

ADVENTUROUS BPO BIZ PLATFORMS

IN A business environment, organisations are locked in an ongoing struggle to cut costs, streamline processes and innovate operations. Hitherto, the business case for BPOs was typically built on labour cost arbitrage (lift and shift) and economies of scale (consolidation of distributed activities). However, customers today are looking beyond this to BPO providers who will deliver not only the best practice processes but also technology-enablers for seamless global business processing in a cost-effective manner.

Key Challenges: Achieving seamless global delivery is often hampered by a complex, heterogeneous systems landscape unable to communicate with each other. Due to inorganic growth strategies or through tactical de-centralised IT investments, many organisations operate fragmented, heterogeneous enterprise resource planning (ERP) systems.

Business Platforms — The Way Forward: To address this challenge, Platform BPO has emerged as an innovative service delivery model, wherein end-to-end processes are offered as 'managed services', on a standardised 'business platform' based on the best ERP solutions, hosted and maintained by the BPO provider. This involves implementing, and managing



⇓
'PLATFORM BPO' IS A SHIFT IN THE METHOD OF SERVICE DELIVERY FROM A TRANSACTION-CENTRIC MODEL TO A PROCESS-CENTRIC ONE

an end-to-end process that converges the ownership of the outsourced process, people and technology to

the BPO provider and is aligned to the business and strategic objectives of the customer. This bundling of technology, consulting and BPO helps synergistic value creation, delivers transformational value and additional cost-savings using strategies such as global sourcing, technology innovation, process optimisation, scale, and centralisation.

Technology-Led Process Transformation: The advent of service oriented architecture (SOA) has enabled the Platform BPO approach. It enables the BPO provider to act as an extended enterprise of the customer and deliver services while being loosely coupled to the customer's applications instead of being tightly integrated to customer's IT landscape. This service delivery model is a shift to a process-centric model from an application-centric model.

The Platform BPO model is a shift in service delivery from a transaction-centric model to a process-centric model, and creates advanced services and integrates them deeply into companies' value chains, in part, by combining internal capabilities with specialised processes and tools from providers.

HARIPRASAD B K

(The author works with Infosys BPO)