NASSCOM®

Indian BPM Industry-
CEO Strategic Imperatives

September 2015

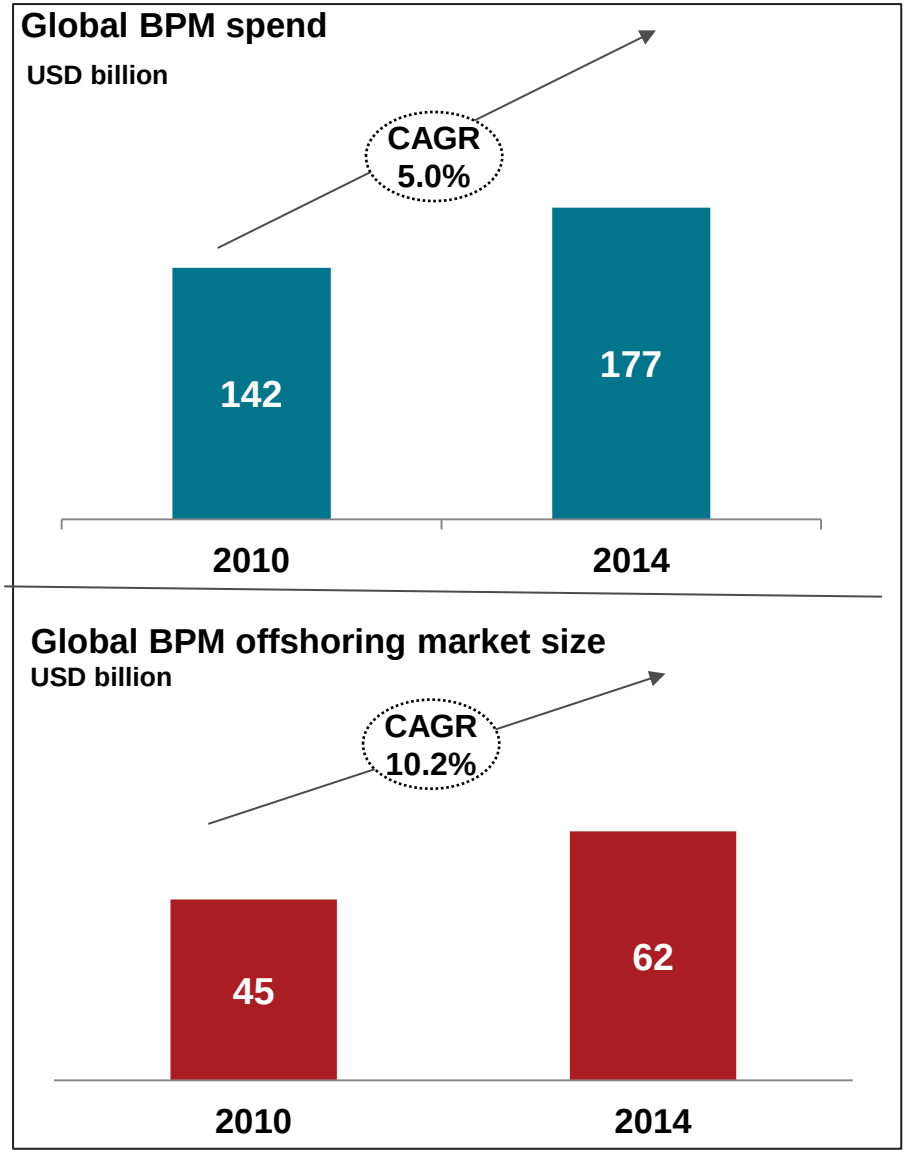
What we are going to cover today

NASSCOM®

- **IT-BPM Industry: Facts and Trends**
- **Indian BPM CEO Strategic Imperatives**
- **Top BPM Companies in India FY2015**

Global BPM industry - Maturing and diversifying

NASSCOM®



- Global BPM spend grew **1.5X** in the last 8 years
- BPM sourcing growing **1.8X** in 2014 at 13 per cent
- India's share in global sourcing **38 per cent** in 2014

Source: Everest, IDC, Gartner, NASSCOM

Global BPM industry – Winds of Change

NASSCOM®

Key Trends

Suppliers

- Increased adoption of HR and Procurement platforms; End-to-end outsourcing of F&A services
- Increase in service delivery centres in tier II/III locations

Demand

- Increased adoption in BFSI, healthcare and retail sector, and emerging geographical markets such as Africa and LATAM
- Increased demand from SMBs

Deals and Contracts

- Deal value grew by 15%, but number of deals reduced by 25%
- More integrated (IT+BPM) deals; analytics and cloud driven

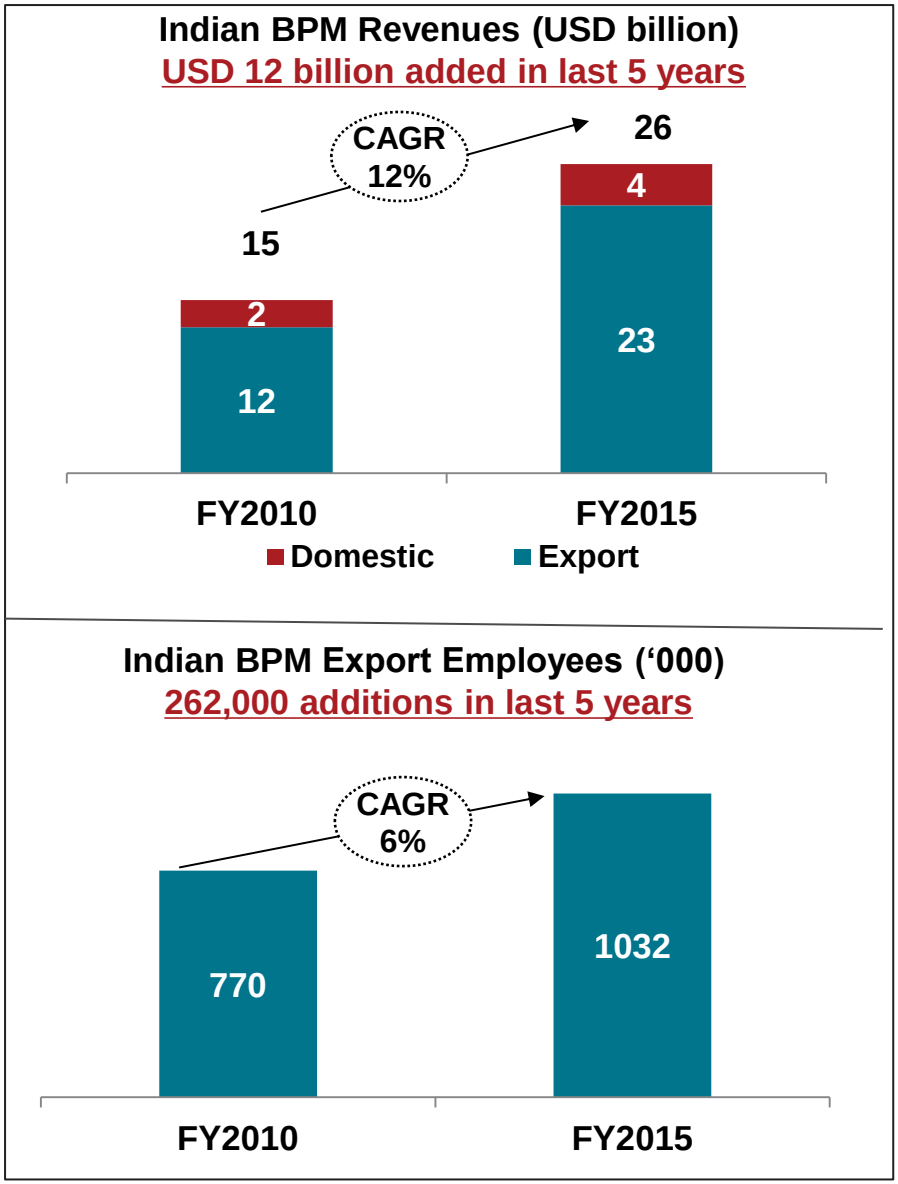
Mergers and Acquisitions

- Large scale consolidation trends, leading to global BPM landscape reorganization
- 3 big ticket M&As last year (Teleperformance-Aegis, Synnex-IBM and Convergys-Stream) worth USD 2 billion

Source: Everest, IDC, Gartner, NASSCOM

Indian BPM industry- Steady Growth

NASSCOM®



- **Largest location** for **CIS** services **~2.2X** in last 5 years
- **Financial services specialist** centre ~2X in last 5 years
- **Knowledge services** hub for the world – **fastest growing at ~3X** in last 5 years
- **>43,000 export employees** added in FY2015
- **>60 per cent recruitment** from **non-Tier-I locations**
- **>40 per cent female** employees

Source: NASSCOM

Volatility, uncertainty – the new reality; creating new shifts

NASSCOM®

Economic shift

- Global stock index volatility increased by **50%** over the last 3 years

Consumer preference shift

- Online sales are growing at **3X** than store-based retail

Demographic shift

- The gap in the median age of the developed and developing economies to increase by **20%** within the next decade

Technology shift

- **Over 6 billion** people have access to mobile phones but only 4.5 billion have access to toilets

BPM industry needs to align its value proposition and underlying solution elements to remain relevant and thrive in this changing business environment

NASSCOM interviewed the Top BPM CEOs to understand their 'Strategic Priorities'

Take a sneak peek…

Source: Everest, NASSCOM

CEOs Strategic Priorities - Staying ahead of the curve…

NASSCOM®

	FROM	TO
1	'Operations' focused	'Customer focused'
2	'Process Experts'	'Solution Experts'
3	'Cost Savers'	'Digital Transformation Specialists'
4	'Order-driven'	'Outcome-driven'
5	'Scale Driven'	'People driven'

SERVICE PROVIDER → STRATEGIC PARTNER

CEOs Speak

"Start disrupting yourself before the customer disrupts you. Explore how the work can be automated, replaced with software and be proactive. If the customer figures out how to do it, then you will not be required."

"There is a fundamental shift in the BPM industry – transformation is taking place in the industry itself. We are not just transforming our clients' business, but transforming our own business models as well"

"Clients do not know who their new competition is. They expect us to understand their markets, technology and business. they want us to help them understand what their customers want, and how we can help them"

Source: NASSCOM

…Re-think, Re-Align and Transform

NASSCOM®

- Disrupt or be disrupted
- Know your customers business inside out
- Pick your bets, specialize or perish
- Think solutions, forge partnerships
- Embed analytics in the organizational DNA
- Put skin in the game
- Focus on creating great customer experiences

Source: NASSCOM

Top BPM Exporters in India FY 2015

NASSCOM®

Top 10 BPM Exporters in India FY2015

Rank	Company
1	Genpact Ltd.
2	Tata Consultancy Services Ltd
3	Serco Global Services
4	Wipro BPO
5	Infosys BPO
6	WNS Global Services (P) Ltd
7	Firstsource Solutions Ltd
8	Aegis Ltd.
9	Hinduja Global Solutions Ltd
10	EXL

Note: This list does not include some firms whose corporate headquarters are located outside India, but have significant India-based delivery capabilities, and have not shared their India-based revenue figures. Had they been ranked based on their India revenues, firms such as Convergys, Accenture, Concentrix and Sutherland Global Services would have also appeared in this list.

Source: NASSCOM

NASSCOM®

THANK YOU