

SHRIMATI INDIRA GANDHI COLLEGE

(Nationally Accredited at 'A' Grade (3rd Cycle) by NAAC)

Tiruchirappalli – 620 002.

Departments of Computer Science, MCA (AICTE Approved) and
Information Technology & Applications



BUSINESS PROCESS OUTSOURCING

BASICS OF BPO

UNIT - I

2 Marks Questions:

1. Define BPO.

Business Process Outsourcing is a general term used to describe outsourcing of critical, but non-core, business processes of an organization.

2. How does BPO work?

BPO involves complete transfer of business process or function to an external service provider who will execute the transferred business with extensive usage of IT in the delivery process.

3. What are the differences between BPO and IT?

IT : Specific task management and or task specific applications.

BPO : Business Process Outsourcing is a Complete outsourcing of a full process with all elements and focus on the core elements.

IT : Application of information technology to specific tasks of business to make it automatic semiautomatic, thereby saving on manpower and hence cost and improvise quality of service, performance.

BPO : Outsourcing of specific portions of everyday business process to specialists to achieve better results and to concentrate on core processes.

4. What are the benefits of BPO?

BPO allows companies to concentrate or focus on core process by outsourcing non core activities.

5. What is meant by off shoring?

BPO that is contracted outside a company's own country is sometimes called offshore outsourcing.

6. Give example for the core and critical activities in an organization.

- Product design.
- Financial manufacturing or main function assembly
- Branding

7. Expand CRM and HR.

CRM : Customer Relationship Marketing

HR : Human Resources

8. What are the BPO models depending on the type of activities?

- Transactional
- Niche
- Comprehensive

9. What is meant by near – shore?

The service provider is located near the shore in a lowest cost country. E.g.: US based companies outsourcing to Canada.

10. Define NAFTA?

NAFTA: North American Free Trade Agreement

11. What is meant by HR BPO?

- Payroll management
- Training
- Recruitment
- Employee benefits management

12. What is outsourcing of Finance and Accounting function?

- Receivable management
- Billings
- General ledger
- Loan administration
- Credit / debit care services

13. Define CFC

CFC : Countrywide Financial Corporation.

CFC provides high quality and specialized business, financial and analytical processing and IT services country wide in the mortgage and related financial services sector.

14. What is meant by onshore?

BPO that is contracted with the company's own country is sometimes called onshore outsourcing.

15. What are the types of BPO vendors?

- Transactional IT
- Consulting firms
- Pure play BPO vendor

16. Explain the highlights of Outsourcing.

- Profitability
- Customer loyalty
- Business growth
- Cost reduction
- Time to market

17. What is offshore?

The service provider is located far away from the company which is outsourcing work and communication and control is exerted using IT enabled tools over long distance telecom networks.

18. What are the differences between BPO services in China and Mexico?

Country	Advantage	Limitation
China	Low costs	No English capability as yet; trained manpower unavailable
Mexico	30 percent cheaper than US : Spanish skills	Good, only for few types of jobs

19. Why is India a better BPO destination?

- India is the 12th largest telecom network in the world.
- The workspace in the Indian ITES industry is expected to increase from current 3,50,000 to over 2 million.
- The country churns out 75,000 IT graduates, 35,000 engineering graduates and over 2 million English speaking graduates in every year.

5 Marks Questions :

1. Write a short note BPO.

- Business Process Outsourcing is a general term used to describe outsourcing of critical, but non-core, business processes of an organization.

- BPO usually suits organizations that manufacture and deliver products.
- Manufacturing companies have been outsourcing the manufacture of components. Nowadays with the growth of IT Industry growth of IT industry, several other process are also outsourced several other processes are also outsourced maintenance.

Example :

- IT maintenance
- House keeping
- Security services
- Data entry
- Payroll

2. How does BPO work?

BPO involves the complete transfer of business process or function to an external service provider who executes the transferred business with extensive usage of IT in the delivery process. The BPO vendor completely takes over the execution of the process.

BPO vendor is selecting based on the quality delivered; nonpayment for delivering quality below the accepted limit is an important in BPO.

BPO is a most easily applied across IT intensive functions such as payroll, human resources, financial accounting, logistics, administration etc.

3. What are the benefits of BPO?

- Focus
- Best practices
- Cost reduction

- Reduction of capital requirements
- Change of cost structure.

4. Write short notes on current use of BPO.

Current Use of BPO

- Non intending to use outsourcing
- Currently reviewing outsourcing functions
- Outsourcing for at least one function

5. What are the growth drivers in BPO industry?

- Number of companies waiting to outsource.
- Number of activities within a company that are found to be out source able competitive forces lend a natural acceleration to this trend when competitors follow the path set by the leader.
- Availability of trained professionals, to meet the demand for employment.
- Attractive pay packages offered by the BPO sector.

6. What are the steps taken to decide upon outsourcing for an Organization?

Step 1 : Create Inventory of in-house resources.

Step 2 : Assess in house resources compared to services available in the market place. Based on assessment, check if outsourcing is beneficial required if so continue able.

Step 3 : Identify and evaluate prospective bidders.

Step 4 : follow a competitive bidding procedure, including request for proposals and evaluation of bids.

Step 5 : Conduct Negotiations, Choose the best provides in terms of service and cost obtain a letter of intent term sheet.

Step 6 : Sign the contract.

Step 7 : Transition phase - Assessment of performance of service provide.

Step 8 : Renegotiation or termination of contract

7. Discuss about location of the service providers.

Three terms are used to location of service provider

1. Onshore
2. Near – shore
3. Off – shore

Onshore:

BPO that is contracted with the company's own country is sometimes called onshore outsourcing.

Near – Shore:

The service provider is located near the shore in a lowest cost country. E.g.: US based companies outsourcing to Canada.

Off shore:

The service provider is located far away from the company which is outsourcing work and communication and control is exerted using IT enabled tools over long distance telecom networks.

8. What are the Third Party companies?

The WNS group, WIPRO and DAKSH bagged the first three slots in the top of 15 ranking of third party call controls and BPO companies released by NASSCOM June 2004.

10 Marks Questions :

1. What are the categories of outsourcing? Give examples for each.

They are four categories of outsourcing

1. Non-Core-Non-Critical
2. Non – Critical
3. Core – Non – Critical
4. Core – Critical

1. Non-Core-Non-Critical

- Security
- Cafeteria
- House keeping
- Helper / peon service

2. Non – Critical

- Customer Care
- HR Related administrative
- Medical Transcription for a Healthcare service provider

3. Core – Non – Critical

- Marketing of credit cards for a financial service company
- Transaction processing
- Accounts, receivables management

4. Core – Critical

- Product design
- Financial manufacturing
- Branding

2. Discuss in detail about the various aspects of outsourcing. Explain the Growth drivers.

- Business Issues facing companies today
- Current uses of BPO
- Opting for BPO
- Results from a BPO Engagement
- Growth Drivers: Large global companies have been outsourcing their non-core activities. The convention of corporations are jumping on the bandwagon

3. Discuss in detail about the BPO models and types of BPO vendors:

BPO Models:

- Transactional Provider :
Handle only one process and not the entire activity.
E.g. Payroll processing.
- Niche Provider :
Handle a wide range or sequence of transactions than transactional BPO vendors.
- Comprehensive Provider :
Handle almost all the transactional and administrative process in a function.

BPO Vendors:

- Traditional IT services
- Consulting firms
- Pure play BPO vendors

4. Explain the snapshot of captive BPO units in India.

- Finance & Accounting
- Insurance
- Collections
- Customer fulfillment
- GECIS Analysis
- GECIS Learning
- GECIS IT service
- GECIS Software

5. Discuss the leading units in BPO

- ABN
- ACES
- AOL
- Bank of America
- Citibank
- CFC
- Dell international service
- D-linkHSBC
- Morgon
- dNETS
- PPMS

6. Write short notes on Challenges for the BPO vendor.

- Long – term contracts
- People and HR issues
- Fast scaling up needs

- Quality turnaround
- Industry expertise
- Long gestation period for ROI

7. How to develop the future prospects for BPO industry in India?

- India is only scratching the surface
- Massive wage differentials exist
- The country wide comparison
- BPO sectors
- Networking
- GDP

8. Discuss the snapshot of Captive BPO units in India.

Snapshot of captive BPO units in India:

- GECIS
- GECIS Businesses
 - Finance & Accounting
 - Insurance
 - Collections
 - Customer fulfillment
 - Industrial & Equipment Business
 - GECIS Analytic
 - GECIS Learning
 - GECIS IT Service
 - GECIS Software
- Accenture
- Location and corporate structure

UNIT - II

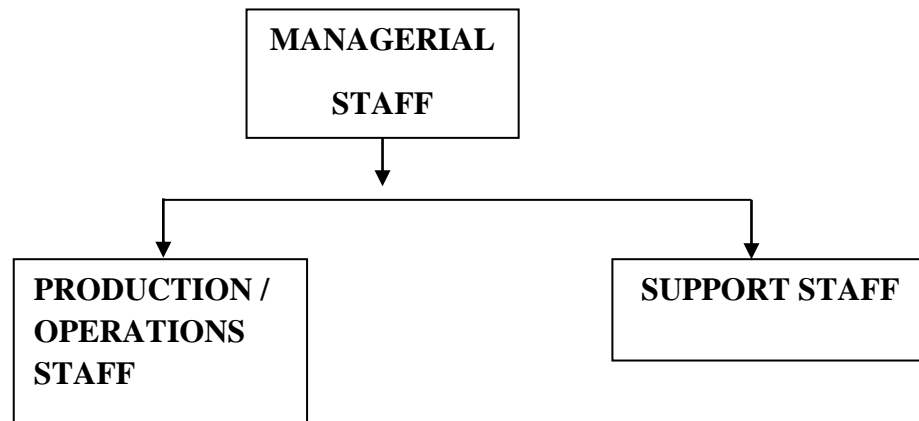
2 Marks Questions :

1. Expand CEO & COO.

CEO : Chief Executive Officer

COO : Chief Operating Officer

2. Sketch the structure of BPO Company.



3. What are the risks to consider when picking an offshore location?

- Infrastructure instability
- Time Zone difference
- Culture different

4. What is call centre?

A call centre is an office where a company's inbound calls are received or outbound calls are made.

5. How does the contact centre work?

The call centre handles telephone calls from a customer who wants to get in touch with company specific needs of the customers are addressed.

6. Expand KPO and LPO.

KPO : Knowledge Process Outsourcing

LPO : Legal Process Outsourcing

7. What are the types of Call centers?

- Inbound Call Center
- Outbound Call Center

8. Define Inbound Call centre.

Inbound call center calls from customers and are responsible for retaining exiting customers through appropriate solution.

9. Define Outbound Call centre.

Outbound call centre is responsible for calling customers for the purpose of telemarketing presales and collections.

10. What are the skills required for Medical Transcription?

Language understanding, basic computing, and understanding the various medical terminologies for medical transcription.

11. What are the positions held by call centre employees?

- Team leaders
- Managers
- Trainers
- Training Managers
- Training heads

12. Define ACD.

ACD : Automation Call Distributor

A basic system that processes incoming telephone calls on a first come first served basis.

13. Define IVR.

Interactive Voice Response :

The IVR can collect data from the customer by using automated speech recognition.

14. What are the progressions at Intelnet?

- Vertical progression
- Horizontal progression

15. Expand CTI. What are the links in CTI.

CTI : Computer Telephony Integration.

Links : Data and Voice.

16. What are the skills preferred for the Network Consultancy and Management?

Understanding different network configurations, management of network supports equipment and technical computing skills.

17. What are the activities in Intelnet?

- Contact centre
- Back office processing

- Accounting services
- Technical help desk

18. Expand DMS and VRS.

DMS : Data Managing System

VRS : Voice Recording System

5 Marks Questions:

1. Write short notes on BPO industry?

The BPO industry is still in a nascent stage. The offshore outsourcing will grow more than 20%.

The reasons are :

BPO requires substantial commitment from the outsourcing organization in the transition process.

The cost of several processes such as Tele-marketing was such that it made sense for an organization to target customers such as reduction in cost, lesser potential. BPO industry the annual revenues of well over 142 billion in 2009. India has been racking very rapid gains in the last 5 years and is likely to corner around 56% of the worldwide offshore.

Robust Communication Infrastructure. A large English speaking work force low labour cost, appropriate time zone. The difference with the west and the brand equity built by the software services sector are compelling reasons for choosing BPO India as the major BPO destination.

2. What are the components of working Call centre?

A comprehensive call centre incorporates :

- Communication resources : Telephone Fax, Internet, Voice IP, high bandwidth.

- ACD : Automatic Call Distributor System
- Dialers and other productivity enhancing software
- IVR : Interactive Voice Response Systems
- Customer database
- VRS : Voice Recording System
- DMS : Data Managing System

3. Discuss the city wise distribution of top BPO companies.

CITY	FOCUS	PROMINENT COMPANIES	EMPLOYEES
NCR Delhi, Gurgaon & Noida	Contact centre, transaction processing	GE, American Express, Wipro EXL, EDS	73,000
Mumbai	Financial research, back office, contact centre	Msource, Morgon Stangely JP Morgan, WNS	63,500
Bangalore	Bio informatics, medical transcription, healthcare claims, mortgage processing	Wipro, Dell, TESCO, Oracle, TMT	1,10,500
Chennai	Animation contact centre, call centre, transaction centre	Cogizant, world bank, EDS, IT, Hexaware	7,000

4. What are the Compensation levels of different BPO positions?

The different levels of BPO activities

BPO activities	Level	Avg salary pm
Contact centre	Agents	8,000-15,000
	Team Leaders	13,000-20,000
	Managers	22,000-30,000
	Trainers	10,000-15,000
	Training managers	15,000-30,000
	Training heads	25,000-35,000
Transaction Processing	Entry level	5,000 – 10,000
	Mid level	10,000 – 12,000
	Senior level	13,000-20,000
Healthcare BPO	Medical transcriptions	5,000-8,000
	Proffers	7,000-9,000
	Editors	9,000-13,000
	Quality analysis	11,000-16,000

5. Explain the types of Call centers.

Call center – different call centers can be classified as

1. Inbound call centres
2. Outbound call centres

Inbound call centres

They handle calls from customers and are responsible for retaining existing customers through appropriate solution.

Outbound call centre

Outbound call center is responsible for calling customer for the purpose of telemarketing, presales, collections etc.

6. Discuss the Issues and problems in BPO industry.

1. Setting appropriate pay scales
2. Reducing employee turnover
3. Scheduling, rewards and the chance advancement
4. High stress
5. Health hazards

7. Explain the culture variation of India and US country.

1. Language.
2. Timings
3. Difference in Indian money and US dollar.
4. Age limit.

8. What are the parameters needed to recruit people in the BPO Industry?

- Age
- Communication skills.
- Working at night time
- Selling skills.
- Incentives.

9. What are the Rules for Call centre technology?

- a) The industry requires only graduates
- b) The training period only 45 days.
- c) Voice and accent training
- d) Behavioral and attitudinal training for future development
- e) The professional quality

- f) The profession teaches one to work hard and work smart.
- g) The scale at which allows the contact centre operate allows CSA's to make a lot of personal enrichment

10. Describe the activities of any two contact centre companies.

- TCS
- HDFC

TCS :

Tata Consultancy Services

TCS is one of the world's leading Information Technology companies. Through its global network delivery model, innovative network and solution accelerator, TCS focuses on helping global organizations address their business challenges effectively.

HDFC:

Housing Development Finance Corporation Limited.

HDFC is a part of the liberalization of the Indian banking Industry by the Reserve Bank of India (RBI). It was one of the first banks to receive "in principle" approval from RBI for setting up a bank in the private sector.

11. What are the trends and future of BPO?

Trends: The cost and quality

Future: Bright and more opportunities.

10 Marks Questions:

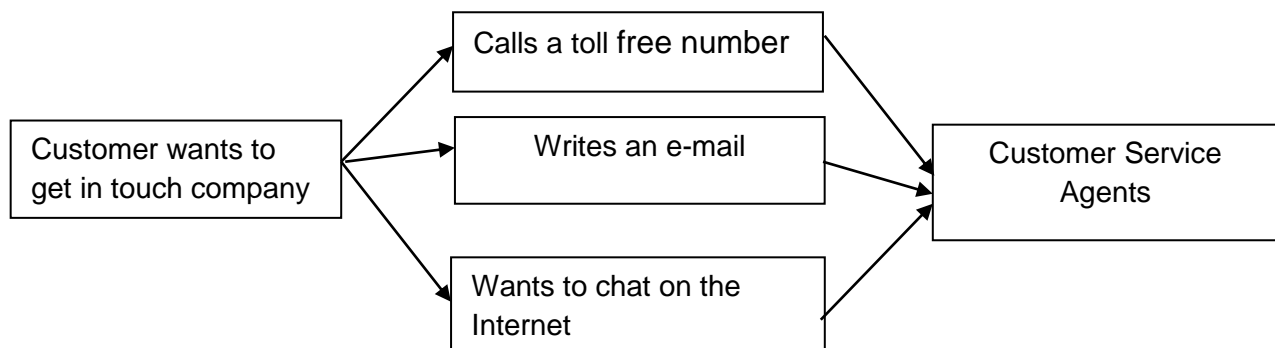
1. Briefly explain about the BPO industry.

- Introduction.
- Organizational Chart.
- Employee Structure.
- Top BPO venders.

2. What are the skills needed for various outsourcing fields?

SEGMENTS	SKILLS
Contact centre	Good communication, team leadership, computing skills
Remote customer Interaction	Language and understanding of accents.
Data search, Interaction	Computing, language and analytical skills
Human resource services	Country-specific HR policies, rules and regulations.
Medical transcription	Language understanding, basic computing and understanding of various medical terminologies
Animation	Drawing and creativity skills, computer graphic skills
Finance and accounting	International/country specific accounting rules.
Market research	Understanding statistical sales and marketing concepts.
Network consultancy and management	Understanding different network configurations and management support equipment, technical computing skills.

3. How does the contact center work?



4. Discuss about the call centre technology.

CTI:

Computer Telephony Integration

Year : 1980

Link : Data and voice

Platform : Business process

Benefits:

Better customer service

Reduce cost

Multiple Service levels.

ACD:

Automatic Call Distributor

Distributes the incoming calls to a specific group of terminals.

FIFO:

First in First out, the telephone calls on a first come first served.

IVR: Interactive Voice Response:

Telephony technology in which the customer uses a touch tone telephone to interact with a database entire data into the database. IVR technology is used to gather information, and answer the questions by pushing the numbers on a touch-tone telephone.

Predictive Dialing:

This is an outbound calling. The software automatically redial outbound phone numbers at various time of the day.

This technology completely eliminates dialing and redialing.

Recording System:

This system record , log and monitor inbound and outbound calls, thereby allowing call center management to evaluate the overall performance of the call center.

5. Explain the vertical growth plan in Intelnet.

Head Operations:

This is one of the key positions in the company. The head operation is always one of the overall compliances of the process and the quality of the company.

Team Management:

The team manager handles all the team leaders in particular operations. The quantity and volume of work handle as well as the quality.

Operations Manager:

The operations manager handles the role of looking after one client , with several team leaders and CSA reporting him.

6. Explain the Horizontal growth plan in Intelnet.

Human Resource Management:

BPO unit due to the youthful profile of its employees.

- Payroll management
- Recruitment
- Training
- Employee benefits management

Advice and Aspirants:

This is definitely a long-term carrier and progressions are vast. Some of the Advantages of a job in a contact centre are:

- a. The industry requires only graduates.
- b. The training period only 45 days.
- c. Voice and accent training.
- d. Behavioral and attitudinal training for future development.
- e. The professional quality.
- f. The profession teaches one to work hard and work smart.
- g. The scale at which allows the contact centre operate allows CSA's to make a lot of personal enrichment.
- h. Salaries are often high compared to other industries.
- i. Facilities such as great and position ambience, appreciation, rewards and drop services are unique to the industry.

7. Briefly explain the case study of Intelnet.

- Introduction
- Infrastructure
- Activities
- Contact centre operation
- Quality
- Technology
- Training
- Recruitment
- Carrier and Growth plan

UNIT - III

2 Marks Questions:

1. What are the basic responsibility of Healthcare Organization?

➤ It has the responsibility to provide medical treatment for patients from pre-birth to the end of life.

2. What are the Healthcare activities include?

➤ It includes medical transcription, document management coding, billing and receivable management.

3. Who are the Healthcare providers, Healthcare payers, Healthcare seekers?

Healthcare providers:

- Hospitals
- Clinics
- Physician practices

Healthcare payers:

- Insurance companies

Healthcare seekers:

- Patients.

4. Mention any two service requirements by healthcare providers.

- People are insured by one of insurance companies operation in us.
- Patient goes to the healthcare providers with some medical problem.
- Change sheets are produced that contain the comprehensive patient, demographic & billing data.

5. What are the functions in document management?

➤ Collection of patient's medical and demographic record into a single computerized patient record with database and e-signature functionalities.

6. Mention any two advantages of off shoring healthcare service.

- Cost advantage
- Time advantage
- Large manpower availability advantage

7. Define TAT.

TAT->Turn Around Time

- It is the case of medical transcription it could mean the time by which the document should be transmitted and next back to the doctor.

8. Explain about Medical transcription.

- Converting medical data from speech (voice) or handwritten format into electronic form, was the first activity performed in healthcare space.

9. What are the different sets of codes used by the American healthcare system?

- ICD=>International Classification of Disease.
- CPT codes=>Current Procedure Terminology.

10. What are the four types of insurance companies in US?

- Medicare
- Medicaid
- Blue cross or Blue shield
- Etna
- United Healthcare.

11. Explain about Medical insurance.

- State – level programs for indigent children whose parent's income is below the poverty line and also for disabled and retarded children.

12. Mention any two advantages of speech recognition.

- Accurate recognition of natural sounding continuous speech.
- Widespread availability of cheap, raw computing power.

13. List any two MT companies in India.

- Cbay system->Mumbai, Bangalore, Hyderabad.
- Godrej Remote service->Mumbai.
- Health scribe->Bangalore.

14. Mention any two actual, unedited, notes dictated by doctors on patient's medical charts?

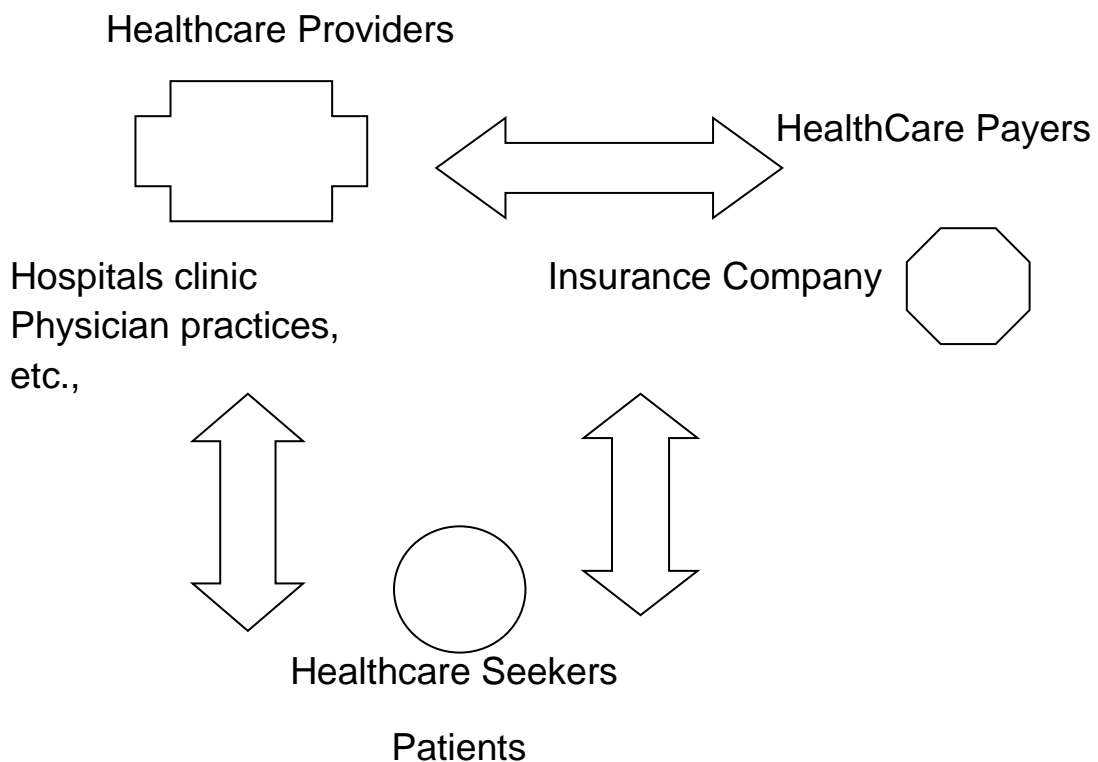
- Patient has chest pain if she lies on her left side for over a year.
- On the record day the knee was letter, and the third day it disappeared completely.

15. What are the four types of solutions offered by CBay?

- CATTs
- CBay Scribe
- CBayFlo
- At Network.

5 Marks Questions:

1. Write down the structure of the American Healthcare sector?



2. What are the variety of activities & services provided by healthcare service?

Transcription

Conversion of medical data from speech or handwritten format to electronic form.

Document management

Collection of patient's medical and demographic record

Coding

Assigning the predefined diagnostic and treatment codes to different medical procedures.

Billing

Combining patient records, codes and charges sheets.

Forms processing

Scanning handwritten documents, converting them into electronic form and sending it back

Receivable Management

Collection of receivable

Company health analysis

The medical history of all employees of a company is analyzed

3. What are the advantages of off shoring healthcare services?

- Cost advantage
- Time advantages
- Large manpower availability advantages

4. What are the topics covered by 6 months long full time training program?

- Medical Terminology
- Human Anatomy
- Operative and consultative procedures
- Phrenology & Knowledge about various drays used
- American laws of confidentiality
- American English

- Method & Style of transcription
- Course enhancing typing skills

5. What are the advantages of Speech Recognition and also the Problem and Issues?

Speech Recognition:

- Natural Sounding
- Raw computing power
- Medical transcription
- Investment costs are low
- Faster turnaround time

Problem and Issues:

- Doctors learning new method
- Incompatible patient record
- Accuracy rate

6. List some of medical coding / billing companies in India.

No	Name of the Company	Location
1	Healthcare	Gurgaon
2	Qpro	Bangalore
3	Rays Communication	New Delhi
4	Sterling IT Center	Vadadara
5	Medvaiue Offshore Solutions	NA
6	Ecare	Chennai
7	SVL Infotech	Chennai
8	Thuriam	Chennai

7. What are the future trends in healthcare BPO?

- Capture business worth \$800 million from US healthcare companies alone.
- The Middle East also offers a good potential market for off shorting healthcare market.
- India is clearly emerging as a favorable destination for healthcare outsourcing mainly
- A long term opportunity and India companies are ready to take a substantial proportion of the pie

8. What is billing in healthcare BPO?

- Medical billing thus is more an accounting activity that generates bills
- Medicare: which is the federal government programme, above the age 65 years
- Medicaid: which is the state level program for indigent children
- The private players like blue cross or blue shield, Etna, United Healthcare etc.

9. What is coding in healthcare BPO?

- Indian coders have already created a niche in the market for their professional skills
- A function of appropriate training in international coding practices
- Several Indian codes have been certified by AAPC (American Association Professional Coders)

10 Marks Questions:

1. What are the set of activities that take place in system leading to creation of service?

Requirements:

- One of the insurance company
- Patient goes to the healthcare
- The medical procedures are simple treatment, operation, and pathology
- Healthcare providers maintain a complete record
- The transcribed medical records are then collated along with demographical data
- The various treatments diagnostic and medical procedures have been given different codes
- The comprehensive patient, demographic and billing data
- The patient records and codes to generate bills/claims
- The insurance companies for collection of receivables
- The process is over

2. List down the actual, unedited, notes dictated by doctors on patient's medical chart

- Patient has chest pain if she lies on her left side for over a year
- Discharge status : alive but without permission
- The patient refused an autopsy
- The patient has no past history of suicides
- The skin was moist and dry.
- Patient was alert and unresponsive
- She is numb from her toes down
- Rectal exam revealed a normal size thyroid
- The lab test indicated abnormal liver function
- Skin: somewhat pale but present
- Large brown stool ambulating in the hall
- Patient has two teenage children, but no other abnormalities

3. Write the solution offered by CBay?

CATTS

- Cbays automated Transcription tracking system allows hospitals and clinics on legacy system to Cbays network of 2500 transcriptions in the US and India

CBay scribe

- Recording routing and distribution portal i.e. combined with unrivalled transcription

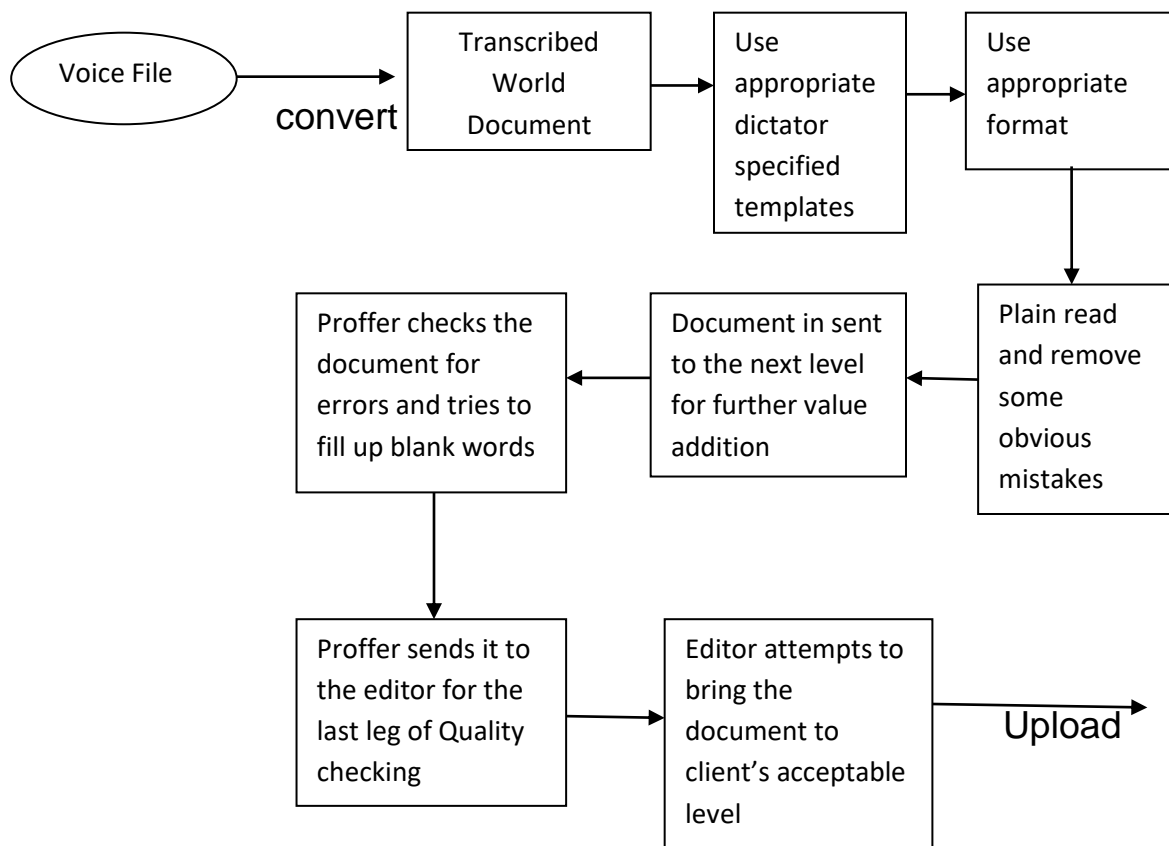
CBay Flo

- Recording, routing transcription and reconciliation with HL7 Integration for large hospitals and clinics

A+ Network

- An end to end dictation, transcription and document management platform offered to large integrated healthcare networks

4. What are the career prospects in CBay systems?



5. Write in detail the file movement between Suyash and Cbay servers.

- Transcription process actually starts in the middle of our night, which is their end of day, which is when doctors upload the day's work in the form of wave/dss file
- The next stage is work allocation to the various groups. This is critical task and through we have the software to do the basic allocation, human intervention is required in event of experencies.
- The allocation work has to be completed before the first batches of transcriptionists arrive.

6. Explain in detail the career opportunities in Suyash software

- Training is the first and only entry point into the profession
- Graduates of any discipline are taken

- The training program is divided into various modules that are covered over a period of four months.
- These modules include courses on medicine, anatomy pharmacology, and English grammar. Transcription style and method, accent training, typing skills , training in using Internet search engines, basic computer and keyboard skills etc.
- New recruits at Suyash are selected from among the trainees or hired directly as an MLS if they have already undergone a training programme elsewhere and pass the entry-level transcription test.
- The company follows an open-door policy and anybody can at any point of time talk to anybody in the company, including top management

7. What are the homes based opportunities in Suyash software?

- Medical transcription can also be done from home provided one has the necessary infrastructure-i.e a computer of acceptable configuration, the necessary software, Internet connectivity, UPS and Inverter in cities where shedding is frequent etc.
- Suyash started offering home-based work almost a year ago when we realised that several good transcriptionists nursed an ambition to grow beyond an editor of a QA
- We had to find a solution that harboured or encouraged budding talents without compromising on the security of data and quality of files
- We encourage such people to work with us for sometime so they can understand all our requirements, compulsions, problems and solutions we have for them etc.
- We encourage people from in and around Nagpur as physical proximity to them gives us more confidence and they can use our facilities in the event of any exigency such as severe load-shedding. Internet connectivity problem or problems with their own systems etc.

UNIT – IV

2 Marks Questions :

1. Define Transaction Processing

- It can make very vital difference in the qualities of customer service
- The customer satisfaction indicates the overall efficiency levels of the organization

2. What are the two litigation support services?

- Class action document management
- Care referencing

3. What are the activities and type of transactions involved in finance & Accounting Department?

- Order entry, Processing and Management
- Building, Invoicing and Payments

4. Define Mortgage Processing.

- It is the process which is carried out using a specification software
- It take care of end-to-end process

5. Explain the procedure for mortgage payment system.

- Receiving the amount of payment of installment by the borrower
- Handling exception such as bounced cheques, late cheques and partial payment.

6. Give example for captive BPO

- GECIS
- Financial service → Templeton & Fidelity in Mutual Funds
- American Express in Credit Cards
- Lehman Brothers in mortgages

7. What is the range of services covered by Insurance BPO?

- Transaction & claims processing
- Any kind of data entry
- Writing under & Policy administration.

8. Name any two processes being outsourced by policy maintenance.

- i. Record changes.
- ii. Collateral verification.
- iii. Surrender audits & Re-Installment.

9. Write any two processes outsource by expert knowledge services.

- A. Medical summaries.
- B. Commission accounting.
- C. Data mining.
- D. Data management & Analysis.

10. List down the other Department where the outsourcing is growing.

1. Accounting & Reporting
2. Receivables & Payables
3. Expense processing

11. What are the various F & A activities that are candidates for outsourcing?

- a) Accounts receivable
- b) Accounts payable
- c) Reporting & analysis
- d) Accounts Reconciliation
- e) Payroll processing

12. Explain about Skill & Scale.

Skill: The Technical & Managerial competency in a specific domain.

Scale: The ability to create high volume processing capability.

13. Define Content Management.

- Content Management services include managing variable content and delivering it to a targeted audience.
- It includes Data management & Data delivery services.

14. What are the three Content Management Services?

- ✚ Data enrichment services
- ✚ Editorial services
- ✚ Content delivery services

15. Explain about Data Warehouse Creation.

A data warehouse stores data in integrated and subject oriented form that enables analysis and decision support.

16. Explain Back Office Processing.

Back Office Processing involves fulfilling specific transaction processing functions

- ❖ Accounting
- ❖ Claims
- ❖ Payroll
- ❖ Text forms
- ❖ Resume

17. What are the two segments of Finance & Accounting services does the company target?

- i. Accounting firms
- ii. Large corporate clients.

18. Explain the growth prospects & strategy in datamatics Company?

- ✓ Datamatics plans to maintain and grow its market share in the growing tax processing service in business.
- ✓ It also plans to offer these firms and associations dedicated offshore facilities to meet their requirements.

19. What are the four major steps in claims processing?

- Mail processing
- Image & encryption of all forms
- Image-based data capture (IBDC)
- Quality audits using both in-built IBDC

20. Give any two advantages of company delivery model.

- This model enables the company to redesign part of its fixed costs into a variable cost structure.
- The attrition rates of knowledge associates are much lower than that of a full-time employee.

5 Marks Questions:

1. Write short note on financial services and captive BPO units.

- A Domain knowledge about the particular process.
- The business issues in the particular process.
- Domain knowledge of mutual funds, credit cards, consumer loans etc...
- Captive units in financial services include Templeton and Fidelity in mutual funds.
- Employees are in big demand by new prospective BPO units and command premium salaries.

2. Explain about Key Insurance processes being outsourced.

- a. Area
- b. New business acquisition
- c. Policy maintenance
- d. Claims processing
- e. Expert knowledge services
- f. Emerging processes

3. Explain the Reengineering process in finance function using outsourcing.

Outsourcing Finance & Accounting function.

- ✚ The various activities of the finance & accounts department.
- ✚ Many small enterprises all over the world routinely outsource this activity to accounting and CPA firms.
- ✚ A shift from being 'transaction-intensive' to being 'decision makers' requires that executives think beyond their traditional roles and start relating the numbers to a broader scheme of things.

4. What are the elements of finance & accounting BPO?

- Finance & Accounting outsourcing typically involves managing procedure.
- Some functions are accounts payable, general ledger, fixed assets etc...
- It includes BPO employee benefits such as administration, travel services etc...
- Outsourcing is growing in other areas of the finance department such as accounts & reports.
- Receivables & payables and expense processing.

5. Write a short note on.

i. Context Addition:

- ✓ Context addition is the crucial step in the transformation of data into information.
- ✓ Raw ASCII data, or with just formatting information is not highly searchable.
- ✓ The involves inserting tags that provides a consistent structure to the data.
- ✓ The company has been providing services for data analysis, document type definition, design and markup services.
- ✓ Datamatics has a large number of highly trained resources for manual markup services.

ii. Reportory creation services:

- ✓ A repository stores data from various sources in a single place to provide a single source of data to any applications in the organization.
- ✓ The indexed SGML/XML files that can be used by fast search engine.
- ✓ This SGML/XML can also consist of a database that enables fast searches.
- ✓ Repository allows building relations between discrete data elements.
- ✓ The company's engineers have developed programs to huge volumes of legacy data to upload in the repository.

6. Explain about the Editorial services and Content delivery services.

Editorial services:

- a. It enables the information provider to enhance the content itself
- b. Higher in the value chain and require the company to possess significant domain expertise.

Content delivery services:

- i. It helps to make the content available to different users in different forms
- ii. It delivered in different media such as print, compact discs, Internet etc..
- iii. The systems integrate user-created templates with the data delivered from the desired information.

7. Write a short note on:

A. Client-certified trade record:

- i. The company client profile includes Fortune 100 corporations.
- ii. Its major clients include world leaders like Lexis-Nexis, computer Science Corporation.

B. Delivery model:

- i. It is built on a combination of its developed expertise in the area of automated workflow.
- ii. Datamatics has built a mix of skilled and well trained in house employees.
- iii. Knowledge associate is a dedicated resource for the company working hours with a minimum work commitment of 20 hours/weeks.

8. What are the advantages of the company delivery model?

- The knowledge associate model is a scalable model.
- This model allows the company to bid for contracts that have significant volume variations without impacting its fixed costs.
- This model enables the company to redesign part of its fixed costs into a variable cost structure.
- The attrition rates of knowledge associates are much lower than that of a full-time employee.
- It does not occur overheads like property, equipment, and other costs on the knowledge associates.

9. Explain how the Recruitment, Training and Development process undertaken by datamatics technology?

Recruitment:

- a. The company typically recruits candidates with a good academic record and experience.
- b. It includes aptitude tests, technical tests, psychometric test & personal interview.
- c. Datamatics believe in the policy of continuing education & updating of knowledge.

Training:

- i. It is a planned process designed to improve performance such as knowledge, skills etc.
- ii. It seeks to find a right fit between people, strategy, system and customers.

Development:

- (1) Datamatics have in place effective human resources processes to manage all such contingencies.
- (2) The employees are also eligible for stock options under the ESOP scheme.

10. What are the future plans of HTMT Company?

- ❖ Leverage strong domain expertise in Insurance & Telecom to grow the BPO and call center business.
- ❖ Enter the European market for BPO business.
- ❖ Focus on continuous high-quality execution of current contracts for higher Ramp-ups.
- ❖ Graduate from conventional and collaborative outsourcing to transformational outsourcing.
- ❖ Inorganic growth in IT services/IT-enabled services.

11. What are the various BPO services offered by HTMT?

Insurance claims currently processing:

- ✓ Traditional dental & medicines
- ✓ Health maintenance organizations
- ✓ Coordination of benefits
- ✓ Over payment recovery
- ✓ Property
- ✓ Liability
- ✓ Automobiles
- ✓ Claims audit

10 marks questions:

1. What are the career opportunities in BPO units in transaction processing?

- A. People work in regular office hours of 9 to 6 or some variations of that.
- B. People have to work round the clock in night shift etc..
- C. In terms of job content, the primary job description is to execute rule based processes.

- D. The leaders are those having specialized training.
- E. Promotion opportunities for employees who are more experienced.
- F. People with structured thinking and ability to understand processes and system will do well.
- G. This can be a very good long term career.
- H. The compensation levels would be lower than in call centers.
- I. The average qualification level would be higher.
- J. A higher proportion of employees would have accounting knowledge.

2. Explain in details the future of Insurance BPO.

I. Outsourcing Finance & Accounting function:

- The various activities of the finance and accounts Department.
- Many small the enterprises all over the world routinely outsource this activity to accounting and CPA firms.

II. Elements of a finance and accounting BPO:

- Finance and accounting outsourcing typically involves managing procedures-driven functions such as accounts payable, general ledger, fixed assets etc.
- BPO includes employee benefits administration, travel services, payroll processing, tax processing, accounts payable and even collections
- Outsourcing is growing in other areas of the finance department as well, such as accounting and reporting, receivables and payables, and expense processing.

III. Examples of F & A offshore BPO:

- Employees of GECIS handle accounting, and financial reporting for more than 30 general electric divisions.
- Ford has over 400 people in business services center in Chennai, doing accounting for ford worldwide.

3. Write in detail the future of financial BPO?

(1) **F & A** is one of the largest and fastest growing segments in the BPO areas and is slated to grow at a five-year compounded annual growth rate of 9.6 percent.

- There has been a revolution in off shoring in the financial services industry in India.
- India will be the largest provider of off shoring services, accounting for four-fifths of the global market for financial services.

(2) **Career opportunities in BPO units:**

- The compensation levels would be lower than in call centers.
- The average qualification level would be higher.
- A higher proportion of employees would have accounting knowledge.
- The leaders are those having specialized training.
- Promotion opportunities for employees those who are more experienced.
- People with structure thinking and ability to understand processes and system will do well.

4. Explain in detail about Mortgage processing?

- It is the process which is carried out using specialized software. It takes care of end-to-end process.
- Receiving the amount of payment of installment by the borrower. Handling exception such as bounced cheques, late cheques, and partial payment.
- The series of transaction involved in the process are very computationally intensive and also involve storing huge amount of data.
- Modifications often have to be carried out as new products.
- This data is entered in the loan-originating module.
- It is also service related minutiae such as telephone numbers, mailing addresses, email addresses etc...
- Example of truncation needs, many old mortgages did not have cell phone and email data about borrowers.

5. Explain in detail about Data enrichment services?

Data enrichment is the process of adding value to data to make it highly structured and hence easily searchable and retrievable. Data enrichment is made in four steps.

a) Data Capture:

- ✚ Data enrichment lifecycle is to convert all such data into electronic form.
- ✚ The company provides efficient services to convert paper documents into electronic files.
- ✚ Such data capture is automated to the extent possible by using modern technology.

b) Context Addition:

- ✚ Context addition is the crucial step in the transformation of data into information.
- ✚ It is not highly searchable.
- ✚ It is difficult to search such data in relation to a specific context and the search usually results in a lot of unwanted information.

c) Repository Creation Services:

- ✚ A repository stores data from various sources in a single place to provide a single source of data to any applications in the organization.
- ✚ The repository usually stores only structured data.
- ✚ Repository allows building relations between discrete data elements picked up from these disparate sources.

d) Data Warehouse Creation:

- ✚ A data warehouse stores data in integrated and subject-oriented form that enables analysis and decision support.

6. Write in details about Tax processing and claims processing services?

i. Tax Processing:

- The company provides services which includes filing returns of 100-150 pass through entities, rental incomes from different states.
- They are farm income, business income, sale of home, interest income, capital gain/loss transactions, expatriate returns, and fiduciary returns.
- The company has been able to offer a turnaround time of two days for return preparation.

ii. Claim Processing service:

- Mail processing, where a database of all claims and batches is created.
- Imaging and encryption of all the forms.
- Image-base data capture (IBDC)
- Quality audits using both in-built IBDC checks and other control tools.

7. Discuss the following:

A. Human resources services;

B. Document management & workflow solutions.

A. Human resources services:

- ✓ The human resources departments of large companies face the challenging task of effectively handling massive volumes of resume.
- ✓ Companies thus need systems and processes that can evaluate all the applications according to set criteria, thus making optimum use of the recruitment resources on hand.
- ✓ Related software services: The effectiveness and efficiency in providing the above services are largely dependent on managing the entire process using a well-defined workflow involving all the participants of the value chain.

B. Document management & workflow solutions:

- ✓ The company provides document management and workflow solutions to its clients, which in addition to reducing their costs,

improves their products and customer service by increasing productivity and process efficiency.

- ✓ Workflow management is managing the flow of information and control in a company business processes efficiently.

8. Write in detail about growth strategy in Datamatics technologies.

Datamatics believes it is well positioned in the BPO industry and has strong management capabilities. Datamatics to accomplish its growth targets is discussed below:

- Penetrating and growth strategic accounts:

The company has million dollar relationships with several large customers and aims to forge strategic relationships with these customers globally.

- Marketing and sales-led growth:

Datamatics have focused on increasing its marketing infrastructure in existing as well as in newer markets.

- Enhanced services:

The company will keep on adding new service offerings, which are complementary and higher up in the value chain.

- Inorganic growth through acquisition:

The company has integrated its investment in Saztec and has initiated a similar exercise for CorPay.

9. Write a short note on the following.

- ✓ **BPO arm of HTMT**

- HTMT is a one-stop outsourcing company that can provide its services and BPO/contact center services to customers all under one roof.
- The HTMT IT service provides application development & maintenance, legacy migrations services, engineering design service.

- These services are complemented by HTMT BPO services in the area of back office processing-claims processing, technical help desk support, contact center services, payroll processing, accounts receivable & payable services.

✓ **Infrastructure of HTMT**

- HTMT has two state-of—the-art delivery centers in Bangalore that have been economically designed to create an excellent working environment.
- The offices are extremely colorful and inspire motivation and productivity.

FACILITIES:

- Access control mechanism for each floor.
- 24-hour cafeteria. This also has an entertainment and recreation facility.
- Reading rooms.
- Training rooms.
- Adequate power back-up generators.
- Conference rooms & round-the-clock security.

10. What are the initiatives of HR in Hinduja TMT Company?

HR plays a dominant role in any organization, especially in a BPO, which is manned by very young and bright kids; good HR can make a huge difference.

i. Motivation and Retention Programmes:

- Coaching and counseling for performance
- Recognition for creativity and initiative in the form of monetary awards.
- Employee relationship management cell.
- Managerial training programmes.
- Lateral functional movement, etc..

ii. Efforts for employee satisfaction:

- Cross training.
- Compassionate approach.
- Timely redressal of grievances.
- One-on-one sessions with HR.

- Open management culture.
- Friendly atmosphere.

11. Explain in detail about Quality Initiatives and Management philosophy?

Customers SLAs and expected quality standards are clearly defined communication, understood and practiced at all levels of the organizations and used to drive continuous cross-functional process improvement.

- Job standards are tied to key customer satisfaction parameters.
- A portion of the pay for frontline and support staff and management is tied to meeting.
- Specific contact centers.
- Frontline workers are expected to take whatever time is necessary.

Regular quality audits are performed. These divided into 3 parts:

1. Process quality audits.
2. Internal audits covered by the ISO 9001 certification.
3. Customer-specific audits.

UNIT – V

2 MARKS QUESTIONS:

1. What are the responsibilities of HR?

HR responsibilities includes payroll, benefits, hiring, firing, and keeping up-to-date with state and central tax laws.

2. Define HR Outsourcing.

HR Outsourcing is a process of outsourcing involving particular tasks like recruitment, making payroll, employee benefits administration, fixed assets administration, employee logistics management, training and development to a third party having expertise in these respective fields.

3. What are the various HR functions?

- ❖ Payroll administration
- ❖ Employee benefits
- ❖ Risks management
- ❖ Human resource management

4. What are reasons for Outsourcing HR?

- Cost- effectiveness
- Reduced administrative costs
- Capitalizing on technological advances
- Improved customer services
- Insufficient staff
- Focus on core business

5. Who are the service providers for the Outsourcing?

- Professional employer organization.
- Business process outsourcing.
- Application service provider.
- E-services.

6. List down the services offered by Payroll administration.

Payroll administration: Producing cheques, handling taxes, and dealing with sick time and vacation time.

7. What is the main role of HR management?

HR management: Recruiting, hiring and firing. Also background interviews, exit interviews and wage reviews.

8. List down the two popular BPO domain.

- Media & entertainment BPO
- Publishing BPO

5 Marks questions:

1. Write down the five reasons for HR outsourcing.

	Outsourcing Institute study	Morgan Stanley Analyst report	Hewitt outsourcing value survey
Focus on core business	Improve company focus	Free internal resource for other purposes. Focus core business.	Focus on core business.
Achieving world class delivery processes and service	Gain access to world class capabilities and resources not available internally	Upgrade process to best in class.	Improve quality and operating performance.
Access and maintain leading edge technology	Gain access to world class capabilities and resources not available internally	Transfer risks to suppliers.	Access technology.

Access and maintain critical expertise	Gain access to world class capabilities and resources not available internally	Reduce capital	Access expertise
Control operating costs	Reduce and control operating costs	Address shortage of skilled labour and managers.	Reduce costs.

2. What are the careers in HR BPO?

- ❖ The HR BPO is an emerging field and is likely to dominate the scenario in 2015
- ❖ Companies like Secova and Ma Foi Management Consultants are pioneers in this field.
- ❖ A good sound knowledge of both spoken and written English, good communication skills, some basic knowledge of computers, etc..
- ❖ The companies put the chosen candidates through an exhaustive training program that would allow the candidates to handle the challenges of managing HR for foreign companies.
- ❖ The HR outsourcing is considered to be the fastest segment of the outsourcing market.

3. Write short notes on Media and Entertainment (M & E) BPO?

- Matrix was shot in Australia.
- Shanghai knights was shot in the Czech Republic.
- Quentin Tarantino has shot much of his new film Kill Bill in Beijing.
- Miramax is shooting a World War II films in a deserted shanghai back-lot.
- The international blockbuster Jungle Book was scripted, canned and shot in India.
- Buz luhrmans Hollywood musical Moulin Rouge was a Mumbai product.

There are two types of Opportunities:

- Special effect, animation, editing and post production work, filmed entertainment, gaming, content collection, facilities management etc.,.
- Strategic as well as back office IT-related work such as digitizing visual content and creation tools.
- CRM and database management, subscriber management services, data mining and analysis etc...

4. What is trend of BPO in UK and Europe?

United Kingdom:

The market for HR outsourcing in the UK is driven by three key factors.

- Free resource, which will reduce costs and add value to the organization.
- Maximize value-addition by using management information that results from the delivery of services.
- To improve service levels of the HR function.

Europe:

- HR Departments in Europe are looking at improving services tactically and strategically. They want to streamline the administration of payroll and expatriate services and find opportunities to maximize information on a global basis.

10 Marks questions:

1) Write a short note on:

- India as an HR Outsourcing destination:
 - India is beginning to get serious on the supply side too by participating in the grand HR outsourcing opportunity.
 - HR servicing to the Asia-Pacific and Middle East regions. HR servicing companies are beginning to view the Indian market as available investment destination.

- Indian HR outsourcing service providers meanwhile are gaining from the flood of projects coming their way, from both international and domestic customers.
- India as an HR outsourcing service provides the Hub:
 - India and Indian companies are gearing up to cash in on the emerging opportunity.
 - The existing players in India meanwhile are moving up the value chain within the HR outsourcing spectrum, from the tactical and straightforward handling of payroll and benefits to BPO.
 - India has to good chance to make it big in the HR services outsourcing segment.
 - The time is ripe for existing players to scale up and new participants to step in.

2) Explain in detail about BPO publishing?

- Reuters has moved editorial jobs from the US and Europe to India.
- Reuters is setting up a polling unit in India that can make some of the call needed to get data.
- Britain's media sectors will lose 4000 job within 10 years, thanks to off shoring.
- Time Warner's magazine business 2.0 outsourced editing works in India for one of its recent issues.
- Technology news portal CNET gets work done from India for research reports and new alerts, taking advantage of the time zone and keeping its news site from 6 am onwards.
- UK base work Pearson group is doing many of its back office from New Delhi.
- Digitalization works of US newspapers is being outsourced to Indian companies.
- Players like Thomson press, Macmillan, Integra and Newgen Imaging are doing flourishing outsourcing publishing business from India.

3) Elucidate the current trend in Outsourcing in India .

- In India bear the stamp of its past. It is highly regulated market that demands a lot of reporting.
- Companies operating in India find themselves in a very competitive job market this is restricted by those elements.
- The trend towards outsourcing all HR functions is starting to take hold, particularly for companies that have been operating in other parts of the Asia-pacific region and starting up operations in India.
- Companies are looking to outsourcing the complete range of HR delivery and designing products on policies, compensation, structure and recruitment.
- By opting for HR outsourcing, Indian companies are not making their own HR world-class.
- They also create a significant opportunity for service providers in the domestic space.
- For HR outsourcing service providers operating out of India, these statistics indicate a major advantage.
