

Short notes on **Knowledge Process Outsourcing (KPO)**, prepared by **Dileep Kumar** for circulation among members of the **Association of Knowledge Workers, Lucknow**, with request for feedback and interactive discussion.

Data has been collected from many websites, related to the subject

1. The Global **Knowledge Process Outsourcing** industry (KPO) is expected to reach USD 17 billion by 2010, of which USD 12 billion would be outsourced to India. In addition, the Indian KPO sector is also expected to employ more than 250,000 KPO professionals by 2010. the global KPO market is poised for an expected CAGR of 46% by 2010. **As per Sangita Joshi**, co-founder of the **KPO consulting firm EmPower research**, KPO simply put, is BPO but at a higher level in the intellectual value chain. The crux of KPO is to provide value to the client primarily in business critical and strategic decision making processes. the constantly higher need for flexibility, drastic reduction in time required to 'go to the market,' increased competition in the global arena, and of course, cost pressures have all been driving forces of KPO. **Those working in the KPO field typically require a higher level of education and training to complete these more difficult tasks.**
2. Some KPO services that can be outsourced to India:

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|---|--|
| <ul style="list-style-type: none">• Research & Development• Business and Technical Analysis• Learning Solutions• Animation & Design• Business & Market Research• Pharmaceuticals and Biotechnology | <ul style="list-style-type: none">• Medical Services• Writing & Content Development• Legal Services• Intellectual Property (IP) Research• Data Analytics• Network Management• Training & Consultancy |
|---|--|

3.The challenges in KPO:

KPO delivers high value to organizations by **providing domain-based processes and business expertise** rather than just process expertise. These processes demand **advanced analytical and specialized skill of knowledge workers** that have domain experience to their credit. Therefore outsourcing of knowledge processes face more challenges than BPO (Business Process Outsourcing). Some of the challenges involved in KPO will be **maintaining higher quality standards, investment in KPO infrastructure, the lack of talent pool, requirement of higher level of control, confidentiality and enhanced risk management.** Comparing these challenges with the Indian IT and ITES service providers, it is not surprising that India has been ranked the most preferred KPO destination owing to the country's large talent pool, quality IT training, friendly government policies and low labor costs.

"KPO (knowledge process outsourcing) allows organizations to do fairly complex operations and get the benefit of time to market," said Ritesh Idnani, head of global sales at Progeon, a business process outsourcing subsidiary of InfoSys Technologies based in Bridgewater, N.J. "(It allows firms) to derive operation efficiency where they do the task while transforming the way the do the task itself."

"Knowledge services is an area where we are seeing a lot of demand and continuous growth," Idnani said.

KPO services are much more research and analytical intensive, he added. For example, unlike traditional outsourcing, KPO focuses on research for front-office type activities such as financial planning, credit, quantitative and fixed-income research, Idnani told UPI.

4. KPO Outsourcing Process



5. KPO Outsourcing Benefits

1. All employees hold professional or post graduate degrees in various subject streams
 2. Top notch infrastructure
 3. To work with a variety of data formats and sources
 4. Transformation of data into knowledge
 5. Creation of defensible intellectual property
 6. Stringent processes are followed to ensure consistency
 7. Strong Domain expertise in business and STM (Scientific, Technical, Medical)
6. Like BPO here also India might face some competition from Russia, Canada, China and Israel.
 7. A lawyer to writing patent application in India could be 50 per cent cheaper in India than the US. India has huge potential resources with lots of chartered accountants and skilled lawyers,"
 8. First of all, the concept of a pool of specialized professionals available is a major advantage.
 9. The key to success in this is that as with all outsourcing, is communication. The people hired need to know exactly what's expected of them.
 10. Kiran Karnik, President of India's National Association of Software and Services Companies (NASSCOM).said there is a need for quality talent, for which NASSCOM has initiated an industry-academia programme to have a re-look at the education curricula and faculty training.
- Though it is the Government's job to bring about positive changes in the education sector, he said NASSCOM, too, will play a pro-active role in this regard.
11. On other initiatives of NASSCOM, Karnik said that there is a move to set up a national registry of employees in the BPO sector. A third party will validate the data.
 12. India owns a large number of knowledge workers in areas such as medicine, law, engineering, analytics, design and animation, R&D, pharmaceuticals and biotechnology.
 13. KPO is a new sector that promises to provide long-term jobs for intellectual, analytical and knowledgeable people with a pay scale much higher than the BPO sector. KPO is offshoring of

knowledge intensive business processes that require specialized domain expertise. It involves high-end processes like valuation, research, and investment researches, patent filing, legal and insurance claim, etc. For such tasks KPO requires people with a good educational background. There is a vast pool of people who work for KPO industry, including MBAs, chartered accountants, economists and engineers. In The Smart Cube, employees get to work on high-end research for leading clients. It is comparable to the work done at leading international consulting companies.

14. Engineering Export Promotion Council (EEPC) Chairman Rakesh Shah today said it is time for India to focus on engineering process outsourcing (EPO), which holds tremendous potential for the country to be a third major world power. EPO work involves delivering services related to project management, manufacturing process improvement, process simulation study, product design support, product performance testing through virtual simulation and R&D.

KPO Firms in India

1. KPOasia.com: Pahlaj Bajaj Group of Companies are coming up with a new venture i.e. a new sister concern company named KPOasia.com that will provide **KPO** services to virtually any Industry in India ranging from Finance, IT, Pharmaceuticals, Entertainment, Data Transaction, Data Entry, Insurance etc. **What high-end services can be outsourced to KPOAsia.com**

- Research & Analysis
- Business & Market Research
- Investment Analysis
- Legal Research
- Product & Brand Management
- Finance and Accounting advisory services
- Educational Services
- Medical Services
- Network Management
- Report Writing
- Report Presentation
- Content Re-writing and rendering
- Data Management

2. www.outsource2india.com

What services does O2I provide?

- KPO Services
- Call Center Services
- Data and Document Management Services
- Engineering and Architectural Services
- Healthcare Services
- Financial Services
- Software Services
- E Learning Solutions

We have specialized departments that focus on various areas of Knowledge Processing Outsourcing.



KPO Services

Database Services

Database Creation

Abstraction Services

Catalog Indexing Services

Information Extraction Services

Research Services

Brand Positioning Research

Desk and Web Research

Company Profile Preparation

Primary and Secondary Research

O2I offers the following Life Sciences services-

- [Database Creation](#)
- [Protein Annotation](#)
- [Signal Processing Analysis](#)
- [Signal Processing Tool Development](#)
- [QSAR Analysis](#)
- [Text Mining](#)
- [Web Mining](#)

O2I also offers the following products

- [Data Mining Products - P-Pie](#)
- [Databases - DiaBase, Integrin DB](#)

Bioinformatics, data mining and analysis, biotech and pharmaceutical research (contract research) and Intellectual Property research (IPR) are expected to make significant leaps in outsourcing.

We at O2I have varied services under the KPO umbrella such as Text mining, Web mining, Databases, Annotation and Data analysis services for Health Care/Pharma/Biotech Industries.

Software and Tools

- Pharma Research Tools
- SPSS
- SAS
- EXCEL

Additional Services

There are several services that can be outsourced to India. Content development ranging from writing on a variety of topics to creating icons and logos for a website; Software testing to ensure quality and many more. Indian Service Providers hone their skills constantly to provide more value to your business.

- [Web Analytics](#)
- [Website Traffic Tracking](#)
- [Pay Per Click \(PPC\) Campaigning](#)
- [Creative Services - Creative Writing and Communication](#)
- [Business Writing](#)
- [Technical Writing](#)
- [Specialty Writing](#)
- [Curriculum Development](#)
- [Mac Design and DTP](#)
- [Magazine Typesetting](#)
- [Illustrator Services](#)
- [Embedded Software Solutions](#)
- [Smart Card Solutions](#)
- [Internet Marketing](#)
- [Software Testing](#)
- [HR](#)

E-Learning Solutions

Corporate Training Solutions
Performance Gap Solutions

Product Demos
Instructional Design

We are proficient in these areas of technology:

- Java / J2EE technology, Application Servers (WebLogic, JBoss, Websphere, etc.)
- Microsoft .NET technology (IIS, .NET, ASP.NET, C#, VB, etc.)
- Open architecture technologies: XML
- Embedded / mobile solutions (J2ME, WinCE, eVB, eVC++, PocketPC, WAP / WML, etc.)
- Graphics / Web Design

Databases from different vendors (Oracle, SQL Server, MySQL, etc.)

- **Software & IT services**

- Software Development
- Network Management
- Software Testing
- Embedded Software
- ASP Programming
- Smart Card
- J2EE Programming
- Coding Services
- Telecom Software Solutions
- Business Analysis
- Technical Analysis
- Requirement Analysis
- Workflow Automation Software
- Website Maintenance Services
- EMR Software
- Healthcare Management Software
- Recruitment Website Applications
- Dating Website Development
- Vacation/Holiday Website Applications
- Portal and Vortal Application Development

Our Web Application Development Expertise

- Development Tools
- Team
- Development Process
- Project Management Processes
- Business Analysis Process

Financial Services

- Banking and Financial
- Bookkeeping
- Insurance
- Tax Processing and Tax Preparation

Financial Services

Outsource2india can manage your financial services requirement, whatever the size or complexity, in the areas of bookkeeping, tax preparation and other accounting related services. By utilizing a virtual delivery model, we enable customers to save about 30 to 40 percent of their labor costs.

Domain Experience

- Professionals (CPAs, Doctors, Lawyers)
- Non-Profits
- Retail
- Property Management
- Construction
- Create icons and logos
- Transportation

Services That Can Be Outsourced

- General Accounting (Bookkeeping, A/P, A/R)
- Bank Statement Consolidation
- Payroll and Tax returns
- Financial Analysis and Reporting (Balance Sheet Analysis)
- Non-Profit Accounting
- Check Processing



Health Care Services

Medical Billing
Medical Coding
Medical Transcription

Medical Claims Follow-up
Medical Billing Software
EMR Software



Engineering Services

Mechanical & Industrial Engineering

Product Engineering, Reverse Engineering, FEA Services,
3D Modelling, 2D Drafting, Process Planning and Cost Estimation

Architectural & Civil Engineering

Construction Drawings, CAD Services, Architectural Design & Drawings, Building Cost Estimation, 3D Rendering, Structural Design & Drawings, Interior and Landscape Design, Electrical, Plumbing and HVAC Drawings, 3D Walkthroughs

Data and Document Management Services

Data Entry Services

Data Entry, Data Cleansing, Data Mining, Directory Services, Data Capture, OCR

Data Conversion Services

File Format Conversion, Document Conversion, Document Digitizing, Data Conversion, EDM, PDF Conversion, XML Conversion, Book Conversion

Imaging Services

Image Enhancement, Photo Enhancement, Vectorization,

Data Processing Services

Data Processing, Forms Processing, Litigation Services

Catalog Conversion Services

Catalog Update

Additional Services



Call Center Outsourcing Services

Inbound Customer Support
Outbound Telemarketing
E Mail Support

Technical Support
Disaster Recovery

Call Center Industry Verticals

Insurance Industry
Credit Card Industry
Travel & Ticketing
Surveys & Questionnaires

Mortgage & Banking Industry
Telecommunications Industry
HR & Recruiting



E-Learning Solutions

Corporate Training Solutions
Performance Gap Solutions

Product Demos
Instructional Design

4. About Evalueserve (www.evalueserve.com)

Evalueserve is a global knowledge services firm that provides high value-added research services to leading edge clients worldwide. Our clients include global consulting and market research firms, investment banks, Fortune 500 corporations, as well as SMEs in financial services, telecom and technology, pharmaceuticals and biotech, and various other sectors such as automotive, oil and gas, etc.

Evalueserve's client executives are located in the US, UK, France, Germany, Switzerland, Austria, Sweden, Benelux and Singapore. The client executives are supported by its multi-lingual research team, based in Gurgaon, India, comprising experienced professionals with advanced degrees in business and technology.

EVS Products

- Business Information & Market Research
 - Industry and Value Chain Analysis
 - In-Depth Analysis of Customer Segments, Products, Channels, Technologies
 - Competitive Intelligence and Benchmarking
 - Monitoring and Customized Newsletters
 - Primary Research Surveys of Industry Participants and Experts
 - Forecasting, Modeling and Financial Analysis
 - Statistical Analysis
 - Database Content Creation and Management
 - Updating of Existing Research
 - Customer Surveys
 - Commercialization Analysis and Business Plans
- Intellectual Property
 - End-To-End Patent Application Drafting and Filing Through Patent Counsel admitted in the appropriate jurisdiction
 - Prior Art Searches
 - Patentability Assessment
 - Licensing Support
 - IP Overlap Analysis
 - Patent Claims Mapping

- Patent and Technology Landscaping
- Competitor Analysis
- Patent Portfolio Analysis
- Patent Mining and Administration
- IP Monitoring
- Technology Assessment and Commercialization Analysis

5.SITEL has dabbled in high-end data analytics work and will now position itself seriously in the KPO sector. SITEL India is a 50:50 joint venture between the billion-dollar SITEL Corporation, a global provider of outsourced customer support services, and the Tata Group.

6.Hyderabad-based ValueLabs, a software development, testing and knowledge process outsourcing (KPO) company, was in news recently for all the right reasons. Through its joint venture with NDTV and Malaysian media company Astro, it acquired Radio Today Broadcasting Limited from the Living Media group in Delhi, Mumbai and Kolkata. We employ around 800 people at present and intend to grow to around 2,000 in another year's time. The Hitec City facility that has been set up at an investment of \$7 million has the capacity to house 1,500 people.

8.from www.ugamsolutions.com Ugam Solutions is a leading provider of **Research & Analytics services**, focused on serving the marketing information needs of global enterprises.

We are the pioneer in providing outsourced services to the global [Market Research](#) industry from our offshore center in Mumbai, India. Our services include Data Collection, Survey Programming, Data Processing, Verbatim Management (coding of open ended responses), Report Writing and Panel Support Services. With over 400 persons under one roof, and expertise in a wide variety of industry standard technologies, Ugam is the largest provider of outsourced services to the off shore Market Research industry in the world.

9.www.techle.com

9.. www.inductis.com Inductis :business of analytics process outsourcing, or APO, tend to be higher as it is a “creative craft”, **Lalit Wangikar**, head of India operations of APO firm Inductis

MANAGEMENT CONSULTING



Today's tough business challenges demand solutions that deliver immediate benefits and provide the flexibility to capitalize on future opportunities. At Inductis, our data-intensive management consulting approach combines in-depth analysis and a healthy dose of pragmatism to ensure that we deliver near term results that translate into lasting impact. [...more>>](#)

ANALYTICS SERVICES



The Analytics Services practice at Inductis helps clients achieve better results and make more effective use of their internal capital by leveraging our scalable and cost-effective global analytics delivery model. Our cross-functional teams of skilled professionals, including Programmers and Modelers, provide immediate benefits through a variety of working arrangements. [...more>>](#)

10. *Techbooks is one of the leading KPOs (Knowledge Process Outsourcing) in India. Founded in USA in early 1988, Techbooks today services world renowned publishing houses such as Cambridge University Press, Blackwell, Hall, Pearson and Tata Mc Graw Hill in providing electronic content services and solutions. The acquisition of Pune-based Maximize Learning in 2005, added another feather in its cap. Ranjit Singh CEO, Techbooks shares more details on the organisation and the KPO industry in India.*

11. www.exevo.com exëvo, a knowledge process outsourcing (KPO) firm offering end-to-end market research and support services, has achieved the ISO 27001 certification on information security management systems. With the certification, exëvo will ensure the selection of adequate and proportionate security controls, which will secure information assets and significantly increase the measure of confidence to its clients.

12.

Reliance-Anil Dhirubhai Ambani group (R-ADAG) is to foray into emerging sectors of **Healthcare informatics and knowledge process outsourcing (KPO)**, a \$22.8 billion industry in India.

The group is planning to set up a separate entity, Reliance Health, for its KPO foray is also looking at tie-ups in the domestic market.

“Reliance Health will provide healthcare solutions to Indians at affordable prices. In a country where healthcare is fast becoming a booming industry, the company will offer services that are comparable with the best around the world,” a source close to the development said here today.

13. AbsolutData Technologies Inc. the leading Market Research and Analytics KPO, has developed the newest generation predictive modelling technology "Survival Analysis", a technique used by the medical profession to predict the chances of patients more likely to survive a particular disease. Absolute Data is a fast growing professional services firm that specializes in providing advanced marketing analytics and market research solutions to its world-wide client base by leveraging its teams in Alameda, CA and New Delhi, India. A pioneer in the KPO space, AbsolutData continues to innovate and deliver high-end services and advanced analytics such as Segmentation, Conjoint Analysis, CRM Analysis and several other quantitative methods for leading global brands and top international Market Research companies.

14. *Renaissance Legal & Learning Systems - A Leading KPO based in India is all set to launch the Renaissance Corporate eUniversity. The eUniversity will be launching various courses certified by other leading universities; institutes and professional bodies in phase one. Renaissance Corporate eUniversity will be offering certificate and diploma courses intending to fulfill the Gap that exists today between regular courses and on the job reality. The eUniversity is being launched in association with e2i Technologies (Canada). The eUniversity will be offering various courses certified by other leading universities; institutes and global professional bodies in the first phase.*

Renaissance Corporate eUniversity will be offering certificate and diploma courses intending to fulfill the Gap that exists today between the courses offered by regular universities in India and the demands of actual job requirements. The initial target market will be Major Corporates in the Indian Subcontinent. Renaissance Legal & Learning Systems Pvt. Ltd.

15. Hyderabad, India and San Francisco, CA (OPENPRESS) June 13, 2006 -- **KARVY Global Services** Limited, the Business and Knowledge Process Outsourcing subsidiary of KARVY, the largest integrated financial services institution in India, today announced the availability of online, immediate process metrics and measurement capabilities for outsourced Client processes. KARVY Global is the first outsourcing services provider to provide its Clients with instant process metrics and measurement.

As a result of a partnership with MetrixLine, KARVY Global Clients will have immediate access to view and track their outsourced processes through KARVY Global's secure Client Portal. MetrixLine's proprietary web-based technology extracts disparate, distributed data from multiple data stores and builds immediate metrics, benchmarks, baselines, proactive analysis, scorecards and trend comparisons. The service, offered without charge to all KARVY Global Clients, is operated within the secure KARVY Global Services technical infrastructure (ISO 27001-2005 certified).

10. NTrust Infotech Pvt Ltd., a niche player providing comprehensive IT solutions and KPO services to the Real Estate Leasing industry, today inaugurated its Second Knowledge Centre in Chennai. The company intends to double its headcount to 400 by the end of the current fiscal.

11. Scope International Private Limited, the wholly owned subsidiary of Standard Chartered Bank engaged in providing support services to the parent company, today announced its recruitment strategy for the Chennai centre. The company has recruited 350 so far in 2006. Scope International, a wholly owned subsidiary of Standard Chartered Bank, UK

12 Banking software maker I-flex Solutions Ltd. has posted a higher first quarter net profit of 415 million rupees (USD 8.9 million), which jumped almost seven times from 58 million rupees reported a year ago. Revenue for the quarter ending June rose 51 percent to 4.08 billion rupees. The company said it had gross addition of 553 employees in the quarter (excluding KPO business - Equinox), with the total staff strength increasing to 6484. The total staff strength of the group inclusive of KPO business increased to 7,101 – an increase of 29 percent over the period ended June 2005.

13. RocSearch, a UK-based research services company, has gathered evidence suggesting that the KPO market may just about reach a size of \$5 billion by 2010, manned by 100,000 people instead of projections of a \$12 billion market supported by 250,000 employees. **Assuming an average revenue per person of \$55,000 over the next four years**, 100,000 knowledge workers point to a \$5 billion market. This size, though based on a CAGR of 32%, is still 60% less than the \$12 billion potential projected by big KPOs, like Evalueserve, last year.

14 *Techbooks is one of the leading KPOs (Knowledge Process Outsourcing) in India. Founded in USA in early 1988, Techbooks today services world renowned publishing houses such as Cambridge University Press, Blackwell, Hall, Pearson and Tata Mc Graw Hill in providing electronic content services and solutions. The acquisition of Pune-based Maximize Learning in 2005, added another feather in its cap. Ranjit Singh CEO, Techbooks shares more details on the organisation and the KPO industry in India.*

15,Source www.tmcnet.com

SAS eyeing 60-70 per cent revenue growth this fiscal

(Press Trust of India Via Thomson Dialog NewsEdge) Mumbai, Jun 28 (PTI) Business intelligence solutions major SAS is aiming for a 60-70 per cent growth in revenues this fiscal, focussing mainly on banking, telecom, pharma and KPO segments.

"Judging by our performance so far,

16. Apex CoVantage Adds Newspaper Digitization Capabilities Section to Its Website

Apex CoVantage, a leading global knowledge process outsourcing company, has added a new section to its web site dedicated entirely to the digitization and preservation of historical newspapers.

, please visit Apex's newspaper digitization website: www.apexcovantage.com/newspaper_digitization.htm.

About Apex CoVantage

Apex CoVantage (www.apexcovantage.com) is an American provider of Knowledge Process Outsourcing (KPO) services. We opened our first KPO service center in 1988 and subsequently pioneered the market for offshore services. Today, we provide contact center, engineering, e-publishing and prepress solutions, as well as professional Knowledge SolutionsSM, from a global network of service centers. Our clients include many of the largest, fastest growing and most admired companies in the United States, Europe and the Pacific Rim. In every industry and every service area, these clients are reaching the next level of service performance in partnership with Apex CoVantage.

17. Patents Filing Business

Patent work is increasingly being outsourced to India.

After BPO and KPO, it is now the turn of the complex knowledge work of patenting consultancy or IP services to get outsourced to India.

As always, the cost factor weighs heavily in favour of India. While the process of filing for a patent in the US costs about \$15,000 to \$25,000, the same work can be done out of India for as little as \$4,000.

"It makes sense for companies to outsource patent work directly to India, instead of approaching law firms in the US," said Arun K Narasani, CEO of **Brainleague, a Bangalore-based IP services outsourcing firm.**

The firm has drafted specifications for 75 patent applications in the last one year.

The opportunities for firms like Brainleague are enormous. At present, there are about 35,000 patent attorneys in the US, while close to 500,000 patents are being filed every year.

As the filings have been growing at 27 percent year on year, the figure could touch five million in ten years. That is where India can step in.

Fish & Richardson, a large US legal firm, cites estimates that by 2016, almost 60 percent of all US legal work will be done in India. Thus, almost three million patent filings could be drafted in India.

At a conservative estimate of \$4,000 per patent application, the patent outsourcing opportunity could translate into \$12 billion by 2016!

With such prospects in sight, some independent IP outsourcing companies in India like eValueserve, Brainleague, Intellvate, and IP Horizons are preparing themselves for big times.

17. Medical Analytical Tools for Market Survival: KPO Firm Shows the Way- AbsolutData Technologies Inc. the leading Market Research and Analytics KPO, has developed the newest generation predictive modelling technology "Survival Analysis", AbsolutData used statistical models that predict which subscribers are most likely to cancel their subscription within a month's time. AbsolutData Technologies examined various customer or subscriber characteristics like usage history, usage trend, customer demographics and customer acquisition channel to isolate the specific variables that predicted customer "churn" over the next month. Dr. Anil Kaul, CEO of AbsolutData. "Our team in Delhi has time and again demonstrated that highly complex KPO projects can be successfully delivered out of India"

20. Hyderabad-based ValueLabs, a software development, testing and knowledge process outsourcing (KPO) company, was in news recently for all the right reasons. Through its joint venture with NDTV and Malaysian media company Astro, it acquired Radio Today Broadcasting Limited from the Living Media group in Delhi, Mumbai and Kolkata.

21.

The Bangalore based provider of consulting and implementation solutions in the e-learning space, **24 X7 Learning**, on Monday said the company plans to make an investment of \$10 million over a period of two years as part of its expansion plans.

"We aim to become a \$12 million (Rs 54 crore) company in another two years," said Karthik K S, founder and managing director, 24 X7 learning. The company had registered a topline of Rs 7.5 crore

last year and is in the same space as that of IBM and NIIT. It is also preparing itself for inorganic growth. "A major thrust will be given to branding the product and expanding globally," said Karthik.

22. the KPO consulting firm EmPower research