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TRAINING AND DEVELOPMENT AT BPOLAND

Ashish Malik
Martin Fitzgerald
University of Newcastle, Australia

Training and Development at BPOLAND

Sandeep Mirchandani was heading to his new office at BPOLAND Ltd, Gurgaon, India's business process outsourcing (BPO) capital. Sandy (Sandeep's preferred name at work) looked at the massive growth of technology parks that had sprung up in the National Capital Region and wondered where the next frontier of growth is going to come from. On his way to the escalator to his office, Sandy kept reflecting on what Prem Vohra, the CEO and President of BPOLAND, said at his job interview, "We've grown at an unprecedented pace and the medium term outlook is not one of a slowdown. It's time now to consolidate and take the learning platform to the next level."

Sandy had accepted the role of the Vice-President of Learning and Development at BPOLAND, and was wondering how he could apply his two decades of HR experience (mainly in Learning and Development) in the consumer durables industry to the BPO industry. One of Sandy's mandated tasks were to integrate and exploit the deep pockets of experience and learning of his and operations teams. Reflecting on Prem's comment, Sandy felt that a new set of capabilities was needed for its core operations, people management, and business development teams. New roles need to created roles for sustaining future growth. In order to chart out a way forward, Sandy felt he needed to get a better understanding of the drivers of customer and economic value at BPOLAND and get a better handle on what are the key triggers of investment in learning and development (L&D) for his workgroup. Owing to the high growth and service dynamism at BPOLAND, Sandy knew that he or his L&D team alone could not service BPOLAND's L&D needs. In shaping his learning and development strategy, he needed to better understand the dynamics of work, work organisation and his team's interaction with BPOLAND's largest business groups—Insurance Services and Content Solutions. Looking at a recent research summary of HR and operations (Appendix-1) and his weekly schedule of appointments (Appendix 2), Sandy knew he had to keep an open mind and listen to the business and functional leaders and managers from enabling functions such as Lean Six Sigma and business development.

About BPOLAND

Established in the 1990s, BPOLAND has its corporate office in Gurgaon, India, and is owned by three large US-based multinational companies (MNCs). It offers BPO services to a number of industries around the globe. BPOLAND had witnessed organic growth in its products and services. In 2006, BPOLAND expanded its operations from India to seven other countries, and to keep pace with its increasing skills needs and improve its service proposition to customers (see Figure 1) it had created 24 process delivery centres world-wide and employed a pool of engineers who could converse in 28 different languages to deliver a range of services.

BPOLAND was initially started as a wholly owned offshore BPO for a large and diversified US-based multinational organisation, but it was acquired by two large US-based MNCs. Drawing on its parent firm's heritage of lean production, Six Sigma (SS), and other quality management methods, BPOLAND implemented quality management systems (QMS) to exacting process requirements from its clients to deliver cost and productivity gains to its customers. Its staff strength grew from

around 350 people in 1997 to over 26,000 globally in 2006, of which, nearly 20,000 are employed in India. Since 2006, BPOLAND had witnessed a rapid growth in its employee base, revenues, service complexity, and an expanding portfolio of services. In order to service its diverse skills needs, the L&D group had established the *BPOLAND University.*

What started as a modest back-office offshore mail processing centre for BPOLAND's parent organisation in the US, the organisation then offered BPO services in sales and marketing analytics, supply chain and after-market services, financial services, core operations and collections, finance and accounting, information technology services, enterprise application services, and program management. Within these services, it had a diverse range of products, which it offered to range of industry sectors, such as banking and finance, insurance, retail, manufacturing, transportation, automotive, pharmaceuticals, media and entertainment, and professional services.

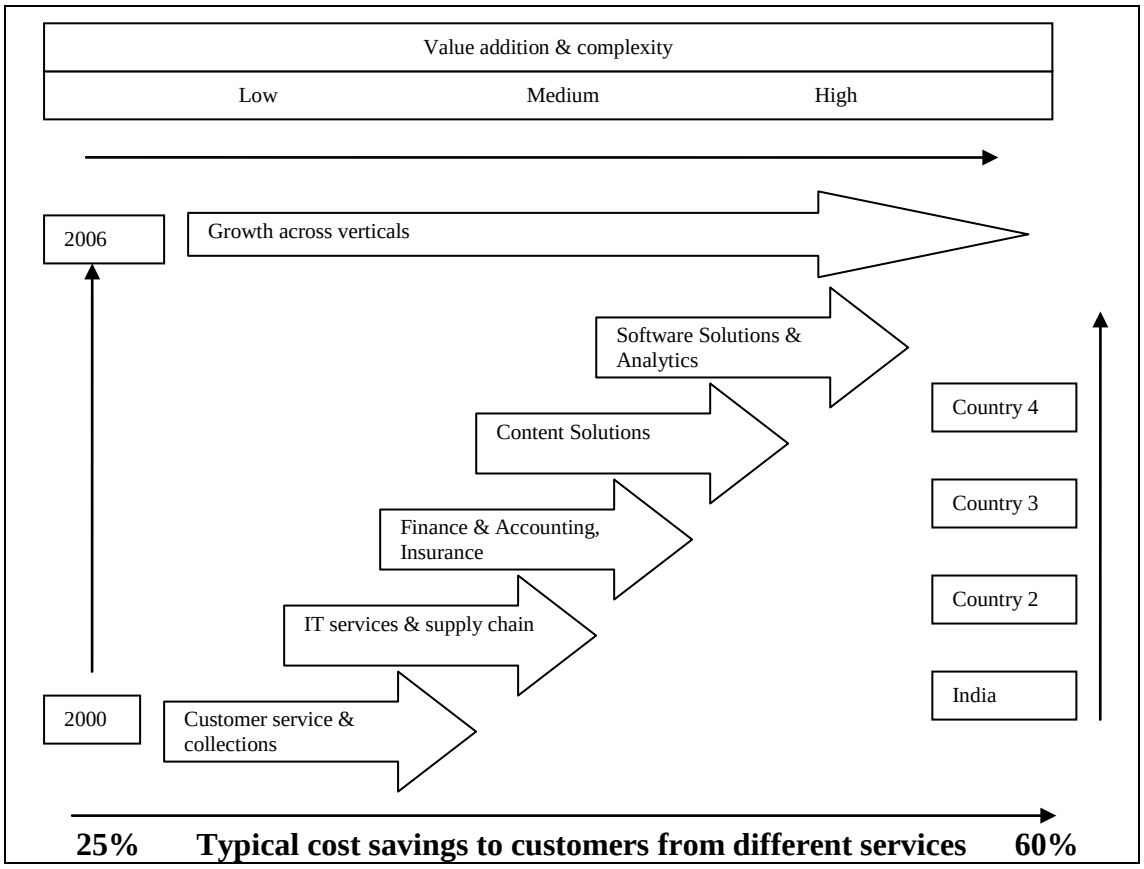

Figure 1. Business growth across services.
Adapted from BPOLAND's documents available through the public domain.

Organisation Structure, Strategy and Business Processes

The organisation was structured around domains (service areas) and verticals (industry sectors). The organisation had a five level employee hierarchy, wherein level five was at the entry level band. Employees could move within and between various service groups. A typical Taylorist or Fordist work design was prevalent, with

the majority of the employees (97%) being in Bands 4 and 5. A very small executive and managerial team headed these service groups (See Appendix–3).

Since its inception, BPOLAND had transitioned over 1000 business processes for over 60 different businesses. Following its transition from a captive (servicing only its US parent) to a non-captive (offering third party services) provider, BPOLAND also received business from several Fortune 500 customers. Using a structured Six Sigma (SS) methodology, it followed a stepped approach to *assess*, *migrate* and *deliver* operations from offshore locations. The structured *workflow transition methodology* and has elements of SS interwoven into it at all stages.

> The **Six-Sigma** based work transition methodology to enable business process relocation is based on a toll-gate based, phased approach, and addresses both aspects of process migration—strategic and operational. Customer acceptance of significant milestones and periodic feedback enable effective and efficient work transition of business processes. (BPOLAND Work Transition Document, 2005)

Its business development team was spread across the globe and identified business opportunities based on its market intelligence and research. BPOLAND's competitive strategy typified a blend from mass service transaction BPO services to highly differentiated BPO services. Its focus had shifted to areas where it had strong service capabilities.

At an operational level, its structured work transition methodology ensured steps such as understanding clients' existing processes, solution identification, work transition set up and knowledge transfer, pilot operations, and service delivery. Each step was further broken down for project definition and scope and involved developing high-level process flowcharts and collecting information based on business needs, and developed metrics around them, especially the metrics that are critical to quality (CTQ) and, hence, the performance of that process. These steps were followed by framing solutions, based on a cost-benefit and risk mitigation analysis.

After solutions for a project were framed, the work was transitioned to an offshore location in India. This involved two stages: pre-transition and transition. In the pre-transition stage, the transitioning team developed a thorough understanding of the adapted work processes and the underlying technology and prepared detailed transition plans. Based on the strengths and process expertise of the solutioning team, the transitioning team collected detailed information necessary for knowledge transfer and reviewed the client's existing standard operating procedures for these processes, using its subject matter experts (SMEs) and SS-certified Black Belts (BBs)[1]. During transitioning at the client site, all the information was sent simultaneously to the offshore location for working out detailed infrastructure and human resource plans. Infrastructure specifications such as number of employees and their job specifications were determined. Recruitment commenced around the same time as pre-transitioning. The training team prepared for its training responses for the new process. The second stage of transition involved validating the process metrics by the clients, monitoring team performance, and finalising of statements of work with the client. The third step involves piloting the transitioned process, following which the process entered the

[1] Black belt is a certification level used to describe the level of competence of a Six Sigma trained and certified resource.

delivery stage. During this stage, using SS tools, the focus was to implement defect reduction plans and to run forums for auditing, analysing and sharing good practices within and across domains.

Insurance and Content Solutions Services

The insurance and content solutions service lines accounted for bulk of its revenues and employment, so Sandy's focus was on getting a better understanding of BPOLAND's core business. Sandy had met with a number of business managers (Appendix 2) from these groups and supporting functions. The Insurance service line provided business processes outsourcing for insurance products, such as life, medical, home and content, industrial, and commercial risks insurances. The Content Solutions service line delivered design and development solutions for training projects for the BPOLANDs well as its clients. Although an in-depth understanding of the core business groups was critical, Sandy also needed to come to grips with the nature and extent of the learning and development activity undertaken by his team and how they were organised.

Nature and Extent of Learning and Development

In a briefing by Shantanu Kumar, the Associate Vice-President Learning & Development (L&D), Sandy was surprised by the complexity of BPOLAND's L&D function. Shantanu explained that in terms of the extent of training provided, BPOLAND invested more than 1.5 million people-hours every year (on average, 12 days per annum or approximately 5% of its payroll) through various training and development programmes. The nature of such training included: Education@Work programmes, executive development, communication skills, process training, domain training, Six Sigma-certification and numerous other educational programmes offered by *BPOLAND University*. In 2006 alone, about 5,700 employees were enrolled in the Education@Work programme. *BPOLAND University* offered employees MBA courses from reputed institutes in India, as well as from other international institutions, for programmes such as PMP (Project Management Professional) and CPA (Certified Public Accountant) to offer education for people to learn and grow in certain areas. The organisation's emphasis on, and expectations from its training function changed on an annual basis, and was part of its strategic reviews and planning process. This strategic approach to training was noted in organisational documents and observed during the case study visit. Figure 2 sets out these expectations.

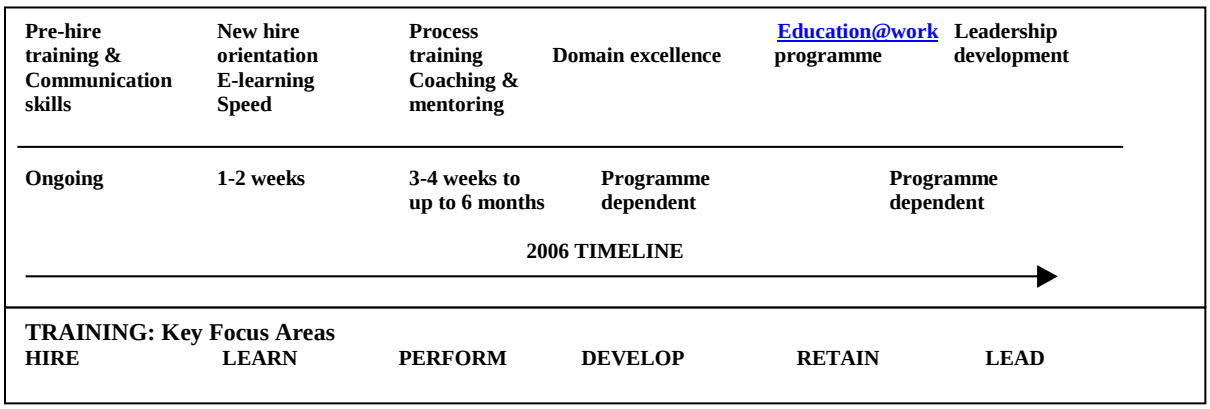

Figure 2. Temporal dimension of training: Changing emphases.

Training leaders representing every service group assisted the central L&D team. In addition to this structure, each group had a team of *process trainers* and *training leaders*. Sharing of training resources from various groups helped in bringing together common issues and "good practices" from all areas, for the purpose of sharing them with others in the organisation. There was a strong presence of both informal and formal learning.

When Sandy met Shiva Kumar, Head of the Insurance group, he explained that he had over 15 trainers in his workgroup. Shiva explained the rationale for such an elaborate training infrastructure:

> "When a new person joins, he goes through what is called a new hire orientation. After this, we take him through a basic module of insurance related training. This is very basic, it covers aspects of insurance e.g. what is premium, risk, agent, annuities, claims, etc. Then there are certain compliance and privacy laws related training modules. He has to complete a module on compliance and risk. Sometimes the privacy of information is very critical, as data is of a highly confidential nature. It has details of some of the information which they would not even share with their families, information such as their social security number. We have to make them understand why this is important. So, once this is done, he now moves to what is called the process training. When he undergoes the process training, it varies from process to process. (P1 to P4). A typical P1 process should take around 3-4 weeks. A P4 process takes 6 months training…. So, what we do is we have a sub-process trainer between each of these business areas. A sub-process trainer will be a person who is typically a developer. He would have spent about 18 months as an associate."

In the insurance service line, such training focused on basic knowledge of insurance terms: premium, risk, agent, annuity, and claims. Trainees then underwent process-specific compliance and regulatory modules. Given the highly confidential nature of transactions, agents were required to learn and comply with specific laws from different countries or even state-level legislation that governed the nature of such transactions.

After the above modules are completed, employees underwent *process-specific* training, which varied from process to process. As noted in Siva's comments, the work is categorised into sub-processes. For example, in the Insurance service line, there are P1, P2, P3 and P4 processes. There were important distinctions to note here as the work organisation and classification was on the basis of process complexity. Simple processes, for example P1, would require a shorter training session compared with a highly complex process like P4, which required significant training time and effort. Given the continuum of process complexity, training time varied from 3–4 weeks to up to 6 months. A typical insurance P1 process would involve training an employee to do data entry based on an image, as seen in a claim form. The employee entered certain types of data in pre-specified fields. In contrast, a typical P4 process in the insurance service line would involve training a medical doctor to read through the medical histories of insurance companies' clients to produce medical summaries and establish possible risks and medical relationships and linkages for insurance underwriting purposes. Such medical histories could sometimes be 800 pages in length and require specialist skills, professional judgement, and training.

Sandy started to build a picture of the business services and processes as well as the rationale for investing more in certain capabilities. To deliver predictable services to a

range of industries and clients spread across the world, BPOLAND had consciously decided to invest in certain people, marketing and operations management capabilities. It had developed an elaborate quality management infrastructure which fostered the development of market-based organisational learning and HR capabilities. Sandy's challenge was to see how these capabilities were being implemented in BPOLAND's two largest work groups.

BPOLAND's Key Capabilities

Quality Management Systems (QMS)

BPOLAND had inherited a strong culture of *Six Sigma* (SS) and *Lean Production* from its parent organisation in the US. This culture was deeply embedded in its daily routines and operations. Its extensive quality management systems, processes, and resources reinforced the SS and Lean management philosophy. The two philosophies complemented each other. Siva explained the application of QMS to his business line:

> "Six Sigma is measured more in statistical terms. So, what you do is that you have a problem …you first convert it into a statistical problem, and then find a statistical solution for the problem and then convert it back to a simple and an understandable solution. But in Lean what you have is, it is taken from Toyotas of the World. In lean [approach] you basically focus on reducing the process by say X%, you should only do what is needed. Focus is on reducing the time taken to complete a process by eliminating unwanted [wasteful] steps."

BPOLAND's transitioning team had SS resources for developing metrics for clients' service level agreements (SLAs). The agreed metrics were then executed during the service delivery stage. Quality management systems were used to implement process improvement projects throughout the organisation through a team of about 200 Six Sigma (SS)-trained and certified Master Black Belts (MBB) and Black Belts (BB). The organisation had about 2000 Green Belts (GBs). Typically, these were SS-certified resources from operations. In addition, quality leaders were deployed across different service lines. The training needs of dedicated SS resources were different from those of the rest of the organisation. In order to lead process improvement projects, SS resources needed to be familiar with the specific SS tools and methodologies. Apart from the normal SS training and certification, they were also required to undertake leadership training. SS training was mandatory for all Band 4 and above employees, whereas, *Lean Production* training was open to all but it was not mandatory.

Additionally, all managers had to be trained and certified as green belts within twelve months of their joining. They followed a structured 2-week internal training programme for SS, which drew up on the internal expertise of SS resources and used a formal internal testing and evaluation site for its assessment and certification. After completing the first week, trainees were expected to apply the concepts by working on SS projects in their service lines and then came back to complete the second week of training.

BBs were full-time resources of the quality department; they did not have anyone reporting to them. BBs couldn't bring about process improvements without having the buy-in of people on the shop floor. Thus, the SS role was seen as a leadership role

and influencing people was critical in an SS role. In the words of Twinkle Singh, Vice-President Quality and Six Sigma, the essence of quality and SS philosophy at BPOLAND was noted below:

> "See, process improvement runs throughout the organisation through a team of experts who are like [Six Sigma certified] master black belts, black belts and green belts and by training all these people from operations to undertake Six Sigma projects. So it is through this entire group that we do process improvement throughout the organisation…. Data is tracked, so whether it is a VP or an AVP, they have to go through this training. So this is one metric. Now for the folks who are into full-time Six Sigma roles, training [for them] is more intensive, obviously more tools are taught etc. They go through this 2 week Six Sigma training and that's how it is currently being done. We are now proposing to integrate SS and Lean curriculum into one, and we will be also integrating some of the other basic skills that Black Belt, Master Black Belt and Quality Leaders will need to have in the new business environment."

This "Six Sigma DNA" was one of the key driving forces behind this *metrics-driven* organisation; its cultural heritage was another. Employees noted that metrics *excited* them. Every process had internal and external metrics that formed the basis of clients' service level agreements (SLAs). The presence of a SS philosophy appeared to be driving formalisation and evaluation of training. A case in point was the content solutions service line, where metrics were developed for measuring "quality of customer delight". The presence of a strong "Six Sigma DNA" also influenced its market and learning orientation. Pushpa Sharma, Head of BPOLAND's Content Solutions Group explained:

> "We are also trying to develop metrics around the quality and creativity of the projects they generate. Which, by the way I know that there is not a single vendor, a training vendor across the world that has attempted to put metrics around the quality of the deliverable, not around metrics on defects in the programme or number of mistakes I made in the programme. You have to look at a programme that excites the end users and excitement does not necessarily get measured with defects metrics. We have our own mechanism and systems that measures the quality of the programme and the thrill that it gives to our customers. It includes measures on creativity, satisfaction..."

The quality team (SS resources) and process managers drove the collation of client feedback, development of metrics for SLAs and delivery as well as constant improvisations. Each process had *dashboards* to capture, share, and monitor the metrics on that process. Dashboards were useful for future benchmarking, since parameters and metrics changed over a period of time, and clients request to work on a new metric. Developing internal standards of performance using SS methodologies enabled transitioning and solutioning teams to propose what was *do-able*.

Market-based organisational Learning

Organisational Learning

BPOLAND demonstrated a high *commitment to learning*. BPOLAND had numerous forums for sharing good practices and learning from other parts in the organisation. These were organised at service, domain-specific and functional levels and enabled the development of a *shared vision*. The frequency of such forums varied; some met weekly, others only quarterly. Team forums from functional areas included: general forums, new technology and market intelligence forums, project and domain-specific forums. In the learning group, learning leaders from various service lines met monthly to discuss learning and development issues from their work areas. Functional

and service-specific quick market intelligence (QMI) calls were made across various locations to share good practices and delivery issues.

BPOLAND's employees engaged in practices that frequently challenged their work and clients' assumptions. Challenging clients' assumptions happened before, during, and after process transition. First, when the solutioning team designed solutions for a client, it proposed solutions that differed from the clients' existing standard operating procedures, and designed solutions to streamline processes at delivery end and to reduce errors. The ability to challenge clients' assumptions was based on its established internal benchmarks and it considered what was *do-able* using its SS expertise. Pushpa Sharma, Head—Content Solutions noted: "In the last year, we would have given close to about 245 ideas on process improvements".

BPOLAND had put in place several mechanisms for embedding a *shared vision* across the organisation. In respect of organisational learning, given its size, geographical dispersion, and the complexity of its processes, and in seeking to develop a culture of learning, BPOLAND developed key communication dashboards and media such as *posters*, *electronic message boards*, and *dashboards* displayed conspicuously at various workspaces. Examples of key communication messages at workspaces include: *process excellence, SME, customer delight, better performance, improved costs, passion, speed, decisiveness, integrity, best-in-class,* and *employer of choice.* If the size of the communication was large and complex, it was translated into a formal training module. Smaller information releases and changes resulted in refresher courses or other forms of informal learning.

Market Orientation

Developing a high level of market orientation was critical for the organisation as it transitioned from its *captive* to a *third-party* mindset. This was due to the fact that most of its contracts were long-term and future revenue was often dependent on additional and repeat business from existing clients. BPOLAND's business development and solutions team worked together in the sensing of information from its clients on various processes, using its structured Six Sigma Workflow Methodology. Dissemination of information and framing of responses, in line with client specifications and service level agreements happened at various stages of the transition and delivery.

In his familiarization with the organisation's capabilities, Sandy noted the presence of a team-based approach between business development, solutioning, quality management and operations teams. To understand clients' needs better, BPOLAND used its reengineering solutions team to help the customer streamline their processes even before initiating the transition, using its structured *Lean* and *SS* workflow methodology. The benefit of this approach was simplification of the process even before transition, a benefit the client saw from the outset. In short, the organisation's solutioning strategy was to understand the individual customer's needs and see what solutions could be provided, keeping in mind the resources and capabilities it had for service delivery. Because customer specifications were unique for each business processes and processes ranged from simple to complex, these different client specifications translated into different levels of training needs. Client specifications directly impacted its training volume and diversity. The skills gap between client

needs and existing capabilities was identified and communicated to the delivery teams, and training was provided through various training interventions at different stages of the outsourcing process: pre, during, and post go-live. For example, solutioning and transitioning teams had to be trained in negotiation, quality management skills for developing solutions, and business and domain knowledge. During process transition, training played a critical role in knowledge transfer, as different clients' standard operating procedures needed to be integrated into BPOLAND's routines. Post the go-live stage, process enhancement requested by clients needed additional training.

Use of SS methodology ensured specific client and process metrics were agreed and integrated into the workflow and, where possible, post-transition, process improvements made. Theoretically, there was always scope for process improvement and increasing the processes' sigma levels, however, for it to have a business impact, this need needed to be felt and requested by the customer.

The enabling effect of quality management systems in developing BPOLAND's organisational learning and market orientation seemed to have a synergistic effect on the nature and extent of training provided. For example, when a client requested a process improvement or a change to the existing process, this usually involved in a change in the process at the delivery end by the development of new performance metrics, and review of existing quality metrics. Depending on the scale of change requested, these metrics were translated into formal or informal training. If the nature of change was small, an informal training session was organised, whereas formal training modules were developed for large changes to the existing processes. Further, the use of SS and Lean methodologies, as well as high levels of market and learning orientation had a profound impact on the *what* and *how* of the information to be sensed and, disseminated, and for the solutions to be framed.

The extent to which SS and Lean projects were undertaken was partly driven by clients' *service level agreements* (SLAs), and partly to bring about internal process efficiencies at the service providers' end. Internal process efficiencies resulted from its SS expertise, as it allowed getting to the root cause of the problem from both internal and external service quality perspectives, and addressed any variations in service standards so sustainable benefits flow over the long term. Despite the strong organisational capabilities that BPOLAND had developed, its training capabilities had to manage a number of challenges, some of which were as a result of changes to its workplace, strategic choices, and the strategic HRM approach it adopted.

Training Challenges

It had become apparent to Sandy that there were a number of factors that would represent challenges in the development of organisational learning and development. Mainly these included: workplace change, employee turnover, workforce strategy and composition, skills level and a temporal and geographical dimension of processes received. These challenges were interrelated and to some extent interdependent on the strength of the organisation's capabilities.

Workplace Changes

In 2004, after BPOLAND's parent divested its majority share to two large multinational firms, it introduced numerous changes to its structure, business practices and the *nature* and *extent* of training. Its old offshore process centre (OPC) business model for its US parent, which essentially involved money transfer from the parent site to the Indian delivery centre, had to change. The resulting arrangement was a dual business model catering to captive and third-party clients. In this changed regime, understanding clients' needs in a third-party environment presented numerous challenges, such as the need to change the verbiage that was used in its captive environment. To cater to the needs of a third-party environment, Monty Sabharwal, Black Belt- Training explained that senior managers needed to learn how to pitch out to clients in a non-BPOLAND (non-captive) terminology.

> "See, all this while we were a captive organisation. We have to get into non-captive business. And leadership has to make sure they understand the hot buttons when they go out to make presentations to companies. I mean being 'captive' and being 'out there in the market' is very different. We are transitioning from this phase, so training again plays a big role here. [We are] getting gradually into non-BPOLAND business. [Earlier] the money was getting transferred within the company. It was always BPOLAND vs BPOLAND and never Gillette Vs BPOLAND and so on. Post divestment, we have to be seen 'out there' as a good company to be partners with. I think we are projecting ourselves as a business that is driven by Six Sigma, very strong in process excellence….so our biggest differentiator is process excellence. We are waking up to it. It's very easy for a BPOLAND person to understand the [BPOLAND] jargon."

For the short to medium term, the organisation had decided to operate in a limited number of domains and industry sectors. The strategic position was reviewed annually keeping in mind the third-party nature of business opportunities and its evolving sets of capabilities to tap into new areas. The focus was to develop the existing services further by tapping into the huge third-party BPO market. For its captive business service lines, the technology platforms and processes across different client (parent organisation's) locations were very similar to its parent's business. However, in third-party contracts, differences arose on aspects of technology infrastructures, terminologies, and software applications. These differences had an impact on training. The culture at BPOLAND supported people who embraced change through continuous training and skills development. In line with the above dual business model (captive and a third-party provider), BPOLAND had to adapt its HRM practices to the changing strategic direction and to modify its recruitment, rewards and career progression practices to enable and support workplace change.

Strategic HRM Approach, Workforce Composition, and Skills Level

The presence of a *strategic HRM* approach was evident in BPOLAND's recruitment, career development paths and performance management systems. Hiring was linked to the level of skills needed for a process, which was categorized on a continuum of *simple* to *complex* processes. Depending on the service line and the processes complexity, recruitment specifications were determined. A high degree of process complexity related strongly to the need for highly skilled and qualified employees. As a significant number of its hiring was for voice processes, the organisation invested in, among other types of training, *pre-hire voice training.* This helped tremendously

in the screening and the selection of right candidates. For complex non-voice processes, Monty noted:

> The software solutions group offers a lot of services in Oracle and related solutions so you hire those people who come with these specific skills. They come trained. Typically you would hire people who have these skills and definitely the training opportunities in these areas are very different from a transaction processing business.

The HR services group developed skills inventories for all its employees, with detailed accounts of employees' proficiency levels for each role-specific competency. Such an approach helped in identifying learning paths for individual development and career progression. The performance management and rewards system was geared to support the above, thereby reflecting a mix of technical and social work relations. The workforce composition strategy did not include significant use of non-standard employment. The majority of employees were permanent full-time or part-time, with a very small number of contractors and casual employees in operational and technical roles. Moreover, the majority (97%) of its employees were employed in operations, which also consumed the bulk of the training in terms of—*volume* and *diversity*. Recruitment was based on the process complexity and focused on strategic and cultural aspects. To contain employee costs, it hired relatively less skilled people for simpler roles. To address cultural needs, permanent roles had mass appeal and ensured a steady flow of people.

Strategically, investments in its training infrastructure were recouped by recruiting people with relatively lesser qualifications and using its elaborate training capability to train staff on a range of processes. This method helped it in managing the recruitment, performance, and service delivery costs. Each year, additional investments were made to the training infrastructure to further develop this capability and depending on the extent to which it could develop and deliver new skills, its ability to tap into a larger and relatively cheap and unexplored pool of less skilled workers increased. Such an approach enabled sustained costs advantages over its competitors.

The above approach of providing upskilling opportunities to employees worked well in a country like India because it was difficult for students to seek admission into premier educational institutions due to high levels of competition for too few seats. Additionally, the cost of high quality higher education was rising. From BPOLAND's perspective, this approach helped it in recruitment and retention, managing cost structures, and developing a steady supply of *domain-specific* skills and competencies.

Employee Turnover

BPOLAND's ongoing high *employee turnover* was an important factor impacting provision of training, as it triggered continuous need to train large numbers of new recruits in a wide range of domains and processes. Its employee turnover rate was very high in business lines such as voice processes, and especially those involving night shifts and for Band 5, and relatively less high for Band 4 employees. On an average, it ranges between 15% and 20% per month. This translates into a significant challenge for BPOLAND. As Monty —Black Belt Training emphasised:

> Yes, we are hiring 12000+ in a year and this is spread across all levels, verticals and domains. We need to train people through Education@Work programme, as it is hard to find people in certain domains. Domain experts in MCSE certified are hard to find. …Training is a challenge …to convert people to understand that [foreign] language is a slow progression. I have spoken in a language all my life and suddenly in one month I have to change in a different way.

This situation was compounded by the high growth rates in the BPO sector, which created a demand from smaller and less established service providers for poaching experienced and skilled employees. New players in the BPO sector preferred to hire people from the existing players in the market, owing to a range of factors, including: a shorter ramp-up time for delivering their projects, an inability to get appropriately skilled people from existing educational institutions, and their inability or unwillingness to invest in a training and development infrastructure. A significant number of employees considered their employment as a source of quick pocket money. This naivety can be attributed to one of the main causes of employee turnover. Other causes included opportunities in a growing market, nature of work, peer pressure and career progression.

Temporal and Geographical Dimension of Services

The emphases of training interventions differed at various stages (see Figure 2). To understand how variation in training occurred within and between organisations occurs, a project or process level understanding was critical. Whenever a new process was transitioned to India, the initial volume of training was high. Subsequently, it tapered off, especially when the process delivery team had undergone process training, and started to deliver on the process. However, this pattern did not follow the traditional "S-curve" life-cycle of growth, stability, plateau, and decline. Instead, even after the initial bump in the *extent* (volume) of training, the training volume increased because of ongoing employee turnover and the process changes requested by the clients. Shantanu (Process Head—Insurance) explained that an individual's training needs reduces when they become more productive on a process:

> we monitor the person on the shopfloor for another 30 days on a very strict supervision, so that he ensures the accuracy of his work and also builds on the productivity side of it. He will never be able to produce at the level of someone who is one year senior to him. So, we gradually take him through a week one to two to three and four. We gradually increase his productivity week-wise. We ensure that he grows in productivity but at the same time we also monitor the quality of his work. So, this is how he is trained, monitored, and is ready to hit the shopfloor.

Geographical Dimension

The diversity and volume of training requirements changed as the organisation received its business from different countries. Even in the same vertical (industry) and horizontal (service domain), the nature (diversity) of training, increased due to changes in client's geographical location and the lifecycle of a given process. Typical training requirements included understanding the culture, language, legislation, and accents. This is of particular importance for voice businesses. Further, due to the strong *regional mother-tongue-influence* of agents in India, training was offered to neutralise the regional accents to serve different nations' or regions' accents. Shantanu further added:

> Certain things that we say here are politically incorrect. People have to be taught how to write emails etc for different regions – their salutations etc. It is very critical to word the emails right. This will be included in the process training part soon after the new hire orientation. …we have a US client and we are also handling a UK client; so, the entire training package is going to change. The needs are very different, because regulations in the UK are different from regulations in the US. Insurance is a highly regulated business. Every country has their regulations. The challenges are huge, in fact the US has got 50 states, so there are nearly 50 different set of regulations. So our people need to impart knowledge on all the 50 states' regulations. A person should understand the regulations that apply to different states.

Overall Trends in Training Provision

After his meetings with various functional and business unit heads, Sandy was forming a picture of the nature and extent of training activity and how different organisational factors influenced training decision making. He broadly grouped the training activity on the basis of training volume and diversity to organise his team's workflow and dedicate resources accordingly.

Extent of Training. On average, the organisation invested about 12 days of training per head per annum. Once the client specifications were sensed, disseminated and transferred to BPOLAND, they were translated into demand for training. In newer service lines, training occured even before the process was transitioned, when the business development or client-facing groups were developed for scouting business opportunities. High levels of market and learning orientations and a strong *SS* philosophy enabled precise conversion of client specifications into training needs. Depending on the stage of a process life-cycle, employee turnover, and changes to client specifications, the impact on volume of training varied.

Similarly, depending on the *size* and *complexity* of the new process changes requested by clients, the volume of training was affected. However, the extent to which training was provided was moderated by the skill sets the organisation was able to procure from the labour market through its HRM infrastructure. Quality management systems had a direct impact on the volume of training for all Band-4 and above employees. Changes to strategy resulted in *workplace changes*, which had a significant impact on the extent of training volume.

Diversity of Training. BPOLAND's broad diversity of training provision included technical and firm-specific, generic and transferable, internal and external, and formal and informal learning and development. The organisation invested in both generic and transferable and technical and process-specific training. While process-specific training emanated from client specifications, there were some generic training modules, such as developing client-facing skills, project management capabilities, and domain-specific capabilities that were essential for responding to client needs. Further, given the organisation's high employee turnover rates and growth in business volumes, investment in training was used as a strategy to attract and retain employees, and contain its costs.

Owing to its complex and multiple business lines, the training demands put on the training infrastructure were diverse. Strong organisational capabilities were required to streamline the provision of such diverse training needs. Diversity of training was governed by the level of complexity of the business processes, which determined the

levels of skills for hiring specifications. Diversity of training also increased when business processes were sourced from different *geographical* regions and/or when ongoing process changes were requested from the client end. *Workplace change* also added to the diversity of training, as skills needed for a non-captive environment were very different to those needed for a captive environment. This was evident in the organisation's conscious attempt to move from a "*captive-centric"* language and way of doing business, to a more "*market savvy language"* and becoming a "*commercially-savvy"* organisation.

Reliance on *external* training and education providers was noted for certain *complex processes,* where internal expertise was not well developed and skills were hard to find (e.g. qualified instructional designers, PMI-certified resources, and CPAs) in the external labour market. . The education@work programme and *BPOLAND University* infrastructure, have attracted a relatively large and untapped pool of part-timers for certain low-end processes. *Formalisation* of training practices and development of a formal infrastructure for identifying, designing, developing, and evaluating training was understandable for its diverse and complex process activities. Certain types of training, such as client-specific and process training, train the trainer (TTT), SS certifications (black belts and green belts), and LOMA certification needed formal assessment and evaluation. Further, training for certain high-end, detailed, and complex processes was such that it could only be better delivered in a formal and structured learning environment. Given the focus on continuous process improvements and the use of dashboards and metrics, formal training deliverables were developed for most processes. Legislation and compliance training was also formally assessed and delivered. Typically, employees had to familiarise themselves with different laws and regulations, and tested for their understanding before they were allowed to work on the process.

The outlook

With a new ownership structure, dual business model, and an increasing complexity in its portfolio of non-captive services, BPOLAND was entering a new and a relatively uncharted path of growth. The eyes of media and industry were on BPOLAND to see it transform from its dependence on its US parent and reduce its reliance on a captive business model to a blended model of an integrated third-party service provider. Can BPOLAND meet the high expectations of performance and return on investment of its new owners and still be able to retain its market leadership in the Indian BPO market? What is the best way to organise learning and development and identify the critical capabilities for future business? These are some tough questions that Sandy and senior managers at BPOLAND were thinking of.

Appendix-1

Research Summary of drivers of training investment

S.No.	Main factors and attributes	Intensity	Researcher's notes
1	**Workplace change** *-structural* *-ownership* *-technological*	 H H M	Post ownership further changes to structure, systems and technology followed
2	**Market orientation(MO)** *-information sensing* *-information dissemination* *-organisational response*	 H H H	Very high levels of MO, coupled with high levels of LO and SS appear to have synergistic effects on training responses
3	**Learning orientation(LO)** *-commitment to learning* *-open-mindedness* *-shared organisational vision*	 H H H	Well-developed forums, processes and Six Sigma tools enable high levels of LO
4	**Quality management systems (QMS)** *- Commitment & sharing information* *-continuous improvement* *-teamwork*	 H H H	BPOLAND's path dependence, heritage, and captive culture are driving its strong SS-DNA
5	**Employee turnover**	H to M to L	Process dependent e.g. voice=H and back-office=M to L
6	**Enterprise size** **Complexity**	H M-H	Large and very complex: numerous verticals and domains. High impact for non-captive environments
7	**Temporal dimension**	H	Each new process or change in client specification has an impact on training
8	**Geographical dimension**	H	High for captive and very high for non-captive environments
9	**Strategic HRM approach and workforce composition** *-rewards and performance management systems* *-career planning* *-recruitment skills level & operating roles; and* *-use of non-standard employment*	 H H H L	Cross-skilling for career progression; opportunities to demonstrate capability supported by appropriate reward and performance management systems. Use of part-timers limited

Legend: H =High; M=Medium; L=Low

Appendix- 2

Schedule of meetings for Sandeep Mirchandani

Day	Key Contact & Designation	Function	Key contact's approximate work experience at BPOLAND	Domain
Monday	Mr. Shantanu Kumar (Associate Vice-President) and HR team members	Technical and Process Training	8 years	HR and L&D
Tuesday	Mr Shiva Kumar (Vice-President–Insurance)	Voice and Non-voice back-office account delivery	4 years	Insurance services
Wednesday	Mr. Twinkle Singh (Vice-President–Quality and Six Sigma) and Six Sigma Black Belts from Insurance and Content Solutions groups	Process excellence	6 years	Lean, Six Sigma and other quality frameworks
Thursday	Mrs. Pushpa Sharma Associate Vice-President (Content Solutions)	Creative Design and Development	5 years	E-training and distance learning
Friday	Mr. Monty Sabharwal (Black Belt–Training)	Process Improvement	4 years	Lean Six Sigma and L&D

Note: For confidentiality reasons, individual names have been totally changed.

Appendix- 3

BPOLAND: A flattened pyramid structure