

BPM still perceived as voice-based call centre industry

India's business process management (BPM) industry is in a state of transition, moving from a voice-based system to one that provides transformational services through voice, email and social media, says KS Viswanathan, vice-president, industry initiatives, Nasscom. Viswanathan, who has worked with marquee names such as Wipro, Dell and the Azim Premji Foundation, spoke to Anand J about the industry's leap towards the \$50-billion mark by 2020. Excerpts

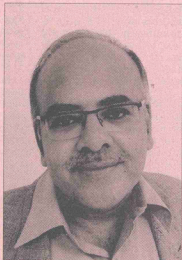
The BPM Strategy Summit 2014 was held in Bangalore over September 16-17. What was the agenda for this year? We used to do this in Gurgaon, but we came to Bangalore this year. The BPM industry is currently about \$20 billion in revenue, and we feel it will grow to \$50 billion by 2020. The industry currently employs 1 million, of whom 37% are women, and it is expected to employ 1.7 million by 2020.

Over the past decade, the industry has moved from a voice-based processing system to one that provides transformational services to global clients through voice, email, chat and social media. India today commands close to 35% of the global out-

sourcing market and the country will continue to be the dominant player in the next decade.

The industry is ready to adapt to the new technologies. And technology will change in the area of analytics, with a huge amount of digitisation and consumerisation taking place. People want to do personalisation to target customers better, thus cutting down the marketing budget and enhancing consumer experience. The entire credit modelling for a banking customer and his spending habits is done through analytic capabilities so that the bank can offer discounts. Analytics is thus a big capability for the BPM industry now. We are getting all the international clients on one platform to discuss how the evolution is happening in the global market and its impact as well as what service providers in India can do to stay relevant. The business is also moving from the service delivery model to an outcome-based model.

The IT services industry has been trying to achieve growth with non-linearity of manpower. Will the BPM industry also be able to do something



similar? What is the global trend?

Traditionally, tech support and voice processing have been outsourced, but tech support is almost automated now. Our industry is far ahead of the rest of the world in providing the multi-channel approach

of email, chat, social media, etc. The other change is the robotics function as a future delivery model; globally, clients are trying to leverage some of these functions to robotics.

Which new markets will open up for the Indian BPM industry?

The industry is on the verge of exploiting the exploding global market. After catering to Fortune 500 companies, it could target the next 2,000 big companies that have still not experimented with outsourcing some of their services. That itself is a huge market. The market is moving towards social, mobile and analytics. North America constitutes the traditional market and will continue to be big. The financial sector, hospitality and airline were big supporters of the BPM industry. Retail is a new industry for the sector.

How is the domestic market shaping up at the moment?

The domestic industry is estimated at \$2 billion with telecom, hospitality and banking being the biggest segments. The new segment we want to focus on is aligned with Prime Minister Narendra Modi's vi-

sion for smart cities or smart governance. We have invited eight-to-ten IT secretaries of various states to address the summit. We are already experienced in providing analytics to US government services through our various clients. The next stage is government applications for citizen services in India.

What is the talent outlook for Indian BPM?

Last year, we did a survey with Nielsen to understand why people joined the industry. Around 10,000 people from Tier 1, 2 and 3 cities were surveyed. Most people didn't know the various career opportunities the industry offered — it was still perceived as a voice-based call centre industry. It is not a question of talent shortage, but are we creating the talent pool required for the industry?

We are working with various colleges to enhance the skills required for the sector. Three years ago, attrition used to run high at 45% whereas it is below 30% now. Competing countries like the Philippines do only vanilla voice-based services and, whenever it is more than voice, the centre of gravity shifts to India.