

BPO Transforms to More Profitable SLA-based Model

The customer

A UK-based business process outsourcing company with nearly 8,000 employees, operations in over 40 countries, and offshore centers in India, Singapore, and Malaysia.

CHALLENGES FACED

- **Lack of real-time visibility** into actual effort data
- **Flawed Time-sheets** with manual dependency leading to incorrect inputs
- **Low productivity** and unsure how to address
- **Clients keen on paying for results** rather than resources in the Time and Material (T&M) pricing model
- **Meeting customer demands:** stiff SLAs, more productivity from existing teams, pressure on billing rates in a highly competitive market, highest quality service

The findings

Daily average "work time" (total on-PC time on work related activities) per employee was less than 5 hours.

Uneven work distribution: top 20% employees were spending 2 hours more than the next 60% employees.

Client pressures to increase productivity was creating high stress on team members and client managers.

BPO management realized that the only way to ensure contract renewal was to switch from T&M to an SLA-based pricing model. However, they were not sure if they could sustain their profitability after moving to output-based pricing.

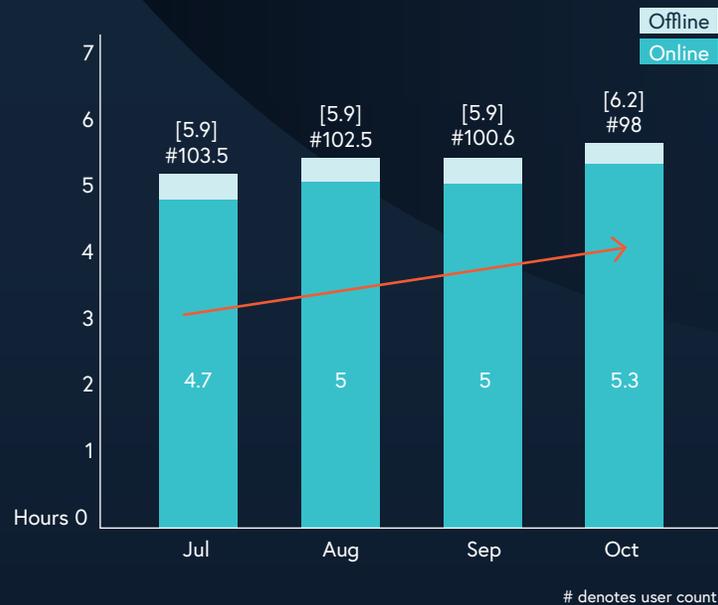
25%-30%
improvement
in productivity

The results

Knowing your own work patterns helps employees and the team to deliver improved performance.

Increased each employees' on-PC time by 35+ minutes a day in just 3 months.

Mindful work and better workload distribution resulted in improved effort, which led to higher output.



ADDITIONAL BEST PRACTICES FOR IMPROVED FOCUS

- **Golden Hours:** the most productive 1-hour time periods during the day, which were further declared as "Silent Time" to ensure that the entire team focused on core support activities.
- **Sapience Work Yoga™:** users adopted practices like "In the Zone" and "Managed Off-PC Intervals" to ensure more focused and efficient effort.

About Sapience Vue

Sapience Vue is our automated Enterprise Work Activity Analytics, Insights and Productivity product that accurately captures effort data in a contactless manner and provides actionable insights for fact-based decision making by keeping employee privacy at its core. Sapience Vue is a SaaS based product built from the ground up with latest technology stack and best-in-class security.

The Sapience Vue product measures and analyzes work activity, effort and time productivity. It focuses on improving the revenue, profitability, and overall delivery capabilities of organizations. It is a truly domain and function agnostic product that is delivering value to +90 clients in 18 countries and with over 1 trillion work hours analyzed to date.

With our actionable insights, self-reporting, and predictive analytics, you can build your new Way of Working (WoW) by streamlining:

- Remote working
- Outsourcing governance
- End-user experience management
- Workforce productivity and analytics
- IT software management and
- Sales Workforce Productivity

Sapience @ Work

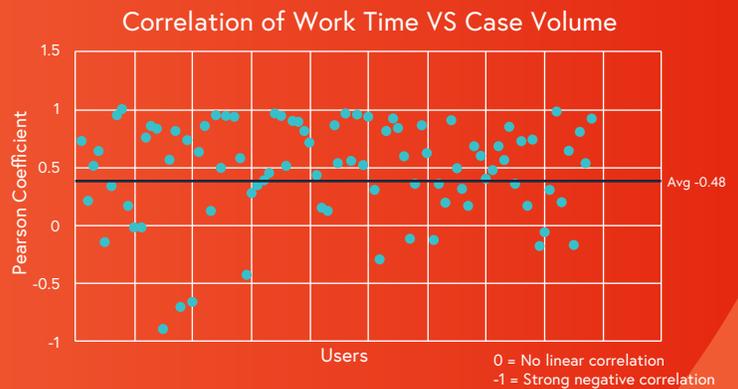
Improved effort had a direct impact on output.

A correlation between Case Volume and Effort was made over a 3-month period.

Case Volume: total number of support incidents handled by the BPO.

Effort: total on-PC effort as reported by Sapience.

The Pearson Correlation Coefficient analysis conclusively proved a direct correlation between work effort and case volume.



PEARSON CORRELATION ANALYSIS RESULTS

	Users	Percentage
Positive correlation (coefficient > 0.4)	56	63.6%
Little linear correlation (-0.4 to +0.4)	28	31.8%
Negative correlation (< -0.4)	4	4.5%

BPO management became aware of the opportunity for a 30% improvement in productivity. This generated the confidence to pitch a 3-year, year-on-year business model to the customer based on year on year SLA improvement at the same price.

Sapience Analytics
7800 North Dallas Parkway
Suite 660
Plano, TX 75024

1877-670-8884
marketing@sapienceanalytics.com
www.sapienceanalytics.com