





BPO sector still top revenue draw

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AMID the continuing scarcity of qualified people for work in businessprocess outsourcing (BPO), call centers remain the top revenue earners in the BPO industry as shown by National Statistics Office (NSO) preliminary data released recently.

The NSO said preliminary results from the 2006 BPO activities placed the generated business of call centers at P56.7 billion, topping all others in the BPO sector, and represented 70 percent of gross

revenues realized by the entire sector of P81.8 billion.

There has, however, been a gradual shift to "back office" operations in recent years, where the supply side is still a major concern although the private sector is responding to the issue, according to LiveIt chief executive officer Alfredo Avala

"Although the lack of qualified people is still a major concern in the BPO industry, I am confident the private sector can craft the solutions," said Ayala on Tuesday at the sidelines of the Asian CEO Forum held the Tower Club in

Other BPO activities in the Philippines include other software and consultancy and Supply with revenues of P11.1 billion or 13.6 percent of the total; software publishing, P5 billion or 6.1 percent of total; data processing with P4.8 billion or 5.8 percent; and hardware consultancy, P28.3 million or 0.03 percent.

Ayala said the Business Processing Association of the Philippines (BPAP) is implementing various solutions to address the pressing problems of the industry with programs like the Advanced English Pre-Employment Training to enhance the English proficiency of prospective BPO workers.

The Adept program was created and developed as an academe-industry response to the needs of the BPO sector by the Coordinating Council Of Private Educational Associations and the BPAP, and is being run in 20 universities and colleges.

Ayala said the country ranks next to India in terms of BPO operations. "With a size barely one-tenth of India, the Philippines represented a healthy 15 percent of the offshore BPO market and has emerged as a key destination for English-based work especially for the North American market."

The Webnewswire.com on its online article said India and the Philippines together account for 50 percent of the world offshore BPO market. The sector is one of the driving forces of the Philippine economy because it has fueled growth in real estate, services among others.

According to studies, BPO operations in the country have grown 46 percent annually since 2006, led by the demand for industry workers such as agents in contact centers. Later, this was followed by a demand for knowledge workers such as engineers and designers in the knowledge- process outsourcing industry

The Board of Investments placed total employment in the BPAP and BPO Services Association by end-2008 at 435,000-compared to 372,000 in 2007, excluding the non-BOI non-Peza entities.

Overall, Philippine BPO is forecast to earn between \$11 billion and \$13 billion and employ 900,000 additional people in 2010

In terms of employee generation, call centers still remain the largest employer, but the center personnel do not receive the highest monthly salary with their average pay of P22,935 per month.

Software publishing employees received the highest monthly compensation of P36,559, followed by workers in other software and consultancy and supply, P30,864, and animated films and cartoons production, P28,543.

Workers in database activities and on-line distribution of electronic content received the lowest monthly pay of P7,645. (R.R. Reyes, C. U. Ordinario)

In Photo: Fred Ayala, CEO of Livelt solutions, the BPO holding company of Ayala Corp., fields questions at the Asia CEO Forum at the Tower Club on Tuesday. (Roy Domingo)

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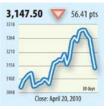




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