

What Happened to BPO

...and What Is Truly Coming Next?



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Phil Fersht, CEO and Industry Analyst - HfS Research



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Overview

- 20 years' business experience in the global IT and business process outsourcing and shared services industry
- Coined the Phrase "As-a-Service Economy" in 2014
- Industry analyst, author, speaker, strategist and blogger
- Advised on 100's of global IT services, BPO and shared services engagements
- Facilitates the largest global network of enterprise services and operations professionals

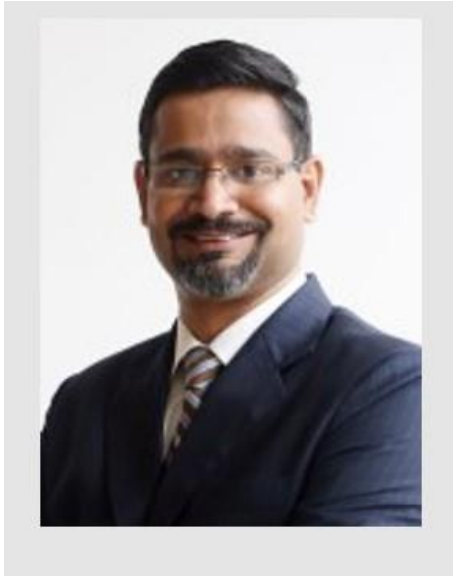
Career Experience

- Practice Lead, IT Services & BPO Research, Gartner, Inc
- Global BPO Marketplace Leader, Deloitte Consulting
- Consulting Practice Lead, IDC Asia/Pacific
- IT Markets Practice Lead, IDC Europe

Education

- BS with Honors in European Business & Technology, Coventry University, United Kingdom
- Diplôme Universitaire de Technologie in Business & Technology from the University of Grenoble, France

Abidali Z. Neemuchwala, CEO & Member of the Board - Wipro Limited



abidali.neemuchwala@wipro.com

Overview

- Abidali Z. Neemuchwala is the Chief Executive Officer & Member of the Board of Wipro Limited. Abid combines deep operational knowledge with broad strategic insight and has a track record of building and scaling businesses. Abid is passionate about driving change and believes simplification of processes, belief in people & customer centricity is the key to success.
- Previously as COO, he spearheaded several initiatives across Global Infrastructure Services, Business Application Services, Business Process Services, and Analytics to create a more nimble and agile organization. These measures helped accelerate Wipro's ability to respond to customers and ensured deeper employee engagement.
- Abid drives strategic and long lasting partnerships with clients. Abid believes that in today's digital world, successful organizations are the ones, which have the ability to convert consumers' aspirations into instant gratification. Reflecting the same he delivered his popular keynote at the Oracle Open World 2015 articulating the new world order, in which customers buy digital experience as a service.

Career Experience

- Abid's career spans a 23 year tenure in TCS, where he handled multiple roles in business, technology, sales, operations and consulting. In his last role, he headed the Business Process Services business. He was awarded the BPO CEO of the year 2010 and in the year 2012 the Shared Services Organization of IPQC recognized him for his personal contribution to the industry.

Education

- Abid has a master's in Industrial Management from IIT Mumbai and a Bachelors in Electronics and Communication from NIT, Raipur. He is also a Certified Software Quality Analyst and a Certified Six Sigma Green Belt. Abid is passionate about service and diversity and volunteers in the community and at Wipro Cares. He also enjoys travelling, Indian music, reading fiction, and playing golf. He is married, has three children, and lives in Dallas, Texas.

Robin Rasmussen, Principal - KPMG LLP Shared Services and Outsourcing Advisory practice



rlrasmussen@kpmg.com

Overview

- Robin Rasmussen is a Principal in the KPMG LLP Shared Services and Outsourcing Advisory practice. She leads the HR Shared Services and Outsourcing service network. She is an established industry leader with extensive experience in the human capital management, shared services and outsourcing industry. She has over twenty five years' experience in leadership positions in HR/RPO service providers, HR consulting and strategic HR roles.
- While at KPMG, Robin led one of the largest global HR/Payroll shared services transformation done in recent years. The work involved partnering with the client to develop the overall strategy and implementation plan for the new service delivery model, including approach, scope, and project governance model, as well as leading the twelve functional workstreams throughout the entire project lifecycle; ultimately standing up eight new service delivery operation centers across four global markets (NA, EMEA, LATAM, ASPAC).

Career Experience

- Prior to KPMG, Robin was the executive responsible for the strategic design, development and execution of Pacific Gas & Electric's comprehensive approach to talent management with operational responsibility for workforce planning and analytics; employee engagement; talent acquisition and executive recruitment; relocation; diversity talent programs; organizational design and change management; succession planning; leadership and career development. Prior to PG&E, Robin was a key member of EquaTerra Inc., a global shared service and outsourcing advisory firm.

Chris Caldwell, President - Concentrix

Overview

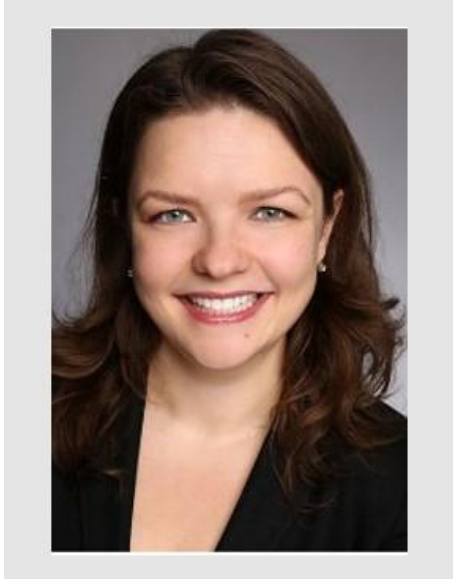


chris.caldwell@concentrix.com

- Chris Caldwell is a performance-driven and insightful leader who, as President of Concentrix, brought the company to global prominence. In addition to his wide-ranging professional experience, Mr. Caldwell is dedicated to innovation, doing things differently, and creating the best experiences for Concentrix clients – and their customers.
- Mr. Caldwell joined SYNEX when it purchased EMJ Data Systems, where he had been the Executive Vice President. He subsequently held a number of roles at SYNEX, including Vice President Financial Operations for Canada, and Vice President of Corporate Development, where he was responsible for handling all M&A activity and integration globally, before becoming the Senior Vice President of Global Business Services. Commanding an unrivalled knowledge of diverse geographies, Mr. Caldwell led the SYNEX acquisition of Concentrix, and spearheaded company growth from a staff of about 25 to now more than 45,000 staff across the world.
- Constantly traveling to all Concentrix locations and meeting clients and staff, Mr. Caldwell ensures his passion for the company permeates the organization by inspiring each person to strive to add value in every customer interaction. He believes in recognizing and rewarding staff for creativity and inspiration, and boosting business throughout the organization.
- Chris has been recognized by peers, clients, and industry, having won multiple awards for innovation, entrepreneurship, and leadership, including The Young Entrepreneur Award from Business Development Bank of Canada at age 20, and the Top 40 Under 40 CEOs for Canada. In addition to the many accolades, Mr. Caldwell has served on numerous boards in a variety of global business services organizations such as: HiChina Web Services; Digital Internet Group; Microland; and SB Pacific.

Marsha Reppy, Principal - Ernst & Young

Overview



marsha.reppy@ey.com

- Marsha leads the SAP controls, security and GRC practice in the US. In that role, she is responsible for go-to-market, people development, innovation and quality activities.
- Marsha's consulting and audit experience is directed at helping companies improve their governance, risk and compliance (GRC) programs and deliver value through technology enablement. Marsha also has extensive experience managing business, technology and project risk during global business transformation projects enabled by SAP. Marsha focuses on retail and consumer products as well as media and entertainment industries.

NV “Tiger” Tyagarajan, President and CEO - Genpact

Overview



vn.tyagarajan@genpact.com

- Based in New York, Tiger is credited as one of the industry leaders who pioneered a new global business model and transformed a division of GE (formerly GE Capital International Services) into Genpact, a leading business process management and technology services company with \$2.28 billion in annual revenues in 2014.
- In his role, Tiger spends a lot of time with the C-Suite of large global corporations, helping them drive change globally and get more competitive in their industry.
- Tiger frequently writes and speaks about global talent issues, continuous skill development, and the importance of building a strong corporate culture. He is also passionate about diversity and serves as one of the founders of the US chapter of the 30% Club, an organization of CXOs focused on achieving better gender balance at US companies. Tiger is also a member of the WSJ CEO Council.

Eleanor Winn, Managing Director - Alsbridge



eleanor.winn@alsbridge.com

Overview

- Eleanor is a recognized IT and sourcing expert who has extensive experience in onshore and offshore outsourcing across IT and various other business processes. She is one of the co-founders of Source, now an Alsbridge company, responsible for implementing sourcing deals for a wide range of global clients.
- Eleanor has led successful programs involving all stages of the sourcing lifecycle from strategy development through transition. She is acknowledged as a skilled influencer, consistently building high performing and loyal teams.
- Prior to setting up Source, Eleanor was a Director of Consultancy at Alsbridge where she was instrumental in the growth of Alsbridge's award winning IT Outsourcing practice. Prior to that she was managing director of Quantum Plus, where she led the team to win the NOA outsourcing advisor of the year award.

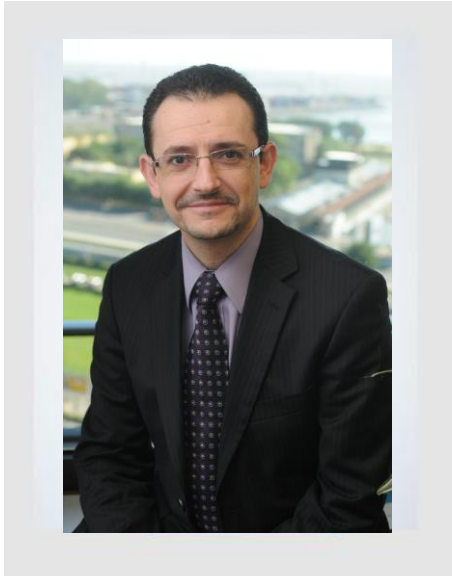
Key Expertise

- Transition Management & Program Delivery
- Sourcing Strategy and Business Case Development
- Contract Negotiation and Restructuring
- Commercial Management
- Change management

Credentials

- Advised a wide range of clients including Britannia Airways, Virgin Trains, Sony, Surrey County Council, Moller Maersk, John Lewis, Waitrose, STA Travel, PRS for Music, arvato, Value Retail, The Legal Services Commission, Northern Rock, The Law Society, Groupe Aeroplan, Halfords, Luminar, Kings College Hospital
- Pioneer of "Positive Sourcing Relationships", developing and implementing positive outcomes for every individual involved in an outsourcing transaction
- Transition expert with significant experience in establishing client, supplier working methods
- Commercially smart, strong negotiator with a reputation for getting the right outcomes while protecting relationships
- Delivery specialist, ensuring sourcing programs are successfully delivered to time and budget
- Business transformation expert, specializing in implementing alternative service delivery models
- Training specialist, preparing customers and suppliers for new service delivery models

Jesus Mantas, GM, Consulting and Global Process Services - IBM Global Business Services



jesus.mantas@us.ibm.com

Overview

- Jesus Mantas is the General Manager of Consulting and Global Process Services in IBM. He is responsible for Digital, Cognitive, Analytics, Cloud Business Solutions, Enterprise Applications, Alliances and Global Process Services in IBM Global Business Services.
- Before this appointment, he was the General Manager of IBM Global Process Services, the Business Process Outsourcing unit of IBM. In that role he introduced the “consult-to-operate” strategy, and transformed IBM BPO solutions to deliver better client experience and faster returns with IBM Design Thinking and Cognitive Solutions.

Key Expertise

- He was the Managing Partner and General Manager for IBM Global Business Services in Latin America between 2010 and 2014. He led market-shaping client relationships that repositioned IBM as a leading transformation partner, specially Enterprise Applications and Analytics markets. Prior to this role, he was Managing Partner for the North America General Business segment in IBM Global Business Services.
- He is known for his vision, anticipating trends and leading by example. He joined IBM from PricewaterhouseCoopers Consulting, where he helped shape the market of enterprise mobility. His current priorities are developing world-class professional services leaders, reinvent business models with cognitive technology, and help clients reinvent themselves as industries are disrupted with digital business models.

Credentials

- Jesus Mantas was a lecturer at the University of California Irvine, Paul Merage School of Business for 3 years. He completed a Master in Telecommunications Engineering, thesis in neural networks applied to speech recognition, and a degree in Business Administration from the Universidad Complutense de Madrid, Spain; he also served one year as an officer in the Air Force of Spain.

Unbridled Opinion... Simply Calling It How It Is



Thriving in the As-a-Service Economy

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Robo-Britannia: Is Britain leading the As-a-Service revolution?

MAY 4TH, 2015



There are a lot of [negative viewpoints](#) on Britain's capabilities to rebound as an economic superpower... after its heyday leading the world into the industrial revolution a very, very long time ago... of labor, and their leading organizations are pretty damn good at jumping on the train.

www.horsesforsources.com

And while the British government is the world's biggest customer of offshore outsourcing (in fact its government has created a whole outsourcing economy of its own), Britain is also home to several of the upcoming automation software firms, such as Blue Prism, Thoughtonomy and

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2007	Horses for Sources blog founded
2010	HfS Research founded
23,000+	Members of the HfS LinkedIn community
100,000+	Subscribers to the blog, website and communications
1,000,000+	Annual pageviews on the HfS network of sites

OUR CLIENTS AND SUBSCRIBERS



C-level, VP, Director
or Managers from
multiple industries



are buyers or
evaluators



want to discuss
global business
initiatives



want to participate
in HfS surveys



TOP 10 AMERICAS

INFLUENCER RELATIONS

WHERE REPUTATIONS MEAN BUSINESS

- 1. Gartner**
- 2. Forrester Research**
- 3. HfS Research**
- 4. IDC**
- 5. Digital Clarity Group**
- 6. NelsonHall**
- 7. ISG**
- 8. Everest Group**
- 9. KPMG**
- 10. CEB**

Meet the HfS Research Practice Leaders



Phil Fersht
CEO &
Industry
Analyst



**Charles
Sutherland**
Chief Research
Officer



**Barbra
McGann**
EVP
Business
Ops &
Healthcare
Research



**Jamie
Snowdon**
EVP
Market
Analysis and
Forecasting



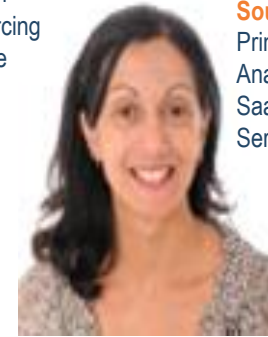
**Fred
McClimans**
MD
Digital Trust
& Security



**Melissa
O'Brien**
Research
Director
Contact Ctr.
and Omni-
Channel BPO



John Haworth
Chairman
HfS Sourcing
Executive
Council



**Khalda de
Souza**
Principal
Analyst
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Services



Reetika Joshi
Research
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Analytics,
Insurance
and Utilities



Mike Cook
Research
Director
HR-as-a-
Service, HR
Outsourcing



HfS: Research As-a-Service!



HfS Blueprint As-a-Service Publication Schedule, 2016

Q1

- Analytics in Financial Services
- Design Thinking
- F&A-as-a-Service
- Pharma BPO
- SAP SuccessFactors Services
- Supply Chain Management Services

Q2

- Banking Operations
- Consumer Health Integration
- Contact Center Operations
- Energy Operations
- HR As a Service
- Mortgage-as-a-Service
- Security-as-a-Cloud
- ServiceNow Services
- Telecom Operations

Q3

- App Testing-as-a-Service
- Digital Trust-as-a-Service
- Intelligent Automation Services
- PLM Services
- RPO as-a-Service
- Workday Services

Q4

- As-a-Service Masters
- Healthcare Payer Operations
- Health Providers
- IoT Transformation Services
- Manufacturing-as-a-Service
- Omni-Channel Marketing-as-a-Service
- P&C Insurance-as-a-Service
- Procurement-as-a-Service
- Salesforce Services

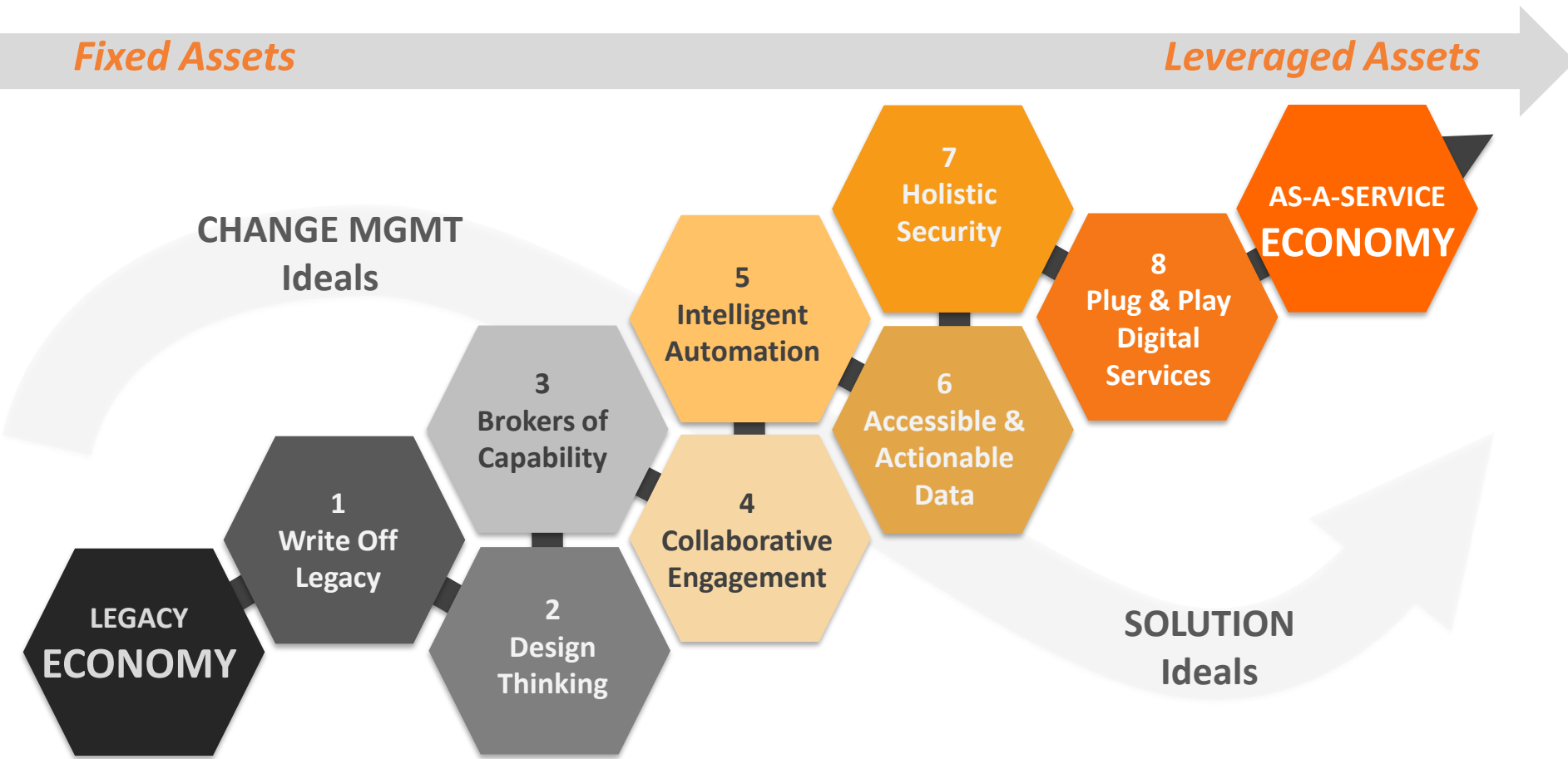
Subject to change

Data is eating the world!

- World's largest taxi company owns no Taxis: **Uber**
- The most popular media owner creates no content: **Facebook**
- Largest accommodation provider owns no real estate: **Airbnb**
- Largest phone companies own no telecom infrastructure: **Skype, WeChat**
- World's most valuable retailer has no inventory: **Alibaba**
- Fastest growing banks have no actual money: **SocietyOne**
- The world's largest movie house owns no cinemas: **Netflix**
- Largest software vendors don't write the apps: **Google**
- The most popular emerging research firm doesn't sell research reports: **HfS**

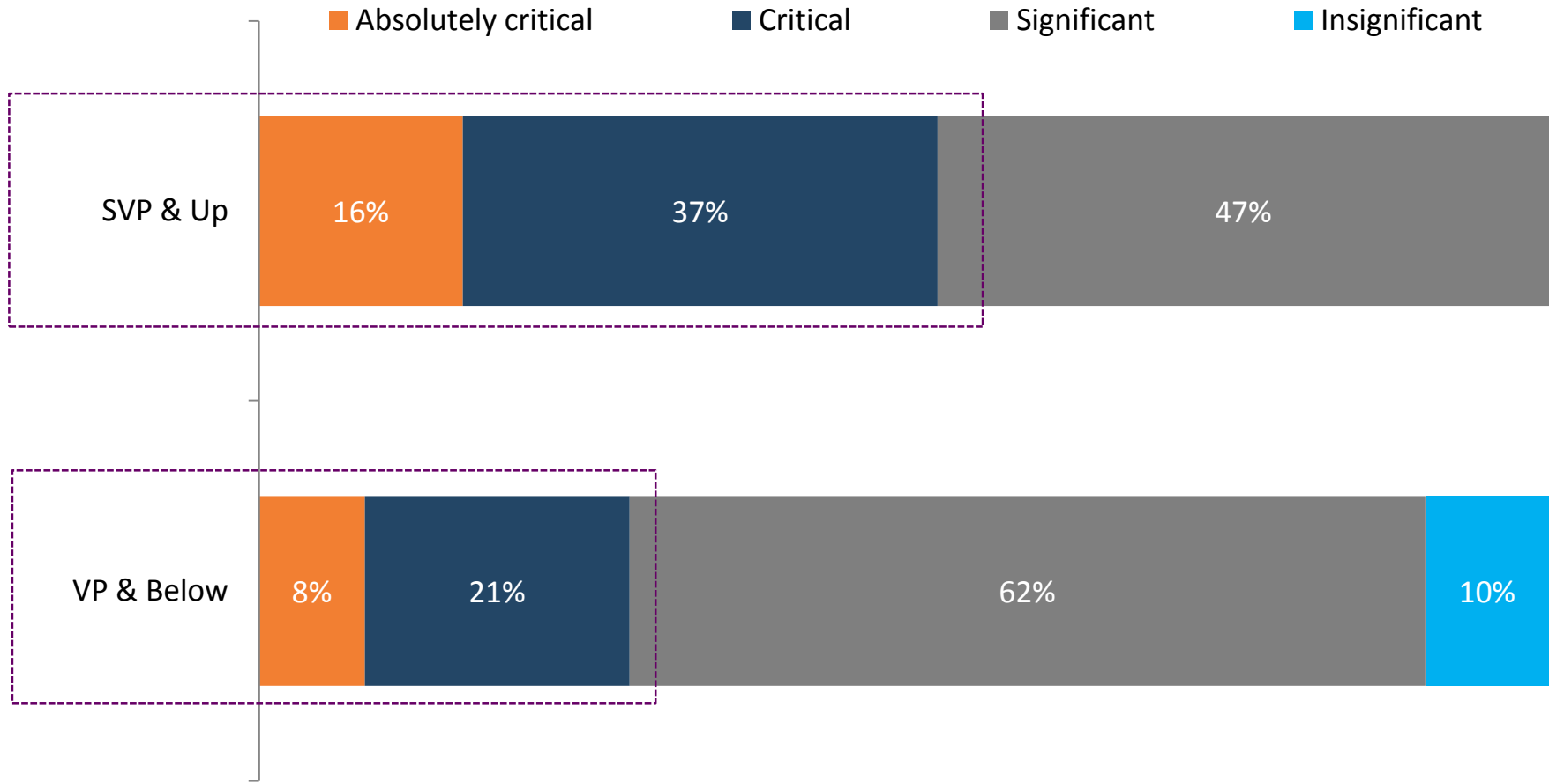
Journey to the As-a-Service Economy

- Moving into the As-a-Service Economy means changing the nature and focus of engagement between Enterprise Buyers, Service Providers, and Advisors
- “As-a-Service” unleashes people talent to drive new value through smarter technology and automation



Leadership has the desire to drive the change, not the operational layer

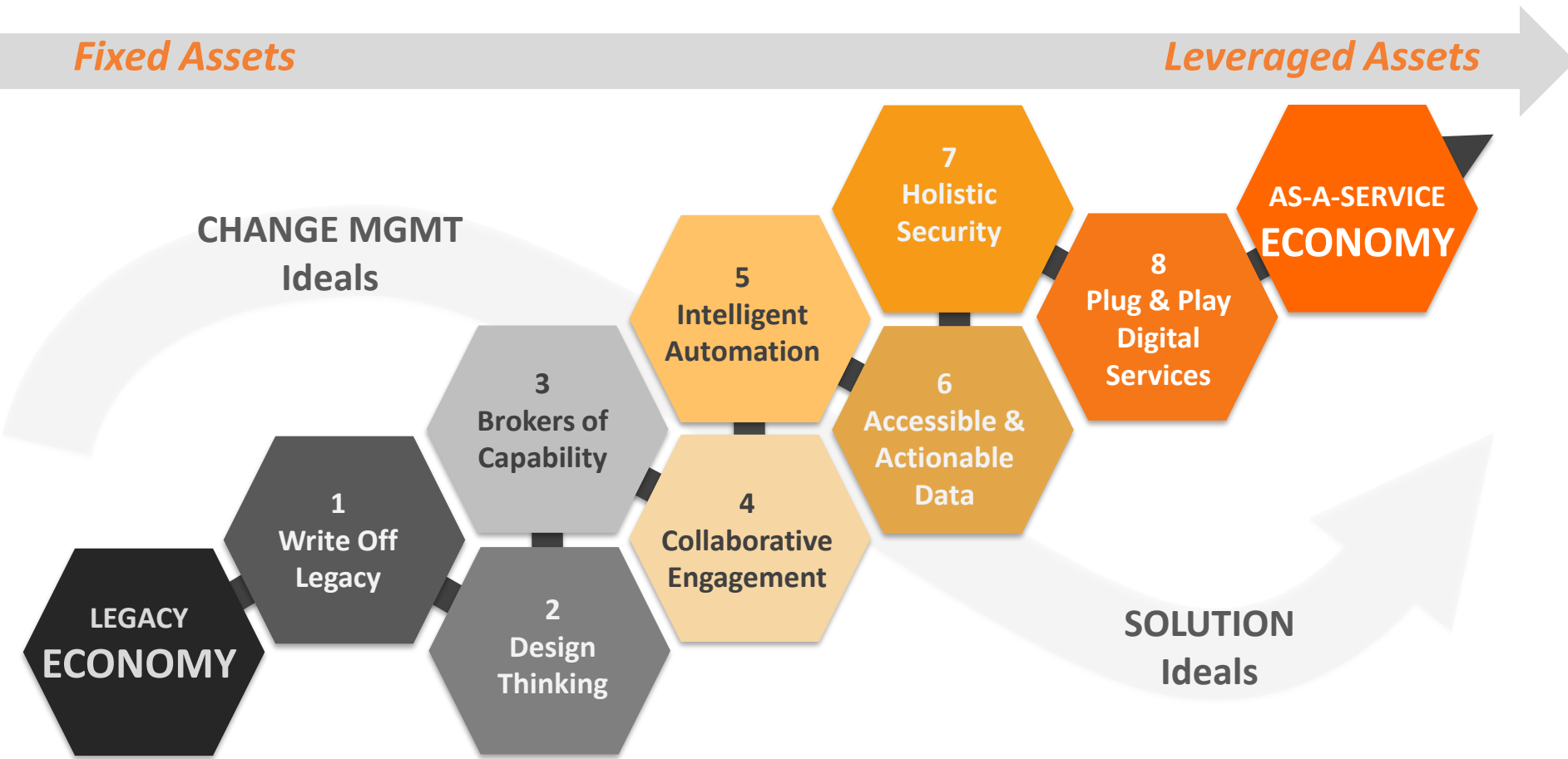
How significant do you see the “As-a-Service Economy” for your organization?



Source: "Ideals of As-a-Services" Study, HfS Research 2015
Sample: Enterprise Service Buyers = 178

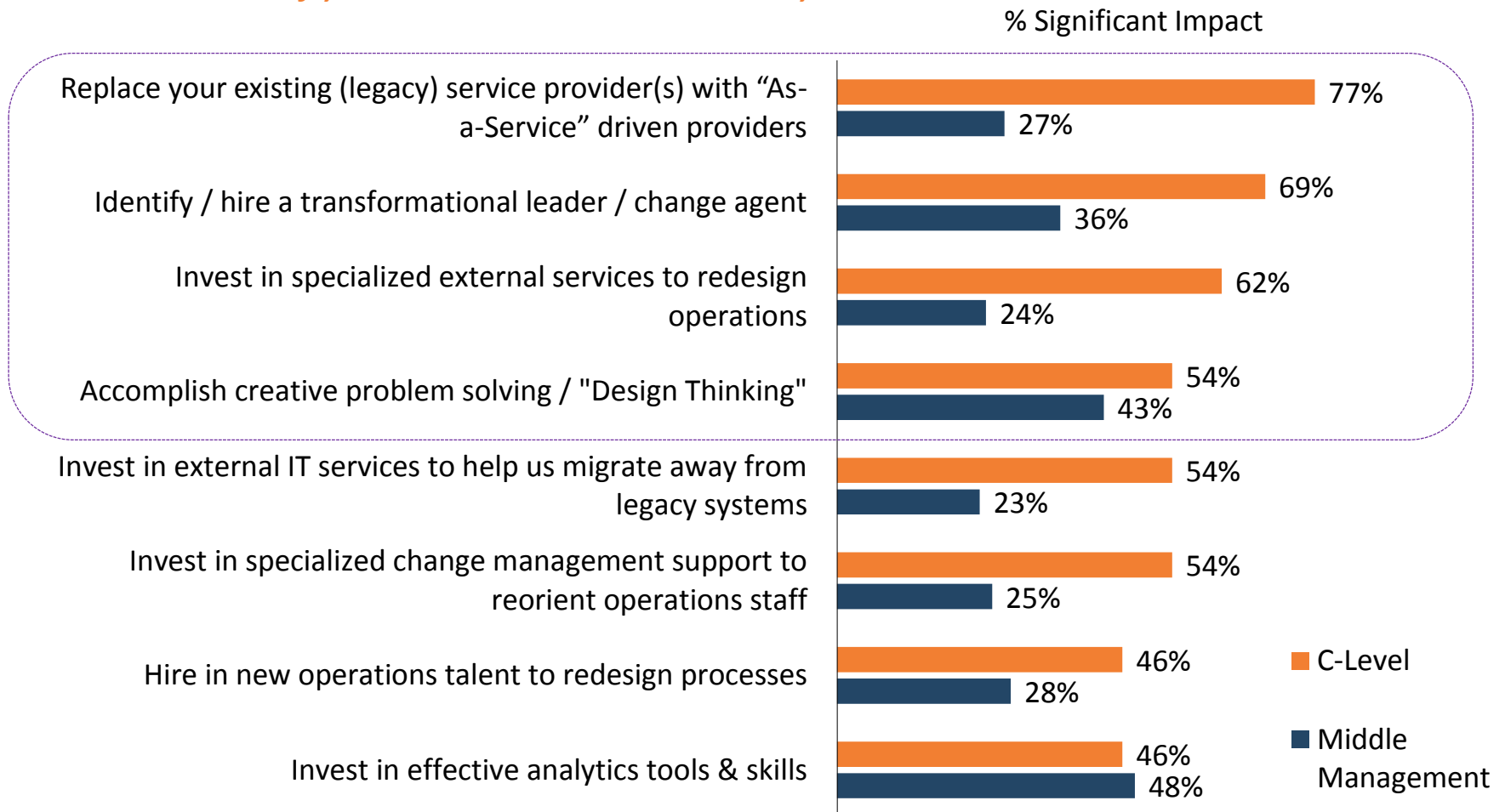
Journey to the As-a-Service Economy

- Moving into the As-a-Service Economy means changing the nature and focus of engagement between Enterprise Buyers, Service Providers, and Advisors
- “As-a-Service” unleashes people talent to drive new value through smarter technology and automation



The C-Suite wants new providers, new leadership and their operations redesigned...

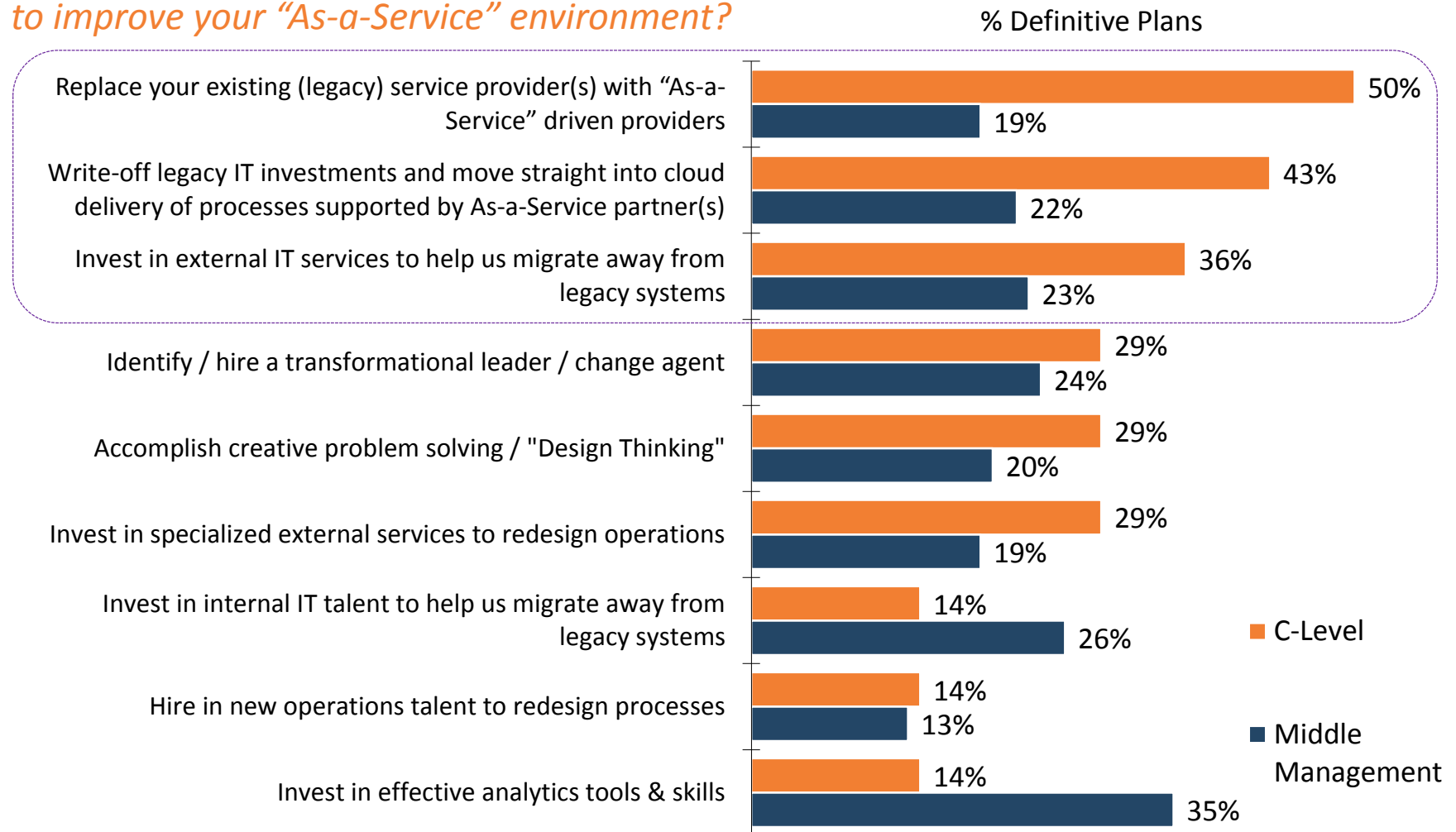
How much **impact** would taking the following actions help you reach your desired “As-a-Service” end-state, if you were to make them today?



Source: "Ideals of As-a-Services" Study, HfS Research 2015
Sample: Enterprise Buyers > \$1 Billion Revenues = 178

C-Suite has plans to dump legacy providers, write-off legacy IT and use outsourcing partners more aggressively

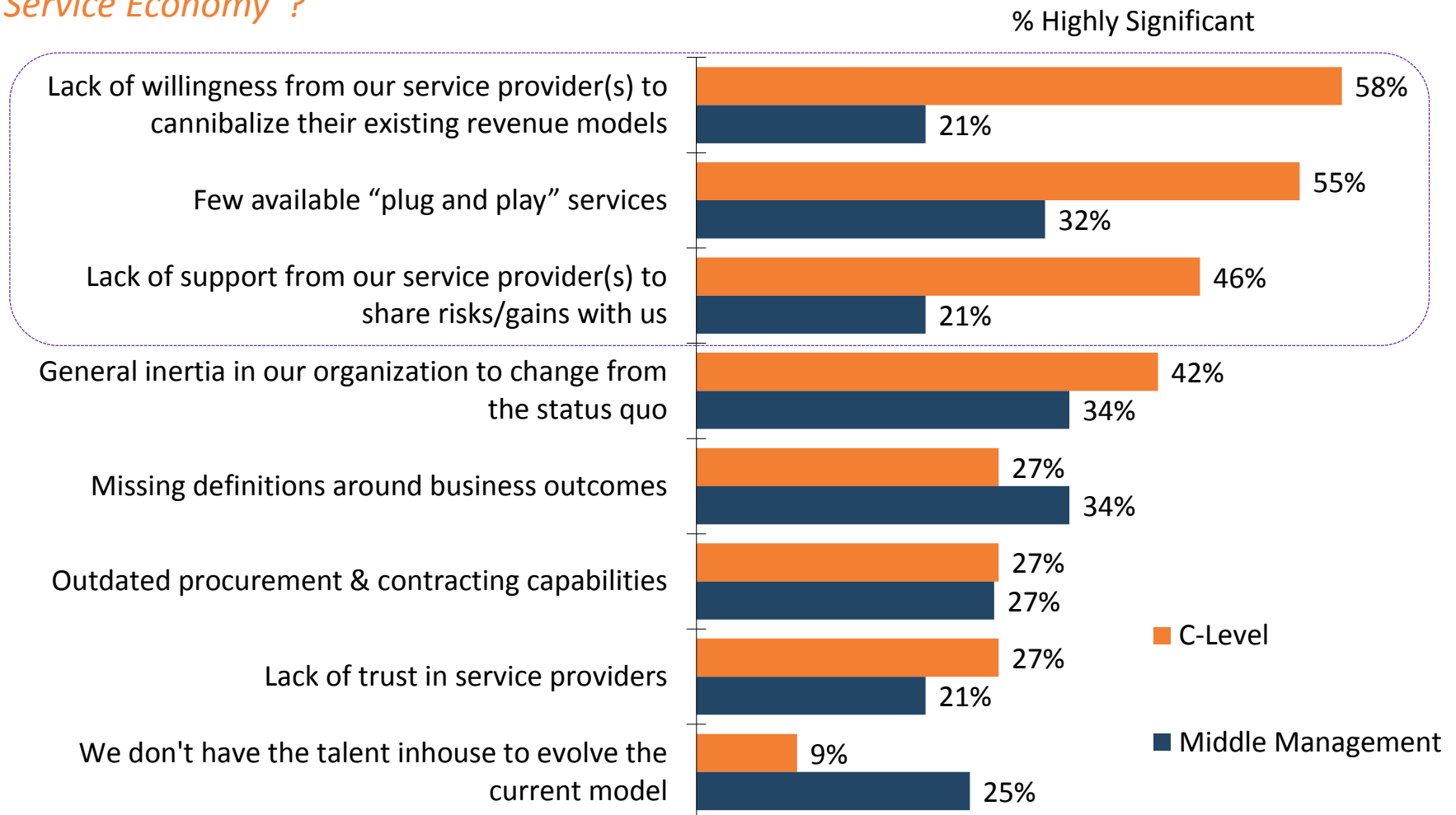
Do you have plans in place to execute on the following actions, over the next 24 months, to improve your "As-a-Service" environment?



Source: "Ideals of As-a-Services" Study, HfS Research 2015
Sample: Enterprise Buyers > \$1 Billion Revenues = 178

C-Suite views providers' willingness to change the legacy model as number one obstacle to progress

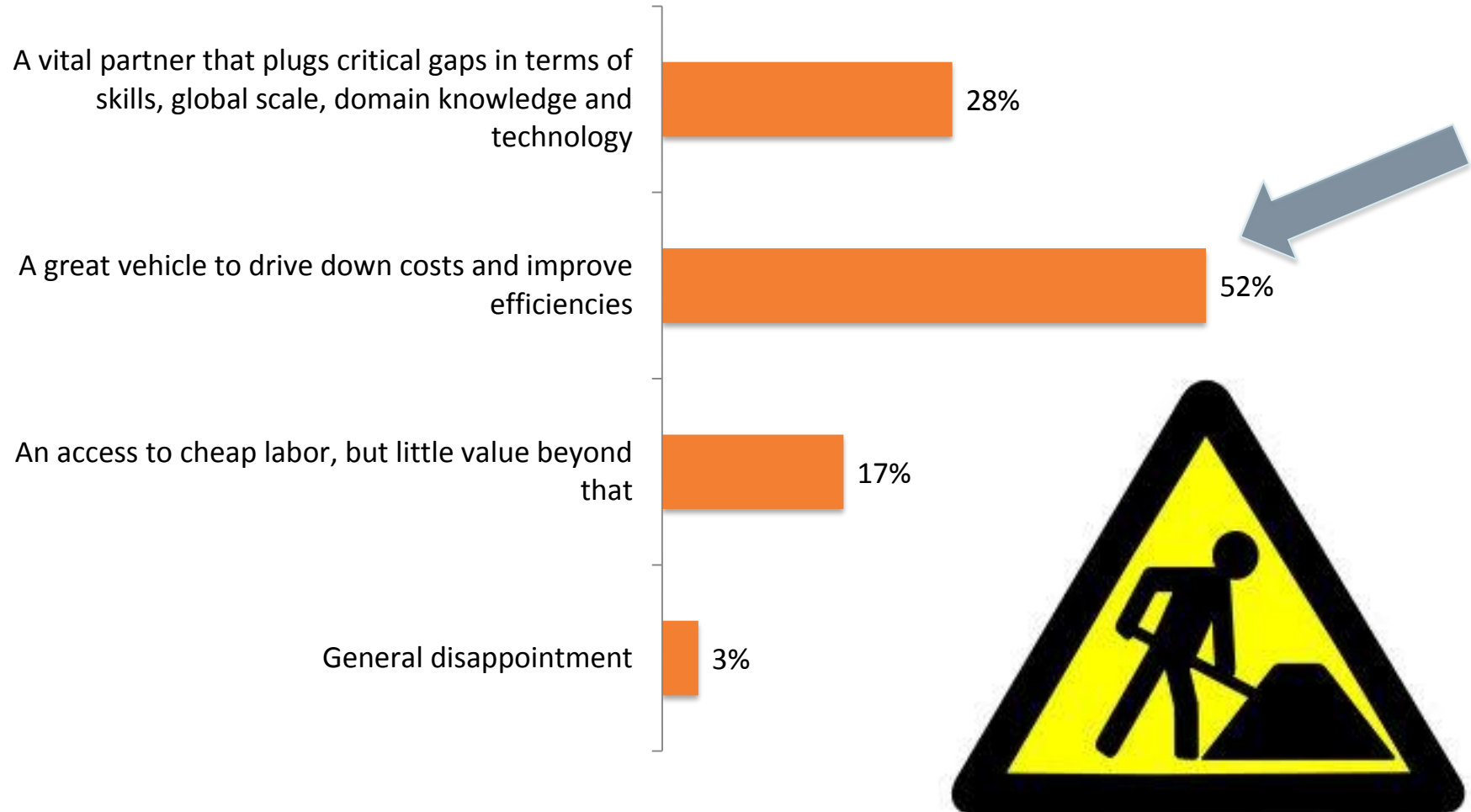
How significant are the following obstacles holding back your enterprise's move to the "As-a-Service Economy"?



Source: "Ideals of As-a-Services" Study, HfS Research 2015
Sample: Enterprise Buyers > \$1 Billion Revenues = 178

Most Buyers view Service Providers as Execution Shops...

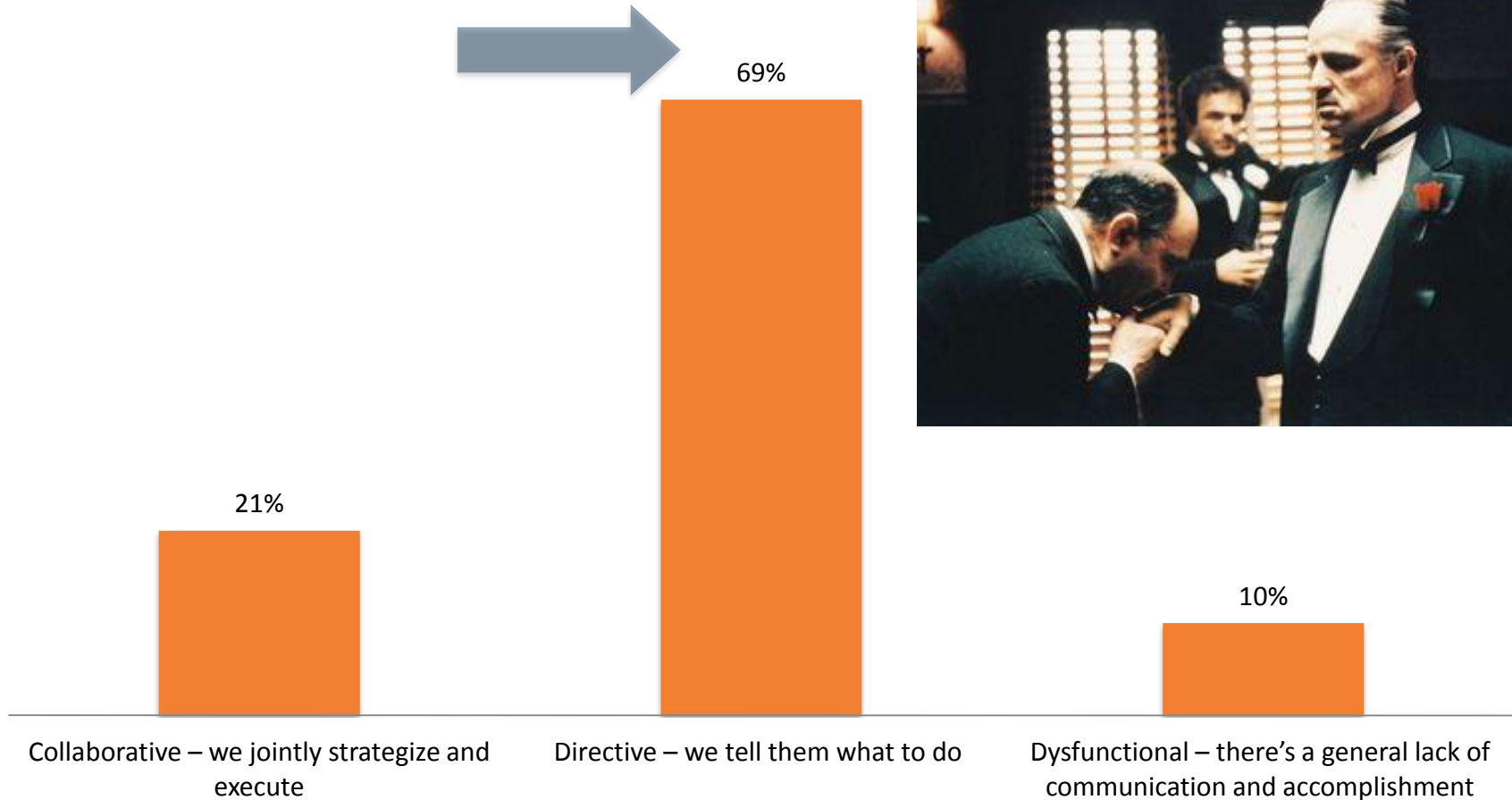
Buyers: What do you really think about service providers?



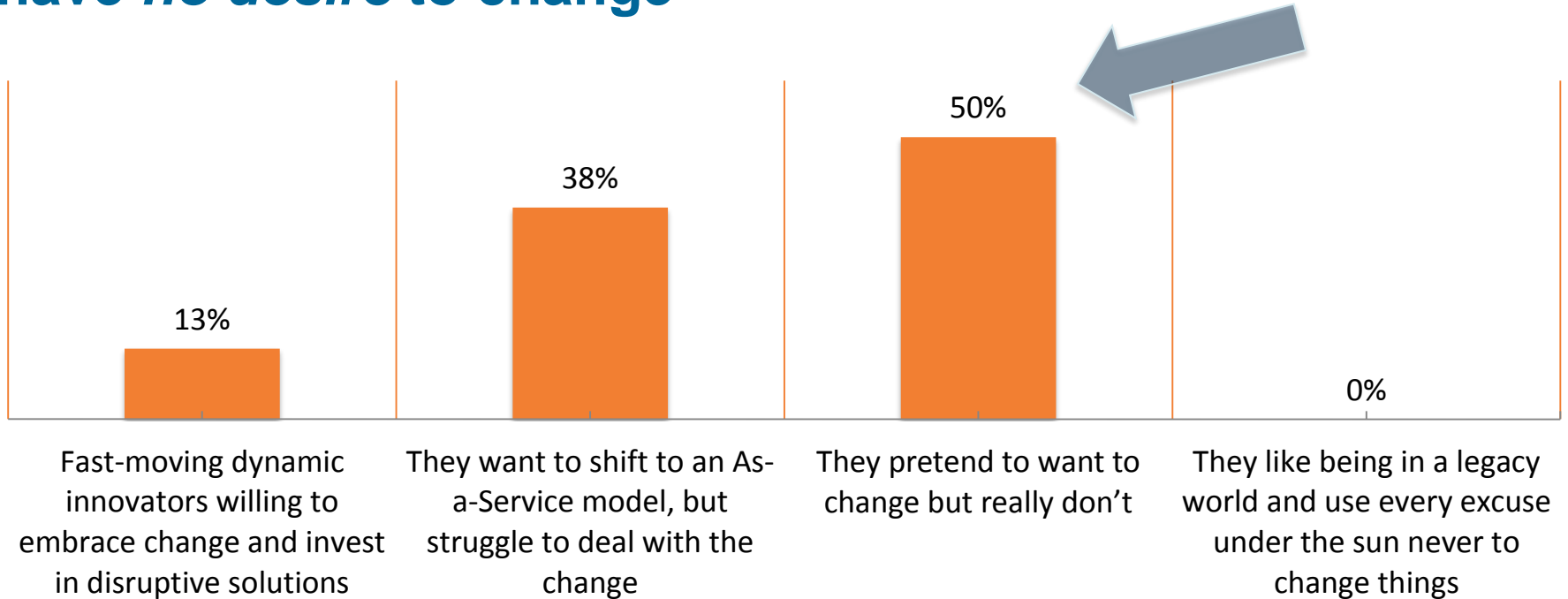
Source: The HfS Working Summit for Service Buyers, December 2015
(Sample 53 enterprise outsourcing leads)

The Master/Slave Model Dominates BPO

Buyers, please describe your relationship with your primary service provider...

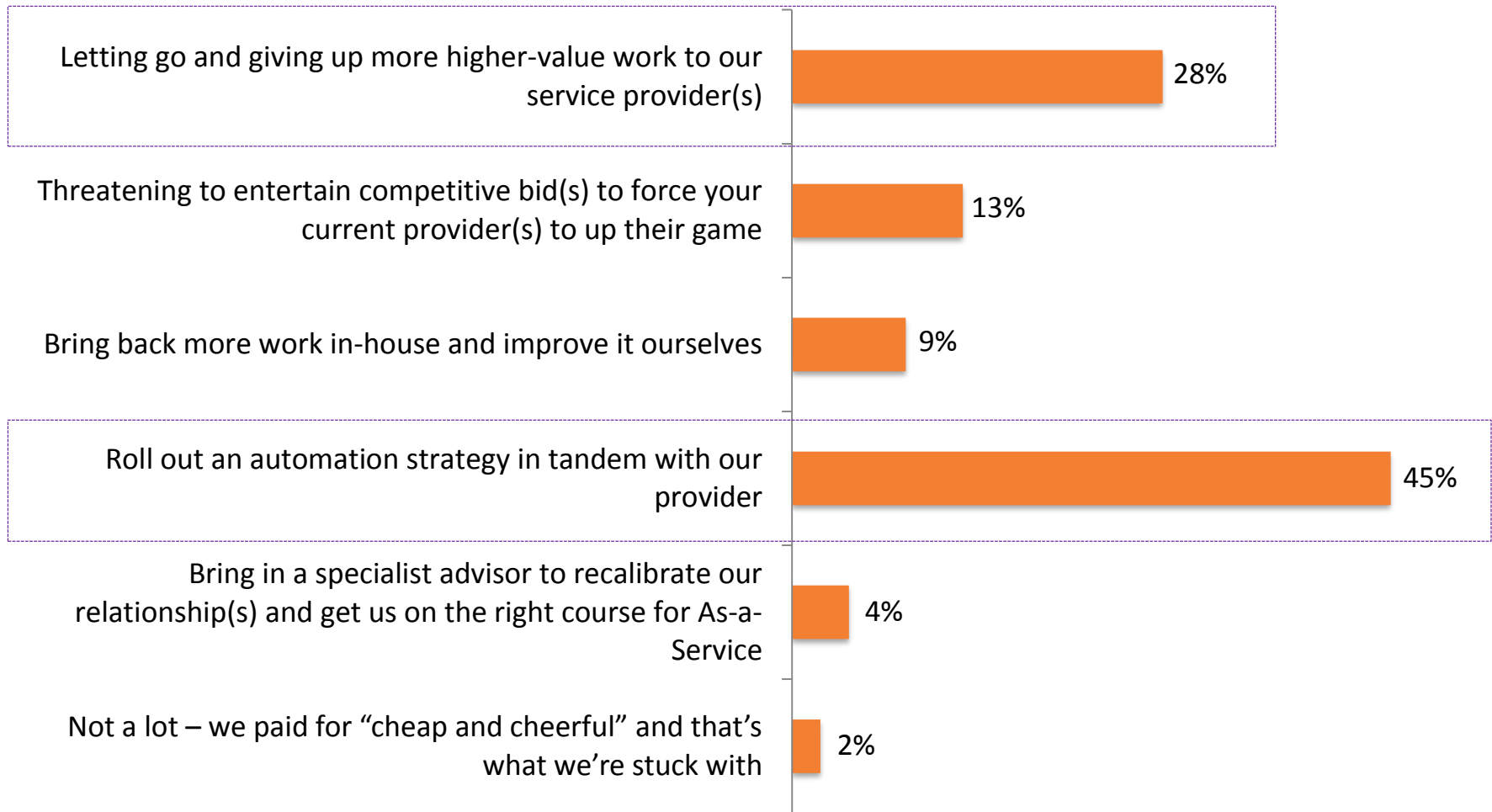


While many provider leaders believe their customers have *no desire* to change



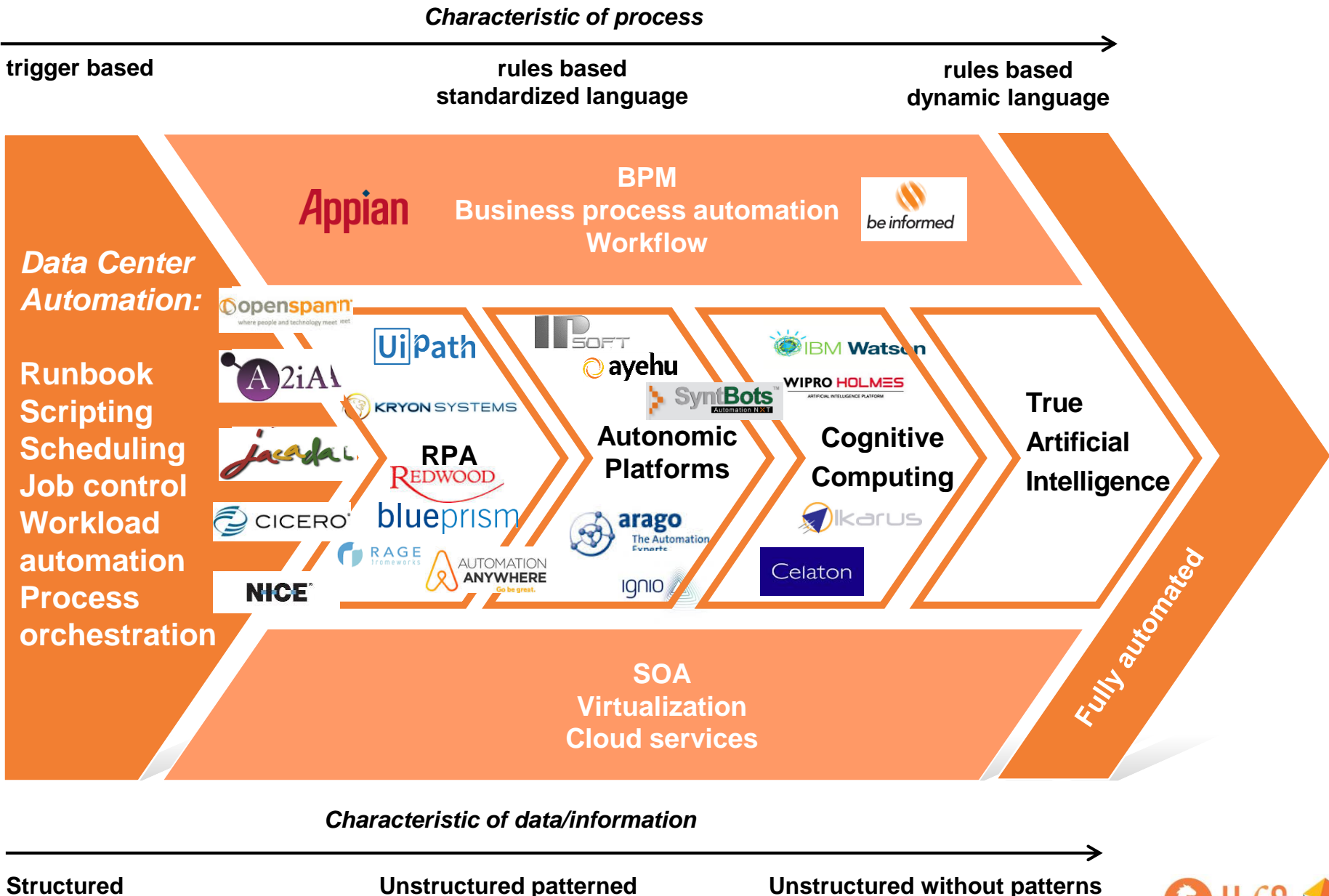
Source: The HfS Working Summit for Service Buyers,
December 2015 (Sample: Executive service provider leaders)

How buyers would improve the quality and outcomes from their current BPO service relationships...



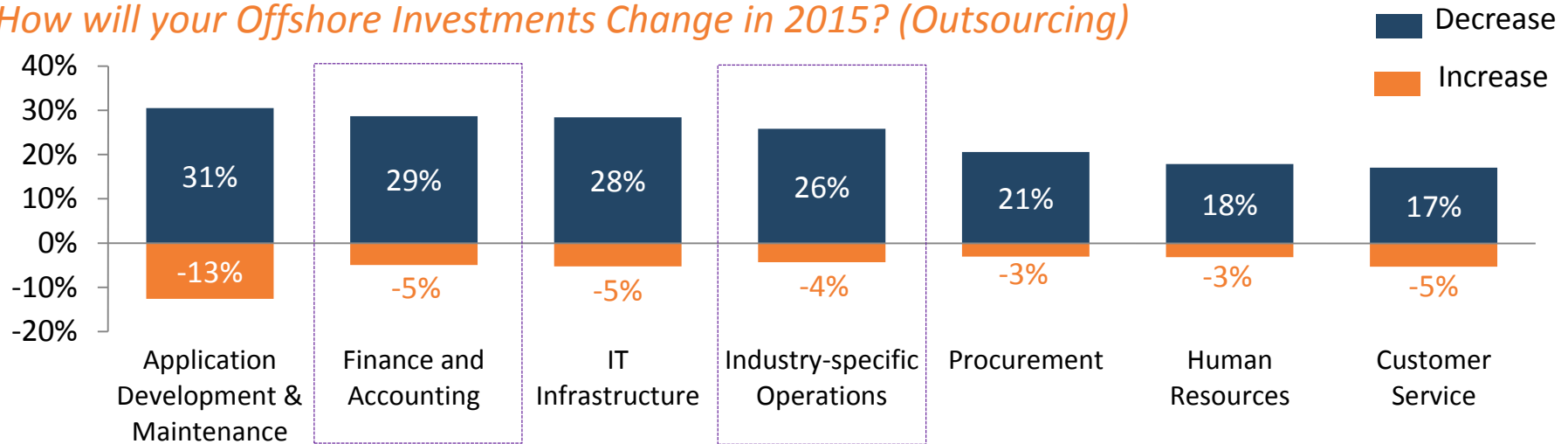
Source: The HfS Working Summit for Service Buyers, December 2015
(Sample 53 enterprise outsourcing leads)

The HfS Intelligent Automation Continuum

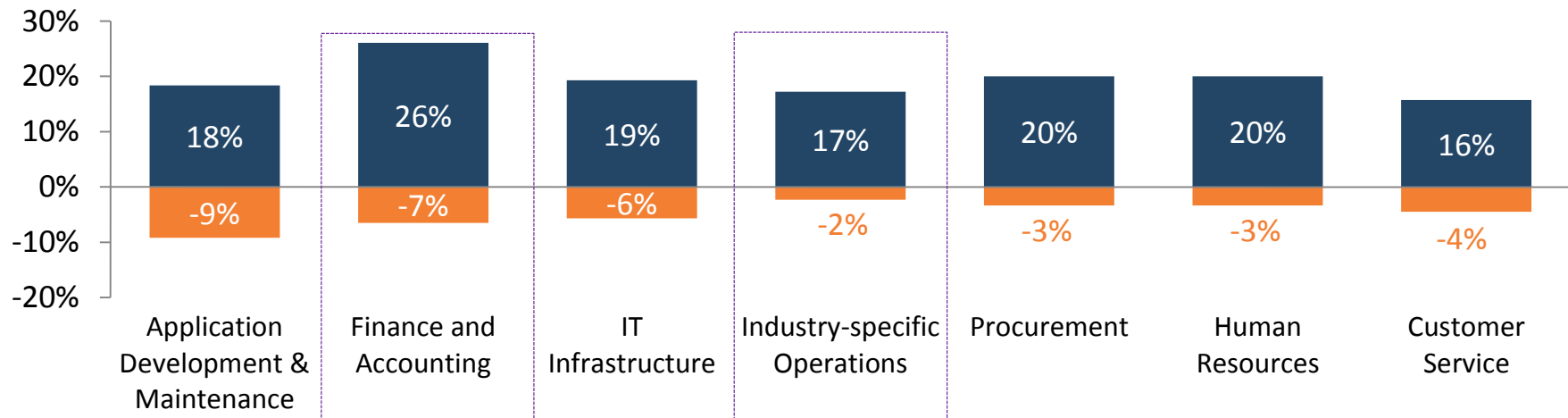


Man *plus* machine: Offshoring continues to accelerate across business functions in 2015

How will your Offshore Investments Change in 2015? (Outsourcing)

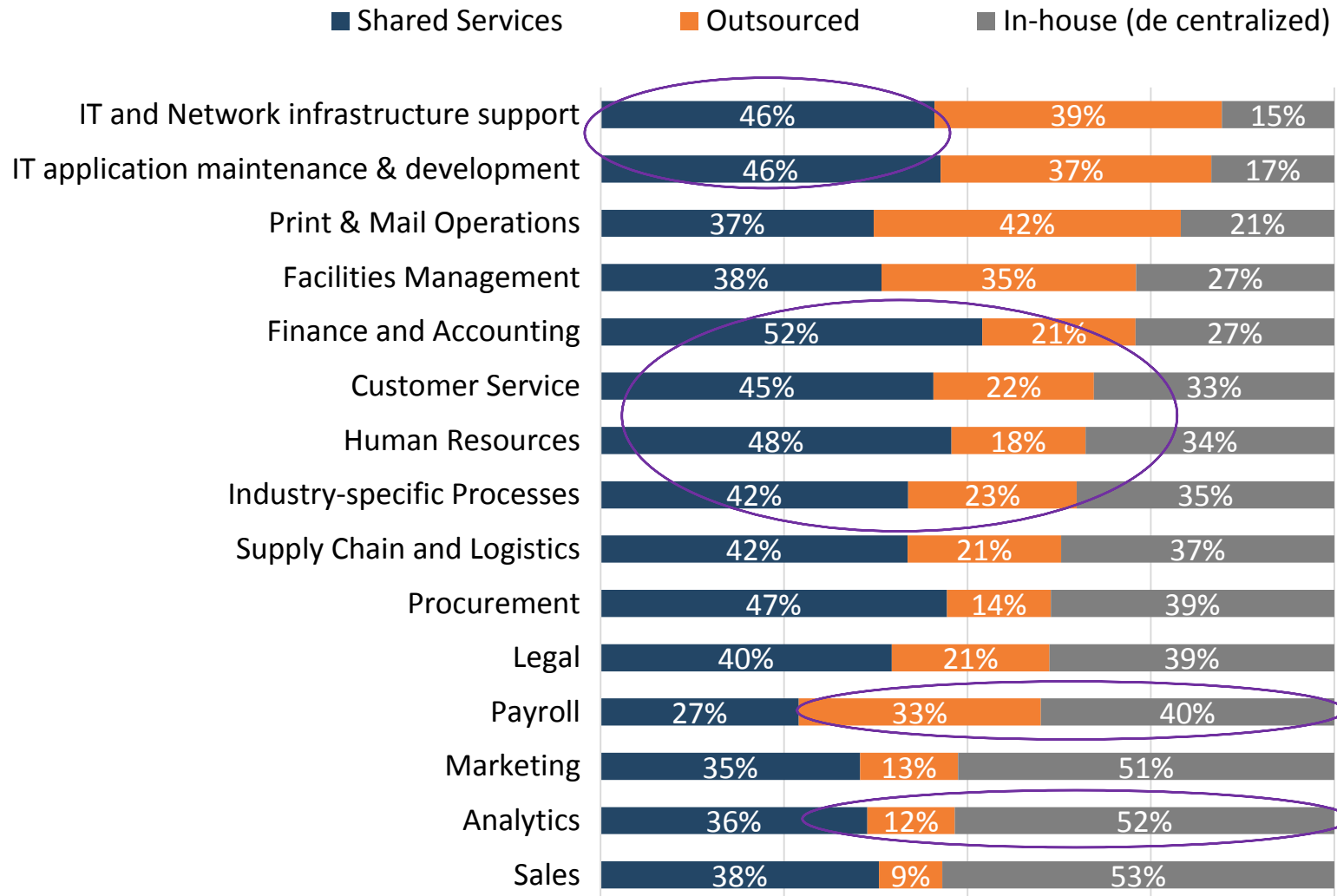


How will your Offshore Investments Change in 2015? (Shared Services)



Source: 2014 State of Industry Study, 2014. HfS Research in Conjunction with KPMG (Sample 312 Enterprises)

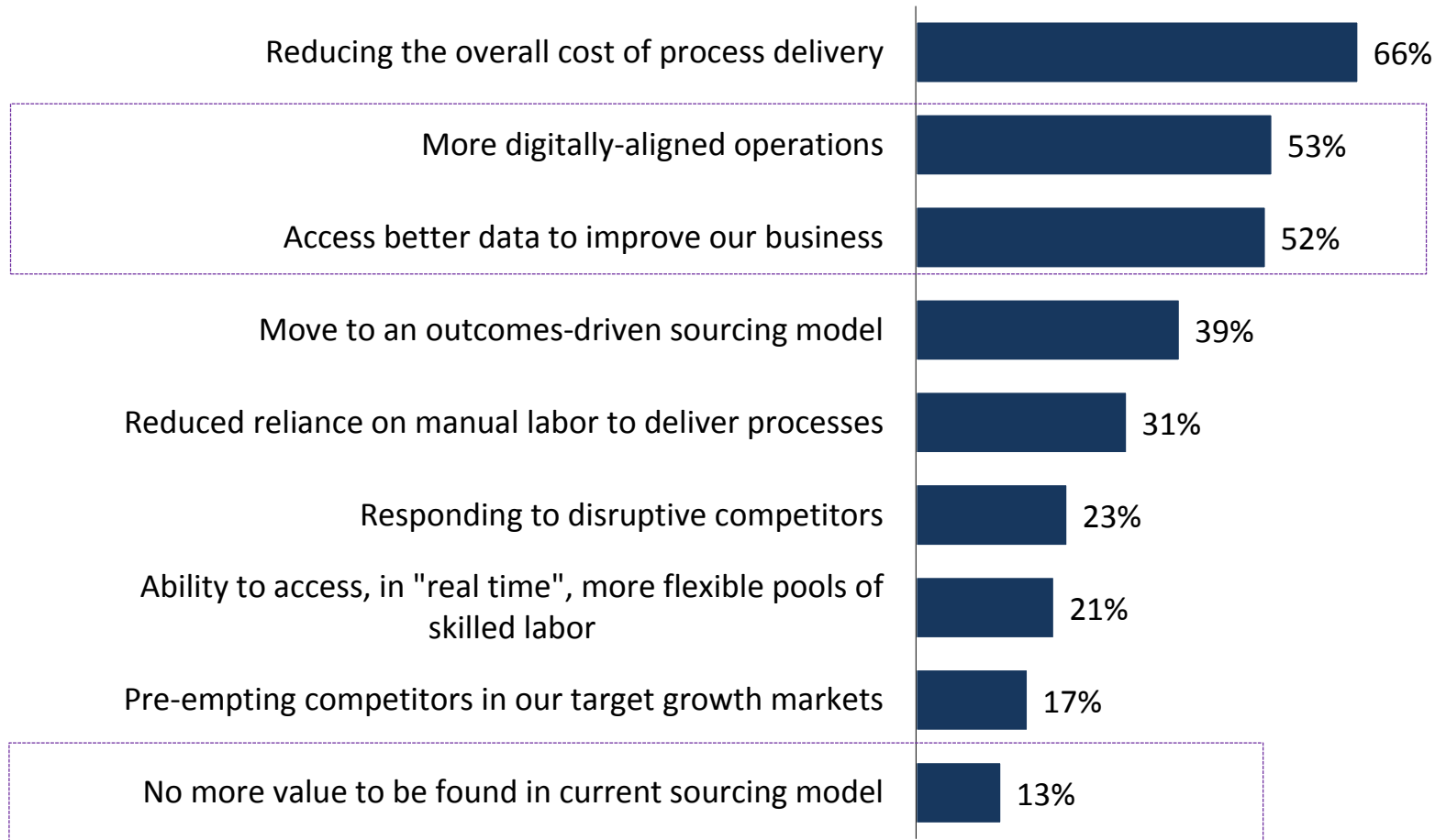
Outsourcing still augments in-house delivery, as opposed to replacing it...



Source: HfS Research in Conjunction with KPMG
Note: n=343

Work in As-a-Service Progress: Digital and Data the real drivers, but current model is still delivering value

What are the most significant drivers in your move to the "As-a-Service Economy"? (Choose top 3)

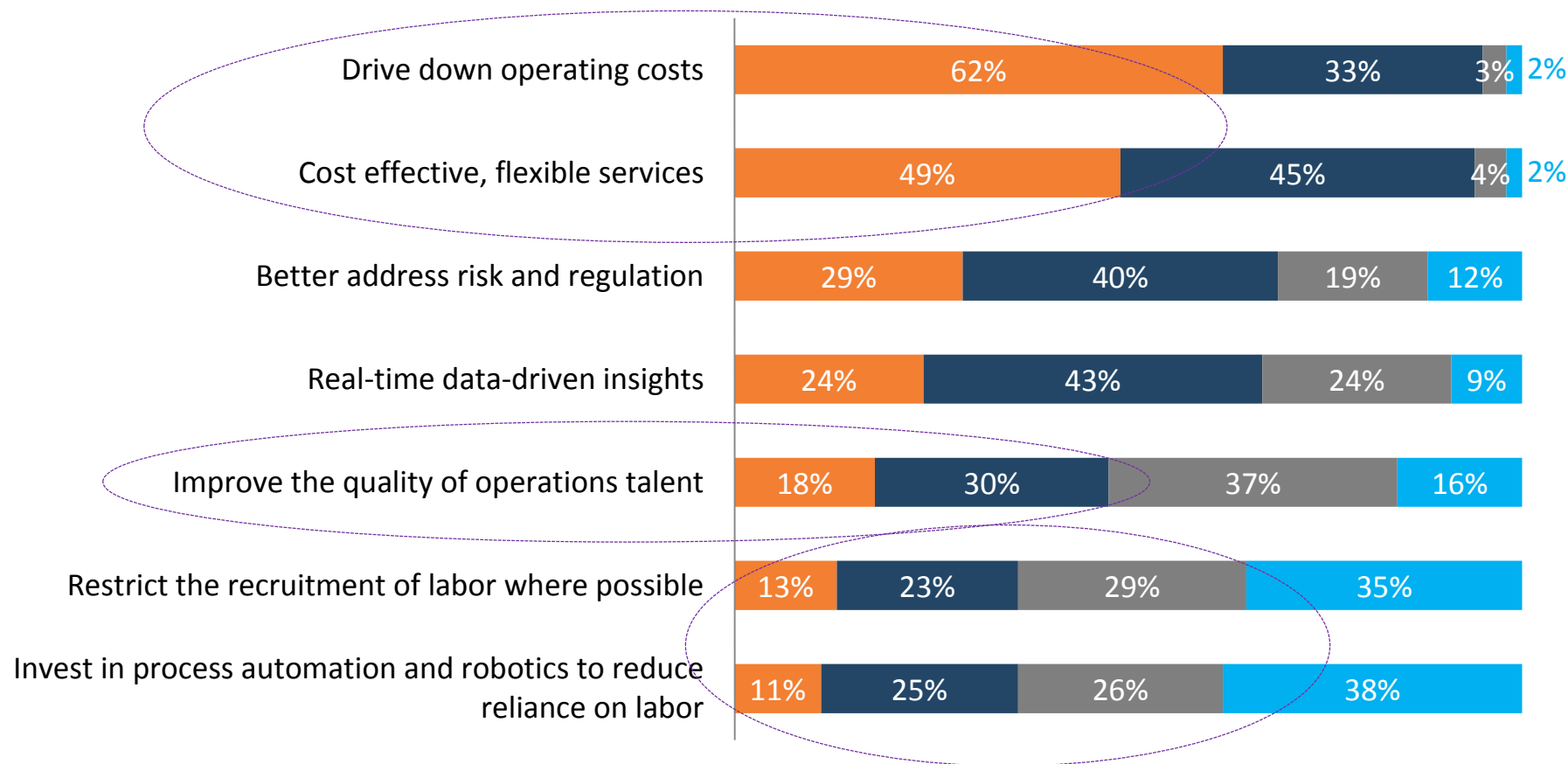


Source: "Ideals of As-a-Services" Study, HfS Research 2015
Sample: Enterprise Service Buyers = 178

C-Suite Internal Priorities: Less Cost, Better Data, Less People

How critical are the following C-Suite priorities/directives with your operating model?

■ Mission Critical ■ Increasingly Important ■ Emerging ■ Not a Directive



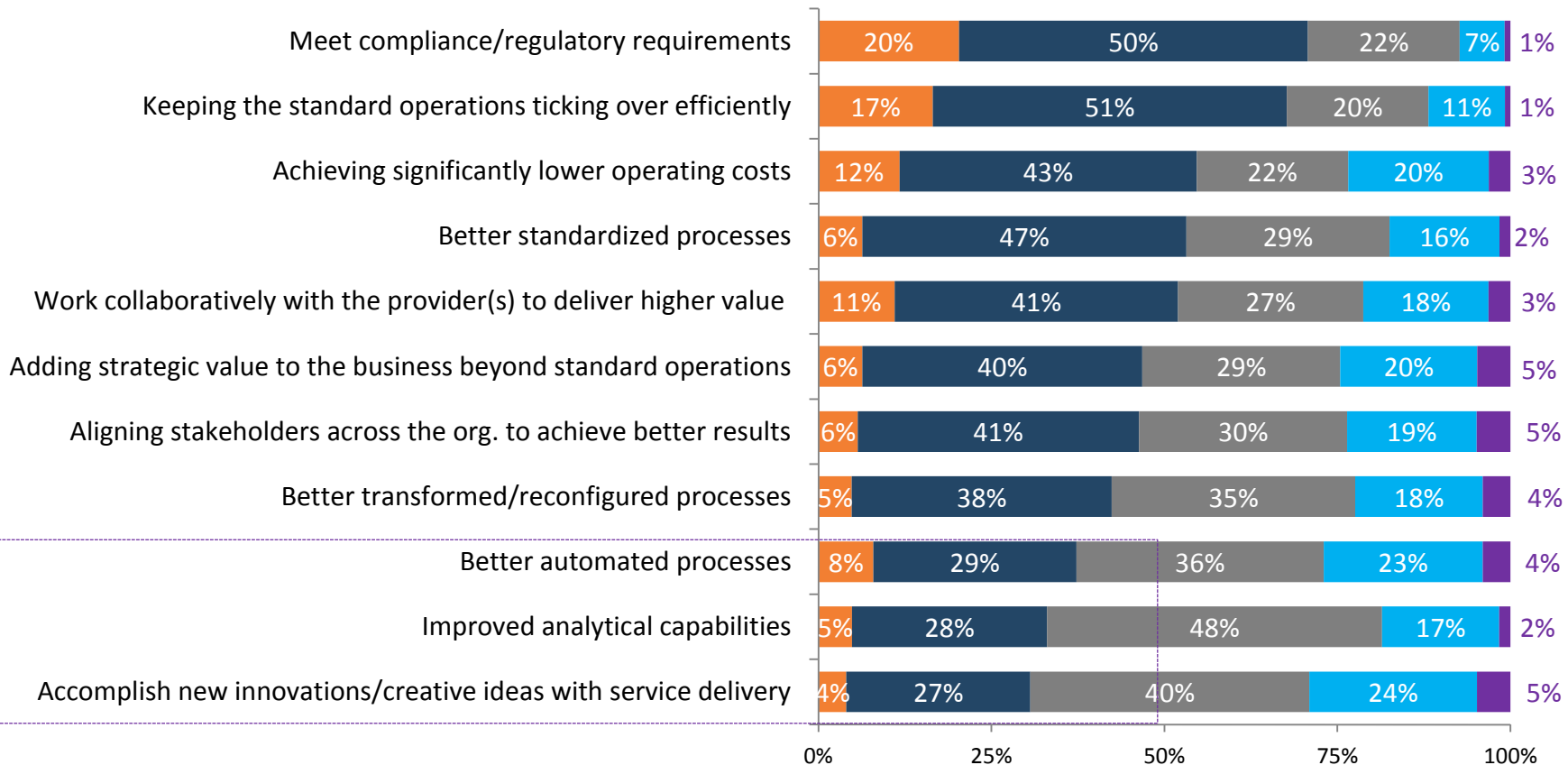
Source: HfS Research and KPMG LLP, 2015

Sample: 168 Enterprise Buyer Executives from "Achieving Value Beyond Cost" Study

Two-Thirds of Enterprises Lack “As-a-Service” Skills...

How satisfied are you with your internal talent’s ability to achieve the following business outcomes with your current outsourcing engagement(s)?

■ Very satisfied
 ■ Satisfied
 ■ Neither satisfied or unsatisfied
 ■ Unsatisfied
 ■ Very unsatisfied

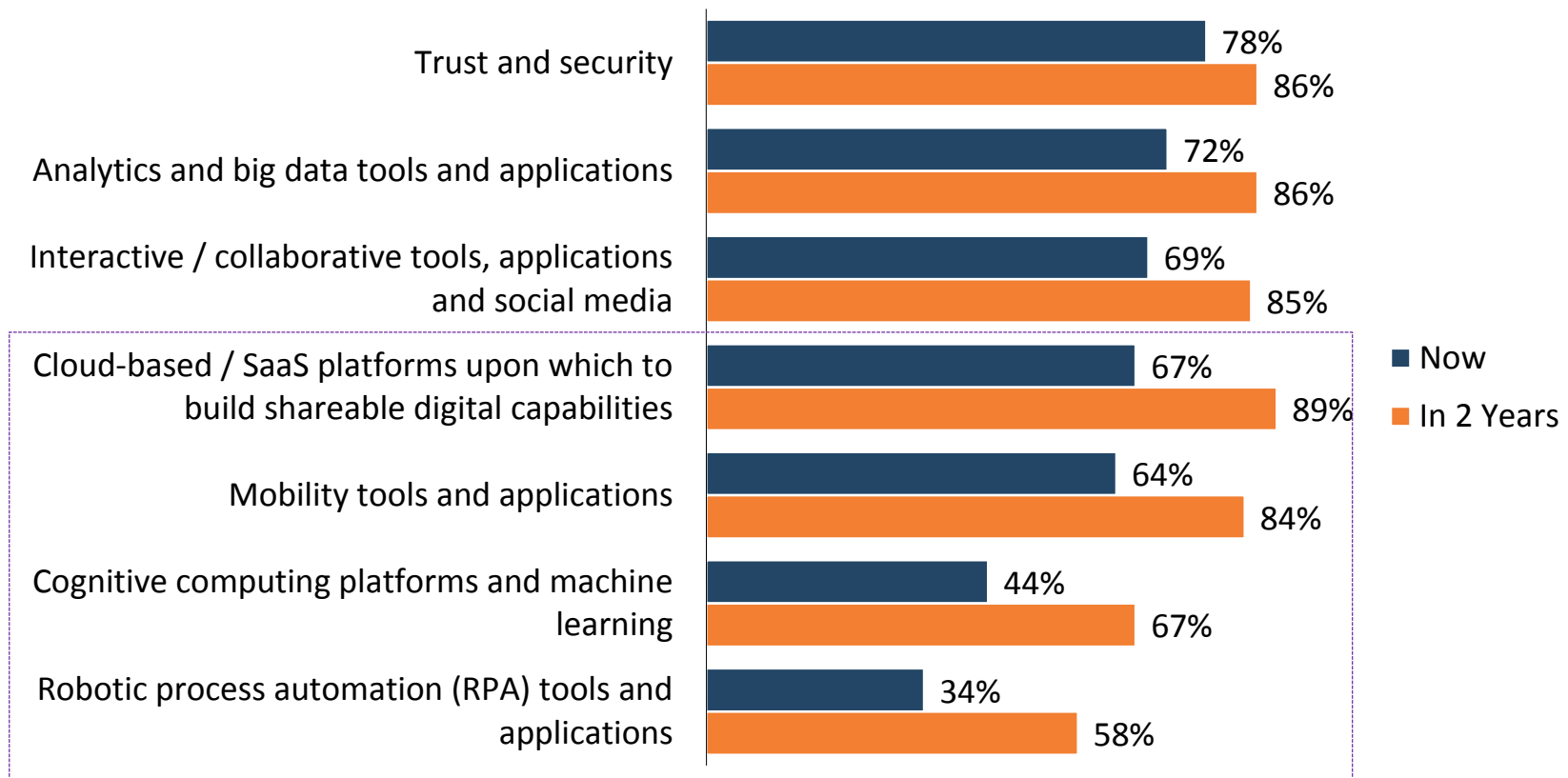


Value Beyond Cost

Source: HfS Research State of Industry Study 2014, conducted in conjunction with KPMG (Sample 312 Enterprises)

Big Changes Expected Between Now and In Two Years Time

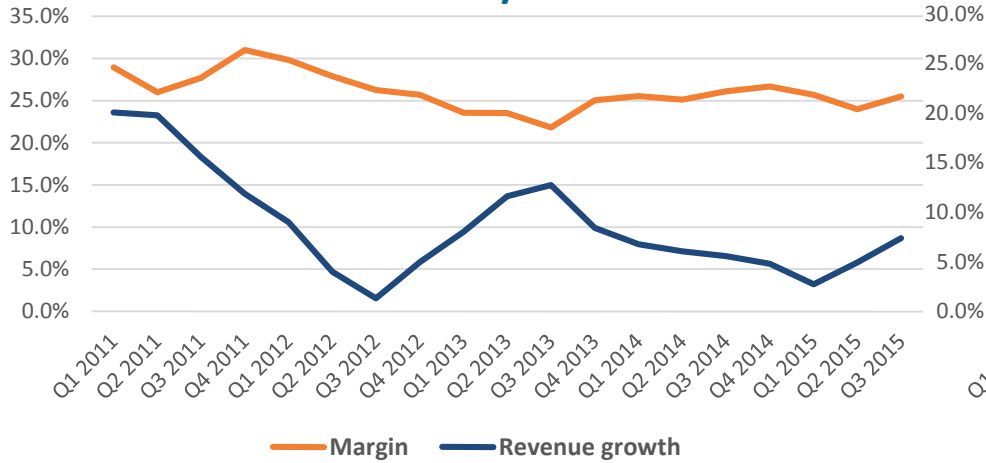
Q14. In your experience, how much impact are the following digital components having on your F&A processes? (Now and in 2 years – Just Major and Some Impact)



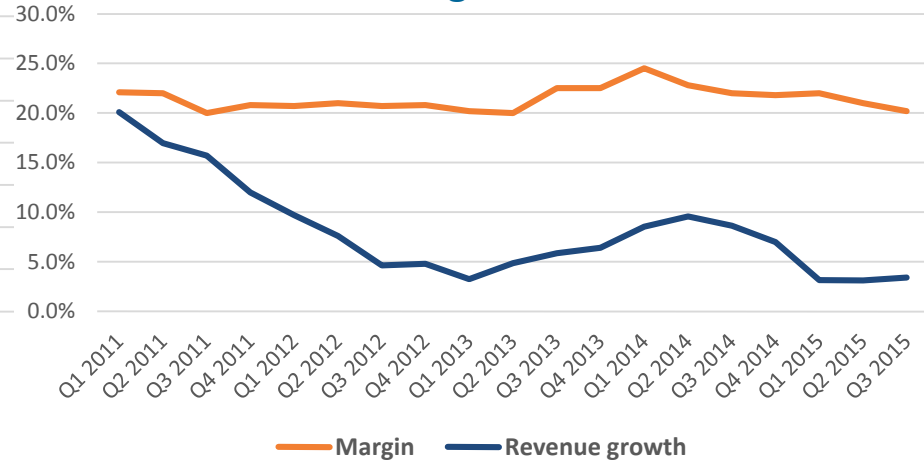
Source: "Re-architecting Finance" Study, HfS Research 2016
Sample: Enterprise Buyers = 160



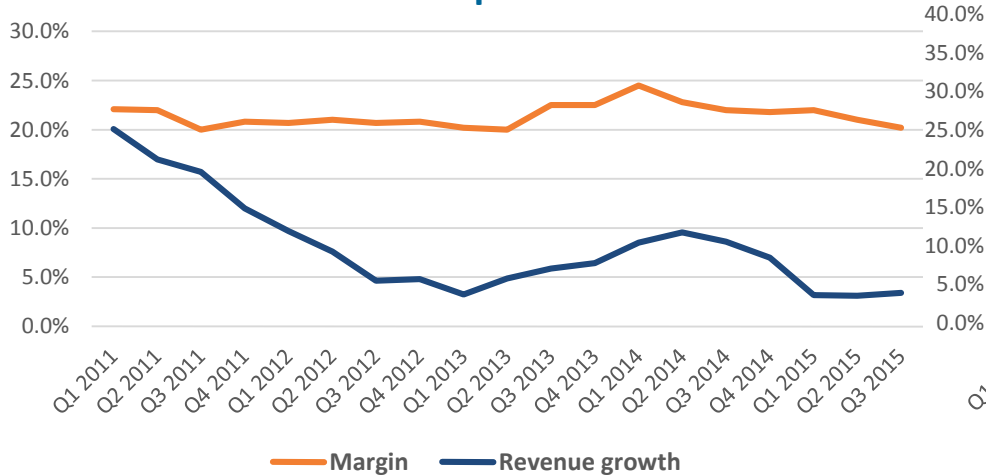
Infosys



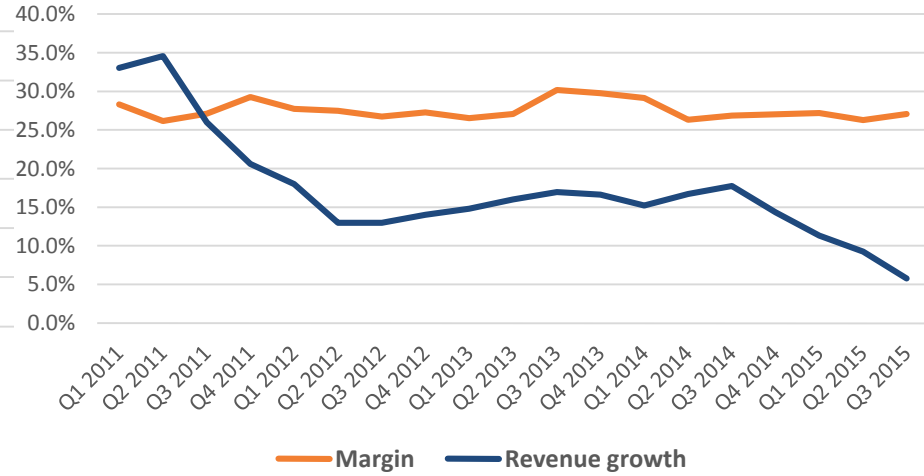
Cognizant



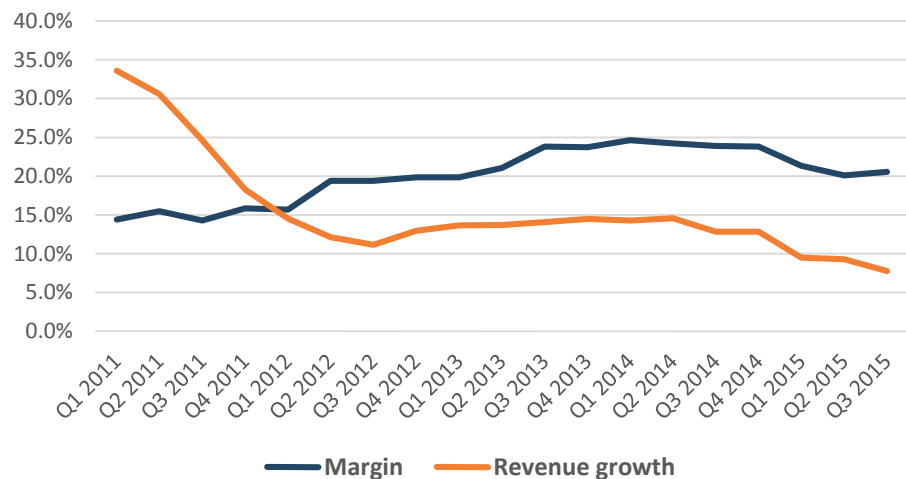
Wipro



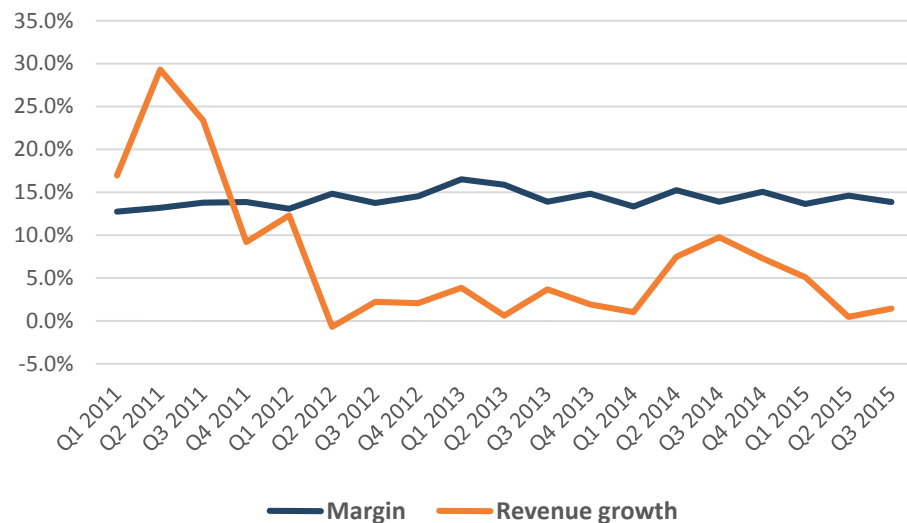
TCS



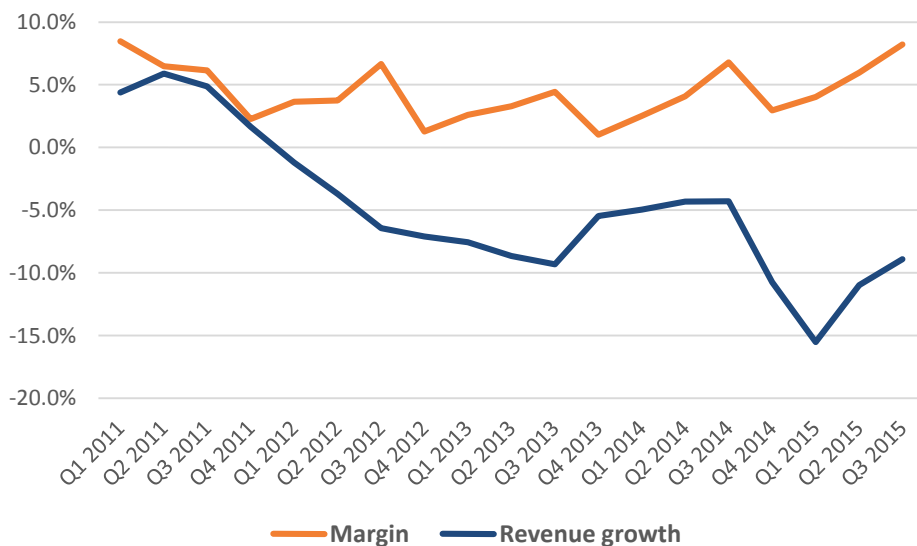
HCL



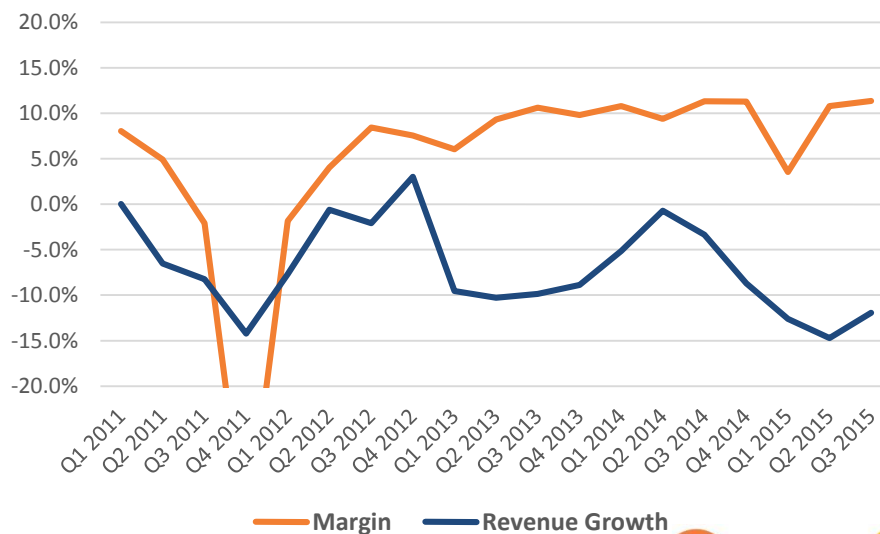
Accenture



HP ES



CSC



So how this will play out?

Questions?



What Happened to BPO

...and What Is Truly Coming Next?



An HfS Webinar Production, 4th February, 2016

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