

Gartner**Dataquest**

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Trends, Accelerators and Inhibitors in the Asia/Pacific BPO Market

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[Ravi Datar](#)

The Asia/Pacific business process outsourcing market is poised for rapid growth. Vendor initiative and competitive pressures are driving the BPO markets in Australia, New Zealand and Singapore into a rapid growth stage.

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PRINT VERSION[112922.pdf](#) (129.5KB)**Reference:**[▼ Topics](#)**Table of Contents**[Executive Summary](#)[Key Findings](#)[Recommendations](#)[Asia/Pacific BPO Market Trends](#)[Australian BPO Market Trends](#)[New Zealand BPO Market Trends](#)[The Singapore BPO Market Trends](#)[Accelerators](#)[Inhibitors](#)[Recommendations](#)[Glossary of Terms](#)**List of Tables**Table 2-1: [BPO Market Size and Forecast by Country in Asia/Pacific, 2000-2005 \(Millions of U.S. Dollars\)](#)Table A-1: [Report Glossary](#)**List of Figures**Figure 1-1: [Gartner Dataquest's BPO Model](#)**Executive Summary** [[return to Table of Contents](#)]

According to Gartner Dataquest's definition, BPO is the delegation of one or more IT-intensive business processes to an external provider that, in turn, owns, administrates and manages the selected process(es) based on defined and measurable performance metrics.

Figure 1-1 presents Gartner Dataquest's BPO model. Three overarching categories of processes include all functions in an organization:

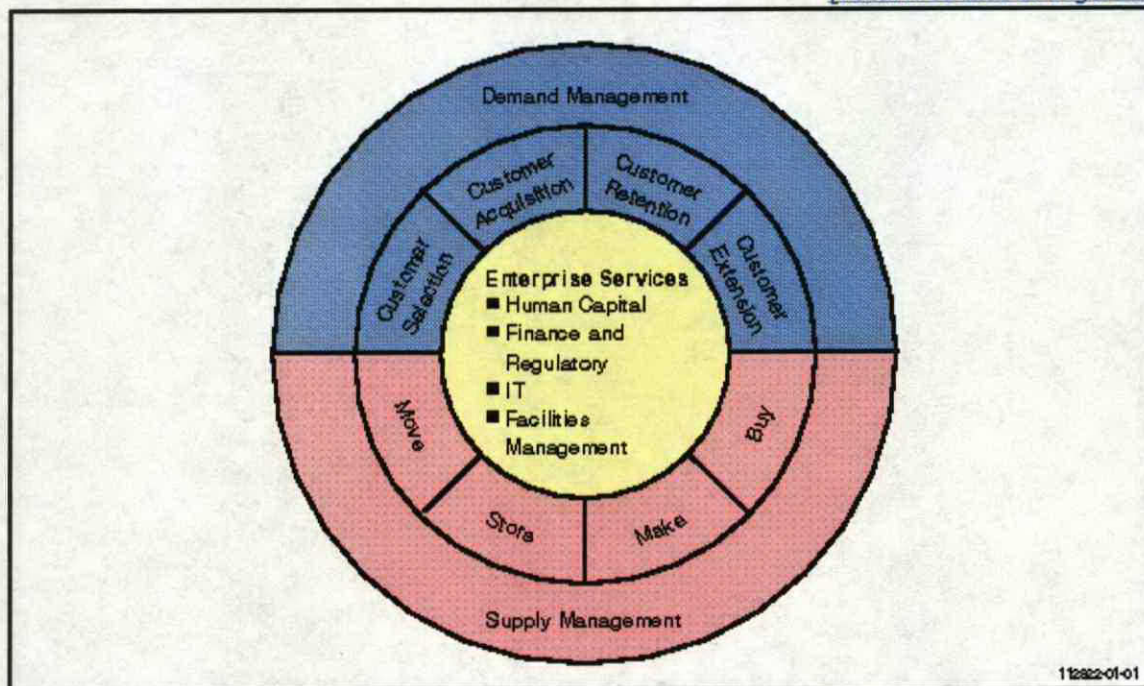
- Demand management — All functions that link an organization with its clients or customers, defined as customer selection, customer acquisition, customer

- retention and customer extension
- Supply management — All functions that link an organization with the supply chain leading to the direct production of a good or service, defined as moving, storing, making and buying
- Enterprise services — All functions that support the organization and are not directly linked to the production of a good or service, defined as HR, finance and regulatory, IT and facilities/administration

In September 2002, Gartner Dataquest conducted a qualitative study with BPO vendors in Australia, New Zealand and Singapore to understand the dominant and emerging market trends and the market forces that are driving and hindering the growth in demand for BPO services in these three countries.

Figure 1-1
Gartner Dataquest's BPO Model

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Source: Gartner Dataquest (September 2002)

The study comprised extensive secondary research on these three markets followed by detailed discussions with senior managers of some of the leading BPO service providers in the region, as listed here:

- CGE&Y
- CSC
- EDS
- First Data
- KAZ
- Logica
- Outsmart
- PwC
- Salesforce
- Sitel

- Teletech
- Trust Asia
- UCMS
- UPSL

Presented here are the findings of the study by country and actionable recommendations for vendors to survive and thrive in this market.

The focus of the study was on process management services that represent the core element of a BPO service, namely the transaction processing and business management components of BPO engagements.

The following services were covered during this study:

- Contact center services (customer interaction services)
 - Voice-based
 - Nonvoice
 - Inbound
 - Outbound
- Transaction processing services
 - Check processing
 - Credit card and debit card processing
 - Mortgage processing
- HR administration services
 - Payroll management
 - Benefits administration
 - Document processing
 - Pension-related back-office services
- Financial and accounting services

Key Findings [[return to Table of Contents](#)]

- The Asia/Pacific BPO market has yet to mature to the level of openness to BPO that we see in the U.S. market. While this is because of cultural differences and the relative abundance of human resources at a much-lower cost than the U.S. markets, the scene is changing, albeit gradually.
- Forces of globalization and increasing competitive pressures are waking up enterprises in the region from their state of complacency.
- Contact center services and HR administration services dominate the market activity, while transaction processing and back-office F&A services are poised for rapid growth.
- The Australian market dominates by way of volumes, while the New Zealand and Singapore markets are constrained by the relatively lower scale of economic transactions in the local markets.
- The Australian and New Zealand markets are comparatively more open to the concept of outsourcing as compared with the Singapore market. However, all three markets are largely closed to the concept of offshore outsourcing. With the prospect of being able to achieve almost 30 percent savings in operational costs in New Zealand, most Australian enterprises do not think beyond New Zealand, even if they do decide in favor of offshore outsourcing.
- Across all three markets, fear of loss of control and potential labor union conflicts are the most-common reasons for saying no to outsourcing business processes.

- Price remains the dominant selection parameter in the market, though vendors struggle to develop noncost differentiators.
- Government spending on outsourcing would drive BPO spending in the region, at least in the short term.
- Banking, financial services and insurance, and telecommunications verticals dominate spending in the market, while utilities, travel (tourism and transport), manufacturing and IT are emerging verticals.

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This section summarizes key Gartner Dataquest recommendations to vendors based on market observations. The following recommendations are discussed in greater detail later on:

- Invest in market education about the benefits of BPO, but set realistic expectations to avoid disillusionment and dissatisfaction of potential clients.
- Develop noncost differentiators and focus away from price wars. Effectively communicate the importance of comparing tangible and intangible ROI against a pure price comparison.
- Consider offering process improvement consultancy services to clients as well as to companies that wish to keep their services in-house.
- Focus on pitching for BPO services business in line with the "business value of IT" concept.
- Build credible and convincing disaster recovery procedures and business continuity plans.
- Build upward and downward scalability into the business model.
- Build capabilities, either in-house or through alliances, to offer IT services to their clients so that the client's in-house processes can be seamlessly linked with the outsourced processes. Adopt a solutions approach through symbiotic alliances to offer holistic solutions and to surpass pure price comparisons.
- Develop capabilities to work with other vendors in a cooperative mode to survive and thrive in the emerging trend toward spreading work across multiple vendors and making vendors compete for a share of the business.
- Set up and run shared services centers for multiple client companies for a particular process. Such an arrangement would be ideal in offering services to SMBs.
- Offer BOT arrangement to those enterprises that prefer captive centers.
- Develop intellectual property for standardized optimal process design.
- Focus on getting some high-visibility deals with foreign MNCs, which are usually more open to BPO, and showcase these as proof of concept to convince the local potential clients.
- Tap into the BPO industry as a potential client base too.

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In the Asia/Pacific region, demand for BPO services is low in most countries, except for Australia, New Zealand and Singapore. During the next five years, demand will grow rapidly in New Zealand, Singapore and Taiwan as compared with other parts of the region. The public sector will lead efforts for back-office optimization, but local enterprises will pick up demand as well.

India is positioned to be a primary platform for delivering offshore BPO services globally.

It is observed that Indian service providers have focused their marketing efforts on the U.S. market and, to some extent, on the Western European market for their BPO services. The margins realizable in the Asia/Pacific region are less attractive to them as compared with those in the United States and Western European markets. Malaysia and New Zealand are emerging as offshore services delivery locations in the region that are more focused on business within the region and not so much on the U.S. and European markets. BPO service providers in Australia, New Zealand and Singapore see China (though the local market is yet to open significantly) and the Hong Kong region as ideal locations for providing services to the Japanese market and the Asian-language markets in the vicinity.

The fact that most of this discussion revolves around exports and suitability for offshore bases emphasizes the importance of the region as a base for major export-oriented activity, even though the domestic markets in most of the countries have not yet opened or matured significantly, largely because of cultural and political reasons.

The following are major trends that characterize the Asia/Pacific BPO market:

- Australia is the primary country for BPO market growth. Several large administrations and financial services companies outsource significant portions of their back-office processes.
- Few other countries in the region have embraced BPO, with the exception of Singapore and New Zealand. In most other countries, there is no history of outsourcing other than product support and education and training, and some application development.
- A strong gap exists in awareness of the benefits and outcomes of a BPO arrangement (which is almost at the bottom of the list in terms of users' willingness to outsource). Given that factor, those users who outsource business processes usually opt for a shorter commitment term than in other regions.

Table 2-1 presents Gartner Dataquest's estimates for market size and forecast through 2005 by major markets for the Asia/Pacific region.

More details on Asia/Pacific and global BPO market trends are available in the Gartner Dataquest Market Trends report "Business Process Outsourcing at the Crossroads" ([ITOU-WW-MT-0103](#)).

Table 2-1
BPO Market Size and Forecast by Country in Asia/Pacific, 2000-2005 (Millions of U.S. Dollars)

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Country/Region	2000	2001	2002	2003	2004	2005	CAGR (%) 2000-2005
Australia	2,783	3,111	3,678	4,277	4,906	5,578	14.9
South Korea	666	696	742	819	918	1,088	10.3
China	615	644	678	734	819	944	8.9
Taiwan	495	566	650	764	913	1,067	16.6
Hong Kong	216	225	239	261	296	349	10.1
Singapore	210	249	305	387	487	611	23.8
Malaysia	176	196	220	253	301	366	15.7
India	148	154	162	176	197	227	9.0

New Zealand	131	159	200	262	343	445	27.8
Thailand	114	126	144	166	193	228	15.0
Rest of Asia/Pacific	84	100	121	141	163	188	17.5
Indonesia	57	68	82	95	110	128	17.6
Total	5,681	6,225	7,378	8,795	10,459	12,431	17.0

Source: Gartner Dataquest (January 2002)

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Australian BPO Market Trends [[return to Table of Contents](#)]

The Australian BPO market is the largest of the three markets. In the Australian market, vendors experience greater openness to the concept of BPO from foreign MNCs as compared with the local companies because of a huge difference in business culture. Also, these MNCs are better able to absorb the risks because their Asia/Pacific operations are relatively smaller in size compared with the scale of their global operations. Many of these MNCs enter into outsourcing contracts in compliance with their global policies too. Local firms would prefer to wait for proof of concepts through local success stories of MNCs before they risk their own businesses on new concepts.

In Australia, most of the activity is focused on contact center services comprising inbound and outbound customer interaction over voice, data and fax communication and on transaction processing services, followed by payroll and HR services.

Though more than 2,000 companies are spread across Australia, of which about 200 companies have more than 50 seats and the rest have fewer than 10 seats, the Australian call center market is dominated by six large players listed here:

- Teletech
- Salesforce
- Salmat
- Sitel
- Stellar
- UCMS

The smaller companies focus mainly on the outbound/telemarketing work.

The market has reached an overcapacity situation, although consolidation has not started. Few companies are growing as fast as a couple of years ago, and many of these have spare capacities lying idle. This is because of too many service providers rushing into the market, while the actual market size that has opened up is not large enough to support so many players and their facilities. This is a typical example of the "gold rush" phenomenon.

Next to contact centers, transaction processing is a big activity in Australia. National Australian Bank, Westpac Bank, Commonwealth Bank and ANZ Bank (the four largest banks in Australia) dominate the market volume for transaction processing.

While a large chunk of the check-processing activity in Australia is done in-house, some of the banks are opening up to outsourcing, with decreasing check volumes making it uneconomical for them to maintain the operations in-house. Other than this, the

following reasons lead to an increased openness among banks to outsource:

- Increasing portfolio of services
- Associated increase in document-processing work
- Increasing need for quicker customer services
- Customer expectation of 24x365 access to the bank's services

Card processing is the next big emerging opportunity because the number of transactions in credit and debit cards is increasing rapidly with transactions shifting from paper to electronic form. This represents an opportunity for vendors offering transaction-processing services to gear up for electronic payment-processing capabilities and other services related to credit card and debit card transactions. This is also an emerging opportunity for voice and nonvoice contact centers, and for vendors offering accounts receivable/accounts payable and back-office document processing support. KAZ, EDS and UPSL are some of the most-aggressive service providers in this market.

Outsourcing of HR administration, comprising forms processing, payroll processing, benefits administration and pension funds administration, is increasing in the Australian market. There is also some activity in F&A services, although not as much as contact center activity. An increasing openness among Australian banks and financial institutions exists to outsource mortgage processing, which is expected to grow rapidly because of increasing activity in mortgage financing. The size of the market for these services is small as compared with the contact center industry, but is expected to grow rapidly.

The verticals of banking and financial services, government, and telecommunications have been the early movers in outsourcing business processes, though in most cases, they do not yet outsource the entire process but just a part of it. Travel and transport is emerging as the next attractive vertical, with airlines showing increasing openness to outsource their customer interaction and document-processing activity in the wake of tough economic times. Travel and tourism management companies are also increasingly outsourcing their customer interaction, customer acquisition, booking and loyalty programs activity to external service providers.

BPO vendors in Australia are expecting a lot of billing and payment processing activity to be outsourced by utilities and telecommunications companies, while the government is expected to drive outsourcing, at least in the next few years.

Business from other verticals is continuous, while that from government is in chunks and intermittent but huge in scale. From time to time, the government launches special programs that are expected to reach out to a large proportion of the population in a short period, creating huge volumes of activity for a short-term period. Rather than manage such work in-house, the government would prefer to get it done through third-party service providers if they can convince the government of their reliability and scalability.

Though the banking and financial services industry has been the early adopter of the BPO concept, Gartner Dataquest expects to see increased activity in the automobile industry, hospitality industry, IT industry and pharmaceuticals industry. In these industries too, an increasing volume of customer contact activity and pressure to cut costs while increasing geographical reach, would result in contact center services being outsourced first, followed by back-office HR and accounting services and transaction-processing services.

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New Zealand as a market offers limited scope for local business beyond the few major cities. The business and cultural issues are similar to those in Australia, although New Zealand does have some unique issues. The bulk of its business comes from Australian companies using New Zealand as a back-office location for cost and labor arbitrage. While this is about supply of services from New Zealand and not about the local market, this includes captive back-office facilities set up by enterprises as well as back-office facilities set up by Australian BPO vendors to save on costs. These captive facilities are also potential competitors in the local market in the long term if they are converted into separate business units by their parent companies. With the size of the economy limited in scope, the level of local business activity is also comparatively low and so is the level of work outsourced.

Call center activity is the most voluminous of the BPO activities in New Zealand. There are about 135 call centers in New Zealand, although a large number of them are small operations with fewer than 50 seats. The size of other kinds of BPO services is small in comparison.

New Zealand offers almost 40 percent cost savings as compared with Australia and over 50 percent to 60 percent cost savings as compared with the U.S. markets; the country is little known as a potential location for offshore outsourcing. The main reason for this is the prominence of countries such as India and the Philippines that can offer larger talent pools than New Zealand, where it would be difficult to find sufficient people to staff the offshore centers. Though this is about services exports and not specifically about the domestic market, it highlights the potential for New Zealand to develop into an offshore services exports destination. Such activity will also likely provide an impetus to the domestic market. It is important for the government to develop adequate business and educational infrastructure to be able to do this.

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The Singapore market comprises a small geography covering a relatively large scale of economic activity, which is unlike many other Asia/Pacific countries that are much larger in geographical size but smaller in the scale of economic activity. Singapore is also unique in that it is relatively easier to find HR skilled in English and Asian languages here.

The business culture in Singapore is closer to other Asia/Pacific countries than the United States regarding decisions about outsourcing. Singapore has a comparatively much more open, professional and impersonal business culture, which is unlike other Asia/Pacific economies, such as China, South Korea and to some extent, India, where long-term relationships with decision makers play an important role.

However, despite this apparent "Westernized" approach to business decisions, one observes a strong opposition to outsourcing anything and a tendency among managers to keep direct control over everything in the company, which is very much like the mindset in other Asia/Pacific economies.

Although the scale of economic activity on the smaller geography is relatively larger than other Asia/Pacific countries, the level of outsourcing is low in Singapore as compared with Australia.

More than 260 call center facilities exist in Singapore; most are captive centers where a lot of inbound call processing is done. Of the 260 facilities, only about 90 are outsourced facilities, while the rest are in-house. With the possibility of the concept of outsourcing catching up and leading to increasing demand for outsourcing, the captive centers may be hived off into profit-making entities. Also, MNC BPO service providers are following their clients into the Singapore market as a part of global contracts. This could lead to overcapacity in the market and a wave of consolidation during the next three to five years.

On the financial services and HR administration front, the Singapore market is made up of a few chartered companies that make about US\$1.75 million to US\$2 million from their BPO operations, and many small, boutique companies exist that make an average of less than US\$0.5 million a year.

Within HR services, outsourcing payroll services is growing faster than other services, followed by the increasing trend toward electronic HR processing services.

The Singapore BPO market potential is undertapped on transaction-processing activity, too. Though a huge number of economic transactions occur within the economy, a small part of it is outsourced. Few vendors offer these services.

In the Singapore market, it is usually the foreign MNCs that are more open to the concept of outsourcing than the local companies. This is because MNCs sometimes prefer to delegate local customer contact, HR issues, and financial and legal reporting issues to service providers that have expertise in these processes and have a better understanding of the local market. They prefer to focus their efforts on brand building, marketing communication and strategic issues. With a better understanding of the local markets, local companies offer greater resistance to outsourcing.

Many BPO vendors in Singapore operate their office as an Asia/Pacific hub to coordinate their businesses in other countries for clients that are signed up in Singapore, as Singapore is the location for Asia/Pacific headquarters for many MNCs. Such vendors either already have or are setting up offshore centers in Malaysia, Thailand, Hong Kong and China that are coordinated from the headquarters in Singapore.

In the local market, Gartner Dataquest observed that the manufacturing sector opened up to the concept of outsourcing faster than the banking and financial services vertical, though the volume of work done for the financial sector is greater than that done for the manufacturing sector. Financial services and healthcare verticals are expected to grow fastest in the near future, while demand will be weak in IT and electronic manufacturing and the telecommunications verticals.

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This chapter lists some of the accelerators that Gartner Dataquest identified in the three markets under study. While most of these are applicable to the region on the whole, the effect and relevance of each of the accelerators to the three markets under focus are discussed in this chapter.

- **Competitive pressures** — With increasing competitive pressures, companies are forced to reduce costs of operations while also improving efficiency of operations. The phenomenon is uniform across the global markets and has affected the

Australian, New Zealand and Singapore markets, too. However, the intensity of competitive pressures and of economic slowdown was felt with a higher intensity by vendors in Singapore than those in Australia and New Zealand. With smaller volumes of individual companies because of the limited geographical size and population of Singapore and New Zealand, vendors can offer substantial cost savings by way of economies of scale and flexibility in deploying resources across multiple clients. In Australia, the large volumes of single clients by themselves would result in substantial cost savings through process improvement, while the benefit of consolidation of work for multiple clients for better resource management would also be significant.

- Need to focus on core competence — The forces of globalization are making the markets much more competitive and complex in structure. Senior managers find it increasingly important to devote more of their time and attention to their core business objectives and processes. External services providers offer process expertise by virtue of that being their core business; they offer cost savings because of flexibility in resource deployment and economies of scale while also allowing business managers to focus on their core business. This business driver, too, is uniform across the global markets and is applicable to the Asia/Pacific market as well.
- Availability of reliable and mature service providers — With improving levels of quality and maturity of services being offered and availability of reliable service providers, enterprises are now more receptive to BPO services. An increasing number of enterprises are opening up to the idea of outsourcing their business processes, which is driving demand for such services in the market. While a few service providers meet global standards of operations, the availability of reliable and mature service providers is much better in Australia, followed by Singapore and then by New Zealand. Most of the leading service providers in New Zealand are foreign MNCs, including Australian service providers with operations in New Zealand. Similarly in Singapore, the market is dominated by foreign MNCs, though a few are local players.
- Proactive market development activity of vendors — Because the market is at an early stage of evolution and maturity, many vendors are proactively contacting potential clients to explain the benefits of BPO. This market development activity, coupled with increasing competitive pressures, is resulting in an increasing number of enterprises outsourcing their business processes. This phenomenon is more apparent in Australia than in Singapore and New Zealand, though some vendors in Singapore and New Zealand are proactively approaching potential clients with more of an educative approach.
- Consolidation in the economy — The recent slump in the economy is leading to a consolidation in various sectors, resulting in mergers and acquisitions and divestments. The new entities formed out of such activities face the challenge of reorganizing their business processes coherently, and they may prefer to outsource at least the noncore processes while they work internally to focus on managing their core processes. This driver is seen to be most relevant to Singapore, followed by Australia and New Zealand markets, in that order.
- Technological evolution has opened new opportunities — The evolution of IT has made it easier to provide services remotely while allowing the clients to monitor and control the quality of output easily. IT has evolved from the early experimental stages to the present, more dependable and secure form. This increased ease of monitoring and control and the increased dependability and security offered by technological advancements have now made enterprises more receptive to the concept of outsourcing business processes than in the past. With its small geography and a pervasive infrastructure availability, Singapore could

benefit from this factor the most. The "death of distance" benefit of advancements in communication technology is much more beneficial to the Australian market, which is much larger geographically than Singapore and New Zealand. New Zealand, though almost in sync with the Australian market, lags a bit behind Australia on the technology deployment front. Also, the benefit of a large geographical size to better leverage technology is not as relevant in New Zealand as it is in Australia.

- Need for expertise in global best practices — Globalization has led to increased competition from MNCs in even the local markets. This has increased pressure on enterprises to adopt global best practices to compete effectively in the local markets too. Also, enterprises expanding their businesses in the global markets are finding it necessary to adopt global best practices. Outsourcing of business processes to experts is seen as an easy way to rapidly ramp up processes to global standards. This driver is most relevant to Singapore followed by Australia and New Zealand, in that order. However, Singapore has been a nodal center for international business for a significant time, leading to most enterprises in Singapore having already internalized global best practices in their processes, though it might have been through in-house staff. The effect of this driver is strongest in the Australian market, followed by the New Zealand market and then the Singapore market.
- Huge investments required for technology deployment and upgrading — A rapid increase in the scale of card transactions and increasing competition among card issuers would lead to greater openness to outsourcing, as the card issuers may not want to make huge investments in the data-processing and payment-processing infrastructure, and would prefer third-party services providers while they focus on their core business of marketing their card products and services brands. The Singapore market has already seen large-scale technology deployment in transaction-processing services, and although this factor is an influencer there for the few companies that have not invested in their own infrastructure, this is not a major driver in the Singapore market. This driver is most relevant in the Australian market, where credit and debit card use is on the rise with huge volume growth. The growth in credit and debit card use is significant in New Zealand too, but the volumes are not as high as in Australia.
- BCP and DR requirements — The recent global trends have made BCP an important issue, and outsourcing is seen as a good move toward that as it ensures locational and technical redundancy. This is because the multilocal presence of BPO companies and their BCP infrastructure is focused on ensuring that outsourcing of the particular process adds to the security of the process without the enterprise having to invest in locational and technical redundancies. Though one of the drivers, this factor does not appear to be a major consideration in any of the three markets under consideration. The changing geopolitical situation may, however, increase the importance of this factor in the decision process in the near future.
- Increasing customer service demands — With the boom in communication technology and its use, the awareness of consumer rights is on the rise, and customers are more active in communicating with enterprises about the smallest of issues. This has led to a boom in in-bound communication. Increasing customer expectation of 24x365 support is forcing companies to outsource customer contact activity to professional organizations, rather than invest in round-the-clock staff and the infrastructure for the same. This factor is most relevant in Australia followed by New Zealand. The factor has ceased to be a major driver in Singapore because of the smaller geographical size of its market and the high level of technology deployment that already exists there.

- Widespread deployment and use of the Internet is a major driving factor — The Internet has opened an entirely new channel of communication for enterprises and their customers. Most major enterprises have their own Web sites and also get queries and other communication from the customers over the Internet. Customers also expect Web-based e-mail and Web-chat support. Rather than setting up entire departments to support such activity, enterprises find it easier to outsource this activity to external service providers. This factor is most relevant in Australia followed by New Zealand. The factor has ceased to be a major driver in Singapore because of the smaller geographical size of its market and the high level of technology deployment that already exists there.
- Transparency and measurability of business process efficiency is made possible by BPO contracts — Many in-house departments are consciously incompetent in that they hide behind bureaucracy and procedures. Outsourcing of business processes makes costs more visible and controllable, making it difficult to hide costs behind bureaucratic frameworks. With increasing competitive pressures, companies would prefer to outsource to make their costs more visible and controllable. This is equally beneficial for the industry in all three markets under consideration, but the benefits would be most apparent in Australia, where the volume of activity would be the highest and the level of IT penetration not as high as Singapore. This would be followed by New Zealand, where the level of IT penetration is lower than Singapore, although the volume of activity would be less than in Singapore. Of the three markets, the positive effect of this parameter as a driver would be minimal in Singapore because a high level of IT penetration is already making the system processes much more transparent and controllable, in turn making incremental benefits insignificant.
- Capital expenditure to operating expenditure — Outsourcing to experts is seen as a means of process improvement. Also, the economies of scale that a company dedicated to that process can offer results in labor cost arbitrage. Furthermore, the enterprises do not need to invest in too many spare capacities for rapid upward scalability, nor do they have to keep resources idle in times of lower activity volumes. Outsourcing of business processes allows rapid upward and downward scalability while converting fixed costs into variable costs. This has resulted in an increasing preference of companies to convert capital expenditure to operating expenses by outsourcing business processes.
- Exported work returning home — Some of the work that was going to offshore vendors is coming back to Australia because of bad experiences with quality with some offshore vendors. This indicates more potential business for local companies because the volume of work that was going to foreign companies in their offshore centers is now available for local companies. This is not a major market accelerator because it doesn't really increase the market size, but changes its composition. It is just that it creates a more-addressable market for domestic vendors. This factor is of somewhat relevance only in Australia and is almost nonexistent in the New Zealand and Singapore markets.
- Changing dynamics of the buyer industries — With an increased preference for "plastic money" and electronic payments, the volume of check-processing activity is dropping rapidly. This is making it nonviable for banks to maintain this activity in-house, resulting in increased openness to outsource this activity. While the volumes may be too small for banks to manage in-house, business from multiple banks can make it a viable long-term proposition for service providers because paper transaction is not expected to disappear altogether. This factor acts as a significant driver in Australia, where the major transition from paper transactions to electronic transactions is in process, followed by the New Zealand market. The factor is less relevant in the Singapore market, where the scale of electronic

transactions has already reached a high level and the major transition phase has passed.

- Global policies of MNC vendors — Growth of BPO companies in Singapore started only in the past two years. The main driver for this growth was the replication of this concept in the region by U.S.- and Europe-based companies as a part of their global operations. The same does not apply to the Australian and New Zealand markets because their respective domestic markets are made up of a large number of domestic clients. However, global policies of MNCs for outsourcing open opportunities for vendors, unless the global policies dictate that the work be given to the same MNC vendor across the world. In that case too, the work done does add to the local market size.
- Scarcity of trained human resources — While Australia has a relative abundance of human resources availability, it is not easy to find properly trained and skilled human resources and to retain them for a long time. The problem is more severe in Singapore and New Zealand. It is difficult to attract and retain and also provide an attractive growth path for human resources employed in noncore parts of the business, leading to people frequently jumping to different jobs for financial and career growth. Outsourcing work to BPO companies that specialize in a particular business process can allow the client to tap the best available talent in the industry because process specialists would see better career growth paths in companies where their skill is utilized for the core process of the business. It is also difficult to find trained human resources in sufficient numbers to meet the increasing requirements of all the enterprises. While vendors are not complaining of a shortage of talented trainable human resources, it is an expensive proposition for enterprises to recruit and train people in new skills for work that is not being done in-house, such as call centers, Web-based support and so on. They find it easier to outsource to BPO service providers for new initiatives. BPO vendors focusing solely on a particular business process find it easier to attract talent than enterprises for which that process might be a mere support function. This is leading enterprises to make the decision to outsource to vendors with expertise and access to suitable talented human resources.
- Globalization is driving the adoption of global best practices — Local enterprises aspiring to do business globally benefit from outsourcing their business processes to BPO vendors that can offer them expertise in global best practices. Some MNC BPO vendors are making proactive pitches to this effect in an effort to expand local market opportunities. The local enterprises, too, see the local markets as limited in scope for long-term growth, and an increasing number of local companies are aspiring to go global or have already done so. Such companies are often more open to the concept of BPO. The trend toward adopting global best practices is picking up in Australia and New Zealand, while in Singapore, global policies of MNCs to outsource to vendors capable of delivering per global best practices have been a major driving force.
- Government support — The government is also taking initiatives toward outsourcing nonstrategic processes to third-party providers, which is expected to open a market of substantial size to the service providers. Another angle to this is the government's efforts toward ensuring that the work stays within the country, though in an outsourced form, by enacting laws and regulations preventing outsourcing of work offshore. This is seen to be a stronger factor in Australia and Singapore than in New Zealand.

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This chapter lists some of the factors that Gartner Dataquest identified as inhibitors to

market growth in the three markets under study. While most of these are applicable to the region on the whole, the effect and relevance of each of the inhibitors to the three markets under focus are discussed here.

- Cultural "mindblocks" — Though the competitive pressures are gradually forcing enterprises to open up to the concept of BPO, cultural mindblocks against outsourcing remain significant inhibitors. The markets are yet to mature further before the outsourcing industry can expect to grow at a rapid pace. However, once the markets do open up to the concept, Gartner Dataquest expects a rapid growth phase. From a vendor's perspective, business managers in Australia seem to be the most open to the idea of outsourcing, followed by New Zealand and then Singapore, in that Australia meets with the least resistance in the form of cultural mindblocks to the concept of BPO. Mindsets in New Zealand are similar to Australia on this issue, but vendors still encounter greater resistance to outsourcing in Singapore than in Australia and New Zealand because of cultural inhibitions.
- Relative insulation from U.S. recession and complacency — A level of complacency and lack of urgency to revisit their business models are inhibiting the growth of the BPO industry in Australia and also New Zealand to some extent. Though the U.S. economy has been hit hard by a recession, no immediate effects on the Australian economy are worth concern. Because most Australian companies are focused locally, they didn't feel the pinch of the U.S. recession as much. This has insulated Australia from the compelling pressures that are driving outsourcing growth in the United States and in other countries that are directly affected by the U.S. recession in greater measure than in Australia. The Singapore economy felt the negative effects of the U.S.-led global economic recession, and because of this, Gartner Dataquest sees a greater sense of urgency in the Singapore economy than in the Australian or New Zealand economy.
- Perceived loss of control — The inhibitor quoted by almost every person surveyed during this study is that of the perceived lack of control over the business processes that get outsourced. Also, many enterprises believe that they can do the work cheaper in-house and that outsourcing will only increase the costs, as external vendors will add their profit margins on top of the actual costs. The perceived loss of control over costs, quality and security of information was found to be uniform across all three markets in focus.
- Waiting for "landmark" deals — Potential clients are waiting for landmark deals before considering investing in a BPO relationship. Because the concept is relatively new in the region, the acceptance of the concept and, hence, the demand for these services is not expected to increase substantially unless landmark deals with highly publicized benefits take place. This factor is significant in Singapore, New Zealand and Australia, though big deals have already occurred in all three markets. More than the concept, this inertia or hesitation is because of a lack of sufficient faith in the vendor's capabilities and maturity.
- Regulatory inhibitors — Some vendors stated that legal issues related to revenue recognition and cost representation were holding back the full potential of the market, as potential clients wait for clarity on such issues before making a decision to go ahead with the contract. For instance, tax treatment of expenses on outsourcing and also that of business gained by outsourcing telemarketing is unclear. Because outsourcing results in conversion of capital expenditure to operating expenditure in many cases, vendors and potential clients need more clarity in the tax treatment after such dramatic change in cost elements and revenue sources. This factor, too, is applicable across all three countries in focus.
- Internal politics within client organizations — Buying politics in client organizations is also a major hindrance in persuading management to outsource and in closing

deals. Vendors must address different "power centers" and influencers at different levels in management of client companies before they can persuade the management to take an outsourcing decision. Some of it is linked to perceived erosion of decision-making power by middle managers and also because of labor union concerns. There are also concerns about hidden costs coming out in the open if the process is outsourced. The power centers in enterprises that might benefit from such inefficient processes try to prevent outsourcing for fear of these hidden expenses coming out. Most vendors mentioned that their greatest competition is from the internal departments rather than from market competition. This factor is an important inhibitor in all three markets in focus.

- Higher expectations from external service providers than is realistically achievable — The pressure to perform is much heavier on outsourced service providers than internal departments, while the more-stringent terms in the contract push up costs. With an external service provider in the picture, efforts by those in the enterprises that are opposed to outsourcing put the blame on the external service providers for things that go wrong — even for internal reasons. Things that are overlooked in internal departments attract noncompliance penalties in cases of outsourced services because the expense on outsourcing is visible and bound by stringent performance parameters in the SLA. As a result, many times, instead of understanding that the costs and performance parameters are more visible and hence more controllable because of outsourcing, the vendor and the concept of outsourcing become the target of criticism as if it were the cause of those inefficiencies. This factor is significant across all three countries in focus.
- Job loss made out to be a big political issue — Though there is a greater openness to outsourcing in the private sector than the public sector, the real volume of work may come from the public sector. However, in the public sector, perceived fears of job loss is a big debate issue — at times for real concerns and at times for political mileage. This inhibits the acceptance of the concept of outsourcing in the public sector. The public sector agencies are also more demanding in pricing negotiations. This issue is more visible in Australia than in the other two countries.
- DR and BCP issues — Issues regarding business continuity and DR capabilities are also becoming important contract items, and many potential business opportunities are lost because of perceived loss of control over BCP of the processes if they get outsourced. This is more relevant to the Australian market than the New Zealand and Singapore markets, though the issue of loss of control is uniform across the three countries.
- Price war: underbilling by competition to survive in the market and to get new business, even at a loss — The Australian market has seen overcapacity, especially in the contact center industry, leading to aggressive pricing by the service providers to use as much of their capacity as possible, even at low profit margins. In this process, the better-quality service providers suffer because they invest significantly higher in their operations to provide better QOS and, hence, cannot match the low prices offered by competitors without this additional overhead expense. Instead of expanding the markets, such price wars may possibly lead to a situation in which the number of failed deals and bad service examples rises and potential customers lose faith in the concept itself. This problem is more severe in Australia than in New Zealand and Singapore.
- Failure to distinguish between core and critical — Many enterprises fail to distinguish between processes that are critical and those that are part of their core competence. Core competence is where the enterprise adds its unique value that differentiates it from competitors and characterizes it in the market. Many other processes are important, even critical, to achieving the business's goals, but can be outsourced if a service provider can perform them cost-effectively. Companies

often feel that critical (but noncore) processes must be micromanaged internally. That perception, which may, in many cases, be mistaken, is a significant inhibitor of BPO demand. This factor is equally strong as an inhibitor in all three markets in focus.

- Lack of strategic approach to outsourcing — The BPO market is still transactional, and there is hardly any strategic approach to outsourcing. This means that most work outsourced is the low-value, high-volume type, with extremely low margins. While transactional work provides high volumes of work to the service providers, decisions are largely cost-based. Strategic outsourcing offers greater opportunities for vendors to differentiate their offerings by way of noncost differentiators and, hence, earn greater margins. The mindblocks that prevent more strategic work from being outsourced is an inhibitor to the further development and maturity of the market. This inhibitor has equal relevance in all three markets in focus.
- Strong cost focus without understanding noncost differentiators — Many enterprises do not consider BPO in the context of an enterprisewide sourcing strategy and have not considered it as a strategic business tool. Rather, they often see BPO as purely a cost-cutting measure and reject proposals that offer world-class processes and high service levels at a fair but apparently higher cost than the in-house alternative.
- The easily tapped market is saturated and the untapped market offers strong resistance — There are few large banks and telecommunications companies, and most of them either have their own in-house centers or already outsource in large volumes to BPO vendors. Finding new big deals in such situations is difficult. It is difficult to persuade those that are still maintaining huge in-house departments to outsource. Other than the mindblocks around control and power issues, most enterprises that have not outsourced yet have not done so either because their in-house departments are doing a good job or they fear industrial relations issues with their labor unions. Though this does not necessarily mean a saturation in the market, because there is a lot of dormant opportunity, most of the enterprises that were more open to the concept have already outsourced. Opening up the others where the dormant potential lies is a tough task and would require a lot of effort from service providers. This factor is relevant across all three markets in focus, but more so in Australia and Singapore than in New Zealand. The New Zealand market is yet to be saturated to the extent that the Australian and Singapore markets are.
- Technological advancements reducing the need for human input in the low-value, high-volume work — Development in interactive telephone technology (such as IVR systems) and rapid penetration of Internet use would result in lower necessity of contact centers for basic FAQs and rule-based work. It is this type of work that makes up a large part of the industry. Also, advancement in technology could lead to automation of transaction processing in many ways, thereby resulting in a drop in the need for third-party transaction-processing companies. While the industry may not be totally killed because some human touch is still required beyond the basic rule-based work, the bulk of the industry faces the threat of impending obsolescence because of the development of interactive technology. This factor is strongest in Singapore, followed by Australia and New Zealand.
- The small size of the economy and smaller volumes of work done — The Singapore and New Zealand markets are particularly tough for BPO services, as the markets are relatively small in size and do not offer enough volume to justify outsourcing services. While the level of maturity for IT services outsourcing is high in the Singapore market, it is low for BPO services. The New Zealand market is yet to mature substantially on the IT services and BPO services fronts. The vendors must consider shared services centers, where economies of scale can be arrived at by doing work for several vendors with fewer resources, and also through process

- expertise that can be tapped to improve process efficiency.
- BPO largely linked to call centers and ignorance about the benefits of other services — There is a lack of strategic thinking when it comes to HR management considerations in the region. A certain level of inertia exists about outsourcing HR operations because of the nonprominent nature of operations in the company's overall strategy as well as the lack of awareness about the benefits that HR outsourcing can bring for the company. The same applies, to some extent, in the case of back-office administration, where the volume may not be as large and prominent as the call center operations. This is relevant across all three markets under consideration.
 - Multivendor approach reduces volume available for individual vendors, making it difficult to achieve economies of scale — Many companies that outsource distribute their work across multiple vendors to reduce their own risks, but this results in lower volumes for every vendor, taking away the advantage of economies of scale. Potential customers are also increasingly looking at vertical industry (domain) expertise, which is difficult to demonstrate convincingly in the small scale of operations in the Singapore and New Zealand markets. The problem is not so severe in the Australian market because even the divided volume is attractive enough for the vendors and large enough for them to achieve economies of scale.
 - Lack of awareness about cyber security and importance of expertise that a specialist can offer — In the case of transaction-processing services, the main challenge is the lack of customer awareness about cyber security. There is also some amount of inertia on the part of organizations in investing in security because these investments don't yield corresponding returns in monetary terms that can justify the investments made. Also, most organizations fail to understand that an external service provider focused on transaction-processing services would be able to ensure better security than their in-house staff.

Recommendations [[return to Table of Contents](#)]

Based on research conducted in these markets, Gartner Dataquest has put together a set of recommendations for BPO vendors in Australia, New Zealand and Singapore. Because most of the challenges faced in these countries are similar, the recommendations to vendors and users are presented together in a concise form.

- Educate the market — Vendors in all three markets were almost unanimous in their opinion about the competition. Almost all vendors said that more than competition from other vendors, it is the competition with the internal departments that they find tougher to surpass. When asked about the most important inhibitor to business development, almost all vendors pointed out "perceived loss of control" as the most common inhibitor in their effort to develop the market for outsourcing. This points to the need for an effective marketing communication initiative by vendors to "educate" potential buyers about the concept of outsourcing. This could be done by way of across-the-table meetings, briefing sessions for potential clients, seminars, advertisements, presentations in user conferences, sponsored articles in publications and other such media.
- Highlight importance of SLAs toward setting right expectations and delivering to meet these — Vendors must highlight the importance of the SLA and that they are responsible to deliver per the SLAs and that the outsourcing company does have control over the quality of work delivered by the service provider because of the SLA. This will mitigate fears about loss of control. Also, by properly explaining the terms of the SLAs, unrealistic expectations can be avoided. Vendors should also consider presenting case studies, testimonies and reference accounts to

demonstrate their capability to deliver satisfactory services per the terms of the SLA.

- Provide and communicate value addition to beat price-based competition — In many cases, the buyers first ask about the cost reduction that could be achieved by the vendor. They almost expect the vendors to promise a percentage cost reduction in the SLA. Many contracts are lost just because someone else offered a lower price. It is important for vendors to differentiate "cost" from "price." They should be able to differentiate their offering in terms of cost savings that they can offer for the price that the client pays for their services. The importance of comparing tangible and intangible ROI against pure price comparisons must be effectively communicated. In most cases, a substantial cost savings is possible by re-engineering the process for better efficiency and by leveraging economies of scale. If they lack internal BPR expertise, they should unite with other companies that offer such services.
- Build and communicate noncost differentiators — It is important for vendors to build and communicate the importance of noncost differentiators that they offer, which end up with a lot of additional value for the client for the cost they pay for the services. They must highlight their process expertise by virtue of which they can offer better services than the internal department. For instance, the vendor may have built global best practices in its offerings, which can improve the quality and efficiency of work for the client, or the vendor can demonstrate BPR capabilities that can improve the client's business processes.
- Stress the business value of IT proposition — There is an increasing need to focus on pitching for BPO services business in line with the business value of IT concept. The concept of being able to harness process expertise, economies of scale, rapid upward and downward scalability, better DR preparedness to ensure business continuity, easy access to talent, and the opportunity to convert capital expenditure to operating expenditure through outsourcing business processes using IT as a vehicle for real-time access, must be explained in the marketing pitch. Cost savings, if any, should be projected as a result of all this and not the sole purpose of an outsourcing contract.
- Change mindset from scarcity mentality to abundance mentality and avoid price wars — Vendors must look at the market with an abundance mentality, where there can be sufficient business for everyone by expanding the under-penetrated market. The communication strategy should be toward expanding the horizons of the market so that everyone can coexist, rather than the scarcity mentality-led efforts to steal business from other vendors by offering lower rates. A price war eventually worsens the situation for all vendors and, in the case of pricing, once the bar is lowered, it is difficult to raise the rates substantially in the short term.
- Build demonstrable BCP and DR capabilities — BCP and DR preparedness is at the top of the list for most buyers when selecting a vendor. Vendors must develop and effectively demonstrate their business continuity and DR capabilities. Multilocal presence, cyber and physical security setup, and a resilient infrastructure backbone are essential to convince clients of the credibility of the vendor's BCP and DR preparedness claims.
- Consider offshore capabilities to leverage cost and labor arbitrage — With international telecommunications and data communications networks having reached a comfortable level of dependability, vendors should consider leveraging offshore facilities for cost and labor arbitrage. The access to offshore facilities could be through captive facilities set up at suitable locations, alliances with vendors in other countries or through acquisition of other vendors. In this case, vendors must also build and communicate BCP and DR capabilities to address security concerns of their potential clients.

- Build IT services capabilities, either in-house or through alliances — In many cases, and especially in the SMB segment, the potential client may not have deployed IT infrastructure in some or all of its operations, while in some cases, the IT deployment at the client's place may not be compatible with the vendor's infrastructure. In some cases, the IT infrastructure at the client's place may not be suitable for outsourcing. It would be ideal for vendors to build capabilities, either in-house or through alliances, to offer IT services to their clients so that their in-house processes can be seamlessly linked with the outsourced processes. They should also be able to offer consulting services for business model revamps to make the business model of the client amenable to outsourcing. Alliances with ASPs would also be of great help in converting capital costs to operational costs. All in all, the vendors should be looking beyond just process outsourcing services. They should adopt a solutions approach through symbiotic alliances to surpass pure price comparison.
- Build domain expertise — Vendors should focus on building domain expertise because clients are increasingly preferring this in vendors, as issues related to business processes are peculiar to the domains and vary considerably across multiple domains. It may not be wise to spread operations too thin across multiple domains unless the necessary finance and skill sets are available to ensure long-term sustainability of a multidomain business model.
- Build rapid scalability — Vendors should be able to offer flexibility and upward and downward scalability of operations to meet the changing work volume of the client. This should be managed without too many people sitting idle at times when volume is low. This can be achieved by either using temporary workers on call or creatively deploying the resources across clients where the peak work cycles alternate with each other.
- Consider offering value-added services to move up the value chain — Vendors should consider developing capabilities to deliver value-added services so that the advantages they offer to the client are not just cost and labor arbitrage advantages but also value-added services, such as capability to analyze the raw data collected in the course of running the process to pass on useful strategic advice to other departments in the client's company. For example, with good data-mining capabilities and with staff that can analyze trends and arrive at strategic advice, customer interaction service providers can advise their clients on changing market trends, product and service improvement advice, customer satisfaction levels and what must be done to increase customer satisfaction, cross-selling opportunities, and so on. HR service providers can advise their clients on common issues bugging the workforce, pleasure and pain points in employees' work experience with the client company, reasons and trends behind the employees leaving the company, industry benchmarks, and so on.
- Build capabilities to work in a multivendor environment — A trend is emerging toward splitting the work across multiple vendors and making the vendors bid for their share of the work. For instance, Telstra follows a sourcing model in which it keeps some work in-house and divides the rest of the work among multiple suppliers. The vendors must bid for volume at regular intervals, though no vendor gets a large share of the total work. Vendors should prepare themselves for this eventuality. They should develop capabilities to work with other vendors in a "co-competition" mode to be able to survive and thrive if this trend grows stronger.
- Build shared services facilities to be used by multiple clients — In countries such as Singapore and New Zealand where the volume is low, vendors should take the initiative to talk to multiple companies and set up and run shared services centers for multiple companies for a particular process. They must have a credible physical and cyber security capability to achieve this. This approach would also work across

multiple companies in noncompeting verticals. Such an arrangement would be ideal in offering services to SMBs.

- Address concerns innovatively and carefully regarding employee transfers and job loss — One major reason for potential clients not outsourcing their business processes is the fear of job loss and workforce unrest. Vendors can address this by absorbing most of the clients' employees wherever possible and leveraging a human resources pool to build flexibility and scalability into the organization. It is also possible to look beyond the local market and hunt for business in other countries such as the United States to provide offshore services. This can help the vendor deploy the staff productively without resulting in excess capacity. The same issues might come up in other countries too, but there it would be easier to convince on the basis of substantial cost arbitrage. In cases in the local market, where it is not possible to absorb a client's employees, vendors should help their supporters in the client's organization to make a compelling case in favor of outsourcing.
- Be aware of the possibility of being phased out of the market because of technological developments and develop growth plans — Technological development in the field of interactive communication has resulted in a threat for the pure FAQ type of contact centers and vendors doing basic transaction processing and data processing. For instance, the advent of intelligent IVRS and Web-based support will reduce the demand for the low-end (Tier 2) contact centers, while automation of transaction processing to the level of online transaction processing and Web-based support will also affect the prospects of companies offering data-processing and transaction-processing services. For such vendors, it is important to move up the value chain from transactional service delivery to offer strategic services.
- Track significant changes in the client's market environment to spot and grab short-term and long-term opportunities — Vendors should be able to track the market trends effectively and grab the opportunities quickly. For instance, in Australia, the rapid growth of credit card and debit card use has led to a drop in check-processing volume. This has resulted in a situation in which banks that preferred to keep the check-processing transactions in-house now prefer to outsource check processing. Vendors that are clued in to the growing volumes of credit card and debit card processing and the correspondingly decreasing volumes of check processing would be quick to notice the opportunity, and they would do well to offer check- and card-processing capabilities. A close monitoring of the client's industry dynamics could help the vendors identify and capitalize on such opportunities early on.
- Showcase high-profile successes as proof of concept — Because it is usually the foreign MNCs that are more open to outsource, vendors should focus on getting some high-visibility deals and showcase these as proof of concept to convince the local potential clients.
- Look for acquisition opportunities in captive facilities for the double benefit of a ready-made setup and captive business — Many potential clients have captive services centers. Vendors should approach such companies and offer to take over the captive center and offer outsourced services for better quality that costs less from the same facilities. With their process expertise and the opportunity to leverage the infrastructure across other projects, it will not be difficult for vendors to offer a substantial cost savings besides taking away the bother of managing the facility from the client. Such deals allow vendors quick access to ready-made infrastructure and trained human resources that they can leverage for opportunities in the local markets as well as for exports.
- Explore the BOT model — Increasingly, enterprises test waters with the BOT

model, wherein a third party builds and operates the captive facility for them and then passes it over to them subject to certain predecided terms and conditions based on time and volume of work managed by the facility. While such arrangements eventually end up with the facility being taken over by the enterprise, the BOT model offers an opportunity to do business with the potential client in the build-and-operate stage in which vendors also have the chance of convincing the clients to outsource the work to them instead of acquiring the facility at the end of the term.

- Develop intellectual property for standardized optimal process design — Vendors should consider leveraging their experience and process expertise to develop optimal process frameworks and standardized approaches to process optimization. They should also consider developing packaged solutions for quicker service setup and process transfer. In all this, an opportunity exists to develop intellectual property for standardized optimal process design.
- Tap the BPO industry as a potential client base — The BPO industry comprises many facilities employing thousands of employees and can be viewed as a potential market opportunity. For instance, a 5,000-seat contact center would be a good target for a payroll services provider. It is also easier to sell to other BPO companies because they are well aware of the benefits of the BPO concept and require less conceptual convincing.

The recommendations made here hold good for local vendors and for foreign MNC vendors considering entry into this market for local business as well as for setting up facilities for global requirements. However, given the cultural differences that exist among geographies, foreign vendors would be well-advised to follow their MNC clients into the region initially and then grow the local business with local staff. They might be able to differentiate against local competition on the strength of their knowledge and experience on global best practices, which many local service providers may lack.

Glossary of Terms [\[return to Table of Contents\]](#)

Table A-1 lists the definitions of the acronyms and abbreviations that appear in this document.

Table A-1
Report Glossary

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Acronym/Abbreviation	Definition
24x365	24 hours a day, 365 days
ASP	application service provider
B2C	business to consumer
BCP	business continuity planning
BOT	build own transfer
BPO	business process outsourcing
BPR	business process re-engineering
CGE&Y	Cap Gemini Ernst & Young
CSC	Computer Sciences Corp.
DR	disaster recovery
EDS	Electronic Data Systems
F&A	finance and accounting

FAQ	frequently asked question
HR	human resources
IT	information technology
IVR	interactive voice response
IVRS	interactive voice response systems
MNC	multinational corporation
PwC	PricewaterhouseCoopers
QOS	quality of service
ROI	return on investment
SLA	service-level agreement
SMB	small and midsize business

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