

**Content:**

Introduction – IT and ITeS – Meaning – Business Process Outsourcing (BPO) Services- Advantages of BPO Services – BPO services in India – Business Process Management (BPM) Industry in India – Definition – Structure of the IT – BPM Industry – Meaning – Parameters of IT – BPM Industry – Various IT Application.

**Learning Objectives**

- Enable the students to gain knowledge about IT and ITeS, that performing in Business operations.
- To acquire knowledge about various IT applications used now-a-days.

**9.1 Introduction:**

Information and communication technology (ICT) has become one of the inevitable requirements of the day to day activities of our modern society. Daily usage of mobile phones, laptops, electronic gadgets brings a lot of benefits to the common people and also to the industries those who are engaged in various fields of expertise. Information Technology (IT) is one of the world's fastest growing

economic activities, which envisages easier flow of information at various levels in the desired pattern. The Information Technology enabled Services (ITeS) sector has also made significant contributions to the growth and development of our country.



**Fig. 9.1 Information Technology**

**9.1.1 Meaning:**

Information technology (IT) means creating, managing, storing and exchanging information. It includes all types of technology used to deal with information, such as computer hardware and software technology used for creating, storing and transferring information. Computer takes data as input and processes it and produces the results as output.

Information technology that enables the business by improving the quality of service is Information Technology enabled services (ITeS) is also called web-enabled services or remote

services that cover the entire operations which exploit Information Technology for improving the efficiency of an organisation.



**Fig. 9.2 Information Technology Enabled Services**

## 9.2 Business Process Outsourcing (BPO) Services:

Business Process Outsourcing (BPO) services means performing business operations through an outside service provider. BPO also comes under IT services as IT plays a very useful role in optimising the business performance.

### 9.2.1 Some of the Important BPO Services are listed below:

- (i) Financial and accounting services
- (ii) Taxation and insurance services

- (iii) E-Publishing and web promotion
- (iv) Legal Services and content writing
- (v) Multimedia and design services
- (vi) Health care services



**Fig. 9.3 Business Process Outsourcing**

### 9.2.2 Advantages of BPO services:

Some of the important benefits or advantages of BPO services as follows:

- (i) Decreased costs: Outsourcing reduces costs for labour, generally when it comes to staffing and training
- (ii) Able to concentrate on core competencies
- (iii) Increased flexibility
- (iv) Expand global presence
- (v) Improved speed and efficiency
- (vi) Security issues
- (vii) Communication issues

### 9.2.3 BPO Services in India:

Business Process Outsourcing (BPO) service in India refers to tasking out certain functional tasks to a third-party service provider. Internal business



functions such as billing and purchasing are outsourced, while front-of-house functions including customer support, marketing, and product customization are outsourced. All you need to do is to understand what services you wish to outsource and services you want to keep in-house. BPO services in India are growing at a fast pace and expanding to assist with services like conventional back and front office functions to services like digital marketing services and social media marketing. Moreover, BPO services can help you save big on cost, offer flexibility, agility, and access to tools and processes.

#### **9.2.4 Classification of major BPO Services:**

(i) Information Technology enabled Services (ITeS)- It is a type of BPO service that manages and handles IT solutions over the internet. It involves handling IT services like technical support, production support analyst, and service desk analyst.

(ii) Knowledge Process Outsourcing (KPO)- In this type of outsourcing, the service provider offers advanced expertise for any particular business process.

(iii) Legal Process Outsourcing (LPO)- It offers services related to a high level of legal work. They also perform complex tasks like writing legal agreements, doing legal research, and drafting patent applications.

(iv) Recruitment Process Outsourcing (RPO) - It is when a company transfers all or part of its permanent recruitment to an external provider.

#### **9.2.5 Advantages of BPO Service Industry:**

(1) BPO service providers in India invest in hi-tech hardware and software to deliver the best of services. They follow quality checks to ensure error free and exceptional service.

(2) Government of India is encouraging the BPO Industry in India by providing necessary Infrastructure and logistical support.

(3) BPO Industry in India is highly developed and capable of delivering numerous types of BPO services in exceptional quality.

#### **9.3 Business Process Management (BPM) Industry in India:**

The IT-BPM (Business Process Management) industry has been fuelling India's growth. In addition to contributing towards the country's Gross Domestic Product (GDP) and exports, the growth of the IT BPM industry has provided India with a wide range of economic and social benefits which includes creating employment, raising income levels, and promoting exports. It has placed India. On the world map with an image of a technologically advanced and knowledge-based economy. This sector attracts amongst the largest investments by venture capitalists and has been credited with enabling the entrepreneurial ventures of many in the country. The IT-BPM industry has almost doubled in terms of revenue and contribution to India's GDP over the last decade (2008–18).



*Fig. 9.4 Business Process Management*

### 9.3.1 Definition:

Business process management (BPM) is “an organizational discipline where a company takes a step back and looks at all of these processes in total and individually. It analyses the current state and identifies areas of improvement to create a more efficient and effective organization.”

### 9.4 Structure of the IT-BPM industry:

- (a) Multinational Companies (MNCs): MNCs have their headquarters outside India but operate in multiple locations worldwide including those in India. They cater to external clients (both domestic and/or global).
- (b) Indian Service Providers (ISPs): ISPs started with their operations in India. Most of these organisations have their

headquarters in India. While having offices in many international locations. While most have a client base, which is global as well as domestic, there are some that have focussed on serving only the Indian clients.

- (c) Global In-house centres (GIC): GIC organisations cater to the needs of their parent company only and do not serve external clients.
- (d) The Indian IT industry has more than 16,000 registered companies in the sector across GIC, MNC and SME categories as of 2016. Concentration Ratio in the IT-BPM industry is very high with 11 players contributing to more than 40% of the revenue. The Indian IT-BPM sector is home to the world's 3rd largest start-up community with more than 2000 start-ups across e-Commerce, aggregator platforms,





analytics, consumer services and IoT alone.

#### 9.4.1 Parameters of IT-BPM industry:

The organisations within the IT-BPM industry are categorised along the following parameters:

- Sector the organisation is serving
- Type as well as range of offering the organisation provides
- Geographic spread of operations
- Revenues and size of operations

#### 9.5 Various IT applications:

In technologically developed nations, Information Technology has become a part of everyday life. For a user, a computer is a tool that provides the desired information, whenever needed. The use of computer and Information Technology can be observed at home, workplace, in the modern service

industry and in all aspects of our life. It includes listening to music, watching movies, playing games, doing office work, chatting and sending messages, managing daily planner, reading books, paying utility bills, booking tickets to travel, bank operations, etc. Computers and ICT are used in industries, in offices, and in houses also. The various application areas are business, banking, insurance, education, marketing, and health care, engineering design, military, communication, animation, research, agriculture and government.

Information and communication technology (ICT): It can impact student learning when teachers are digitally literate and understand how to integrate it in to curriculum. Schools use a diverse set of ICT tools to communicate, create disseminate, store and manage information.

#### Points to be Remembered

- Information technology means creating, managing, storing and exchanging information.
- IT that enables the business by improving the quality of service is ITes.
- BPO means performing business operations via an outside service provider.
- IT BPM industry provides India, wide range of social and economic benefits.
- MNC, ISP and GIC are the structure of the IT – BPM Industry.



## Evaluation



### PART – A

#### OBJECTIVE TYPES:

##### I. Choose the Correct Answer :

(1 Mark)

1. One of the world's fastest growing economic activities, which envisages easier flow of information at various levels in the desired pattern in \_\_\_\_\_  
a. Information technology                      b. Informative theory  
c. Information theory                      d. Internet Times                      **Ans ( a )**
2. BPO stands for \_\_\_\_\_  
a. Business Process Optimization                      b. Business Process Object  
c. Business Process Outsourcing                      d. Business Programs Office.                      **Ans ( c )**
3. \_\_\_\_\_ is one of the advantages of BPO Services.  
a. Increased costs                      b. Decreased flexibility  
c. Decreased costs                      d. Inefficient.                      **Ans ( c )**
4. \_\_\_\_\_ is the type of outsourcing, offers advanced expertise for any particular business process.  
a. RPO                      b. BPO  
c. KPO                      d. LPO                      **Ans ( c )**
5. G D P stands for \_\_\_\_\_  
a. Gross Domestic Product                      b. Good Distribution Practice  
c. General Data Processor                      d. General Domestic Product                      **Ans ( a )**
6. Which one identifies areas of improvement to create a more efficient and effective organization?  
a. Business process outsourcing                      b. Business process management  
c. Information technology                      d. Level process outsourcing                      **Ans ( b )**
7. \_\_\_\_\_ organization caters to the needs of the parent company only and does not serve external clients.  
a. Indian service providers                      b. Global In – house centres  
c. Multinational companies                      d. SME                      **Ans ( b )**



- ## PART - B

**( 3 Marks)**

- ## PART - C

**(5 Marks)**

- 92



## PART - D

### III Essay type questions:

(10 Marks)

1. Explain BPO services in India.
2. Define BPM and explain BPM industry in India

#### ACTIVITY



##### Teachers Activity:

1. Field visit to various BPO service can be arranged to understand the functions of BPO services
2. Can take the students to nearby MNC to show the working of MNC

##### Students Activity:

1. List out the major BPO services in Tamilnadu
2. Chart preparation of leading BPO companies with short profile

#### References :

1. *Electronics Corporation of Tamil Nadu Limited "Annual Reports". Available from: <https://elcot.in/betaversion/annual-reports>.*
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3. *Information Technology Department "Policy Note 2011-2012", Available from: [http://cms.tn.gov.in/sites/default/files/documents/information-technology\\_2.pdf](http://cms.tn.gov.in/sites/default/files/documents/information-technology_2.pdf).*
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## GLOSSARY

1. *IT-Information Technology (IT) is one of the world's fastest growing economic activities, which envisages easier flow of information at various levels in the desired pattern. The Information Technology enabled services*
2. *ITes-ITeS sector has also made significant contributions to the growth and development of our Country.*
3. *Business-A business is defined as an organization or enterprising entity engaged in commercial, industrial, or professional activities. Businesses can be for-profit entities or non-profit organizations.*
4. *Information-Information is processed, organized and structured data*
5. *Technology-Technology refers to methods, systems, and devices which are the result of scientific knowledge being used for practical purposes*
6. *BPM-Business process management (BPM) is "an organizational discipline where a company takes a step back and looks at all of these processes in total and individually.*
7. *Outsourcing-Outsourcing is the business practice of hiring a party outside a company to perform services or create goods that were traditionally performed in-house by the company's own employees and staff.*
8. *BPO services-Business Process Outsourcing (BPO) services means performing business operations through an outside service provider.*





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26. What is the primary key?
27. Explain the types of accounts.
28. Write short notes on Multinational company.

### **PART - C**

#### **III. Answer any FIVE questions**

**Question number 35 is compulsory.**

**Marks: 5 x 5 = 25**

29. State the objectives and importance of office layout.
30. What are the uses of office furniture?
31. What are the types of filing?
32. Discuss the importance of BYOD.
33. Explain about different types of keys in relational database.
34. What is Business Process Outsourcing (BPO) service and write important of BPO services.
35. Explain about banking deposits elaborately.

### **PART- D**

#### **IV. Answer all the questions:**

**Marks: 2x10= 20**

36. Explain the importance and functions of office Management.

(or)

Explain the advantages and disadvantages of office layout.

37. Explain the advantages and disadvantages of cloud computing.

(or)

Explain BPO services in India.