

Chapter 13

Challenges Faced by Women: BPO Sector

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ABSTRACT

Workplace stress and pressures confronted by an employee due to conflicting role demands and their desire to lead a fulfilling life have brought certain issues to the forefront. Retaining talent and making the workplace enjoyable have been the endeavors of behavioral scientists. BPO jobs demand specific behaviors from their employees, which might result in individual stress. In the context of skill shortages, work-family issues came to be viewed primarily as a recruitment and retention matter. The challenges faced by women while working in a BPO sector are varied, and organizations need to take several initiatives to handle the attrition levels.

INTRODUCTION

Globalisation accompanied by the rapid development of the information and communication technology (ICT) has largely boosted international trade in services over the past decade or so. Because services account for a higher proportion of production costs, firms are taking every opportunity to go for lower-cost solutions for the provision of business process services. International sourcing of business support services has, therefore, been a preferred solution to the ongoing cost pressures and related skill shortages experienced in many developed countries.

During the last decade of the twentieth century, the software sector of India's information technology services (ITS) industry had developed as one of the fastest growing sectors in the economy. Since the beginning of 2001, the traditional ITS companies have been focusing more on the IT-enabled services (ITeS) sector in general and business process outsourcing (BPO) sector, in particular. In fact, the ITeS-BPO segment has quickly emerged as a key driver of growth for India's ITS industry. The ITeS-BPO segment focuses on people-intensive services that are delivered via electronic mediums such as telecom networks, fax, and Internet to a range of business

DOI: 10.4018/978-1-4666-0020-1.ch013

segments and verticals. Within a very short period of time the ITeS–BPO segment has moved into its consolidation/maturation phase. The country is well positioned to derive benefits from the global ITeS–BPO market.

BPO sector has attracted a great deal of attention and controversy both in academic and policy circles particularly since the US presidential campaign during 2003–2004. The loss of jobs in the US together with outsourcing of many service jobs to India has created a domestic and international political controversy both in the US and India. Both countries of large democracies and their politicians, business analysts and economists have gone through the pros and cons of outsourcing process in a globalising world. Although there has been a revisit of the debate during the current US presidential campaign, some better understanding seems to have emerged from the point of view that the off shoring is a creative destruction.

From a conceptual perspective, the outsourcing process can be perceived as the activity transferred to be carried out by another company. In terms of strategy, outsourcing should be considered as a long term activity designed to ensure not only the survival but, more important, the prosperity of the enterprise. On short term, outsourcing is a manner (not loyal to employees) used to reduce employment, the cost of salaries or to eliminate the conditions and rights acquired by employees through collective negotiations. Currently, in terms of outsourcing, the novelty lies in the scale recorded in services of all types, but particularly among financial and computerized services. Services sector was long considered impenetrable by international competition. However, due to the improvements achieved by the communications technology and especially the Internet, services can cross political boundaries through specific connections and networks, thereby achieving benefits embodied in accessing cheaper labour force, but higher qualified.

Traditionally, companies were viewed as highly integrated firms which owned and man-

aged all the resources in their domain. Over the years, the scale of operations and the complexity of business grew making companies' think of more flexible business models. The concept of outsourcing grew out of this need for better and flexible organizations. Instead of doing everything themselves, organizations looked out for specialists who were experts in their respective fields and offered services required by the organization at lower costs. Thus, organizations could save precious time and money and also focus on what they did best.

CONCEPT AND DEFINITION OF OUTSOURCING

Michael Corbett¹ defines outsourcing as “The use of outside business relationships to perform necessary business activities and processes in lieu of internal capabilities.”

Outsourcing is shifting a company's essential operations to a third party vendor in order to gain various benefits including better services, low cost and speedy work. In outsourcing, the vendor has complete control over the process being outsourced as compared to contracting in which the customer has more control over the process being contracted. Outsourcing was first done in the data processing industry and has spread to areas including tele-messaging and call centres. Outsourcing usually applies to a complete business process. It implies a degree of management control and risk on the part of the provider.

Offshore outsourcing enables companies in industrialized countries to conduct business operations through more cost-efficient means by tapping the stream of highly skilled workers in developing countries who command wages far lower than in industrialized countries. Even when other costs such as business set-up and infrastructure access are factored in, cost savings through outsourcing have been estimated to be 20 to 40 percent (Schaaf

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