



Background:

'Business Process Outsourcing' today is a very common conception. Businesses be it small or large, are leveraging hugely from this activity. Entailing all kinds of tasks under front-office (tech support) & back-office (billing).

Market Quotient is our subsidiarybusiness offering. Please feel free to consult us on grounds of any requirement. Connect to us at : marketquotient.com





Business Process Outsourcing

Ask yourself, why would you outsource your business practices to any random third party? Why is there a need for outsourcing operations in your business? Today a variety of companies ranging from Fortune 500 to a trifle start-up, are opting for outsourcing ventures instead of in-house correspondents. There must be some definite reasons behind it. This article will inform you about why Business Process Outsourcing is taking over the market growth? The period between 2012 to 2016 has been an incredible one for the BPO industry when all the companies actually started experimenting with its ventures and sending their work offshore. Growing at a compound annual growth rate of 4.3% to reach total revenues of nearly 140.4 billion dollars in 2016. If this growth perpetuates at a steady rate then it is likely to take the overall worldwide BPO market up to the 400 billion dollars mark by next year. Business Process Outsourcing is also responsible for creating the second highest number of jobs worldwide! The basic task of an outsourcing agency is to provide its client with business, operational and human resource function fulfillment at low cost. Advancement of technologies over the last decade has got a big hand behind the augmentation of this industry. Back office work such as - creating employment contracts; bookkeeping; accounting; payroll processing; performing background checks; handling accounts payable and receivable; and processing benefits claims, data entry clerk, claims processor, accountant, human resource executive and legal counselor.

Now Let us gain some more knowledge!

Business process outsourcing (BPO) refers to the process of subcontracting your business operations to an outsider company (third party provider). Services like payroll, human resources (HR), and accounting and customer/call center relations are examples of BPO services. Business process outsourcing is also known as information technology enabled services (ITES). Suppose you are a company called Orange city, located in Las Vegas. You operate your business ventures and processes at 20% extra hike intramural, than your peers in the market. But there comes a moment when you want to cut the

expense off your company workings. This is when you will need to go for a 'Business Process Outsourcing'. In-depth data analytics; powered by machine language have bolstered many global companies to improve upon their service offerings, while ensuring backend tasks are taken care of by professional outsourcing service providers. Over the last decade, the rising advantages of BPO have impacted on its demand. Business process outsourcing enhances your business and has got cost-cutting skills. It is owing to several such reasons that why both small and medium sized businesses are going for BPO in recent times. There are divisions under a Business process outsourcing service. Like front-office customer services (such as tech support) and back-office business functions (such as billing. Outbound services and inbound services, such as sales processes and customer support and technical support services, respectively. Like I have already said, Business process outsourcing is a rising choice across all major industry experts; several high-end services have also been included in the scope of services. Including services like finance and accounting, product development and design, healthcare services and legal process outsourcing. By outsourcing your business operations, you are gifting your employees more time to focus on core business strategies to boost competitive advantage.

Need for Business process outsourcing:-

Strengths of BPO lie in several factors. The BPO industry has not only provided employment to resourceful people but also upgraded GDP of various small countries single-handedly.

- 1. Cost Reduction** is one of the major reasons why businesses usually 'outsource'. It cuts huge expenses, improves the net revenue generation of a company and correlates your pending work to a crafted person, who is best suited to the job.
- 2. Availability of Experienced Professionals-** interviewing, training & recruiting new employees in your company does mean a lot of time, resource and energy wastage. Wherein, expert professional at low costs are just a click away
- 3. Outsourced service providers** can complete business processes at lower costs and time because of economies of scale, specialized processes, low-cost countries, and so on.
- 4. American organizations** can accrue tax savings through outsourcing.
- 5. Organizations** that outsource their business processes can adopt variable-cost models such as fee-for-service plans, instead of being bound to fixed-cost models.
- 6. BPO** decreases the amount of office space needed to accommodate employees, saving real estate costs
- 7. Outsourcing noncritical functions** allow organizations to use their internal resources for core competencies and essential business functions.
- 8. BPO** also enables businesses to react faster to changing market dynamics by adapting their processes as the market changes. For example, if you don't invest in in-house servers, you don't have to worry about outdated tech.
- 9. Businesses** can hire specialized BPO service providers for different processes.
- 10. The quality of work** completed by external service providers such as web developers or content marketers will be specialized and thus better. They will also be more productive.
- 11. More Competitive Advantages**
- 12. Increased Diversity of Skills**
- 13. More Global Presence**
- 14. Ability to Focus on Core Business**

15. Excellent Source of Customer Feedback
16. Access to the Latest Updated Technologies
17. Excellent Employment Opportunity
18. Productivity improvement -
19. Optimum utilization of the resources:
20. Focus on core business areas:
21. Cater to changing customer demands:
22. Sophisticated technology at lower cost:
23. Business process speed and efficiency are enhanced.
24. Employees may invest more time in core business strategies to bolster competitive advantage and enhance value chain engagement.
25. Organizational growth increases when capital resource and asset expenditures are not required, which averts problematic investment returns.
26. Organizations are not required to invest in unrelated primary business strategy assets, facilitating a shift in focus to specific competencies.

Contribution of BPO in several sectors 2019

Businesses around the world, in nearly every sector/industry are now indulging themselves more into 'outsourcing' their core and non-core operations. As the BPO industry is constantly expanding itself, we can expect some more utility trends to upholster it this year. Below given is a brief view of all the sectors and services where BPO is being currently used on a large scale. In a very short time span, this outsourcing habit has made its place intact among a variety of industries.

1. **Financial Services:** Bookkeeping, Payroll Processing, Financial Analysis Services
2. **Healthcare Services:** Teleradiology Services, Medical Transcription Services, Healthcare Claims Adjudication
3. **Call Center Services:** Inbound and outbound call centers, telemarketing, email support, technical support services, etc.
4. **E-commerce Websites:** Online ordering, Refund Processing
5. **Travel Industry:** Bookings, Cancellations
6. **Retail Services:** Ordering, Status checking
7. **Educational Institutions:** Course information, Fees Processing
8. **Manufacturing:** Component information, Ordering, Help services
9. **Telecom Sector:** Service information, Complaint processing

BPO status, future forecast, growth opportunity, key market and key players.

Going by the statistics, we can find that 61% of US marketers are hiring full time, permanent workers starting in the second half of 2018. This shows that Business process outsourcing practice has already grasped nearly 39 % of the market till 2019. This rate is likely to see an increment in the near future. At least by 10% more. Nowadays the US businesses are spending nearly one to three business days in order to train their prospective hires. This is done in order to improve on their employee – retention rate. As, 24% of business are considering employee-retention rate to be the metric to measure their success. The global business process outsourcing (BPO) services market is projected to expand at a CAGR of 11% during the forecast period 2017 to 2023. This is as per Market Research Future (MRFR)'s latest reports.



The valuation of the global market is likely to soar as high as 52 Billion dollars by 2023(forecast period). All the highly- advanced industries of this generation – IT, Communication etc. have been benefitting from this practice. Which in course of time, has become the reason for proliferation of its market size.

Major Key Players are:

- ADP, LLC. (U.S.),
- Accenture PLC (Ireland),
- Aon Hewitt (U.S.),
- Capgemini (France),
- Xerox Corporation (U.S.),
- Infosys BPO Ltd. (India),
- Syntel, Inc. (U.S.),
- Tata Consultancy Services Limited (India),
- IBM Corporation (U.S.),
- Wipro Limited (India).

Outsource business operations to [the specified company]because:-

With our range of cost-effective investment research solutions for global clients, we as Platform as a service are able to stand one step ahead than our peers. We have the reputation of serving varied industries, from automobile, Healthcare, investment to Media. We proudly entail in our team, some of the veterans of industry research. So hurry up and give us an opportunity to serve you well.

