

BY LORELA U. SANDOVAL

Philippines Maintains Edge in BPO

EMPLOYMENT HAS an entirely new and exciting definition in this post-modern time where Internet technology becomes the primary source of lifeline among people in remote places. Much thanks to the rise of business process outsourcing (BPO), in the Philippines alone many have found themselves working in a unique environment. While others still work in the traditional office cubicle, some now work remotely in the comforts of one's home—but both reporting to and for mostly foreign employers and colleagues in other parts of the globe.

Gartner, Inc., a leading global company in information technology research and advisory, defines BPO as “the delegation of one or more IT-intensive business processes to an external provider that, in turn, owns, administrates and manages the selected process based on a defined and measurable performance metrics.”

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ness: The Philippine BPO Industry” by Dr. Alvin Culaba, BPO in the Philippines started in 1992 when Accenture, a multinational company engaged in global management consulting, technology services and outsourcing, entered the local scenario. Sykes, a provider of contact center, customer service, technical support, and back-office processing, came afterward in 1997. Call centers eTelecare and People Support followed suit in 2000, and ePLDT/Ventus in 2006.

Outsourcing services

Although many of the BPO workers are engaged in call centers, other components of the industry are medical/legal/data transcription, human resources, accounting and payroll, engineering design, software development, animation/creative service, and back-office operations, according to data in the “2010 Annual Survey of Philippine Business Industry” released by the National Statistics Office (NSO) in December 2012.

The survey found that most of those employed in data processing, application hosting services, medical transcription activities, and customer relationship management activities were female. Meanwhile, more males were in motion picture, video and television program and post-production activities; computer programming activities; software publishing; and other related services in information technology and computer operations.

Many of these BPO companies pay above-average salary, the NSO survey says. For instance, salaries in animation services range from P8,000 (entry-level animator) to P80,000 (production manager) a month. A programmer gets around P15,000 to 20,000. In medical transcription, salaries range from P10,000 (transcriptionist) to P20,000 (editor); in back-office operations, P12,000 (generic) to P25,000 (engineering).

In fact, in the “2014 Annual Salary Report” by Jobstreet.com.ph, BPO is in the list of the 10 top-paying industries for junior executives, supervisors, and managers.

Just recently the investment advisory firm Tholons, in a study titled “Top 10 Outsourcing Destinations for 2014,” ranked Metro Manila as the second top outsourcing destination in the world—a notch higher than last year—taking over the spot from Mumbai, India. Topping the list is Bangalore, also in India, which



Call centers remain as the backbone of the local BPO industry.