

# *Stick with BPO?*

Find out if you're getting the most out of your BPO engagement?

March 2018



## *We are hearing a number of different issues from our clients....*



## *The BPO landscape has evolved and it can be difficult to stay ahead of the curve....*

Outsourcing can be an extremely effective means to achieving strategic operational gains and cost savings. If done effectively, it can provide advantage over peers. But the potential rewards often go hand-in-hand with risks and challenges – more complex arrangements are harder to manage and more likely not performing in the optimum level. From our experience, clients need to take responsibility to drive improvements and constantly challenge service providers throughout the outsourcing contract. However such skills or understanding of the changing BPO landscape may not exist in the current organisation.



### **Talent**

*In view of the evolving nature of outsourcing the need for talent is changing from the traditional technical profile to include many of the skills required for higher-value services (eg customer care, vendor mgmt, digital integration etc.)*



### **Delivery**

*As product life cycles shorten and competition stiffens in a financially unstable economy, companies, are increasingly looking for differentiating innovation in services, solutions, and delivery models.*



### **Technology**

*Adoption of new and upcoming technologies (eg cloud services, data analytics, RPA, SaaS) is not only driving change in IT landscape but also influencing implementation of new governance models.*



### **Commercial**

*Client provider relationships have matured, as have the commercial construct of BPO arrangements, moving away from time & material or FTE cost towards more transactional or outcome based pricing. That creates win a win.*

# *But you're not stuck. There are options for your business*



## *A PwC BPO Healthcheck™ will identify what is the right option for you.*

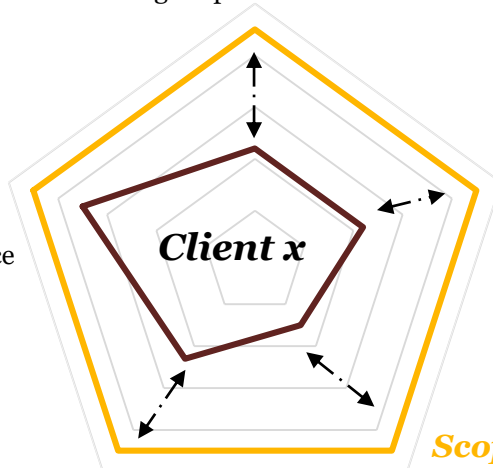
A 'BPO healthcheck' is an integrated part of the final step of our Shared Services and Outsourcing methodology designed to help clients review the performance of existing BPO arrangements as well understand available options and opportunities. It is delivered via a range of assessment techniques, including our Health check tool, workshops, interviews, contract reviews and benchmarks

### ***Maturity***

- At what stage is your BPO arrangement?
- Are you focused on outcomes or still measuring outputs?

### ***Relationship***

- Does your service provider communicate effectively, seek common ground, take on board difficult points of view and compromise where appropriate?
- Is your partnership with your service provider growing in strength?



### ***Value***

- Are you realising the business benefits outlined in your original business case?
- Is your service provider adding value to your business, as well as performing the transactional agreements?

### ***Quality***

- Is the service delivery constantly improving?
- Is your service provider proactive in preventing and resolving issues?

### ***Scope***

- Are you outsourcing the right breadth of activities?
- Are you leveraging your service provider's technology and expertise?

## Talk to us now about



**Strategy:** how you can benefit from outsourcing to improve operations, innovate, or grow



**Automation:** How you can restructure BPO relationship to include RPA



**Process:** how you can redesign your processes to maximise the benefit from your BPO relationship as part of an optimized end to end processes



**People & Change:** what it means for your teams and people, and what the opportunities are



**Risk & Cyber:** how you can assess and mitigate risks



**Benefits:** what benefits your organisation expect and how quickly

## Benefits

**20-25% lift in efficiency through a BPO Health Check™**

**Improve customer satisfaction through better service**

**Moving business services from service provider relationship to business partner**

## Success Stories

### **BPO Process Review**

The client had an outsource arrangement for a process, which was business critical yet not delivering the quality, mainly low error rates expected. PwC was engaged and undertook a piece of work to look at how the process would perform through robotic process automation. The pilot was successful and was able to demonstrate a return in quality and cost through an automated process.

### **BPO Review**

Towards the end of the contract term for a BPO arrangement, PwC undertook a review, of vendor performance in comparison industry standards across all facets of the contract. Based on this review the client went to market and ended up establishing and transitioning to a captive.

## **PwC are recognised as marked leaders in shared services and outsourcing**

The international Association of Outsourcing Professionals (IAOP), the global standard setting organisation and advocate for the outsourcing profession, has ranked PwC first on its list of the "World's Best Outsourcing Advisors".

With over 27,000 Advisory professionals around the world, we work collaboratively with over 80% of the world's Fortune 500 companies.



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