



भारतीय मानक ब्यूरो
Bureau of Indian Standards
The National Standards Body of India

ELECTRONICS AND IT DEPARTMENT

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Sub. : Publication of ISO standard on ITeS-BPO

ISO has recently published an International standard ISO/IEC 30105 'IT enabled services – Business process outsourcing' in Nov. 2016. This standard was an initiative of India in ISO in 2009. This standard is a very important standard for BPO industry and will be widely referred by global stakeholders. The Indian National Body contribution in the development of this standard and the key points of this standard are enclosed.

Sd/-

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सन्दर्भ: एलआईटीडी14/जी-1

16 दिसम्बर 2016

विषय: आईएसओ मानक आईटीईएस-बीपीओ का प्रकाशन

आईएसओ ने हाल ही में नवम्बर 2016 में एक अन्तर्राष्ट्रीय मानक आईएसओ/आईईसी 30105 'सूचना प्रौद्योगिकी समर्थित सेवाएं - बिजनेस प्रोसेस आउटसोर्सिंग' प्रकाशित किया है। यह मानक 2009 में आईएसओ में भारत की एक पहल थी। यह मानक बीपीओ उद्योग के लिए एक महत्वपूर्ण मानक है और इसका उपयोग व्यापक रूप से वैश्विक हितधारकों द्वारा किया जाएगा। इस मानक के विकास में भारतीय राष्ट्रीय संस्था का योगदान एवं इसके मुख्य बिंदु संलग्न हैं।

(रीना गर्ग)

प्रमुख(इलेक्ट्रॉनिक एवं आई टी)



भारतीय मानक ब्यूरो

Bureau of Indian Standards

The National Standards Body of India

International Standard for ITES-BPO Industry

*Indian National
Body's
Contribution in
the development
of an ISO
International
Standard for
ITES-BPO Life
Cycle Processes at
ISO*

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Introduction:

The ITES/BPO (also known as “Business Process Services” and “Business Process Management”) Industry is a significant contributor to global economy. It has evolved over the past few years with main focus on execution of Business Processes, Information/ data Security, End user privacy, Business Contingency, Technology, people management and above all efficiency, productivity and customer satisfaction.

Business Process outsourcing (BPO) is the outsourcing of a specific set of business process activities and the knowledge that is required by outsourcing service provider for carrying out these activities for a division, a process or a function on behalf of a client organization. Business Process Outsourcing focuses on the performance of the outsourced business processes rather than on the performance of the Information System. ITES-BPO is different from IT Services

Major Differences between IT Services and ITES Business Process Services

Major Differences	ITES BP Services	IT Services
Customer Stakeholders	CEO, CFO, COO Business/ Functional Heads	CIO/CTO
People	Operational	Technical
Process	Minimal onshore presence; Domain Knowledge Centric	Combination of onsite and offshore; Technology Centric
Technology	Mostly driven by customer preference	Service provider has major influence

Customer expectations are quite different in ITES BPO industry. In today’s market, customer expectations from an ITES BPO Service provider is moving from traditional service delivery to transformation and the reach of ITES BPO Services is not only restricted to improvement in Bottom-line, but also contribution to Topline as well.

Evolving BPO Industry

Today, offshoring / outsourcing are being increasingly used as a strategic transformation tool for global corporations. The benefits from offshoring / outsourcing accrue both in the short term and the long term — the obvious short-term benefit is cost saving while strategic benefits to business accrue over the long term.

ITES BPO is moving up the value chain and the industry now caters to requirements high end BPO services. In India, the industry has now been renamed as “Business Process Management” considering the complexities and nature of work carried out by the Indian Service Providers in IT enabled Business Process Services. The ITES BPO services now cover transformation not only in the Bottom-line of the customer organization but also the Top-line improvements. The BPS industry has gone beyond transactional Business Process Services. The scope for BPS now includes Knowledge Process Services (examples: Pharmacovigilance, Legal Process Outsourcing, etc.) Analytical & Insight Services (examples: Market/Customer Analytics, Financial Analytics, etc.) Platform based services (BPaaS), etc.

The drivers for outsourcing have moved beyond cost saving to include other key influencers such as need for sustained performance improvement, access to the global talent pool, need for a flexible and scalable organization, prompting organizations to re-evaluate and restructure their outsourcing strategies.

The demand dynamics and the drivers of global sourcing of services continue to evolve rapidly across the globe. Moving much beyond cost savings, there is a greater focus on sustained performance improvement, multi shore operating model and creation of a flexible and scalable organization

ITES-BPO in India:

India is the lead player in the ITES BPO industry. According to NASSCOM estimates (2015), Global BPO spend is about USD 186 Billion. India accounts for 38% of Global sourcing. In other

words, the addressable market for the ITES Standard under development in just India alone is quite significant.

BPS Industry recognized the need of an Industry Service Standard to comprehensively address the different elements of ITES / BPO area which can be formulated leveraging the best practices of the industry as well as other global certification standards leading to a robust and enhanced delivery model designed to keep the customer delight as its prime focus.

International Standard for ITES BPO Industry

Justification for conducting a study on the need for an International Standard for ITES BPO was done in ISO Plenary held in Hyderabad way back in 2009. A study group comprising of India and international experts was formed and the prevalent standards used in BPO industry were analysed. In 2010, the study report concluded that there is a clear need for a dedicated standard to address the needs of BPO industry in a comprehensive manner.

The key findings from Study are:

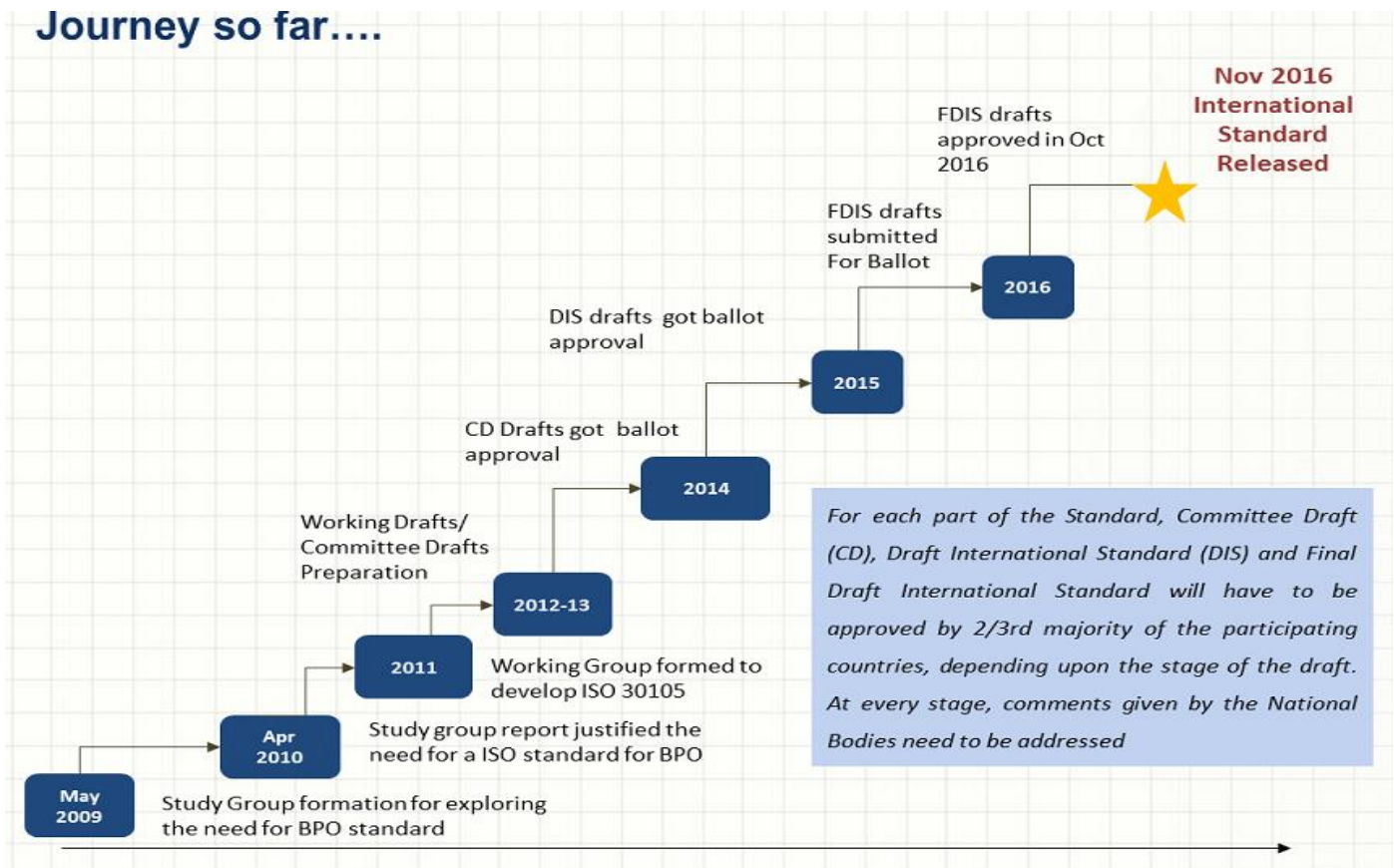
1. ITES BPO is market is huge, diversified and unique, which requires more focus;
2. ITES BPO is different from IT services and overlap is marginal;
3. The market opportunity for ITES BPO standard is large and ISO needs to grab the opportunity quickly.

This has led to formation of a new Working Group in ISO (in 2011) and assignment of new Project “ISO/IEC 30105” for the development an International Standard in ISO for ITES BPO Industry. This is the first time in IT/ITES industry that India has taken lead role in developing an ISO standard which has wider applicability.

Standard Development Process in International Organization for standardization (ISO):

ISO is a network of National Standard Bodies with different countries participating in the Standards Development either as “Participating” Member or “Observing” Member. ISO draft standards go through balloting process by these countries at multiple development stages. Comments are resolved at every stage depending on the outcome of the balloting. Nearly 30+ countries have nominated ~80 experts as part of the working group for this BPO Standard. The Draft balloted need to get 2/3 or 3 /4th of the votes from the Participating Nation bodies (depending on the stage) “in favour” of the Draft in order get into next stage.

Standard Development Journey So far:



Current Status of the ISO/IEC 30105:

ISO/IEC 30105 Standard has five parts and each part has to undergo balloting process at every stage.

ISO/ IEC Standard	Title
ISO/IEC 30105-1	Information Technology – IT Enabled Services – Business Process Outsourcing (ITES-BPO) lifecycle processes – Part 1: Process reference model
ISO/IEC 30105-2	Information Technology – IT Enabled Services – Business Process Outsourcing (ITES-BPO) lifecycle processes – Part 2: Process assessment model
ISO/IEC 30105-3	Information Technology - IT Enabled Services – Business Process Outsourcing (ITES-BPO) lifecycle processes – Part 3: Measurement framework and organization maturity model
ISO/IEC 30105-4	Information Technology – IT Enabled Services – Business Process Outsourcing (ITES-BPO) lifecycle processes – Part 4: Terms and concepts
ISO/IEC 30105-5	Information Technology – IT Enabled Services – Business Process Outsourcing (ITES-BPO) lifecycle processes – Part 5: Guidelines

The draft of the standard has successfully completed the “Working Draft” stage, “Committee Draft” stage, “Draft International Standard” stage and the “Final Draft International Standard (FDIS)” stage. In the final Ballot results for FDIS that was announced in early October 2016, the drafts got ~95% majority support from the participating countries in each of the part of the Standard. **In November 2016, ISO has published the International Standard- ISO/IEC 30105 (Part 1 to Part 5)** and same is available on ISO website.

Highlights of ISO/IEC 30105

- It is an overarching standard for all aspects of ITES-BPO industry from the view of the service provider that performs the outsourced business processes.
- Applicable for any ITES-BPO service provider providing services to customers through contracts and in industry verticals.
- Covers the entire outsourcing lifecycle and defines the processes that are considered to be good practices.
- It is an improvement standard that enables risk determination and improvement for service providers performing outsourced business processes. Also serves as a process reference model for service providers.
- Can be applied to all IT enabled business process outsourced services, regardless of type, size and the nature of the services delivered.
- Process improvement implemented using this standard can lead to clear return on investment for customers and service providers.
- Alignment to this standard can improve consistency, delivery quality and predictability in delivery of service

India National Body's role in development of ISO BPS Standard:

BIS, the national standards body of India has been taking an active participation through its technical committee, LITD 14 in developing a dedicated ITES BPO standard for the industry with the support of NASSCOM and other stakeholders.

India has been in taking the lead by having participation right from the time to proposal to form a study group was initiated in 2009. For the development of the standard, India National Body has taken the lead in drafting by providing the expert team for the key roles.

Dr. Ravi Veeraraghavan, (Tata Consultancy Services) has been leading the Working Group (at global level) as the Convener of the Working Group which is driving this initiative. The following experts from India have been contributing as Project Editor for ISO/IEC 30105:

Mr. Sridhar Sukumar, Cognizant Technologies Ltd.	Project Editor for Part 1 and Part 2 of ISO/IEC 30105
Mr. Sougata Bhattacharya, Tata Consultancy Services Ltd.	Project Editor for Part 3 of ISO/IEC 30105
Ms. Chitra Natarajan, Tata Consultancy Services Ltd.	Project Editor for Part 4 of ISO/IEC 30105
Mr. Ajith Thomas, Tata Consultancy Services Ltd.	Project Editor for Part 5 of ISO/IEC 30105

India editors were supported by co-editors from other nations including UK, Australia, Japan and China, besides experts other India BPS organization such as Infosys, Wipro, Capgemini, etc.

The continuous support from the leadership of National mirror committee, LITD 14 of BIS, the valuable guidance from Dr. Gargi in the initial period, support from NASSCOM and the commitment from the team has helped in achieving the current stage.

Challenges in developing the Standard:

The major hurdles in the whole processes of developing the standard include:

- 1) Building synergies between multiple experts (India and International) and countries;
- 2) Alignment to ISO framework existing as well as under development (Example Process Assessment models, IT Service Management, etc.
- 3) Getting support from other National Bodies to build consensus at every stage;
- 4) Meeting timelines, expectations and ensuring physical participation of required experts.

Key Benefits expected from adoption of the Standard:

Implementation of the proposed ISO Standard for ITES/BPO is expected to provide benefits to the Service Provider as well as Outsourcing Organization.

For the Service Provider:

- ✓ Delivery rigor – consistency & predictability
- ✓ Improved process efficiency and productivity and asset utilization
- ✓ Increased levels of transparency and trust
- ✓ Enhanced Customer Satisfaction continuous improvement
- ✓ Reduced time to maturity



For the Outsourcing Organization:

- ✓ Selection of right service providers
- ✓ Greater degree of standardization
- ✓ Improvement in Quality of Service
- ✓ Improvement Governance
- ✓ Creation of Value on account of innovation and continuous improvement

Way Forward:

The International Standard has now been released. Hereafter our focus is on the promotion and adoption of the Standard in India. India National Body has taken a lead role in setting the global standard in ITES BPO space, the first of its kind in IT/ITES sector for India. This experience will help in taking an active role in standard development for other global IT/ITES standards in future.

About LITD 14 in Bureau of Indian Standards

Electronics and Information Technology Committee 14 is the National Mirror committee for ISO Subcommittees, JTC1/SC7, SC38 and SC40. Presently, it is chaired by Prof. Rajat Moona, DG, CDAC.

LITD 14 thanks Dr. Ravi Veeraraghavan, Convener, Working Group 3/SC40/JTC1 and other committee and panel members for the inputs and contribution.

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