

# The 2010 Outsourcing World Summit®

Disney's Yacht & Beach Club Convention Center • Lake Buena Vista, Florida  
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## “Next Generation Socially Responsible Outsourcing”

Dr. Ganesh Natarajan



[www.IAOP.org](http://www.IAOP.org)



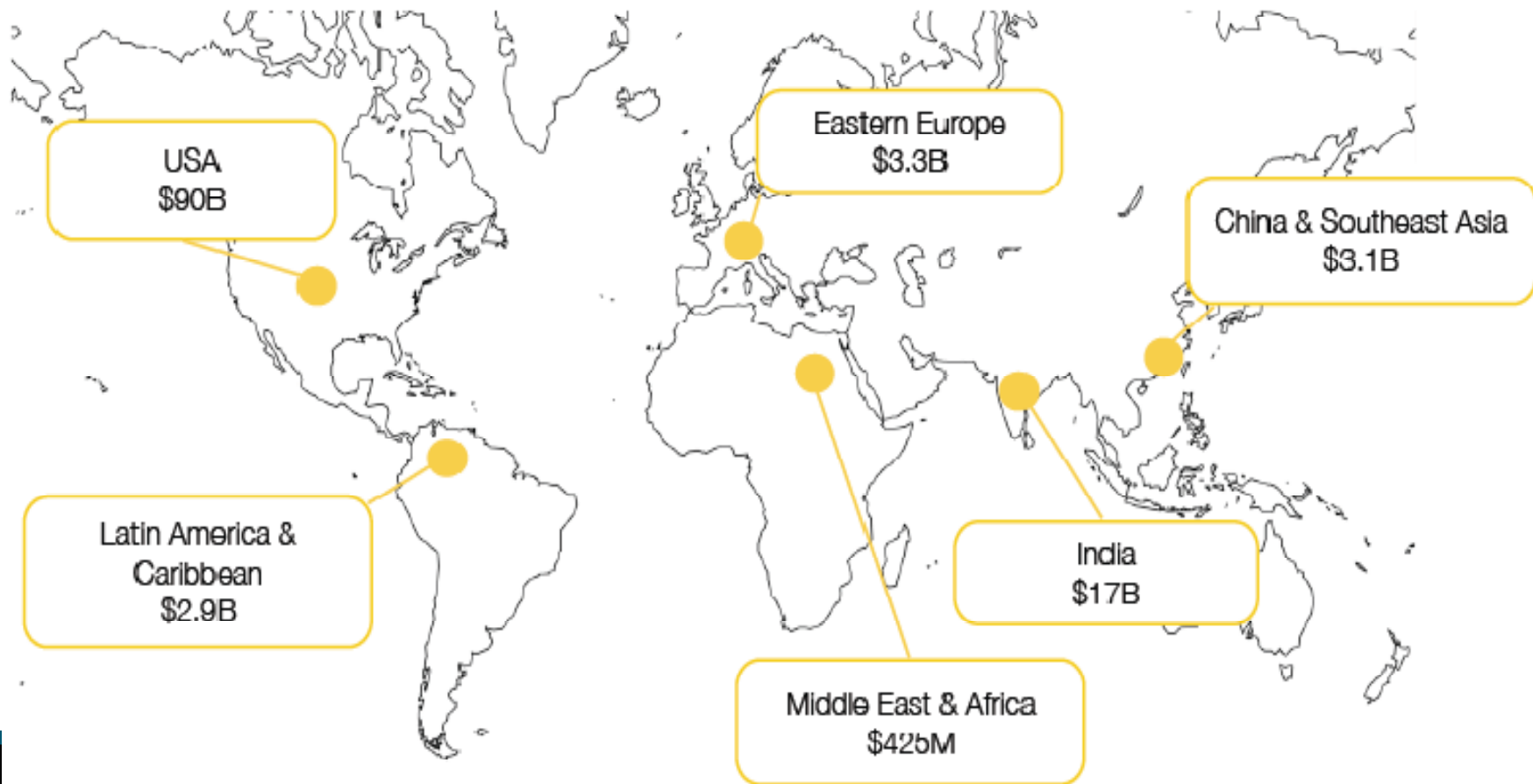


**Dr. Ganesh Natarajan**  
**Chairman - IT & ITES CII**  
**Member - Chairmen's Council**  
**NASSCOM**  
**Global CEO – Zensar**  
**Technologies**

Ganesh has been one of the most successful professionals in the Indian Information Technology Industry. An alumnus of IIT Bombay and the Harvard Business School, Ganesh is the National Chair for Confederation of Indian Industries - IT and ITES Committee and a fellow of the Computer Society of India. He also chairs the Higher Education forum of the Confederation of Indian Industries in Western India. He is a member of the Board of Governors of NITIE Mumbai and member of the Executive Council and Chairmen's Council of NASSCOM

# Outsourcing -Where is it done?

**\$120-150B** global business process outsourcing market



Source: NASSCOM-McKinsey Study 2005; <http://www.indobase.com/bpo/global-market-of-bpo.html>



# Issues Facing Outsourcing today

- The \$ 500 billion dollar technology and business global services industry has the potential to triple by 2020. Over \$ 120 B is currently outsourced
- Job creation has been significant though concentrated in big cities in India, China and the Philippines – over two million new jobs created in India alone
- Over 170 million skilled workers in developing regions such as Africa and rural Asia are left out
- In the key Western customer countries, job losses and rising unemployment are resulting in protectionist voices being raised.
- **The need of the hour - Socially responsible outsourcing**



# The Fallout

175 mn skilled workers in  
Africa, rural India and China

+

60% unemployment among  
university and high school  
Graduates

=

**Leads to a Talent Surplus**

Perception that economically  
depressed regions are open  
for aid, not trade

+

Few opportunities for  
smaller firms to connect with  
global clients

+

No socially responsible option  
that promotes economic  
Development

=

**Leads to Client Deficit**



# Impact of Outsourcing on India

- 45 percent of total urban employment between 1994 and 2005.
- Significant growth in ancillary industries – security catering construction and transportation – 2.2 million direct jobs create 5 million additional jobs.
- CSR contributions of firms towards education and healthcare and building an inclusive India
- New standards set for human resource management practices and significant progress in Diversity and Inclusion.
- **Generated over USD 20 B in annual savings to sourcing economies - cost reduction, improved time to market and increased global competitiveness**

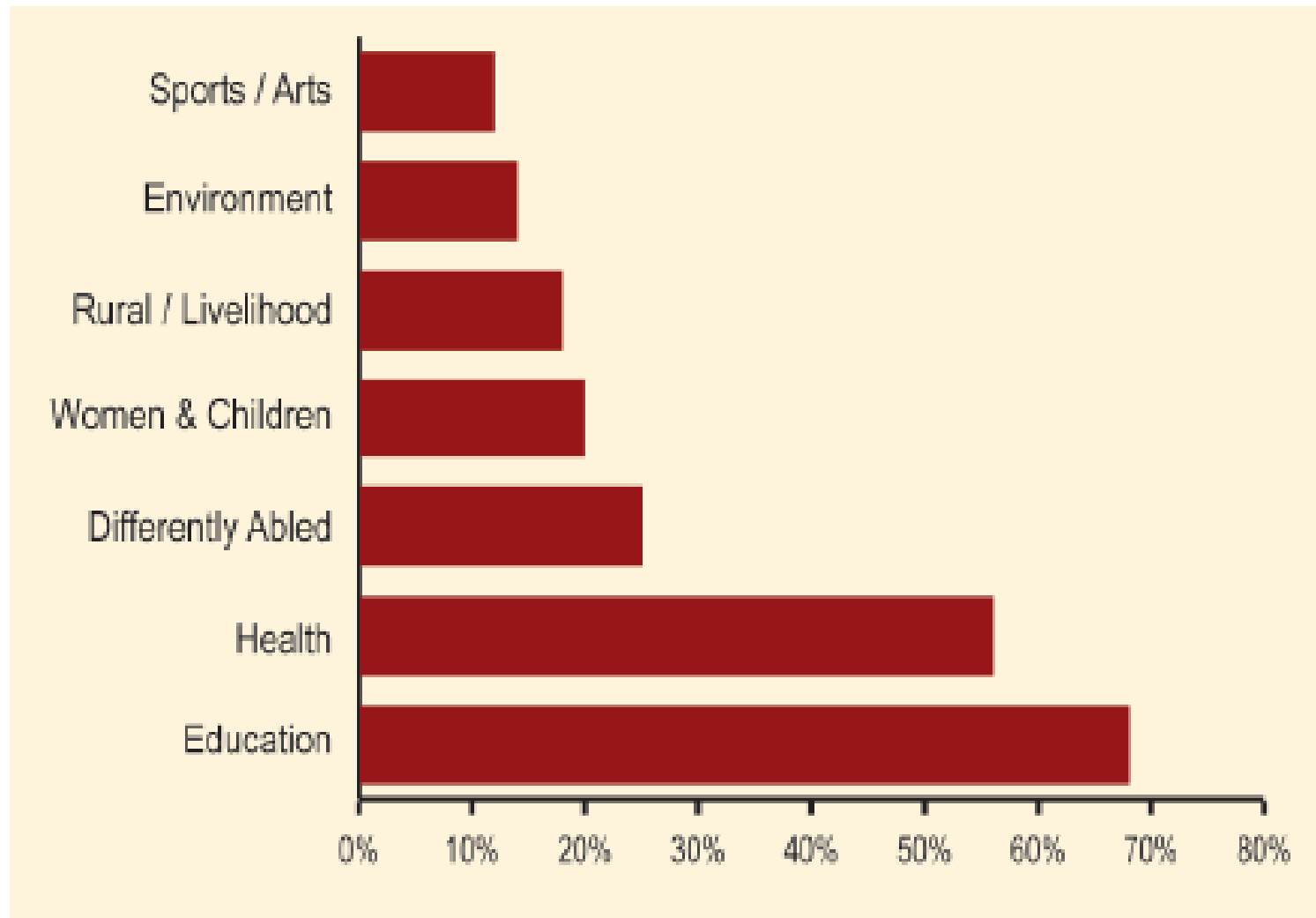


# Range of community initiatives undertaken

Sectors	Education	Health	Environment	Other
Initiatives	<ul style="list-style-type: none"> <li>• Primary education – donations, providing scholarships, volunteering to teach, networking with NGOs</li> <li>• Higher education – teaching vocational courses, imparting livelihood skills and organizing workshops.</li> <li>• Infrastructure development through donations and construction of facilities.</li> <li>• Training of teachers to improve quality of teaching.</li> <li>• IT training to provide means of livelihood for the poor.</li> <li>• Mid-day meals to attract children to schools.</li> <li>• Education for adults to expand the educated population base.</li> </ul>	<ul style="list-style-type: none"> <li>• Healthcare infrastructure development to build and improve facilities.</li> <li>• Technological support to enhance reach of medical care.</li> <li>• Sponsoring medical treatment for the marginalized.</li> <li>• Spreading health awareness about diseases as well as hygiene.</li> <li>• Organizing health camps for the benefit of the poor.</li> <li>• Blood donation camps.</li> </ul>	<ul style="list-style-type: none"> <li>• Environmentally conscious initiatives including conservation of resources, tree plantations and awareness creation.</li> </ul>	<ul style="list-style-type: none"> <li>• Rural development through increased use of technology.</li> <li>• Upliftment of women and children through collaboration with NGOs and organizing campaigns.</li> <li>• Support for differently-abled — financial support as well as training and recruitment.</li> <li>• Livelihood opportunities for the marginalized, especially women.</li> <li>• Promotion of sports and arts.</li> </ul>

NASSCOM-Deloitte report: Impacting Economy and Society 2007-08

# Sector-wise distribution of interventions



NASSCOM-Deloitte report: *Impacting Economy and Society 2007-08*



# **Socially Responsible Outsourcing is..**

**Channelising outsourcing to those who need it the most**



**DOMESTIC WORKER**



**AGRICULTURAL  
WORKER**

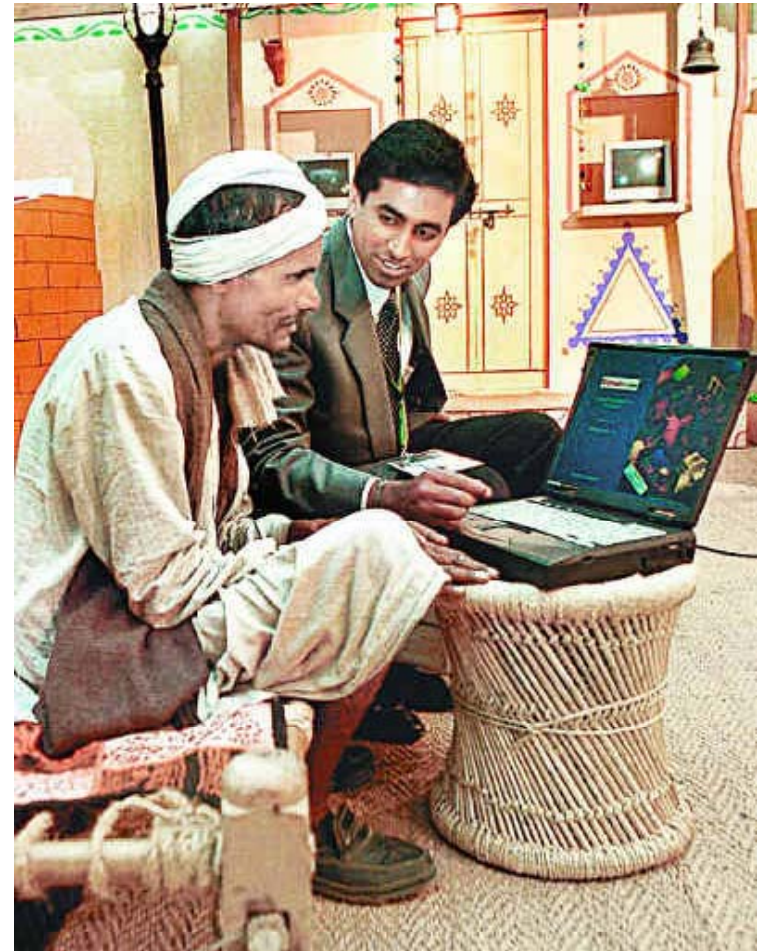


**TEMPLE PRIEST**



# Socially Responsible Outsourcing can...

- Generate direct employment for skilled workforce in developing and under developed regions such as Ghana, Sub-Saharan regions, Bangladesh and many others
- Generate indirect employment for semi-skilled and unskilled workforce
- Reduce labour movement and resolve issues of immigration
- Reduce Brain-Drain
- Benefit the grassroots



## **Initiatives by the industry...**

NASSCOM Knowledge Network  
Building ICT capacities of grassroots non-profit  
organisations and communities

# NASSCOM<sup>®</sup> FOUNDATION

Get Together... Get Connected... Get Involved...

## NASSCOM Knowledge Network (NKN)

Impacting lives of 500,000+ people



3,000+  
people impacted under Livelihood program

60,000+  
persons trained under Microsoft Unlimited  
Potential Curriculum

22,000+  
children trained through Azim Premji Foundation  
computer aided school support curriculum

14,000+  
adults trained under TCS's adult literacy  
program

1,400+  
women trained for maternal and child care  
through UNICEF's SSK program

powered by  
**partnerships**  
[www.nasscomfoundation.org](http://www.nasscomfoundation.org)



# Initiatives@ Zensar

## Health

- Weekly Clinics and Counseling Camps
- AIDS awareness programmes in association with PCI

## Education

- Akanksha Partnership
- Computer Literacy Programme for children in Municipal School at Chandan Nagar, Pune
- Zensar-NASSCOM Knowledge Centre in Kharadi, Pune
- Vidya Niketan in association with Thermax Foundation
- Kitab Korner in Pune & Hyd

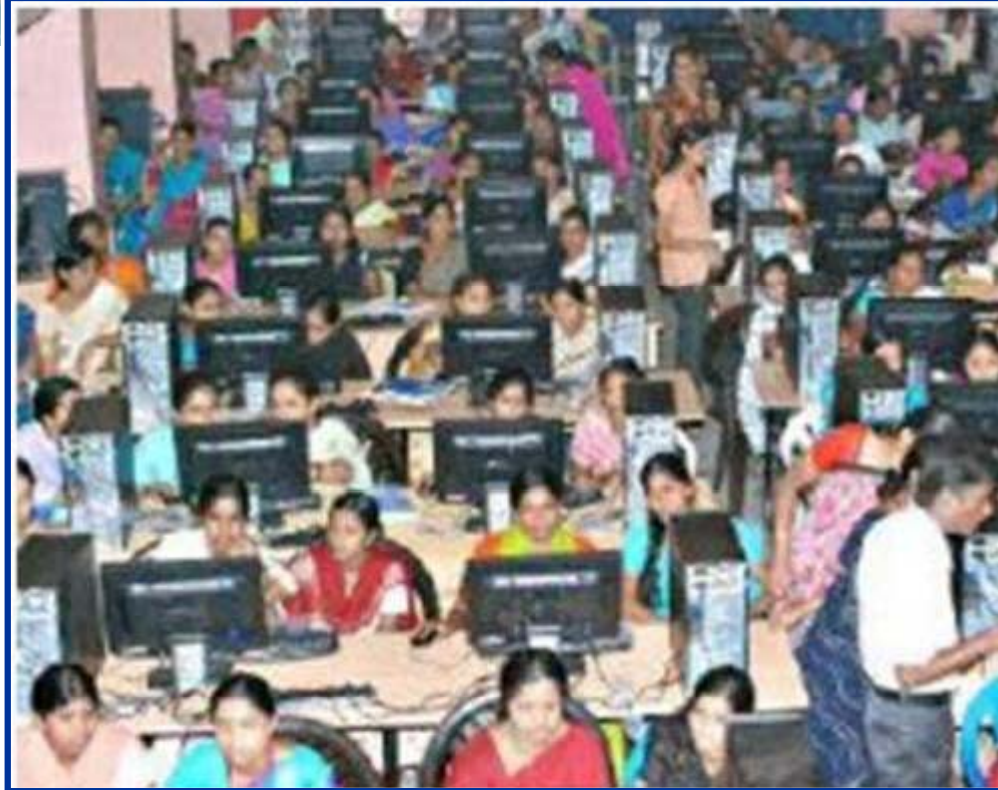
## Socio-Economic Empowerment

- Vocational Training for community youth (LABS)

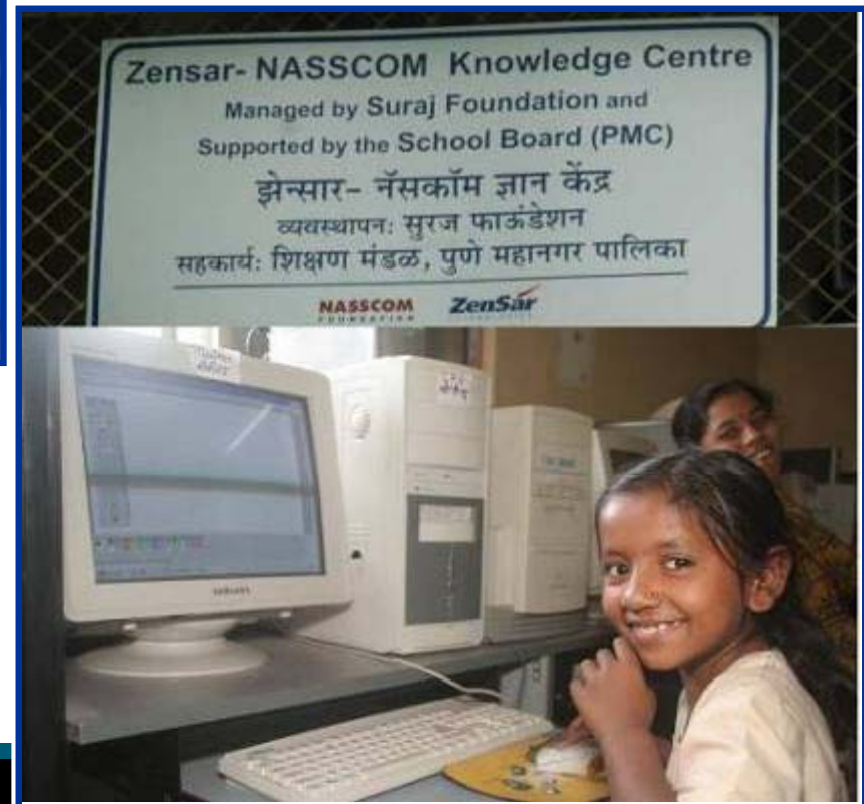
## Environment

- Bringing about a reduction in the Carbon Emissions of the organization through awareness and education on Climate Change
- Carbon Calculator





## EDUCATION AND SKILLS DEVELOPMENT



## SOCIETAL DEVELOPMENT



# Collaborating for change







# Diversity at the workplace

- Large IT & BPO companies have 33 to 50% of their employees from non-metro/rural areas
- 88% of the companies surveyed employ People with Disabilities (PWDs)
- Women in the industry is set to rise from 33% to 45% by 2010
- The overall median age group of the sector is 28.9 years with 70% of the workforce being in the age-group 26-35 years







# Bring the change!





Thank You  
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