

The Life of Business Process Outsourcing and Its Marketing Impact

Introduction

The business field is rapidly changing in the past few years, and is currently affecting different forms of businesses all over the world. Managing different businesses look for a way to minimize their operation related cost so that the profit may be maximized accordingly. This will give the assurance that sustainability and growth of a business is acquired. As such, a lot of international companies adopt the processes involved in outsourcing so as to minimize cost, where competence is less. For this dissertation, we will consider the world of Business Process Outsourcing in India, particularly focusing on the field being covered IBM Daksh. The company is one of the pioneering companies in India.

Background of the Study

This dissertation investigates Business Process Outsourcing from USA to India, focusing on IBM Daksh as a company, and how it has impacted the country in various perspectives. Adopting the use of qualitative methods, the overall business strategy of the organization will be discussed, including the way they outsource their functions to other companies. It will further explain outsourcing integration using different business strategies.

The evaluation is based on the actuality that Business Process Outsourcing emerges as a market, and has also become more common among countries in Europe, even becoming a vital part of various business deals. Professional analysts also estimate a remarkable growth in revenue among business process outsourcing transactions (Pahatra, 2014).

Harvey (2009) provides a definition on Business Process Outsourcing as one or more processes which are given to a third party vendor who consider themselves as experts on those functions and processes. BPO also focuses further on the entire process in order to minimize cost while maximizing profits. As competition starts to grow globally, all organizations need to maintain a highly competitive edge, functioning more effectively so as to sustain a position in their field.



In a sense, certain organizations want to earn more in terms of revenue, wanting lesser operational costs.

With the IT market growth, different customers of BPO are looking for productivity. As a result, they improve methodologies, having a number of resources, while ensuring customer satisfaction. Since international telecommunication is fastest, businesses shift their work to global vendors, even though a lot of countries specialize in technical services and engineering. Mexicans and Chinese are professionals in manufacturing, while the US is effective in analyzing business processes in a very effective way together with creativity. Professionals in the Philippines are great with administrative skills.

The BPO sector in India provides a lot of reasons to potentially attract countries in Europe. This is because India offers the largest pool of potential workforce of highly-affordable, technically dependable, engineering experts who are well-versed in English. Their telecommunications sector has improved a lot, meeting the requirements imposed by their US counterparts. Flexibility in terms of working hours is another major benefit for bigger and more developed countries to work with an Indian BPO company because the time zones and geographical conditions foster productivity.

The so-called economic expansion of any given country is highly important in terms of determining actual growth. For example, the contribution of BPO companies to the country's GDP has increased rapidly. For the year 2003 alone, the contribution was at 0.2. Six years after, in 2009, it went up to 2.5. This increase in the contribution of BPO to Indian GPO only shows that IT related BPO has a significant impact on the economy of the country. For this reason, thousands of individuals get employment (Wahlberg, 2010).

Potential Challenges

Just like with any other business move, there are potential challenges that also need to be faced by administrators of BPO companies. For one, individuals working in BPO have the assumption that the jobs they do only require minimum skills. Good interpersonal skills and basic education allows people to join the sector. Choosing the ideal service provider is also a factor that is considerable. When companies look for a provider, they need to consider three important points – a dependable track record, technical capabilities and potential value added by the company.



References

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