

Trust in Indian BPM soars as firms manage the pandemic brilliantly

The industry in 20 years has transformed into a strategic partner to global clients

Shilpa Phadnis & Sujit John | TNN

Towards the end of March, says Rohit Kapoor, CEO of EXL Service, there was fear among almost everyone in the business process management (BPM) industry. "We thought everything we had built over the past 20 years would just evaporate," he says.

The industry does some of the most critical work for companies around the world - in areas like finance, supply chain, procurement, HR, healthcare. But none of them had approvals from clients to do work remotely, to work from home. The home infrastructure did not look good enough to provide the required support. There were major regulatory changes required to enable business model changes, especially on work from home. The security concerns around remote work were huge.

"But, where we are sitting today, I think we have come out much stronger. The pandemic is still there, the number of cases in India is climbing at a fast pace, but from an operational, delivery perspective, from an innovation perspective, from a value add perspective, the industry is actually performing way above what it was performing before Covid," he says.

The pandemic impact and the advances made by the BPM industry in the 20 years of its existence was the subject of the Times Techies Webinar last week. All the panelists said that what India managed to do during the pandemic is

THE WORLD CAN'T DO WITHOUT INDIA

Without the BPM industry, it would be the death knell of many companies and many industries across the globe. And the future, post-Covid, is so exciting, based on the way India has stepped up and managed this crisis for global clients. Every client tells me that they now know who their true friends are during a crisis

Keshav Murugesh | GROUP CEO, WNS



The Covid response is a massive endorsement of Indian thought leadership. We pulled it off globally - in the Philippines, UK, Canada, US. It's built the balance sheet of trust with our clients on such scale that there is a lot more coming our way. Some of us third parties have done it faster and more effectively than their inhouse shops

Partha DeSarkar | CEO, HGS



The foremost reason for our success in dealing with the Covid challenge is human ingenuity. The 1.2 million employees in this industry are fantastic, they can pivot at scale. Few countries and organisations can pivot at scale. Our employees found a way to serve our customers with a completely different business model, almost overnight

Rohit Kapoor | VC & CEO, EXL



almost unbelievable.

Partha DeSarkar, CEO of BPM firm HGS, says they have built so much trust with clients that there will be a lot more business coming their way. He says third party service providers like HGS managed the crisis faster and more effectively than the inhouse centres of their clients. "We almost didn't have any downtime. That has put us in an even better light," he says.

Keshav Murugesh, group CEO of WNS, says the post-Covid future "is so exciting, based on the way India has stepped up and managed this crisis for global clients." He says they even delivered on the

expectations of clients around new areas. And all of this was done without diluting security.

KS Viswanathan, VP of industry initiative in Nasscom, says he hears from most companies that they are getting more orders now than before Covid.

The industry attributes the success to the way everyone came together - employees, the government, regulators, and even clients. The regulators changed the rules quickly to enable remote work, clients understood the environment and allowed remote work for all except some really critical work, the companies enabled the

In the past 20 years, this industry has completely transformed. Without this industry today, a world disorder is in order. The share of customer interaction services, including call centre services, has dropped sharply. Today, as global enterprises seek to digitally transform, they look at the Indian BPM industry

KS Viswanathan | VP, INDUSTRY INITIATIVE, NASSCOM



HANDLING COMPLEXITY WITH TECH

\$38 billion revenue
1.2 million employees

38% employees are women; highest in tech sector



Most in-demand skills now: Data science, AI/ML

In early 2000s, 50% to 70% of employees were non-technical. Today, it's an extremely diverse workforce. About 40-44% are commerce, arts & MBA graduates; 8-10% are medical professionals, 10-15% are chartered accountants, 10-15% are engineers, 6-7% are PhDs, and 10-15% are those who have not completed graduation

infrastructure for remote work, including high security levels, and employees quickly adjusted to the new way of working.

"The 1.2 million employees in this industry are fantastic, they can pivot at scale. Few countries and organisations can pivot at scale. Our employees found a way to serve our customers with a completely different business model, almost overnight," says Kapoor.

It's also a reflection of how dramatically the industry has changed in the past 20 years, how much it has matured, and how much of technology it uses. This is the industry that in its early years was

best known - often derided - for its call centre operations. Those were seen to be low-end work, made more tedious by night shifts.

But today, the share of customer interaction services, including call centre services, has dropped sharply to 39% of the total industry, says Viswanathan. "Today, as global enterprises seek to digitally transform, they look at the Indian BPM industry," he says.

Financial & accounting services now account for 18-20% of the business; knowledge services, including cognitive automation and intelligent RPA, constitute about 25-30%; HR and procurement services 10-12%.

"From the mid-2000s, we took over multiple client processes, and started servicing them end-to-end. We added technology, we added analytics. We are today strategic partners to our clients," says Murugesh.

Kapoor says the evolution has been across two vectors. One, the industry has become closer and closer to the end customer, helping clients figure out what their end customers actually need, and how and when those should be provided. Two, from a cost efficiency play, it has become a strategic relationship. "The conversation is no longer with the process owner. It's with the CEO on transforming the business," he says.

The companies literally are an extension of the clients. DeSarkar says he sometimes wonders if HGS should be called a hospital. Because, to serve its hospital and insurance clients, it has 1,500 nurses, and it has doctors. And the company is the first port of call for someone with health issues.

And that's the kind of work the industry does today for all kinds of companies. Increasingly with new-age digital technologies. "Analytics, data science and AI/ML are the biggest skills we require today," DeSarkar says.