Promoting Services Imports through Outsourcing from Developing Countries

The CBI Experience - The SME Perspective

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The CBI

Mission:
Contribute to the economic independence of developing countries

How:
Strengthen the competitiveness of SMEs from developing countries on international markets through an integrated approach

ITO/BPO, since the mid nineties:
- Approx. 200 SME ITO/BPO service providers from 17 developing countries complete 4-year CBI programs
- Results:
  - 50-60% acquired projects in the EU
  - For 10% ITO export work has become main business
## Success factors for exporting ITO/BPO services 1.

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<thead>
<tr>
<th>On Company level</th>
<th>CBI services</th>
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<tr>
<td>- Commitment of management</td>
<td>- Individual coaching</td>
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<td>- Focus / Strategy / Planning</td>
<td>- Export marketing &amp; management training, EMP, value proposition</td>
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<td>- Specialization</td>
<td>- Market Intelligence</td>
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<td>- Quality processes</td>
<td>- Training Software Project Management</td>
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<td>- Competitive price</td>
<td>- Training Legal Aspects in ITO</td>
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<td>- Long term marketing budget</td>
<td>- Training Intercultural Communication</td>
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<td>- Network in International markets</td>
<td>- Website improvement</td>
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<td>- References in domestic / regional markets</td>
<td>- Quality Certification co-finance scheme</td>
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<td>- International standard of communication</td>
<td>- Market Entry support</td>
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<td>- Flexibility to up- or down-scale</td>
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The enabling environment
- Highest level long-term political commitment, support and budget
- Competent, credible industry body accepted by all stakeholders
- Comprehensive national plan (and action programs)
- Infrastructure (physical and legal)
- Global visibility
- Abundant supply of educated, young, multi-lingual people
- High concentration of companies
- Political stability
The Example of Egypt

- Highest level support and budget
- Long term commitment
- One competent, credible industry body accepted by all stakeholders
- A comprehensive plan of support programs
- From nowhere to place 4 on A.T. Kearney Global Services Location Index in 7 years 2004-2011
Major trends in EU Markets for ITO/BPO Services

- IT skills shortage in key EU markets
- Increasing demand for specialization
- Increasing preference near-shore vs off-shore
- Smaller IT Outsourcing deals
- Pressure on prices
- Increased focus on security
- Cloud, mobile, social
- Increasing importance CSR
- Maturing markets
- Increasing competition
Thank you for your attention!

www.cbi.eu