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## Inside Outsourcing <sup>™</sup>



INTERVIEWED BY LARRY JANIS

# Anoop Sagoo, Senior Executive, Accenture's Business Process Outsourcing

.Accenture is a global management consulting, technology services and outsourcing company, with more than 244,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments.



FROM THE EDITOR

# LJ: Anoop, would you please share with us your current role and responsibilities.

AS: I am currently responsible for Accenture's Products BPO business, which includes all our work within the following industry sub-groups: automotive, industrial, transportation, retail, life sciences and consumer goods. Products is one of our more mature industry groups and we have experience within most of our core BPO offerings within this sector. I also play a broader role in ensuring that our BPO business is integrated with our industry programs across Accenture, ensuring that we are driving the business successfully into each of the industries that we operate in. In that role, I work closely with colleagues across all of Accenture's other operating groups (Communications, Media and Technology, Financial Services Health and Public Service and Resources), our industry teams and our key account teams.

Inside Outsourcing's goal is to provide you with articles of interest and with a forum for the exchange of information in this rapidly evolving industry.

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LJ: You have been with the Accenture's BPO business for a long time, how have the offerings evolved during that time?

**AS:** I first got involved in BPO back in the mid 1990's, before the BPO industry had essentially formed. Most of my time was spent in finance and accounting outsourcing, and I was involved in starting this BPO offering at Accenture and have watched it grow into a market-leading business.

With the BPO industry going through such a remarkable evolution since the first major deals were started, I think it's useful to talk through the different phases – or *generations* (as we call them at Accenture) through which the industry has progressed, that have helped shape the offerings we bring to clients today.

I first got involved in BPO back in the first generation – where the dominant commercial model was "lift and shift", with original processes, people and technology being handed from the client to the provider, with a view to driving greater efficiencies and reducing costs. In the second generation, labor arbitrage was the core of new value propositions for processes considered "noncore" to their strategic success. **Third generation BPO** was focused on global delivery of end-to-end processes, using operational excellence or Six-Sigma techniques and fourth generation is where much of Accenture's BPO work is today. This generation targets business outcomes - either helping a client increase its revenue or further decrease its costs. To do this, Accenture leverages analytics to drive tangible business value. The fifth generation is a strong focus for Accenture right now, and involves taking the investments we've made in the cloud, in analytics, in social media and in mobility and applying them to BPO to build business platforms, creating a more flexible and scalable delivery model for our clients. The sixth generation is about creating future learning communities of clients around fifth generation business platforms, using social media technology, to create a force for future innovation and a bond between clients and providers.

As I think back, perhaps the biggest change I have seen is in the perception of outsourcing. Back in the first and second generations, clients' paranoia about perceived loss of control through BPO was prevalent. Now, clients feel that they can get more control through outsourcing. From the third right through to the sixth generations, BPO is seen as a catalyst for change. Furthermore, the notion of end-to-end business processes has become much more understood, particularly in the latter BPO generations.

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In terms of how work is delivered – this has changed radically. We are now operating within an expertise model, where work can pretty much be delivered from anywhere in the world. – enabled by knowledge and technology.

Today, we are also seeing more demand for more complex, industry-specific BPO, which means that now, many of our core offerings have industry-specific components, and BPO is increasingly moving into the mid and front office areas of client organizations. As an example, we are working with a major pharmaceutical company to analyze data related to drug interactions and effects. This time consuming and costly work can be performed faster and more cost effectively through an outsourcing provider than it could in-house. Furthermore, it is reducing the drug approval period and reducing the risks for the pharma client by comparing data against other drug testing sources and enabling more complete studies of adverse effects.

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## LJ: Have you seen companies/buyers approaching business process outsourcing any differently? Please elaborate.

AS: Yes. My view on this is that people buy *performance* now. In the old world (and this harks back to the first and second generations of BPO that I mentioned earlier) people used to buy BPO services purely on cost. Today, the biggest difference is the need for performance. This also goes back to my point about delivering end-to-end processes – In order to meet performance goals; you have to make the whole process work, including the areas that the client is responsible for. Furthermore, we can see today how the BPO provider's role incorporates that of a strategic partner. The notion of stronger governance and closer client-provider relationships has become a lot more prevalent in recent times as clients realize that providers must be closely aligned with their expectations to ensure that they are getting what they want. Increasingly, clients are also seeking a close cultural match with their BPO provider, to help them foster closer relationships.



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LJ: Since there have been changes in Accenture's approach to BPO and the buyers have gotten more sophisticated have these changes been paralleled in the advisory and legal communities?

**AS:** I believe the advisory and legal communities are in catch-up mode. The challenge these companies have is that they seek to normalize proposals from different providers in order to help clients make decisions on which provider to select. As the BPO provider's bids become more sophisticated, it becomes more difficult to normalize what is being used to generate the business value. The BPO providers talk about end-to-end processes and driving business outcomes – whereas the advisory and legal communities are still operating on costs per unit and seeking to commoditize what is essentially a sophisticated service.

Within Accenture BPO, the clients we typically work with are either existing or emerging clients of the broader Accenture business. We are looking to develop longstanding relationships, so when we initiate BPO relationships, we have to do so from a strong starting point.

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### LJ: Let's discuss the concept of success from two perspectives. First, what defines a successful candidate, what characteristics and skills do you look for?

AS: Teaming and influencing skills are key competencies to being successful at Accenture. This is because the way we go to market is through joint teams – for example, teams may comprise professionals from the Management Consulting, BPO and Technology areas of our business. Other skills that are important to us include a strong level of entrepreneurship and being a self-starter with strong initiative. And finally, it's important that candidates enjoy what they do. We tend to work very hard at Accenture, so it's important that you enjoy what you do.



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#### LJ: Second, what has made you successful?

**AS:** There are a number of things I would mention here. I would say that my persistence and strength of character have been key to my success in business. Additionally, recognizing the good times but also having the strength to navigate the bad times is another. Also, my ability to work successfully within the influence model is another competence. This is something I have spent a lot of time honing as a skill, which has helped to drive my career success within Accenture. What underpins all of these characteristics and skills is my ability to achieve a strong work-life balance. This is very important to me.



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