

## Indian BPOs continue to be bullish

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As the Indian BPO industry looks to move up the value chain, the low cost factor, which was once the industry's biggest strength, has taken a backseat. Companies looking to offshore work are looking at factors like proximity, ability to deliver high value and the quality of labour pool over cost arbitrage.



Philippines, India's strongest competitor in the BPO space, is seeing Indian companies setting up operations in the country. The Filipino BPO industry is now confident of outpacing India's pace of growth.

Oscar R. Sanza, CEO, Business Processing Association, Philippines, said: "Last year, it was crisis year but we grew 15%. We delivered \$7.2 billion in 2009. This year, at least 30% growth is our projection... that brings us to \$9.5 billion, and another 30% next year bring almost \$12 billion. That's a good pace of growth, and we are confident we will get there."

According to AT Kearney's Global Services Location Index done last year, India is still the favourite BPO destination in the world followed by China and Malaysia. New players like Egypt and Jordan are ranked at sixth and ninth, respectively, in the list.

Samir I. Asfour, Commissioner for Investments & Development, Jordan, said "If we look at the workforce, which is our real strength and asset. Jordan's population is about six million... if we are addressing the Arabic-speaking market or countries, Jordan is perfectly positioned to do that."

In addition to acquisitions, analysts expect Indian BPO companies to aggressively set up new centres in Europe, Latin America and South East Asia. BPO firms say India will remain the top destination even as clients are increasingly moving to a global sourcing model.

Shantanu Ghosh, senior vice president, Genpact, added: "Both from a capability and a resource structure perspective, we have the advantage. Having said that, we cannot obviously be complacent about that because everyone wants a share of the pie. Everyone has got into the English-education space..."