



AN ESSENTIAL GUIDE TO CREATING BUSINESS VALUE



The changing shift in the outsourcing business model underlines the importance of the wider role played by these companies nowadays. Outsourcing companies have started offering customized services to divert the attention from cost-effective means to following customer-centric approach. There was a lot of attention paid to Key Performance Indicators (KPIs) to enhance productivity. They wanted to focus on accuracy and practice high quality standards. It served business quite well, earlier.

In the second phase, the 'Process Value Creation' was replaced by 'Business Value Creation'. There was a real urgency shown by businesses to make a direct contact with customers. A lot of investment was made on training and recruitment purposes. The foundations were laid a long time ago when the outsourcing sector first emerged on the scene. There has been a continuous development made at different stages. The present phase suggests that every single customer contributes to the overall success enjoyed by businesses.

Why Businesses Should Invest in Emerging Techniques?

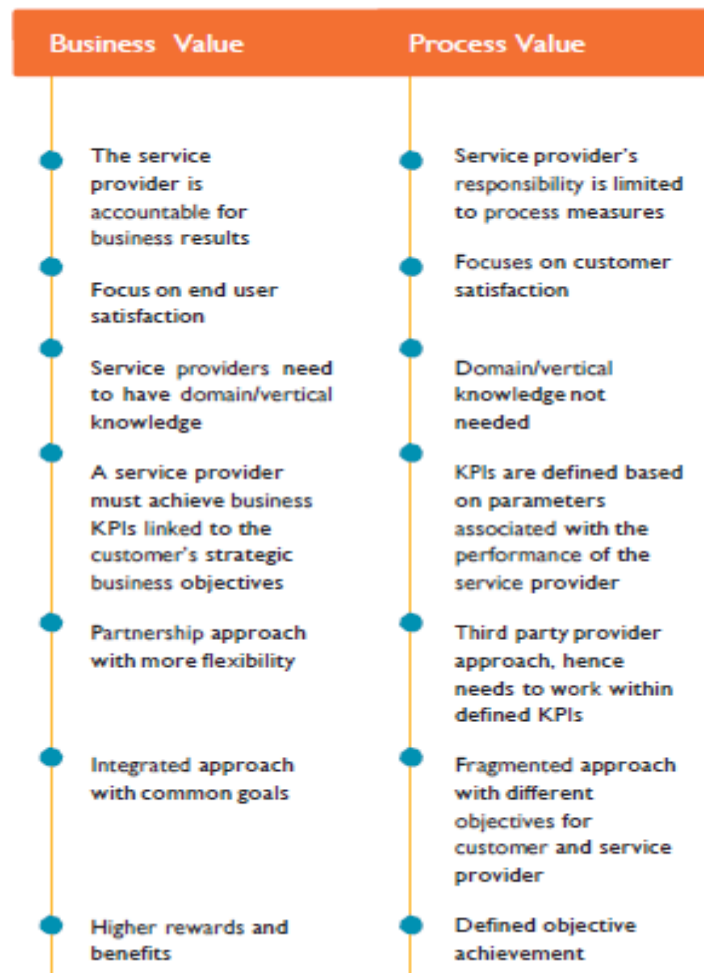
The changes brought at the ground level are not revolutionary, but evolutionary. Outsourcing companies practice 'Business Value Creation' model to offer timely solutions. There was a time when businesses were primarily concerned about reducing costs etc. With the changing business environment, they started considering the quality of service a key factor. It can be said that it was the next step as businesses wanted to develop a loyal network of clients.



As the situation continued to grow tense due to recession, there was a need for innovative policies to be introduced at different levels. The growing competition and technical advancements have led the change.

How 'Business Value Creation' Model Works?

There are certain points which make it one of the successful business models in the outsourcing sector.



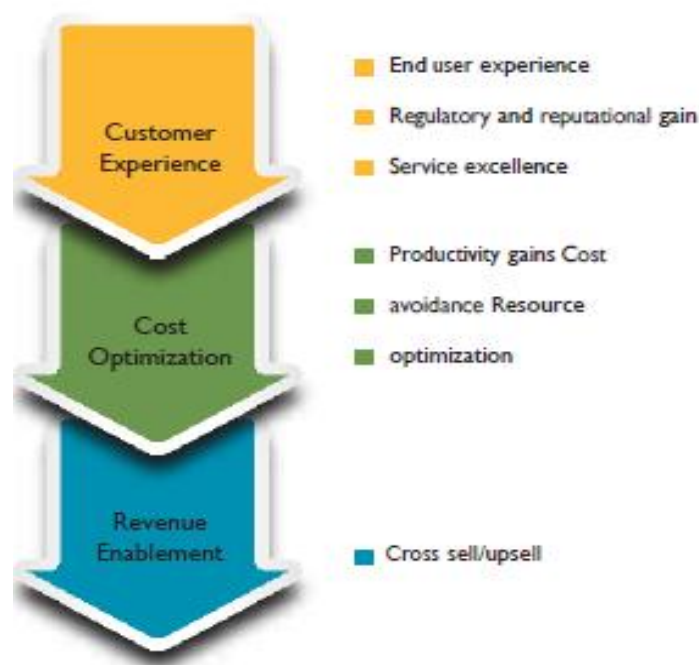
Outsourcing companies are responsible for retaining existing customers, add new ones and generate extra revenue, etc. They need



to gather a lot of information to handle customer queries in an effective manner. The performance is dependent on how well they know the process.

A limited perspective would only prove to be a hindrance, to put things rightly. This is one of the biggest differentiating points between Process Value Creation and Business Value Creation. The kind of participation made by the employees would go a long way in retaining clients.

The concept 'Business Value Meter' system is based upon consumer behavior. It is an ideal way to know what customers want and offer them the right set of services.



Impeccable Service Standards: The dedicated team would be able to create a network of loyal followers. They put a lot of efforts to know



what a customer want and what they expect. They consider customer service a driving force.

Strengthening Brand Image: When a customer gets timely and quick response, they spread a word about it. It proves to be one of the best marketing techniques as it builds trust and faith in customers.

Protecting SLAs/ KPIs: The sole objective is to maintain excellent standards taking the corporate and financial responsibilities into account.

How Business Process Outsourcing can Reduce Operational Costs?

1. Process Improvement: The best option is to invest in training programs. There are different programs like six sigma training programs to help executives justify the potential and reach newer career heights.

2. Innovative Ways to Cut Costs: Cost avoidance programs bring a lot of scope to reduce costs and increase profit. It is another important technique as businesses can identify the problem area and channelize the efforts to utilize funds in a better manner.

3. Utilizing Resources to Maximum Effect: Outsourcing companies utilize resources to improve the existing business model. There was a time not long ago when lower labor costs used to be the driving force. Outsourcing providers invest adequate funds on hiring and training the employees to work on customer satisfaction.

4. Generating Revenue Opportunities: These providers keep on re-inventing business strategies. They want to generate revenue without



compromising on quality standards. The marketing strategies like cross-selling and up-selling has been a result of innovative steps taken by them.

How to Implement Business Value Creation Program?

Outsourcing companies consider customer satisfaction a key parameter. They know that it is one of the most effective ways to develop a strong community of customers. The customer-facing teams should be equipped with accurate knowledge of business goals to execute the plan effectively.

Complete Know-how of Corporate Culture:

Outsourcing providers need to have complete information on business-specific requirements. They need to know everything right from financial business targets to corporate strategies. It makes perfect sense to spend time on gathering information as they need to handle complex queries.

- **Implementing Business-specific Policies:** It has become extremely crucial to implement policies which are specifically meant for a particular industry. It would result in more satisfied customers as they would get assistance from expert professionals.
- **Setting Impeccable Quality Standards:** The quality aspect is one of the most talked about points of a business value meter. It gives them an opportunity to monitor and analyze the performance closely.



- **Future Growth Plan:** The next step is to find the gaps and fix them permanently. It gives them an opportunity to identify the low-performing areas and find the underlying reasons behind it.
- **Execute Plans to Perfection:** This is the biggest challenge. There would be certain changes taking place as old policies make way for the new ones. The challenge is to keep the transition process smooth.
- **Ensure Stability and Success:** Outsourcing companies need to ensure stability at every step of the way. These policies are created keeping both short-term and long-term corporate goals.

Business Process Outsourcing (BPO) sector is going through a transition phase. The post-recession period has brought a set of new challenges. Outsourcing companies put serious efforts to resolve every single query to perfection. Businesses have a real chance to lower down operation costs and improve standards. These are really exciting times as businesses are experimenting with new strategies. They can go ahead and ask for customized services from the top outsourcing providers.