created a new profession. I have been in BPO now for 13 years and I view myself as bit of a latecomer to it. There are a lot of people that have been in BPO where that's the only career they know. They joined as graduates, they stayed in the profession, they have a fantastic client service mentality, they are very innovative, they are very agile. They are keen to work towards continuous improvement. They recognise that they learn from new clients in new sectors. It's a very exciting industry to be in.

I think what we need now is to create some structure around the profession like other professions to establish some prestige. You know that if you become a qualified lawyer you get letters that go after your name; similarly, if you are a qualified accountant. I do think we need to start challenging ourselves. What are we doing for the next generation such that people are proud to be in BPO in the same way that doctors are proud or engineers are proud? It should be a similar type of professional approach. And I think that's what we need to bring to BPO now.

Q. What measures do you think buyers and providers can take to improve the level of trust in a relationship, to drive more innovations and to have more high-level discussions?

A. It's still a people business, so you need a good cultural match across people on the engagement and client side. The tone has to be set from the top. Make sure you have regular meetings at senior level. Talk to each other regularly. Be transparent and open and have the right people on the account with aligned coaches. You might want to rotate two or three people through the account until you have the right people working together, so that they can build a partnership aligned around the same measures. When people like each other, spend time together and build a relationship – that's how you get that trust.



Q. Do you think clients are warming to a more a trusting relationship with providers, and more open to building a strategic relationship?

A. I think it depends on the client and what the client wants. But certainly more clients are now open to that part of the transformation. They recognise the value of the people and their longevity, their different experiences, the knowledge they bring, and the assets that we have built. The right client wants to be able to leverage and tap into that value. I think that the evaluation of suppliers is not just around what's your price and what service levels will you agree to. Increasingly, it is about what assets are you bringing and how you are going to help us transform ourselves; how you are going to help drive change and create a vision for us.

Q. Where do you think this conversation is going to evolve to in a couple of years?

A. I think CFOs are going to be asking themselves 'How are you going to help me drive my business?'

More and more people are saying it's the culture of an organisation that drives it. If you have the right culture in your organisation, your chances of success are higher. So to me, the top three critical questions that the CFO should be asking are:

- How do I build better customer satisfaction with my business?
- How do I drive value to my shareholders?
- How do you help me create the right culture in the organisation such that my risk is mitigated?



Does 'Generation BPO' have a professional identity yet?

A BPO Thought Process piece by Christopher Stancombe, 12 May 2015 (first published at www.capgemini.com/blog/bpo-thought-process)

We are now seeing a group in our workforce who I call Generation BPO.

Outsourcing took off in the 1980s and BPO began in the 90s. As the 90s became the 00s, BPO became more sophisticated and moved up the value chain. Companies still looked to us to cut costs, but they also outsourced business functions because they wanted access to better technology, deeper process expertise and sources of competitive advantage. As skilled outsiders, we were increasingly able to provide that different mentality that helps organisations make a change.

The maturity of BPO has had a great effect on what it offers, but what is often less talked about is what this maturity means for those who work within the industry. Back in the 90s and early 00s, everyone above a certain level who worked in BPO had come from somewhere else, because, when they were graduates, BPO did not exist or was a cottage industry. But now BPO is 20 years old and the graduates who started in the 90s are entering or established in senior management.

I can see this within our own business. A sizeable core of our senior management team have been with us now for over 10 years. Across the whole cohort, the average proportion of their career spent with Capgemini BPO is around a third, and as we look into the younger ranks of management we can see this proportion changing every year.



Meet the 'BPO natives'

The idea of 'BPO natives' springs from comparisons with the better known 'digital natives', i.e. those who have spent most of their lives surrounded by the internet and other digital technologies and struggle to even imagine what the world was like before.

It's the same within Generation BPO. The majority are BPO natives who just 'get' BPO, and the huge potential for business value it can bring. These people are business process experts, steeped in the methodologies of global service standardisation, and the design and refinement of target operating models. Critically, they are focused on business outcomes and not just the language of cost reduction and labour arbitrage.



BPO as a career of choice

There are more reasons than ever for top talent to choose to work in BPO from an early age, rather than just arrive by serendipity through other career paths.

If you join a finance, HR or other back-office team in a large enterprise today, you may quickly find yourself painted with a 'cost centre' brush, expected to deliver more each year on an ever decreasing budget. The value you deliver (even though it can be considerable) might not be understood or recognised as well as if you were making a similar contribution as an external professional services provider. I'd say that if you're a bright young accountant today, joining Generation BPO is far more attractive than it ever has been before.



The birth of a new professional identity?

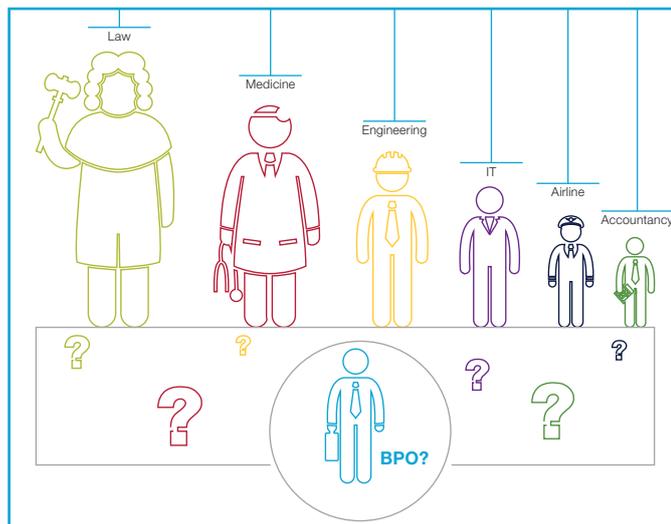
The more you think about it, the more this all adds up to something very significant. A whole new industry has grown up in the last decade, and that's quite an unusual thing. However, despite the considerable specialisms and skillsets involved, I'm not sure a BPO professional identity has grown up alongside it yet. Many of us in the industry will still self-identify as accountants, HR or supply chain professionals, ahead of BPO.

If Generation BPO is to thrive, and we are to attract the very best talent to its ranks, I think we probably need to do more to help them. We need to provide more of a structure to the profession itself, and more of a framework for career progression, identity and recognition.

Doing this will involve thinking about some really fundamental points: what makes a profession and what examples can we learn from and follow? When we compare the professional infrastructure and apparatus of BPO to established professions (doctors, lawyers or engineers), what are we missing? What kinds of training, qualifications, associations and communities make up the building blocks of an industry's identity?

That's a lot of questions – and rather too many to cover here, but I think this deserves further attention, so I will return to this topic soon in another post.

Where does BPO fit in the professional identity parade?



For more details contact:

Capgemini BPO
bpo.global@capgemini.com



About Capgemini

Now with 180,000 people in over 40 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2014 global revenues of EUR 10.573 billion. Together with its clients, Capgemini creates and delivers business, technology and digital solutions that fit their needs, enabling them to achieve innovation and competitiveness. A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

Capgemini is a recognized global leader in the provision of Business Process Outsourcing (BPO) solutions and services. We collaborate with some of the world's largest multinational companies, helping them transform their business processes and accelerate business outcomes in the areas of Finance & Accounting, Supply Chain Management & Procurement, Customer Operations Management, and Human Resources. Capgemini leverages the strength of its proprietary Global Enterprise Model (GEM) to deliver powerful analytics-driven BPO solutions tailored to each client's individual needs. As part of Capgemini's Rightshore® delivery network, a team of over 16,700 BPO professionals provides services to more than 100 globally diverse clients in 38 languages, 24 hours a day, seven days a week. This is done from an integrated global network of delivery centers in Australia, Brazil, Canada, Chile, China, France, Germany, Guatemala, India, the Netherlands, Poland, Sweden and the United States.

Learn more about us at
www.capgemini.com/BPO



The information contained in this document is proprietary. ©2015 Capgemini. All rights reserved.
Rightshore® is a trademark belonging to Capgemini.