

Thought Leadership Business Process Outsourcing



In my last e-newsletter, I listed a number of key qualifications for a strategic business process outsourcing (BPO) partner. In this edition I want to spend more time talking about one item on the list that often gets overlooked.

The Case for Standardization In Business Process Outsourcing.

It's the increasing importance of standardization, shared service centers and common platforms in the delivery of best-in-class services on a global scale.

Plugging into Centers of Excellence.

Take BPO services that are supported by shared service centers, for example. These best-in-class centers let clients quickly tap into an existing infrastructure that includes the latest technology, optimized work processes and highly trained employees. As a result, they offer clients the closest thing to plug-and-play cost-effectiveness and convenience.

But there's more to the story. These centers are the outgrowth of years of development, testing and refinement. In addition, they are designed to stay on the cutting edge by incorporating the latest innovations and best practices on a continuous basis.

All of these standardized qualities help them operate as centers of excellence and deliver the outstanding results clients expect from their BPO initiatives.

Taking advantage of proven service platforms.

Even when you don't need to use a shared service center, your organization can benefit from an outsourcing solution based on a proven service platform.

The benefits are obvious. The platform has already been optimized. So it's ready for prime time. And it's much easier to implement than a proprietary solution, because the outsourcing provider has already solved many of the potential problems during previous deployments.

A proven platform can also be upgraded with improvements and innovations developed on other client sites. In a sense, it's like having access to an extensive R&D organization focused on process optimization in real-world operational settings.

Tapping into high-performance supplier networks.

Another way clients can benefit from standardization is by taking advantage of high-quality supplier networks that have been carefully sourced and certified by their outsourcing partners.



Rich Baily
VP, Business
Process
Outsourcing
Xerox Global
Services
[www.xerox.com/
thoughtleadership](http://www.xerox.com/thoughtleadership)

Think about translation and localization services. They're essential for reaching a global marketplace. But it's hard to maintain quality control and keep projects on schedule when you utilize independent suppliers with differing work processes, performance records and levels of expertise.

That's why it makes sense to rely on a carefully developed network of proven translation and localization specialists who follow standardized processes and meet exacting performance requirements.

The hidden costs of customization.

Of course, most BPO solutions involve some degree of customization to meet the client's unique requirements and interface effectively with existing processes, procedures and technology.

But excessive customization results in proprietary solutions. And these unique, hard-to-manage solutions operate at a significant disadvantage when compared to services that leverage the power of standardization.

- Proprietary solutions typically cost more to develop, implement, maintain and upgrade. And in an age of unceasing technological innovation, they can quickly become outdated, which can put your organization at a competitive disadvantage.
- The challenge of reinventing the wheel for each client also makes it difficult for outsourcing providers to deliver a high-quality, cost-effective solution and maintain profitability at the same time.
- In addition, the exclusive focus on proprietary platform development diverts resources from R&D efforts that could lead to the next generation of BPO services.

All of this proves one thing. In a complex undertaking like business process outsourcing, solutions based on common platforms and shared service centers usually beat customized solutions on almost every meaningful measurement — from quality, cost and efficiency to the speed of implementation and the relative simplicity of operation and management.

But none of these advantages should come as a surprise. Because the ultimate goal of standardization is to help clients take advantage of services that set the standard for performance and value.

Sincerely,

A handwritten signature in black ink, appearing to read "Rich Baily". The signature is fluid and cursive, with the first name "Rich" and last name "Baily" clearly distinguishable.

Rich Baily