

Business Process Services (BPS) 4.0: Heralding the Start of a New Era

February 2021: Complimentary Abstract / Table of Contents



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- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

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Background of the research

With the new millennium, the BPS industry had successfully evolved in terms of service portfolio, value proposition, as well as business models. This evolution ensured significant expansion for BPS services globally, with Global 2000 organizations leveraging this model extensively. The industry has continued on its transformation path and building its new value offerings for global clients to help them with scale and efficiency.

Come 2020 and COVID-19 struck as a bolt from the blue and shook the world. Amid what can be called one of the most global and widespread humanitarian and economic crises in modern history, the BPS industry demonstrated leadership and resilience that was commendable. While the industry's initial response to the unprecedented disruption was marked by concerns around supply-side constraints impacting the fulfilment of services and quality levels, these were soon replaced by incredible examples that brought forth expertise and commitment of BPS organization and its employees. While the industry swiftly adapted to Work From Home (WFH) delivery, ably fulfilled services, and resolutely maintained service quality levels, it was clear that another major disruption lay ahead.

Albert Einstein once said, "In the midst of every crisis, lies great opportunity." Indeed, the COVID-19-induced crisis has paved the path for the industry's evolution to BPS 4.0 – the next evolution for this sector, which will be more dynamic, reliable and significantly more agile in driving and shaping the next gen needs of clients. The change will come through acceleration of some of the current levers as well as some new ones that have emerged as key during this crisis.

This joint study by Everest Group and NASSCOM answers key questions that will shape the BPS industry's future:

- What is BPS 4.0 and its value proposition?
- What are the key levers to realize value?
- What are the implications of these changes?
- What should industry stakeholders do to effectively capture value?

Scope of this report:



Geography
Global



Industry
All industries



Services
Business Process
Services (BPS)

Overview and abbreviated summary of key messages

This report examines the evolution of the BPS market and the next generation of BPS, a.k.a., BPS 4.0. This study deep dives into the key elements of BPS 4.0 and the implications for the industry. The report also highlights some of the action items for industry stakeholders to fulfil the promise of BPS 4.0

Some of the findings in this report, among others, are:

Macro forces impacting business globally

- COVID-19 has introduced a fifth element – increased focus on risk management – in addition to the four macro forces that were impacting businesses globally
- The five macro forces are evolving customer expectations, technology innovation, workforce mix changes, geopolitical environment, and risk management

Evolution of the BPS market

- The BPS industry has undergone successful evolution in the last 20 years to satisfy changing business requirements and has demonstrated continuously increased global adoption over the years
- The next generation of BPS, a.k.a., BPS 4.0 will create transformative value for stakeholders through a **5D-approach**
- The change to BPS 4.0 will come from the acceleration of some of the current levers as well as some new ones that have emerged as key during this crisis.

Implications for the industry

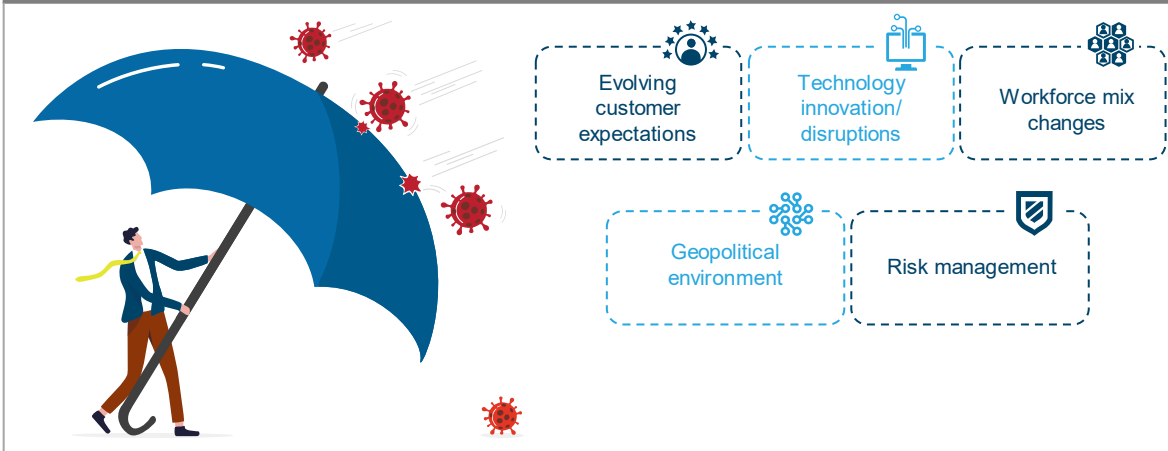
- BPS 4.0 will have far-reaching implications for the industry
- Industry is poised for an era of accelerated growth
- Nature of engagement between enterprises and providers will undergo fundamental shift
- Technology to assume center stage in BPS 4.0

Fulfilling the promise of BPS 4.0

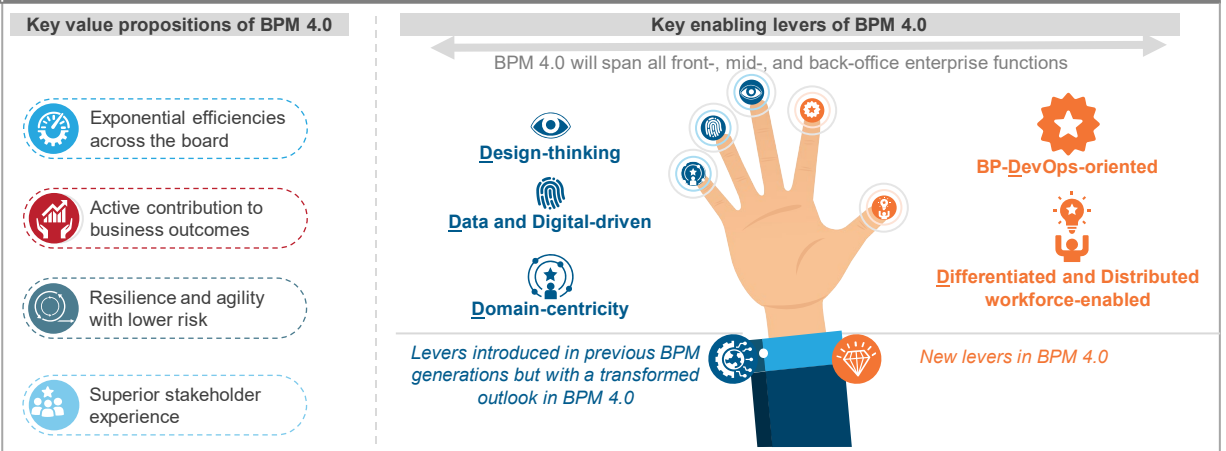
- All constituents of the BPS ecosystem need to work together and contribute to fulfill the promise of BPS 4.0 in the next five years

This study offers five distinct chapters providing a deep dive into key aspects of BPS 4.0; below are some charts to illustrate the depth of the report

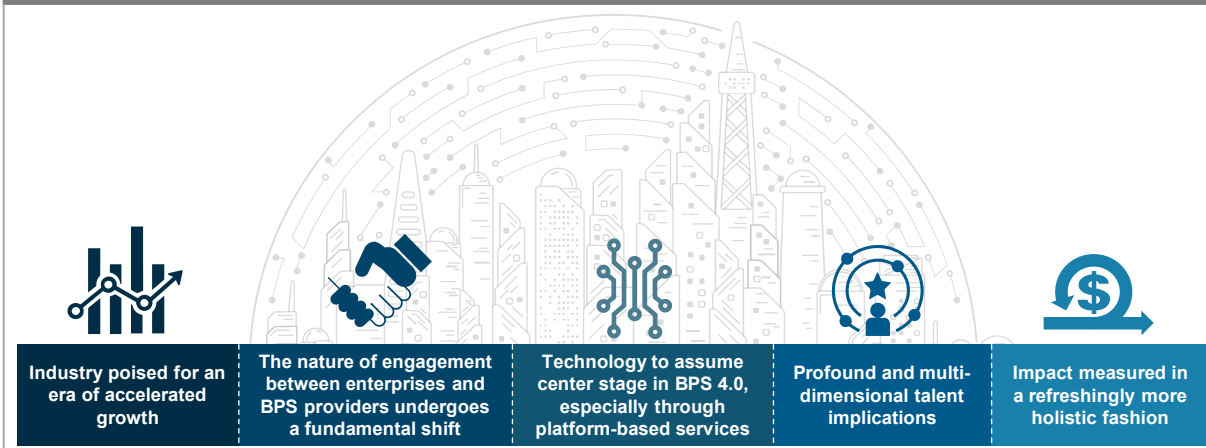
Macro forces impacting businesses globally



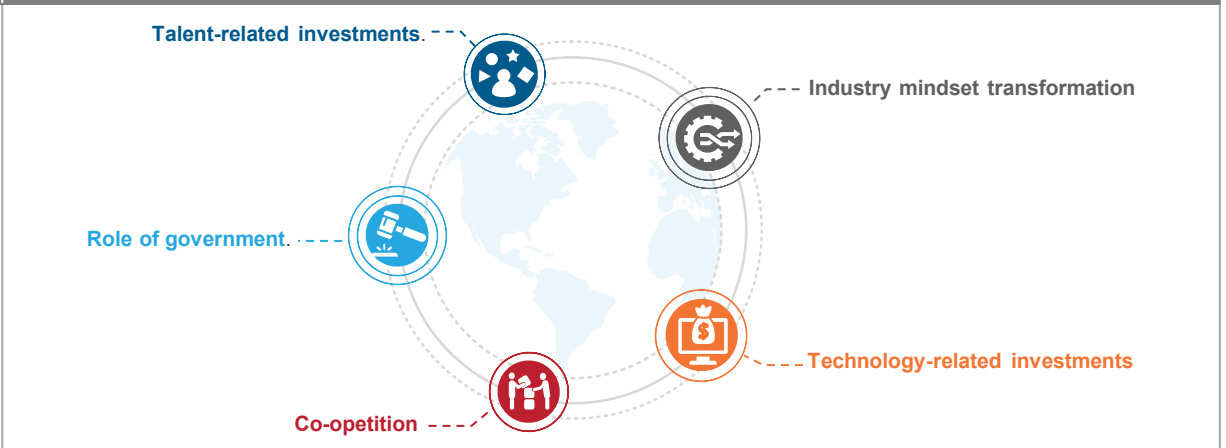
Defining elements of BPS 4.0



Key implications for the industry



Role of the industry stakeholders to fulfil the promise of BPS 4.0



Research calendar

Business Process Services

■ Published
 ■ Planned
 ■ Current release

Flagship Business Process Services reports

	Release date
Mortgage Operations – Service Provider Compendium 2021	November 2020
Customer Experience Management (CXM) State of the Market Report on Europe, Middle East, and Africa (EMEA) 2021	December 2020
Revenue Cycle Management (RCM) Operations – Service Provider Compendium 2021	December 2020
Exploring Data & Analytics, Resilience, and the Next Normal in Finance: Finance and Accounting Outsourcing (FAO) State of the Market Report 2021	December 2020
Elevating Procurement's Role in the Next Normal Through Digital Enablement – Procurement Outsourcing (PO) State of the Market Report 2021	December 2020
Planning a Resilient Future Strategy: Multi-country Payroll (MCP) Solutions State of the Market Report 2021	December 2020
Multi-Process Human Resource Outsourcing (MPHRO) Services PEAK Matrix® Assessment 2021	January 2021
Work at Home Agent (WAHA) Customer Experience Management (CXM) – Service Provider Landscape with Services PEAK Matrix® Assessment 2021	January 2021

Thematic Business Process Services reports

	Release date
The Evolution of Vendor Management Systems (VMSs) for Contingent Workforce Management: What Will Differentiate the VMSs in the Future?	December 2020
Future-proofing Supply Chain Management: Building Resilience and Agility through Digital Transformation	December 2020
Building Future-ready Finance in the New Normal: A Glimpse into the CFO Mindset	December 2020
Is Work From Home (WFH) the Future of Work? A Perspective on WFH, Locations, and Delivery Strategy Beyond COVID-19	December 2020
A Tectonic Shift in the Healthcare Market - UnitedHealth Group's Optum Acquires Change Healthcare	January 2021
Mortgage of the Future	January 2021
Business Process Services (BPS) 4.0: Heralding the Start of a New Era	February 2021

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