



Making Kenya top 10 ICT hub

Business Process Outsourcing (BPO)-

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SOCIAL CONTEX OF ICT

Why all the fuss about ICT?

“The adoption of an information communications technology (ICT) is central to all efforts aimed at transforming any economy into an engine for growth”

Why now ?

Vision 2030 identified ICT as a key **enabler** for accelerating the country’s socio-economic growth

Enabler! What does this mean..?

ENTER ‘OUTSOURCING’

Outsourcing Defined - Purchasing a good or service from a vendor **because** it is cheaper to buy than to produce in-house; can be purchased locally or overseas

Goods – Manufacturing inputs, machinery etc

Services – IT Support, Customer service, Payroll

‘OUTSOURCING? OFFSHORING? BPO?’

...often used interchangeably in public discourse but are different concepts altogether, technically speaking

Outsourcing – to buy something (good or service) from a 3rd Party instead of making it in-house.

Offshoring – Transfer of an organizations’ core function to another country **because it makes economic and business sense (Costs Less)**

BPO – Contracting a 3rd party(vendor) to perform a specific non core but critical **business process** on its behalf **because it makes economic and business sense (Costs Less)**

BUSINESS PROCESS OUTSOURCING(BPO)

BPO is also used to mean **IT Enabled Service (ITES)** because

>>most **BUSINESS PROCESSES** are automated or carried out using IT, therefore they are IT Enabled Services(ITES)

BACK OFFICE , FRONT OFFICE OUTSOURCING

Back Office outsourcing is internet dependent

- Payroll, Billing, claims Processing
- Transcription
- **Software development , web development etc**
- Accounting
- Research, Journalism

Front office outsourcing is internet dependent

- IT support (help desk, **Shared services**)
- Customer service, Sales, Marketing, advertising through internet

BENEFITS OF OUTSOURCING FOR KENYANS(BPO/ITES)

- Employment opportunities, wealth creation
- Economic growth – higher GDP due to better ways of doing business..internet selling
- Growth in per capita income
- Knowledge and skills transfer
- R& D leading to Innovation and centers of excellence in niche fields
- Vibrant financial sector, Capital Markets which will mean more access to finance for entrepreneurs
- Better access to Research
- BPO/ITES is worth over \$ 125 Billionthe pie is big, claim a pc



BENEFITS continued....

- Equity in economic status of society as BPO can be offered out of anywhere.
- Better service from Government, Telcos, Banks
- Higher productivity as companies focus on their core competences/ businesses
-etc etc

***Those still in school stand to gain more
Scale up and take advantage***



IN CONCLUSION....

- ***Scale up and take advantage***
- ***Kenya is competitive in Front Office Outsourcing due to good spoken English but KPI paying more paying***
- ***The government is committed to developing ICT infrastructure***
- ***Kenya ICT Board is committed to marketing Kenya as ICT investment destination and promoting BPO***



Thank you

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