

Outsourcing, India, and BSS - your Strategic Offshore Partner.

Global Business Climate –

Increasing pressure to **cut corporate cost and stay ahead of competition** is been the necessity of global businesses for today, tomorrow and ever.

More companies than ever before will use remote programming and business processing resources to support their corporate goals in the coming years. Outsourcing in today's world is seen as a strategic management option rather than a just a way to cut costs. It helps achieve the companies their business objectives through operational excellence and an edge in the marketplace.

According to IDC, worldwide IT outsourcing and processing services spending was approx \$ 116.0 billion in 1999 and is expected to reach \$ 177.2 billion by 2004, representing an 8.8% CAGR. US outsourcing services are expected to grow at the same CAGR through 2004 to \$ 61.6 billion. Dun and Bradstreet estimates that outsourcing will be a \$ 1 Trillion market and Gartner predicts that BPO revenues will exceed \$ 301 Billion in 2004.

Why Outsourcing?

Resources of the companies need to be focused on core business functions so the non-core functions need to be outsourced. Outsourcing gives you the right combination of people, processes and technology to operate effectively in the Global market place without burdening your time and budget.

Companies outsource in order to achieve the following benefits:

- Financial Savings
- Technical Abilities
- Market Agility

The key drivers that is influencing development of global or offshore outsourcing, includes -

- The need for companies to reduce costs and remain competitive.
- The need for companies to improve the quality of their software maintenance and development efforts.
- An increased acceptance and understanding of the value of offshore outsourcing — cost, quality and time-to-market benefits.
- An increased awareness on the part of all Global 1000 firms that some portion of their IT function can be supported in lower cost geographies and that this is the wave of the future.
- Many offshore firms have mitigated the risks associated with offshore outsourcing relationships.
- Offshore IT-enabled services firms are beginning to mature and have legitimate customer references to support their value and safety propositions.

India Factor - What is that prompted MNCs to set up their base in India?

"In India, free-market reforms are creating the world's largest back office, transforming the country into a major force in IT, outsourcing, and critical service application delivery."

Rick Wills, CEO, Tektronix Inc.

- India's quality and cost benefit edge is one of the major draws for the increase of offshore outsourcing by MNCs to India.
- India has the second largest English speaking scientific manpower pool in the world, second only to the US.
- 82% of US companies ranked India as their first choice for IT/Business Process outsourcing
- IBM, Microsoft, Novell, Oracle, AT&T, Fujitsu, Motorola, Digital, HP, Philips, GE, IBM, Reebok, Fujitsu, British Aerospace, General Motors... the list is endless.
- Indian graduates cost 50%+ lower than in the US.
- Initial set-up costs are half those in the US.

Today, the India-based **Business Process Delivery** and **Offshore Software Development & Maintenance** approach has been used very successfully by several companies like Consolidated Freightways, General Electric Company, American Express, EDS, Accenture, Convergys, Bell Northern Research Limited, Texas Instruments, Digital Equipment Corporation and Citicorp to name a few.

BSS, Your Strategic Offshore Partner

BSS's Offshore Development Center is a proven and successful delivery model for providing customers an extension arm for their software engineering, maintenance and support facilities, and at the same time extending the flexibility of ramping up and down with skilled and responsive people.

Business Arrangements: BOM – Build, Operate and Maintain / BOT – Build, Operate and Transfer

Our business arrangement is highly flexible and designed to meet dynamic requirements of today's businesses. BSS's ODC facility can be either owned jointly by BSS and your company or can be entirely owned by either. Alternatively, we could build it, operate it and then transfer it to your company or build it, operate it and maintain it on behalf of your company at a mutually agreed time.

Benefits

- 1. Reduce overheads, free up resources**
- 2. Avoid capital expenditure**
- 3. Improve efficiency**
- 4. Offload non-core functions**
- 5. Get access to specialized skills**
- 6. Save on manpower and training costs**
- 7. Reduce operating costs**
- 8. Improve speed and service**
- 9. Focus on strategic thinking, process reengineering and managing trading partner relationships**
- 10. Provide the best quality services, products and people**
- 11. Focus scarce resources on time-critical projects such as application reengineering**

- 12. Obtain needed project management and implementation consulting expertise, along with access to best practices and proven methodologies**
- 13. Reduce the risk of technological obsolescence and increase efficiency by consolidating and centralizing functions**
- 14. Keep pace and minimize the impact of rapid changes in applications and standards**
- 15. Extend the reach to more trading partners quickly and efficiently**