



Inside with: Karen Bowman

President, Convergys Employee Care

Special points of interest:

Larry Janis' Interview with:
Karen Bowman
(part two)

Wipro Moving Upstream

Convergys Employee Care supports every facet of human resources business process outsourcing (HR BPO) - from design and implementation to day-to-day operations. They deploy effective business solutions that leverage integrated technologies, 20 years of proven HR expertise, and a global services footprint. With access to critical workforce intelligence, Convergys helps drive informed business decisions and competitive advantage.

LJ: How does having an offshore presence benefit your abilities to be competitive in the BPO space?

KB: Unlike most of our competitors, Convergys can leverage an existing global infrastructure and resources to deliver flexible outsourcing solutions today .

Convergys Employee Care achieves primary cost savings through streamlined processing and consolidated HR service delivery domestically and globally.

We leverage the right business model to meet each client's business requirements and outsourcing goals. For example, Fifth Third looked to Convergys not only to achieve operational cost savings but to effectively manage business growth and the implications on HR.

The Convergys integrated global footprint provides clients with high quality, cost-efficient, universal HR outsourcing solutions

Convergys offers globally integrated solutions, state-of-the-art technologies, and data centers in North America, EMEA, and Asia Pacific.

- * Nearly 50,000 associates and 50+ locations worldwide
- * Through our acquisition of Avaya global employee service centers and by leveraging our corporate capabilities in other global locations such as India, we have expanded our global reach
- * These multi-channel HR contact centers allow us to serve global employee populations "locally".
 - ▶ We are now providing multiple HR services to our clients' employees in 27 languages across 54 countries
- * In addition, through our centers in India, Convergys can deliver dramatic cost reductions to our clients interested in "offshoring" operational components of HR and payroll administration today

From the Editor.

Welcome to our current issue!

Inside Outsourcing's goal is to provide you with articles of interest and with a forum for the exchange of information in this rapidly evolving industry.

Inside with: Karen Bowman

President, Convergys Employee Care (continued)

LJ: What are the most common misconceptions regarding BPO?

KB: BPO Misconceptions Overview

1. BPO does not equal service bureau transaction processing
2. BPO can be implemented at any time in a client's operational or structural lifecycle
3. In BPO, the function is shared with the client
4. BPO is not just a quick fix; it drives sustainable business impact

The most common misconceptions regarding BPO include:

How BPO is defined

The definition of HR BPO according to IDC is described below:

Business Process Outsourcing involves the comprehensive outsourcing of most or all of the responsibility for the management and administration of HR to a third party. HR BPO typically include managing an HR application and employee portal, payroll and benefits administration and recruiting administration, and is expanding to include training administration and support for performance management.

This differs from what the HR market has traditionally referred to as outsourcing, which has involved an HR/Payroll software component and discrete business functions such as payroll or benefits that involve high-volume transaction processing leveraging a service bureau model. IDC refers to this as the outsourcing of "Processing Services" which is defined below:

Process services include discrete, volume based HR activities or processes, such as payroll or benefits administration, that deal with the execution of a process but not with a transfer of management responsibility for that process to the external vendor.

Convergys Employee Care provides outsourcing services today to many large organizations which involve full management responsibility of one or several functions such as the Employee Service Center, HR Administration, Benefits Administration, Payroll Administration, among others.

How much is really outsourced

In a BPO engagement, while the provider takes accountability for the delivery of the function, the client organization maintains control of strategic program design and implementation, policies and procedures, and process.

The provider functions as an extension to the client's HR organization, executing workflows, service models, and the technology infrastructure

Provides client insight to workforce trending and analysis through contact management, knowledge management and reporting tools



Karen Bowman
President, Convergys Employee Care

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President, Convergys Employee Care (continued)

The benefits of BPO

BPO is not just a quick fix for reducing costs

BPO should drive business improvements through the service provider's infrastructure, delivery model, and domain expertise

Improves bottom line through direct savings, cost avoidance, and capital expense reductions

Assures variable cost models

Consolidates vendor management

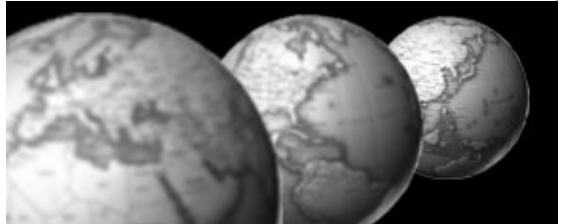
Reduces human error through automation and streamlined processing

Decreases compliance risks

BPO should additionally drive business impact through business intelligence

Trend analysis on workforce patterns, program effectiveness and strategic capabilities planning

Better alignment of workforce skills with organizational initiatives



LJ: What are the top qualities that you would look for in a potential BPO partner?

KB: Convergys evaluates business partnerships in order to:

- * Gain access to and fulfill service requirements within new markets
- * Enhance technology and service capabilities to meet evolving client needs

In considering BPO business partnerships, Convergys evaluates the following:

Experience and Track Record: Given the relative immaturity of the BPO industry, extensive client experience is hard to find. However, it is possible to identify a partner who has delivered measurable results to its customer base, has referenceable clients and, in addition, possesses deep domain expertise within its management team.

Technology Strategy: Convergys evaluates the supplier's technology approach for flexibility, scalability, globalization, and feature / function capabilities.

Service Excellence: Convergys evaluates the partner's service model, the ability to integrate service delivery, and measures of success (such as client and industry accolades).

Flexible Contract and Pricing Model: Contract and pricing model, which embody the structure of the partnership, must be win-win for both parties, and neither party must exert undue leverage on the other for conditions that may be to their near-term or long-term disadvantage. It is also important that the supplier is flexible in negotiating the relationship not just at the outset, but as it develops over time and circumstances occur.

Global Reach: As a global organization, we assess each provider's ability to support decentralized operations, partners and clients. This includes a global infrastructure as well as multi-language capabilities.

Cultural Fit: As an organization that prides itself on quality and service excellence, it is imperative that our business partners value the same principles



Integrated Search Solutions Group

We are a retainer-based executive search firm that has a global presence with specific expertise in outsourcing. We have been involved in outsourcing as a discipline for over eight years. Our experience includes Information Technology, Business Process (Human Resources, Finance & Accounting, and Marketing), and Telecommunications.

We have a proven track record with established Fortune 500 companies as well as venture capitalized start-ups.

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www.besworld.com (EMEA)

Members of: HROA, SBPOA, BPOAdvisory Board

Phone: 516-767-3030

email: janis@issg.net

Wipro named among top 10 outsourcing vendors in US

Wipro Technologies, the global information technology services division of Wipro Ltd, has been listed as the leading Indian company in the top 10 leading outsourcing vendors in META Group's recently released North American list of leading outsourcing vendors.

The other Indian companies who were rated include Infosys and TCS. According to analysts, Wipro has been rated higher than peers like Infosys and TCS because of its ability to provide a wider bouquet of IT services and solutions than any other Indian software service provider.

Wipro has been bunched in the 'challenger' segment along with Hewlett-Packard, ACS, Unisys, Perot Systems, TCS and Infosys. The Meta report has classified the leaders in the North American market as Accenture, IBM Global Services, CSC and EDS.

"This is clear proof that Wipro is now being considered in the same league as the bigger multinational players and vindicates its efforts at trying to be an end-to-end player," a Wipro official told Business Standard.

Wipro Technologies was acknowledged for its leadership in quality practices, its cost structure and higher growth rates relative to other offshore and domestic vendors.

"We are pleased by our favourable rating in the METASpectrum based on our global presence and delivery excellence in providing quality IT, BPO and product design services to our clients, across the globe," said Sudip Banerjee, president - enterprise solutions, Wipro Technologies.

"This rating validates our approach in achieving the vision of being amongst the top 10 global IT service providers and inspires us to work towards providing yet better value to our customers."

Only the mediocre are always at their best.

Jean Giraudoux (1882-1944)
