EXECUTIVE COMPANY PROFILE: GENPACT

Business Process Outsourcing (BPO)

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Executive Summary

Genpact has emerged as one of the “Big Four” finance and accounting (F&A) BPO brands over the last decade, breaking the mold of the traditional “Western” providers and leading the evolution of India-headquartered providers into the BPO industry.

Today, the firm has evolved beyond its F&A roots (gained from its GE heritage) to provide leading-edge services in areas such as analytics, procurement and sourcing, and human resources, in addition to pioneering consultative expertise-driven services in process improvement and innovation for organizations. In addition, Genpact has deep industry footprints and client experience in core industries such as financial services, manufacturing and consumer goods, pharmaceuticals, and healthcare. Unlike its competitors, Genpact does not have a multi-billion-dollar IT services business, but has a proven reputation for “IT-enabling” business processes and developing technology platforms and workflows to augment its BPO services. HfS frequently interacts with Genpact clients and can attest to the firm’s passionate focus on process excellence and the company’s dedication to its clients. Few providers can boast an approach to BPO as distinctive as Genpact’s in today’s modern era of business services.

An early innovator in the business, Genpact has been responsible for introducing several concepts that have strengthened the offshore BPO industry. With an evolving portfolio of services and a widespread global delivery platform, Genpact was the first to leverage Six Sigma for process transitions, delivering greater process gains to clients. However, economic uncertainty on the back of globally sluggish growth is changing demand patterns for outsourcing. BPO service providers are exploring new and innovative methods for meeting customers’ new buying patterns. BPOs are gradually moving from efficiency to effectiveness and follow a ‘verticalized’ approach by developing in-depth capabilities across verticals.

Genpact is proactively exploring and investing in new and innovative services such as “Smart Decision Services” (a blend of industry expertise, process capability, analytics, and technology) and platform-based services to remain ahead of the market. A more recent and larger change in Genpact was the exit of Pramod Bhasin and the appointment of NV “Tiger” Tyagarajan as the new CEO. Soon after taking charge, Tiger Tyagarajan decided to move the center of gravity to the US (this includes business leaders with P&L responsibilities along with Tyagarajan himself). Another significant move was the Smart Enterprise Processes (SEP℠) methodology that leverages Genpact’s strengths in analytics and process reengineering to build smarter businesses for clients. With Smart Enterprise Processes, Genpact is the first to introduce a proven, scientific approach that delivers the benefits of effectiveness in addition to efficiency and focuses on business outcomes instead of just looking at transactional results.

Although HfS strongly believes BPO customers can long continue to rely on Genpact for its renowned back-office processing expertise, the new evolution of outsourcing requirements is posing many new challenges to service providers to develop the talent, domain acumen, technology, and global delivery infrastructure. HfS sees Genpact’s “in the process weeds” culture and proven ability to stay ahead of the market as strong signals the company will continue to be a pioneer of new-generation BPO services.

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Genpact Overview

Established in 1997 as an internal GE operation, Genpact (formerly GECIS) has firmly established itself as the largest pure-play third-party BPO, registering more than $1 billion in revenues for fiscal year 2011. Genpact set itself apart from its competition from the early days of F&A BPO in the early 2000s by offering price-competitive services and a deeply embedded culture of operational excellence driven by Lean, Six Sigma, and reengineering. Genpact leverages its process expertise across various verticals and combines it with technology and analytics to drive business impact for clients. Genpact is the only major service provider that originated as a captive shared service center for traditional back-office operations, giving the company a unique market differentiator of leading by proven offshore delivery efficiency and success.

Financials

Genpact has been reporting strong and consistent top line growth over the years. The company reported total revenues of $1.6 billion for fiscal year 2011—growing at a compound annual growth rate (CAGR) of 18% over the last four years (2007-2011).

Exhibit 1: Selected Metric Comparative for Genpact

Selected Metric	2007	2008	2009	2010	2011
Net Revenue (Bn USD)	0.8	1.0	1.1	1.3	1.6
Business process services	0.6	0.8	0.9	1.0	1.2
IT services	0.2	0.2	0.1	0.1	0.3
Revenue/Headcount	28,200	30,800	31,200	31,100	34,100

Source: Genpact, Dec 2011

Genpact's BPO growth has been strong and consistent over the years. Although the growth for 2008 and 2009 was negative for Genpact's IT business, last year's acquisition of Headstrong gave a big boost to Genpact's IT revenues (increasing the company's IT share in its total revenues from 14% in 2010 to 22% in 2011).

- Genpact's BPO revenues form 78% of the total revenues for FY2011. Despite the subdued economic environment, the company's BPO revenues have grown at a CAGR of 19% while the IT services segment has grown at a CAGR of 15%.
- EBITDA margins have remained consistent—37.4% in 2010 and 37.2% in 2011.
- With cash reserves in excess of $400 million, the company has better liquidity.
- A breakdown of revenue (2Q 2012) by verticals highlights that almost 42% of revenue came from the BFSI sector, while 34% came from manufacturing and the remaining 24% from other verticals.
- Genpact has an offshore to on-site revenue ratio of 78:22 that has remained stable over the last several years.

Delivery Locations

Genpact has 74 delivery centers in 20 countries and continues negotiations for new centers wherever the company's client interactions lead. In particular, the company is actively developing service delivery locations within the United States and Latin America. This effort involves training and re-skilling students at major universities, thus helping the aggregate locally while building a robust job pool. In addition, Genpact is seeing significant growth in outsourcing within India and China, and more delivery locations are expected in those locations as well.

Exhibit 2: Selected Metrics for Service Delivery Locations by Region (as of Dec 31, 2011)

Region	Revenue Split by Delivery Center Geography	Headcount by Delivery Center Geography
India	66%	75%
Asia (not including India)	13%	13%
Americas	13%	7%
Europe	9%	5%
Total	**100%**	**100%**

Source: Genpact, Dec 2011

Overview of Geographical Presence

Genpact earns most of its revenue from companies based in the US, Canada, the UK, and Europe.

Exhibit 3: Revenue Mix by Geographies Serviced within BPO at Genpact (2011)

Service Line	Percent of Total Revenue
North America (US and Canada)	41%
UK and Europe	39%
South America	7%
Asia/Pacific (not including India)	7%
India	6%
Total	**100%**

Source: Genpact, Dec 2011

Market Focus at Genpact

Genpact recognizes that it must provide BPO services to support its clients' existing delivery frameworks, whether they are predominantly shared services or outsourcing. HfS research shows that close to half of enterprise buyers today rely on a hybrid of shared services and outsourcing. To that end, Genpact is currently helping around 10 different companies to centralize their operations into regional centers, i.e., not necessarily including a BPO component. Rather, Genpact goes into the client leading with process and global delivery capabilities, namely:

- Nearshore, offshore, and onshore expertise;
- Client-facing front-office and back-office process needs;
- Pricing models that allow for greater scalability and performance incentives; and
- End-to-end global processing and sub-process workflows.

Given these parameters, Genpact aligns its goals with the client, including targets in revenue, profit, and customer satisfaction; for example, Genpact cites its collections services from the Philippines as an example of a hybrid service. Buyers can also benefit from service components that Genpact bakes into most of its customer relationships:

Lean, Six Sigma. Thanks to the legacy with General Electric, Genpact can continue to differentiate itself from other service providers that played follow the leader regarding this now globally accepted process improvement model. Genpact currently has a pool of more than 10,700 employees certified at some level in Six Sigma and more than 25,100 employees trained in some aspect of Lean.

The "virtual captive" model. Genpact fosters partnership value through a unique virtual captive model designed to move past the traditional vendor/customer relationship.

Collaborative governance. Before pursuing the virtual captive model, however, Genpact establishes a governance structure as a basis for such collaboration. The company is now actively hiring and training people to interact with the CXO in a more consultative manner.

Most fundamentally though, Genpact has stratified its offerings into either verticals or horizontals, and buyers can readily find the right mix for their needs by engaging personnel who work at the closest intersection.

Overview of Verticals

Genpact manages more than 4,500 processes for 600+ clients across various industry verticals. Genpact has formalized its organization structure by industries to leverage a number of industry-specific solutions and competencies the company has developed for its clients. The company's client base is diverse in terms of industries. Clients include AstraZeneca, BUPA, Ceridian, Diebold, eBay, GE, GSK, Penske, Heineken, Hyatt, Ironshore, Johnson Controls, Ashland, Huntsman, Kimberly-Clark, National Australia Bank, Nissan, Serco, Symantec, Walgreens, Hyatt, Westpac among others.

Genpact continues to update its organizational structure to balance client needs in various industries. The company is investing in "productized" solutions with domain experience as well as analytics and technology, for instance, great promotions for CPG chargebacks for pharmaceuticals and statutory accounting for European nations.

Exhibit 5: Revenue Mix by Industries Serviced within BPO at Genpact (as of Dec 31, 2011)

Vertical	Percent of Total Revenue
Banking, Financial Services, and Insurance	42
Manufacturing	34
Others (including CPG, Retail, Pharmaceuticals, and Healthcare)	24
Total	**100%**

Source: Genpact, Dec 2011

Banking and Insurance

Combined with Capital Markets (below), Banking and Insurance is the largest vertical for Genpact with more than 19,000 employees. The company has a plethora of major clients, including, National Australia Bank, Westpac, Bawag PSK, BNP Paribus, Genworth Financial, Ironshore, California Bank and Mashreq Bank in banking or insurance from various geographies, and the trend seems to be continuing. As a current example, Genpact recently partnered with a fast-growing global commercial insurance player in one of the largest BPO/ITO deals to manage its middle-room, back-room, and technology operations. The specific services in this space include the following:

- Application processing
- Underwriting
- Policy administration
- Claims management
- Mortgage origination and servicing
- Payment services
- Client on-boarding and KYC
- Collections and customer service
- Commercial lending and lease administration
- Cash management and reconciliations
- Retail and consumer loan processing
- Commercial real estate administration
- Asset management, fund management and accounting
- Brokerage and retirement services, accounting and transaction processing
- BPaaS/SaaS operating models

On the banking side, one of the largest banks in the US is contracted with Genpact to consolidate support processes from more than 80 of the bank's locations. The customer considers Genpact a key business partner, to the extent that they asked Genpact for more FTEs "without even looking at the contract."

Augmenting the processes offered, Genpact also has an "anti-money laundering" tool and a deployed analytics tool. The latter provides customer insights for new product development for banks and their holding companies.

Capital Markets

Genpact's capability in this sector was significantly augmented by acquiring Headstrong in 2011 (read more about the acquisition here). Considering most capital markets organizations rely heavily on custom-built technology platforms, possessing the IT consulting acumen, in addition to process talent, is essential to be competitive. The Headstrong acquisition provided Genpact with strong domain consulting skills in addition to added application development & maintenance expertise to augment Genpact's capabilities in the capital markets sector.

Some of its notable capital markets clients are:

- 9 of the top 10 investment banks
- 3 of the top 5 asset managers
- Exchanges, ECNs and Electronic Marketplaces

Genpact's process competency in capital markets includes many mature back-office processes:

- Account opening and maintenance
- Clearance, settlement, and transfers
- Corporate actions
- Reconciliation, compliance, and reporting
- Reference data and cash management
- Trading, trade processing, and post-trade connectivity (derivatives, equities & fixed income)
- Pitchbook Creation
- Asset management, fund management and accounting
- Brokerage and retirement services, accounting and transaction processing
- Risk Management

CPG/Retail

Genpact works with leading Consumer Goods and Retail clients including Kimberly-Clark, SABMiller, United Biscuits, Dollar General and Walgreens. Genpact recognizes that there are business process management nuances specific to industry segments and is primarily focused on Food & Beverage, Health & Personal Care and Household Products within Consumer Goods and Grocery, Pharmacy, and Specialty Retailers within Retail. With both industries facing the dilemma of the need to increase revenue, continue to reduce costs and develop next generation business process capabilities simultaneously, Genpact continues to invest in industry-specific services, which fall into the following broad categories:

- Advanced analytics such as sourcing, forecasting, logistics, inventory optimization, marketing mix modeling
- Trade promotion optimization (consumer goods) and audit recovery (retail)
- Store operations such as forecasting, merchandising and workforce management
- Social listening, monitoring and brand reputation management
- Master data management

Life Sciences

Genpact provides a diverse portfolio of services to global Life Sciences clients across the globe to clients such AstraZeneca, Merck, DJ Ortho, UCB and GlaxoSmithKline. They service 10 of the top 15 life sciences companies. In addition to the service outlined here, Genpact offers tools for pharmaceutical logistics management and speaker fee process optimization.

- Data Management and Performance reporting solution
- Campaign operation including sales force optimization solution
- Key Opinion Leader research
- Business research including disease market landscape & competitive intelligence
- Social media research
- Learning and Training module creation and performance measurement
- Clinical Development Regulatory - Medical documentation, Medical contact center
- Post Launch services - Patient-level data analysis, Physician and drug analysis
- Sourcing & Procurement
- Access & Reimbursement services
- Manufacturing execution
- Risk Management

Infrastructure

In an attempt to stratify the various industries into manageable and logical subsets, Genpact uses the word "Infrastructure" to describe industries usually requiring large capital investments:

- Energy: More specifically, Genpact is proactively pursuing many types of companies in the Oil and Gas industry, including upstream (Engineering, Procurement, Construction and Installation, Drilling, Production) and downstream (Refining and Distribution). Clients in this space include a global oil and gas major.
- Transportation/Logistics: Genpact is also actively pursuing this industry. This includes 3PLs, rail and airline companies. Penske is one of their oldest and strongest relationship in the 3PL industry.
- Telecommunications**:** With around 15 major clients in this space, Genpact is not pushing as hard for new clients in Telecommunications, choosing rather to mine opportunities with existing clients.

Manufacturing

Among the other more obvious subsets, Genpact includes Heavy Equipment, Aerospace, Medical, Chemical, Materials and Automotive in the company's Manufacturing group. Some marquee automotive clients include Nissan, and Delphi. The overall offering includes the following services:

- Supply chain
- Direct procurement
- Inventory optimization

Manufacturing (continued)

- Contract warranty management
- Modeling and drafting
- Engineering analysis
- Product regulatory compliance
- Value engineering
- Reverse engineering
- Reliability analysis
- Manufacturing engineering

Along with the services listed here, Genpact offers a tool the company calls the "Profit Volatility Protector" to help companies mitigate risk due to inventory costing.

Services

Genpact's services business includes verticals like Hospitality, Media and Professional Services. Some of its marquee customers are e-Bay, Cartus, Hyatt, Ceridian, MGM Resorts to name a few. Solutions and services that Genpact provides to these verticals are:

- Hospitality: Shared Services Centers, proprietary tools for governance, reconciliation and cash management for better tracking of process metrics, on-demand analytics, social media analytics and cloud based OTC solution.
- Media: Content solutions and social media analytics, finance and accounting services and human resources services.

Overview of Horizontals

Genpact won several high-value, multi-year contracts last year from Nissan (to provide end-to-end HR services), Serco (for providing F&A services), and MERS (to provide mortgage services). In addition to the traditional horizontal services, Genpact is also focusing on next-gen solutions and services for its clients—with analytics and platform-based solutions. The company is betting big on analytics with huge investments and acquisitions in this segment.

Finance and Accounting

With more than 16,000 employees supporting clients in this space, Finance and Accounting has always been the most proven competency in Genpact.

- Accounts Payable: Genpact provides Accounts Payable services for about 91 companies enterprise-wide. Among these is a multitenant service delivery from Danville, Indiana.
- Order-to-Cash: Genpact has 90 clients and many service delivery locations for Order-to-Cash, including a multitenant in Wilkes-Barre, Pennsylvania. The company expects to make inroads in collections, analytics, and workflow technology with the acquisition of Akritiv in 2011.
- General Accounting: Genpact performs general accounting for around 78 clients, including intercompany transactions.

Finance and Accounting (continued)

- Closing and Reporting: Of those clients contracting with Genpact for general accounting services, 65 have entrusted Genpact to complete the period closing process and generate the requisite reporting.
- Financial Planning/Analysis**:** Genpact is contracted with about 20 clients to provide financial planning and analysis service, i.e., in addition to producing standard financial statements.
- Treasury and Tax**:** Genpact provides tax and/or Treasury services for around 15 companies.
- Payroll**:** Genpact provides some aspect of payroll processing for around 18 clients.

Procurement and Supply Chain

Genpact has 4500+ employees supporting its global source-to-pay and supply chain practices. Among the company's Supply Chain success stories, Genpact helped a US-based utility drive efficiency and effectiveness in the company's IT vendor management by leveraging supply chain and analytics. Other services include the following:

- Indirect and direct sourcing and procurement
- Demand forecasting and management
- Engineering services
- Inventories optimization and planning
- Fleet and logistics services
- Aftermarket services

Human Resources

Genpact has more than 1200 FTEs that provide HR services to 23 clients across 50 countries. In 2011, Genpact acquired the human resources subsidiary of Nissan Motors, and secured a seven-year contract for HR services. See the HfS document "Genpact Has Potential to Be a Serious HR Outsourcing Provider" by clicking here.

Analytics

Genpact's business analytics division (with more than 5,000 analysts) provides a broad spectrum of analytical services broad spectrum of analytical services ranging from research and social media monitoring and analysis to data management and reporting through complex optimization, forecasting, and predictive modeling. . Rather than promote analytics as a separate offering, Genpact is integrating analytics into other components such as FP&A, inventories optimization forecasting, T&E partnering, devising collections strategy, credit risk modeling, and scorecard building. The verticals serviced include Banking and Financial Services, Insurance, Retail, Consumer Products, Manufacturing, Energy, Transportation, Automotive, Healthcare, Life Sciences, and Business Services. Genpact has made significant investments in its Smart Decisions Lab that performs R&D to ensure that clients get relevant analytical solutions. Acquiring EmPower Research in 2011 has broadened the company's analytics offerings into social media monitoring & research. Genpact is eyeing acquisitions that bring boutique capability that are concurrent and complementary to the company's current capabilities. True to the company's roots, among the many isolated competencies in this area, Genpact provides advanced business analytics services for GE Money in the Dallas area (Richardson).

Smart Decision Services

Genpact's Smart Decision Services (SDS) is a blend of industry expertise, process capability, analytics and technology. Genpact provides business impact to customers by using insights from internal and external ecosystems to make smarter decisions that address challenges around regulations, risk and growth. The broad services Genpact offers through its Smart Decision Services are:

- Re-engineering**:** Procure-to-Pay, Record-to-Close, Inquiry-to-Order, Order-to-Cash, Collections, Treasury, and Tax.
- Analytics and research**:** Marketing, pricing, inventories optimization, customer loyalty and surveys, contract management. This offering was further developed when Genpact acquired EmPower in 2011.
- Risk management**:** Internal audit, SOX advisory, regulatory, enterprise, IT, fraud risk.
- Legal processing**:** Contract drafting, legislative monitoring, research and analysis.

Smart Enterprise Processes (SEP)

Genpact's SEP^{SM} methodology was launched in 2009 to help clients improve their business processes. The SEP^{SM} methodology uses best practices and benchmarks collated internally through various client engagements. Genpact's ability to combine a bottom-up, granular, process-based approach with Lean Six Sigma is unique. The SEP^{SM} framework is built on this approach and therefore helps the company differentiate itself.

The SEP^{SM} framework is a rigorously scientific methodology for managing business processes. The SEP^{SM} methodology delivers improved financial performance by breaking down organizational silos and making business processes effective. In this paper, we look at the SEP^{SM} methodology by Genpact.

Genpact identified some key challenges faced by companies today in achieving best-in-class performance. These were:

- Organizational silos restrict the enterprise-wide view, leading to significant value leakage
- Inability to quantify process performance
- Focus on process efficiency compared to overall effectiveness
- Huge variation in process performance compounded by lack of benchmarks and metrics
- Unclear links between process drivers and business outcomes
- Lack of insights into process behavior affecting effective decision-making

Therefore, Genpact felt a scientific approach that focuses on process effectiveness and business outcomes was needed.

Smart Enterprise Processes (SEP^{SM}) methodology is a proprietary business process management framework. It is designed to help client organizations perform well and provides them the ability to anticipate change, the dexterity to adapt to new conditions, and the spirit to innovate and produce new solutions. These organizations focus on process effectiveness as well as efficiency and operate smoothly across global markets.

Smart Enterprise Processes (continued)

Genpact has packaged process management best practices, analytics and IT to target the CXO, forming part of the offering Smart Enterprise Processes, or SEP℠. The solution is proprietary and essentially wraps around all the salient process level metrics and data sources in the organization. After pulling the data, the SEP℠ methodology pinpoints process improvements by taking process management to the next level:

- Identifies metrics, benchmarks, and best practices at each level in a process, rather than at the top level
- Connects business silos through upstream and downstream links
- Provides toolkits to evaluate process performance against best-in-class standards; and
- Provides an adaptive road map for how to become best-in-class

Currently, the SEP℠ framework is leveraged for 20+ key processes that include Source-to-Pay, Order-to-Cash, Collections, Life Insurance Applications to Issue, Commercial Lending, Mortgage, IT Help Desk, Record to Report, Customer Service, and others.

There are four main components of the SEP℠ framework. These represent all the components of process excellence needed to deliver the business impact. They are as follows:

Exhibit 6: Genpact's SEP℠ framework

Levels	Description
Business Outcomes	The SEP℠ methodology lays out measurable CXO-level goals for an enterprise-level process, which address what the process is meant to achieve at an organizational level. These outcomes are prioritized based on their relevance to the client and the business context.
Process Schema	The SEP℠ framework maps out a detailed end-to-end view of a business process across the entire breadth and depth of the sub-processes with performance measures, business impact, and expected outcomes. For each sub-process, the Level 3 activities of the corresponding metrics and drivers are linked. This compares the client's existing process to the schema and identifies the causes of gaps and ideas for recommending improvements for each performance measure and driver.
Metric Drill Down Tree (MDDT) and Benchmarks	MDDT establishes the links between the overall business outcomes and the Level 2/Level 3 metrics and drivers. These benchmarks are used to compare the process performance and metrics against industry standards. At each level in the process framework, the SEP℠ framework measures metrics at the granular level. It maps the client's performance at every step of the process, measuring against best-in-class standards and providing a clear road map for how to become the best-in-class.
Best Practices and Insights	For each process step, a compendium of leading practices across industry verticals is leveraged to assess the process maturity and resolve gaps. These process insights and best practices 'must be' and 'should be' followed to reach the optimum performance level.

Source: Genpact

Using the Framework to Deliver Value to Clients

The SEP℠ framework has helped buyer organizations produce a specific road map for maximizing process effectiveness, which can be implemented in a modular approach to address specific client needs and attain specific business outcomes. For example, Genpact claims that using the SEP℠ framework has helped clients realize the following benefits:

- Improve Daily Sales Outstanding (DSO) by 20% in the Order-to-Cash process
- Reduce their maverick spends by up to 50% in the Source-to-Pay process
- Reduce cost by 2X to 5X in the Customer Service process

The framework is granular and drills down a process up to three levels of sub-processes and activities. Therefore, the effectiveness of a client's processes can be measured at each step of an entire business process. The benchmarks are robust across processes and industries. The framework also takes a step further to create diagnostics and provides the clients with relevant targets for driving business results. These can then be easily translated into recommendations for the clients.

A Look at Business Platform Strategies at Genpact

Recognizing the changes in the BPO market, Genpact has adopted a number of strategies to match perceived needs with its ever-expanding capabilities.

Business Platforms

- Finance in a box**:** Genpact offers standardized finance and accounting services based on SEP processes on Microsoft Dynamics and other leading software platforms. The systems are hosted by Genpact, and a combined system usage and services fee is charged based on actual usage.
- Human Resource Management: Genpact offers end to end human resources support covering hiring management, HR services, and Payroll using Oracle's platforms for leading customers. Customers only pay a combined system and service fee based on actual usage.
- Point Solutions**:** Genpact has partnered with several leading software providers and also acquired some platforms to develop pre-packaged system and service solutions. These solutions add to customer ERP capability and help gain significant process improvements without massive investments in the ERP platform. Examples include platforms for Mortgage initiation and servicing, Revenue cycle management in Healthcare, sophisticated invoicing and presentment capabilities and cloud based credit, collections, and cash application platform (Akritiv).

Technology Partnerships to Support These Business Platforms

Calling it a mechanism for co-innovation, Genpact uses BPaaS 1) in new geographies and for 2) spinoffs. Genpact has been actively pursuing platform-based offerings and has made considerable progress in developing an effective platform strategy. Genpact recognized the need to find inroads into SaaS. The company has acquired a strong platform capability with the acquisition of Akritiv for Order-to-Cash and by an alliance with Ariba for Source-to-Pay. Key examples of partnerships to support Genpact's business platform offerings are mentioned below.

- Ariba alliance (source-to-pay)**:** On the heels of Ariba's acquisition by SAP, Ariba announced an alliance with Genpact for the full suite of its source-to-pay SaaS offerings. The joint solution includes cloud-based applications for spend analytics, eProcurement, eSourcing, supplier performance management, contract management, working capital management, and eInvoicing.

- OB10: Genpact has a mature partnership with OB10 to deliver Invoice/PO automation and Supplier Portal services for its customers with some best-in-class instances of e-invoicing deployments.
- Iasta**:** Genpact relies on a platform from Iasta called SmartSource for Spend Analysis Reporting.
- NetSuite: Genpact has a partnership agreement with NetSuite in which Genpact offers BPO services for the NetSuite SaaS offering, with particular focus on finance and accounting services for middle-market organizations. This partnership combines the strengths of the NetSuite cloud business management suite with Genpact's process and domain expertise.

SWOT Analysis

Exhibit 7 outlines the specific strengths, weaknesses, opportunities, and threats for Genpact.

Exhibit 7: SWOT Analysis for Genpact

Strengths	Weaknesses
• Enjoys a good brand image and is recognized for their expertise in the offshore market. • Focus and heritage in Finance and Accounting as the company's platform for future growth. • Being the leading BPO "pure-play" and the commitment to BPO set Genpact apart. • Distinctive client culture. • Strong work culture. • Inherited strengths from GE heritage, namely, use of metrics and analytics, process oriented, focus on improvement. • Offers an extensive global delivery network. • Acquisition strategy focused on high-growth, high-value opportunities. • Effective platform strategy. • Better client connect with onshore senior management. • The SEP^{SM} methodology holds promise as a game changer. • Genuine alternative to consultancy services. • Recent investment by Bain Capital. • Strength and depth in analytics.	• GE accounts for a significant portion of Genpact's revenues. • Late to the game with its verticalized approach. • Investment refresh by private equity firms, though reduced, pose a challenge and can bring some uncertainty. • IT services business is very small. • Would benefit from further global expansion to reduce perception as an "Indian Provider." • ITO offerings need to be expanded.
Opportunities	**Threats**
• Cross-selling opportunities from acquisitions. • Leveraging its large multilingual talent base. • Enterprises are turning toward data analytics for business decisions. • Greater penetration in the domestic (Indian) BPO market. • Target SMBs for platform solutions. • Opportunity in business transformation services. • Social media and marketing BPO.	• Changing competitive landscape. • Process Automation Technology and SaaS solutions. • "Big Four" consultancies developing competitive offerings in areas such as analytics and process transformation services. • IT services firms, such as Cognizant and TCS, building out their BPO competencies.

Source: HfS Research, 2012

Strengths

- **Enjoys a good brand image and is recognized for their expertise in the offshore market.** Genpact is one of the few BPOs with a strong reputation, brand recall value, and proven capabilities within the BPO industry, making the company one of the first choices for companies looking to outsource. The quality and credibility that come from Genpact's GE heritage add considerable value in attracting senior management, investors, and clients. Several members of the leadership team developed their management skills working within GE, which has helped build business based on the experience gained in helping GE meet a wide range of challenges.
- **Focus and heritage in Finance and Accounting as Genpact's platform for future growth.** Although Genpact is always keen to portray its emergence in growth markets, such as vertical BPO and analytics, HfS widely recognizes F&A as the cornerstone function upon which to build a BPO business, which Genpact has been offering since 1997. Genpact's stellar reputation in F&A and strong presence across major industries give the firm a major foothold for future growth in BPO as Genpact approaches the $2 billion revenue mark.
- **Being the leading BPO "pure-play" and the commitment to BPO set Genpact apart.** All of Genpact's main competitors derive their revenues from being predominantly IT services providers, while Genpact has steadfastly focused on being a market leader in BPO. Several of Genpact's competitors make a lot of noise about their BPO competencies, despite it being barely 10% of their overall revenues, a fact of which clients and leading industry influencers are aware.
- **Distinctive client culture.** Genpact's clients talk more fondly about their provider than many of its competitors. This is due to the notable humility of Genpact's delivery staff and a bloody-minded determination to succeed. HfS has witnessed some notable turnaround situations where clients were struggling with their transition and change that BPO can often bring, and Genpact has worked hard to get its clients in the right track. The word-of-mouth from Genpact clients has provided its most potent growth engine in new business development pursuit. Although Genpact has its fair share of operational issues with some clients, as all providers have, Genpact frequently earns more trust and patience from its clients because of the company's culture and dedication to its craft.
- **Strong work culture.** Genpact was ranked number one as the BPO with the best work culture in 2011, according to an employee satisfaction survey conducted by DataQuest. The biggest challenge for the BPO industry is attrition. BPOs are struggling to manage employee expectations and are finding ways to retain people. Work culture plays an important role in retaining employees. Compared to Genpact's peers in the industry, in terms of work culture Genpact has been rated high, which is a significant plus for the company.
- **Inherited strengths from GE heritage, namely, use of metrics and analytics, process oriented, focus on improvement.** Given the legacy of serving GE for 14 years (with eight years as an internal GE operation), Genpact has acquired extensive experience in transitioning and operating a wide range of business processes. The company applies the principles of Lean Six Sigma across all processes and has extensive experience in operating a wide range of processes. As of December 31, 2011, Genpact had approximately 55,400 employees, including 10,200 employees with Six Sigma green-belt training and 490 employees with Six Sigma black-belt training, as well as 23,700 Lean-trained employees. This sizeable "Six Sigma– and Lean-trained" employee base helps infuse a disciplined, analytical approach to work. Genpact leverages its process expertise across multiple industries and uses it in technology and analytics to drive business impact for enterprises.

- **Offers an extensive global delivery network.** Genpact has 74delivery centers in 20 countries. This strong global network provides the company with multilingual capabilities, access to a larger talent pool, and "nearshoring" capabilities to take advantage of time zones, along with the ability to provide services from the United States. Genpact was one of the first companies in business process services to enter locations like Dalian, China; Budapest, Hungary; Bucharest, Romania; and Gurgaon, Jaipur, and Kolkata in India, taking advantage of the talent pool in Tier 2 and Tier 3 cities. This also resulted in significant profits for the first few years (of moving into such locations) due to higher cost benefits compared to other BPO companies.
- **Acquisition strategy focused on high-growth, high-value opportunities.** Genpact has shown its appetite for inorganic growth with a strategy focused on high growth and high value services. Recent acquisitions—Headstrong, Akritiv, Nissan, High Performance Partners, and Empower Research in 2011 and Symphony Marketing Solutions in 2010—have helped add niche capabilities and expand Genpact's footprint into high-growth markets. These include:
  - **Headstrong Corporation**, a provider of consulting and IT services with a specialized focus on capital markets and healthcare. Genpact acquired critical domain and technology expertise in the capital markets industry vertical with the acquisition of Headstrong.
  - **Akritiv Technologies**, a provider of cloud-based Order-to-Cash technology solutions with domain expertise in providing Software-as-a-Service solutions. Genpact acquired proprietary technology platform and SaaS-delivered solutions for functions such as credit and accounts receivable management. This acquisition will provide an end-to-end offering to clients for receiving and processing customer sales.
  - **Nissan Human Information Services**, which provides human resources services. This acquisition provides additional delivery capabilities in HR services in Japan.
  - **High Performance Partners** (HPP), a provider of innovative solutions for the mortgage market through its proprietary Quantum Mortgage Technology, including consulting and business solutions. Through this acquisition, Genpact has acquired the Quantum software platform that will support Genpact's mortgage business process.
  - **EmPower Research**, an integrated media and business research company with strong capabilities in social media research and measurement. With this acquisition, Genpact gained access to one of the fastest-growing research domains and social media industry.
  - **Symphony Marketing Solutions**, provider of data management services. This acquisition has helped Genpact enhance its expertise in analytics and data management services.
  - **Accounting Plaza**, an SSC of Ahold in Europe. Helped expanding retail F&A capabilities, PeopleSoft ERP expertise and Europe delivery footprint including Dutch language capability.
  - **Atyati Technologies, a private cloud-banking platform**. Helped expand cloud IT capabilities and entry into financial inclusion market in India

Triumph Engineering, an US based engineering services firm. Helped expand design & engineering services capabilities for the infrastructure and manufacturing verticals including aviation and energy sectors. We believe Genpact will continue its growth strategy of greater customer and geographical penetration coupled with suitable acquisitions to strengthen the company's offerings.

- **Effective platform strategy**. Genpact was among the early starters and have made considerable progress in developing an effective platform strategy. The company has been actively pursuing platform-based offerings. Genpact recognized the need to find inroads into SaaS, e.g., via acquiring Akritiv for Order-to-Cash and by an alliance with Ariba for Source-to-Pay. Add these SaaS offerings to the company's traditional BPO model, and Genpact has a formidable suite of BPaaS offerings.
- **Better client connect with onshore senior management**. Genpact's onshore senior staff give the company the ability to connect better and to manage client handholding, transitioning, and overall projects better. Although the company has higher concentration of staff in India (75% of the headcount is based in India), Genpact has much more onshore, nearshore traction—especially among senior management (experienced and often local staff). In fact, soon after Tiger Tyagarajan took charge, he decided to move the center of gravity to the US (closer to the customer). This includes business leaders with P&L responsibilities and Tyagarajan himself.
- **The SEPSM methodology holds promise as a game changer**. Although the offering was first introduced in 2009, Smart Enterprise Processes (SEPSM) could conceivably disrupt the BPO market. The offering stems from a scientific methodology enabling a truly comprehensive analysis of business activity across the entire enterprise, i.e., fact-based and not controlled politically by organizational silos. The SEPSM methodology helps companies take the guesswork out of optimizing resources and companies that can get past traditional ROI justifications could find themselves excelling once the SEPSM methodology is up and running in their enterprises.
- **Genuine alternative to consultancy services**. Genpact promotes a series of "Smart Decision Services" as an alternative to consulting, which includes the Smart Enterprise Processes (SEPSM) framework. The offering provides a much friendlier price point than traditional consulting. Moreover, buyers will be able to rely on Genpact to not only identify the problems but also fix them. HfS sees the ability of BPO providers to provide consultative support to clients in a price-attractive managed service model as critical to the future success and growth of the BPO industry. Genpact is in a prime position to exploit this opportunity.
- **Recent investment by Bain Capital**. The Boston-based fund Bain Capital recently bought a 30% stake in Genpact for $1 billion. Bain Capital bought this stake from two other private equity investors—General Atlantic and Oak Hill Capital. Bain Capital's entry reflects the "attractiveness" quotient of Genpact and adds credibility to the company. In addition, Genpact can leverage Bain Capital's experience given the company's portfolio of investments and reach out to Bain's portfolio of companies to build a new set of clients.
- **Strength and depth in analytics**. With more than 5,000 analysts, Genpact has built competency in the analytics outsourcing space. The company's analytics and research practice offers a wide range of capabilities from fundamental reporting to complex predictive scoring and forecasting. Genpact made significant investments in its Smart Decisions Services that combine industry expertise, process capability, and technology for relevant analytical solutions. In addition, Genpact made some significant acquisitions (Empower Research, Symphony Marketing Solutions) to broaden its analytics portfolio.

Weaknesses

- **GE accounts for a significant portion of Genpact's revenues.** GE has been Genpact's largest client since its inception and accounts for 30% of its revenues, while the remaining 70% of revenues comes from other clients. Although Genpact has significantly reduced this client concentration over the years, 30% is still high, and thus a minor concern, but this concern continues to lessen as Genpact grows its non-GE business. Furthermore, Genpact has a long-term contract in which GE has committed to purchase stipulated minimum dollar amounts of services through 2016.

Exhibit 8: GE Client Concentration

Years	Genpact revenues from GE
2011	30%
2010	38%
2009	40%
2008	47%
2007	58%

Source: Genpact, Dec 2011

- **A little late to the game with its verticalized approach.** A 'verticalized' approach is becoming a key marketing strategy for the leading BPO providers. Genpact, however, has focused more on horizontal offerings and introduced its verticalized approach a little late, compared to several peers. Developing in-depth capabilities across the entire value chain in specific verticals will help Genpact in acquiring end-to-end BPO engagements. On the flip side, most of Genpact's competitors within the major vertical sectors do not have the horizontal strength and depth of Genpact, in areas such as F&A and analytics; hence, this vertical versus horizontal approach is currently more of a "chicken and egg" situation in BPO.

- **Investment refresh by private equity firms, though reduced, pose a challenge and can bring some uncertainty.** Recently, Bain Capital agreed to purchase approximately 68 million Genpact common shares from entities affiliated with General Atlantic and Oak Hill Capital for $1 billion, representing approximately 30% of Genpact's outstanding shares. General Atlantic and Oak Hill will own an aggregate 10% in Genpact when the deal closes. GE and PE firms are still the main shareholders in Genpact, and can exercise significant influence over Genpact, which is a concern.

- **IT services business is very small.** Genpact is an established and well-known BPO services provider. However, its IT services business is relatively small. With customers moving away from piecemeal contracts to transferring ownership of entire processes to vendors, integrating IT and BPO has become necessary. Consequently, the company needs to increase focus on building software platforms, as it is a key element in offering integrated services. The acquisition of Headstrong has reduced some pain in this area; however, the company needs to further invest in strengthening its IT capabilities.

- **Would benefit from further global expansion to reduce perception as an "Indian Provider."** Although Genpact has invested in its global business beyond India, Genpact still has a predominant concentration of 75% of its headcount in India, while 80% of revenues come from North American and European clients.

- **ITO offerings need to expand.** Genpact, a leading BPO provider, has always struggled to develop a leading-edge IT outsourcing business, which has not been the core focus of the firm. Although this has not proven a problem in the past, as an increasing number of clients look to bundled IT and BPO offerings, Genpact may find itself at a disadvantage when clients prefer a single provider with a deeper IT heritage.

Opportunities

- **Cross-selling opportunities from acquisitions.** Acquiring Headstrong adds significant scale in consulting and IT services with a specialized focus on capital markets and healthcare. Although this is a big boost to Genpact's lagging IT business, the company's BPO business will benefit in terms of vertical expertise in capital markets and healthcare as well as access to prospective clients. The client overlap on acquisition is minimal; this also enables incremental cross-selling opportunities for Genpact.
- **Leveraging its large multilingual talent base.** With its extensive global delivery network, Genpact can leverage its multilingual talent base to meet customers' needs across multiple geographies. Multilingual capability is a big advantage for the company.
- **Enterprises are turning toward data analytics for business decisions.** The explosion of data from various information sources coupled with increased data-driven decision-making is creating growing demand for business intelligence and analytics solutions. In an effort to create actionable insights from the rapidly growing volumes of data, analytics is being leveraged by several businesses across sectors. In addition, there is a sudden interest in the emergence of analytic tools and on-demand models in the market. With research and analytics capabilities (strengthened by recent acquisitions), Genpact can enable their clients uncover new insights, identify and prevent future risks, and fine-tune operations to make smarter decisions and meet business goals.
- **Greater penetration in the domestic (Indian) BPO market.** There is increasing adoption of BPO services by traditional and emerging verticals in the domestic BPO market. Although Genpact has made inroads in the domestic BPO market, given the company's scale and capabilities, Genpact can increase its focus and penetrate further in the market. The contribution from domestic business has increased to 6% of revenues in 2011, which has helped Genpact reduce its dependence on U.S. markets. The domestic BPO outsourcing opportunity in India is opening up with the retail, telecom, airlines, and the banking sector taking to outsourcing in a big way. Domestic business provides a significant opportunity for Genpact to manage costs, as the cost of sales is far lower than in an offshore assignment. Moreover, the absolute margin for domestic contracts is lower, but as utilization improves, margins will also improve.
- **Target SMBs for platform solutions.** Small and medium businesses not yet tied to legacy systems are likely to benefit from Business-Process-as-a-Service. Genpact has secured new contracts for BPaaS, but the revenue currently represents less than 10% of the total. The SMB market is growing, and selling to the mid-market is a great opportunity especially with platform-based solutions.
- **Opportunity in business transformation services.** Business transformation services are relatively new offerings in the BPO sector. Offering clients business transformation through a combination of consulting, technology, and business services is a big opportunity. While other players are taking small steps in this space, Genpact can leverage the expertise from Headstrong (acquiring Headstrong gives Genpact deep domain capabilities in capital markets) and quickly capture this opportunity.

- **Social media and marketing BPO.** In today's digital world, social media marketing is considered a powerful marketing engine. Companies of varying sizes across verticals are looking to increase their social media activity to reach out to customers and better understand their customer preferences and behavior. By acquiring EmPower Research and Symphony Marketing Solutions, Genpact can strengthen its social media marketing offering to enable clients to reach out to prospective customers through social media platforms.

Threats

- **Changing competitive landscape.** The offshore BPO services industry is rapidly changing as relatively new (Indian IT) players are challenging the operating models of the traditional giants. First-mover pure-play BPOs (especially Genpact, FirstSource, WNS) are now competing directly with Indian IT players, including TCS BPO, Wipro BPO, and Infosys BPO, primarily on two fronts:
  - Indian IT companies have successfully implemented the low-cost-global-delivery model enabling them to compete on price. Having done that, these companies have moved up the value chain, gradually tapping the more lucrative segments. Of late, Indian IT companies are trying to build analytics solutions and end-to-end service capabilities, which were previously catered to by the global outsourcing players.
  - Indian IT companies are targeting existing clients for BPO contracts. This has allowed the IT companies to build more Fortune 500–type relationships in BPO. Moreover, technological knowhow, global delivery centers, and already established brand names are winning them an edge over pure-play BPOs.

  On the performance front, although Genpact is leading compared to Indian IT companies in terms of revenues, offshore IT companies are quickly gaining strength in the BPO market.

Exhibit 9: BPO Revenue and Revenue Growth – Comparison

2011	Genpact	FirstSource	WNS	TCS BPO	Wipro BPO	Infosys BPO
Revenues ($ mn)	1,250	428	616	877	469	323
Revenue growth	18%	4%	5.8%	22%	7%	12%

Source: HfS Research

- **Process Automation Technology and SaaS solutions**. Software platforms such as Blue Prism that can automate certain manual back-office processes by creating a virtual workforce have emerged. Process Automation and SaaS solutions offer a way of delivering new efficiencies. Process Automation technology enables BPOs to reduce their costs but also poses a challenge to the overall BPO industry. The emergence of automation technology coupled with the rising labor costs in India are likely to erode the cost benefit of the BPO model.
- **"Big Four" consultancies developing competitive offerings in areas such as analytics and process transformation services**. Some of the major management consulting firms are leveraging significant investments in offshore consultative support, such as analytics and risk management. We are already witnessing situations in which BPOs and consulting firms are appearing in competitive bidding situations. These competitive dynamics are likely to increase as global sourcing delivery becomes increasingly complex across multiple domain areas.

- **IT services firms, such as Cognizant and TCS, building out their BPO competencies**. Genpact is facing increasing competition from IT services companies like Cognizant and TCS that are competing in the BPO space, especially in vertical markets where Cognizant and TCS can sell specific BPO solutions through their IT relationships that have a heavy combined IT-BPO component. Examples of these types of IT-BPO solutions include claims management in Insurance and clinical data management in Life Sciences. These companies are most suited to leverage the BPO opportunity due to their IT capabilities and scale, besides the investment capability. Most of these companies have also built platform capability that has helped them add integrated offerings to their services portfolio. As these companies strengthen their BPO competencies, it will become critical for Genpact to maintain its competitiveness vis-à-vis the large IT players.

Bottom Line: Genpact has tremendous potential to dominate BPO for years to come. The company just needs to prioritize its focus

The offshore BPO services industry is rapidly changing as new players are challenging the operating models of the traditional giants. First-mover pure-play BPOs (especially Genpact, FirstSource, WNS) are now competing directly with Indian IT players, including TCS BPO, Wipro BPO, and Infosys BPO. Although Genpact is one of the stronger BPOs, the company realizes that its business model must change from pure-play BPO. Although Genpact is leading Indian IT companies in terms of revenues, offshore IT companies are quickly gaining strength in the BPO market.

The company is seriously looking at its current business strategy to ensure steady growth. Genpact's recent acquisitions in IT consulting, platforms, and analytics is a move toward building a robust set of service offerings. In addition, Genpact's Smart Enterprise Processes (SEPSM) methodology takes a "top-down" approach, focusing on the ultimate compilation of business intelligence for the C-suite. Other vertically oriented solutions are "bottom-up," offering solutions to problems Genpact has seen in servicing clients over the years. Despite the obvious dedication to next generation, Genpact is at risk of missing the bigger question: Are buyers willing to buy these solutions?

We believe that Genpact is in a strong position given its current revenues and projected line of growth. Genpact sees analytics as a big opportunity. The company is moving closer to its customers in the US. With cash reserves in excess of $400 million, Genpact could plan more acquisitions in the domestic market or niche players in the offshore market. We believe Genpact will continue its growth strategy of greater customer and geographical penetration coupled with suitable acquisitions to strengthen the company's offerings.

Buyers considering Genpact should challenge the company to get past the commoditized offerings and into the collaborative, partnering relationship implied with their "Smart Decision Services" offering. This particular offering seems to offer an alternative to the dilemma all service providers have when approaching new clients: Service providers cannot offer solutions when they cannot get close to the processes, but "due diligence" and "consulting" have connotations that scare clients away. "Smart Decision Services" seems to present a compromise that both sides can build upon.

About the Author

Phil Fersht

Phil Fersht founded HfS Research in early 2010 and has overseen the growth and development of the organization to become the leading analyst authority and knowledge community for global business and IT services. He is a prolific author, analyst and visionary for the global services industry.

Fersht was named "Analyst of the Year 2011" by the Institute of Industry Analyst Relations (IIAR), winning the premier analyst award for a second successive year. This is the most coveted global award for industry analysts in technology and services industry. He is a renowned expert in the fields of Business Services and IT Strategies and frequently discusses complex industry-specific issues that impact how enterprises manage their global business operations. He is also author of the leading blog for the services industry entitled "Horses for Sources", now entering its sixth year.

Over the past 17 years, Fersht has lived and worked extensively in Europe, North America and Asia where he has advised on more than 150 major outsourcing, shared services and offshoring engagements and consults regularly with senior business operations and IT executives on their global sourcing and services strategies. At HfS, Fersht directs and contributes to the firm's research, advisory and global knowledge community, which today totals over 120,000 professionals.

During his career, Phil Fersht has worked at AMR Research (Gartner Inc), leading the firm's BPO and IT Services practices. Previously, he served as market leader for Deloitte Consulting's BPO Advisory Services, where he led numerous outsourcing and offshoring advisory engagements with Fortune 500 enterprises. He also worked for outsourcing consultant Everest Group where he helped establish the company's BPO research practice. Phil began his career at IT analyst IDC where worked across its European US and Asia/Pacific operations.

He is a frequent author and speaker on IT services, Finance, HR and Procurement Business Process Outsourcing trends and issues. He was named both an "FAO" and "HRO Superstar" by FAOToday and HROToday Magazines for 2005, 2006, 2007, 2008, 2009 and 2010 and was featured as the cover story for the December 2006 issue of FAOToday as one of the outsourcing industry's most prominent experts. He was also nominated for "Advisor of the Year" at the FAOSummit 2008. He was also recognized, in 2011, by Globalization Today (the official magazine of the International Association of Outsourcing Professionals) in their first ever "Powerhouse 25" list.

He speaks regularly at many leading industry conferences, which have included The Conference Board, NASSCOM, IDC Directions, The HfS 50 Executive Council, the Shared Services Exchange, the Sourcing Interests Group, the Shared Services & Outsourcing Week and the Council of Supply Chain Management Professionals. Fersht is quoted extensively in major media, which recently includes lead stories with the Wall Street Journal, BusinessWeek, Investor's Business Daily, USA Today and CIO Magazine.

Fersht received a Bachelor of Science, with Honors, in European Business & Technology from Coventry University, United Kingdom and a Diplôme Universitaire de Technologie in Business & Technology from the University of Grenoble, France. He also has a diploma from the Market Research Society in the United Kingdom.

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About HfS Research

HfS Research is the leading analyst authority and knowledge community for the global services industry.

In addition to researching business services and technology services strategies, HfS educates and facilitates discussion among the world's largest knowledge community of services professionals, currently comprising 120,000 subscribers. HfS provides a collaborative platform for the largest, highest impact, and most frequently visited professional community in the global services industry, offering rapid and insightful commentary on, analysis of, and debate about enterprise shared services, outsourcing, and global operations dynamics.

In 2011, HfS was awarded Outsourcing, BPO and Services Analyst Firm of the Year by the International Institute of Analyst Relations (IIAR), the premier body of analyst-facing professionals, and runner-up for overall Analyst Firm of the Year. Led by recognized industry expert Phil Fersht, HfS Research differentiates itself with its global team of expert services analysts with real industry experience, provocative and opinionated research, unrivalled market analytics, and a view of technology as an enabler for business process improvement. Its on-demand expertise relationship model helps clients leverage HfS knowledge and strategic insight in a rapid, responsive and engaging manner.

HfS Research also manages the HfS 50 Executive Council, the premier peer discussion group for enterprise outsourcing and business services executives. This by-invitation-only program fosters networking, debate and best practices sharing among the most senior sourcing executives of large global enterprises. This powerful forum is shaping the strategic direction of the sourcing industry, influencing other buyers, service providers and intermediaries across BPO, ITO and shared services domains. HfS hosts and facilitates regular meetings, webinars, introductions and peer networking opportunities for HfS 50 members, and its analysts contribute to these interactions with candid, unbiased opinions based on current, relevant research, benchmarking data and deep sourcing governance expertise.

Now in its sixth year of publication, HfS Research's acclaimed blog "Horses for Sources" is widely recognized as the leading destination for collective insight, research and open debate of sourcing industry issues and developments. The thriving HfS LinkedIn community includes over 17,000 industry professionals who share views and information daily. More information about HfS Research can be accessed at www.hfsresearch.com. The company can be followed on Twitter at www.twitter.com/horses4sources and LinkedIn by joining The BPO and Offshoring Best Practices forum.

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