



IBPAP[®]

IT & Business Process Association
PHILIPPINES

ACCELERATE PH

FUTURE-READY

Philippine IT-BPM Industry Academe Collaboration

Penny Bongato

Executive Director – Talent Development





industry OVERVIEW



SERVING THE WORLD



ANIMATION COUNCIL
OF THE PHILIPPINES, INC.



Healthcare Information Management
Outsourcing Association of the Philippines



GDAP GAME DEVELOPERS
ASSOCIATION OF
THE PHILIPPINES



Philippine Software Industry Association



GLOBAL IN-HOUSE CENTER COUNCIL
PHILIPPINES



number



voice

Outsourcing Destination

by the numbers



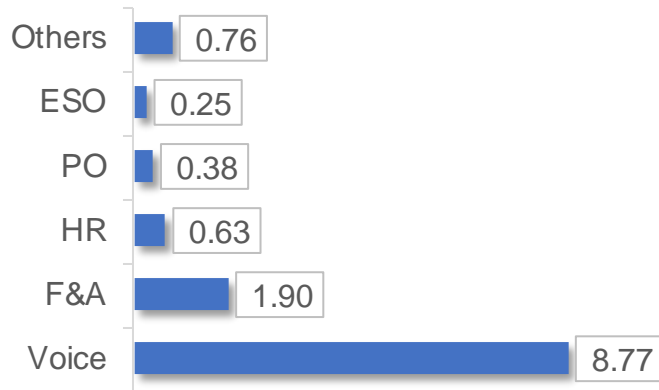
ranked 2nd
**Global Outsourcing
Destination**

by the numbers

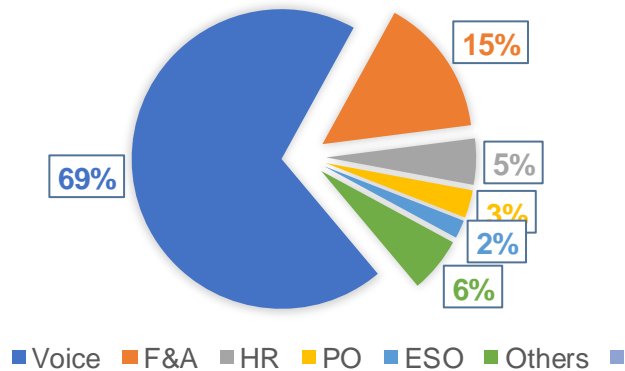
\$22.9B **REVENUE**

1.14M **EMPLOYED**

**PHILIPPINES VOICE & NON-VOICE BPM MARKET, 2016
(BILLION US DOLLARS)**

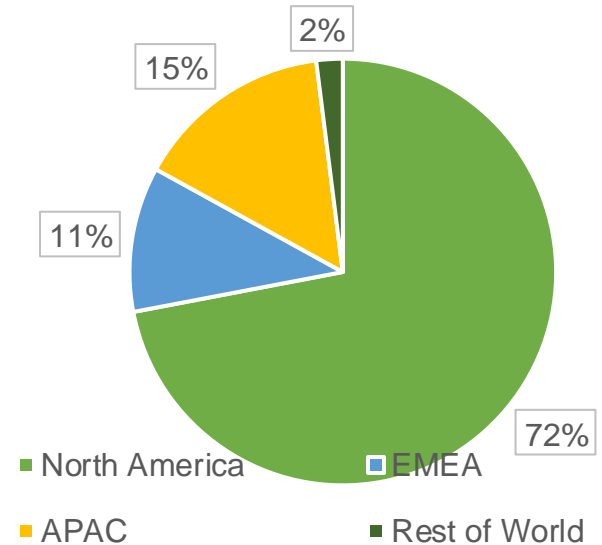


PHILIPPINES VOICE & NON-VOICE BPM MARKET, 2016 (REVENUE BREAKDOWN)



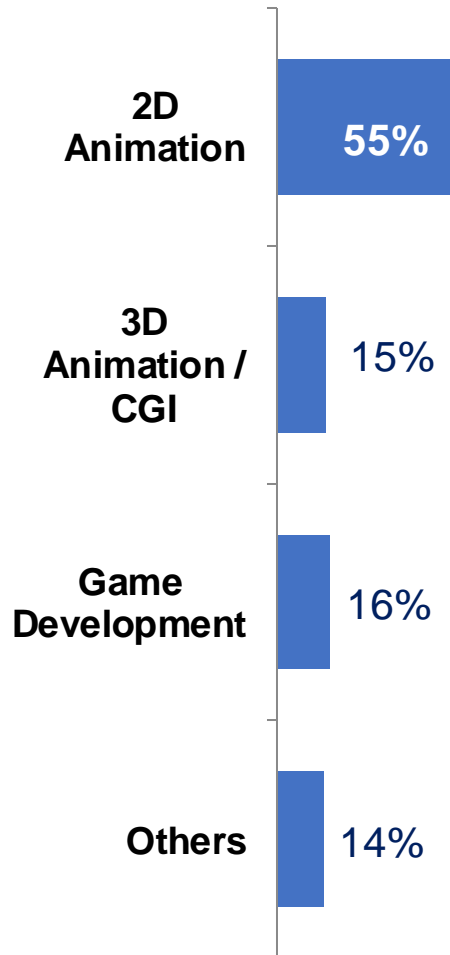
\$8.77 Billion (Voice)
\$4.0 Billion (Non-Voice)
751,207 Employees

**Geographical Demand
Contact Center & BPO, 2015**

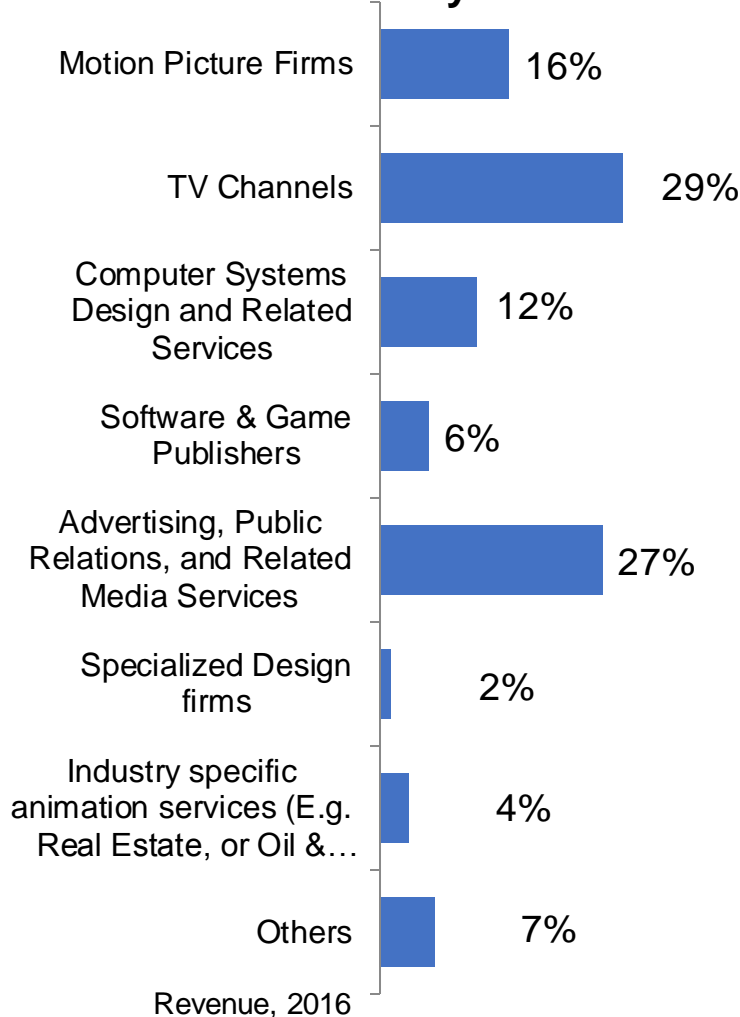




Animation Services

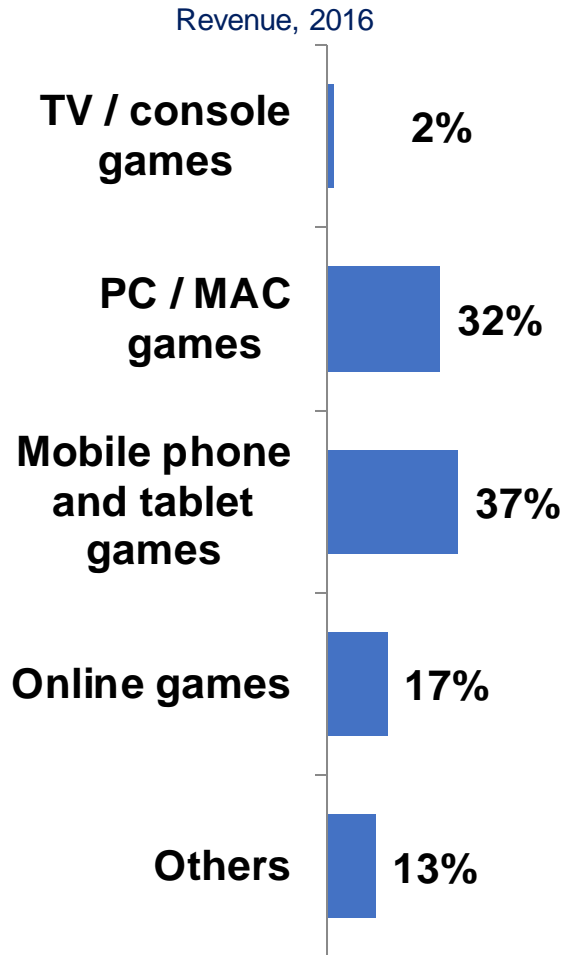


Animation Services by Customers

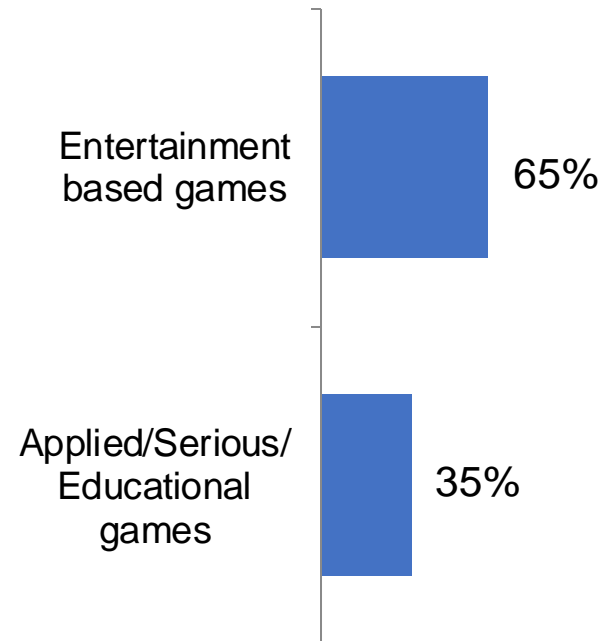


- **Total Revenue: \$26.4 Million**
- **Direct FTEs: 2,189**

Game Dev. Services by Segment



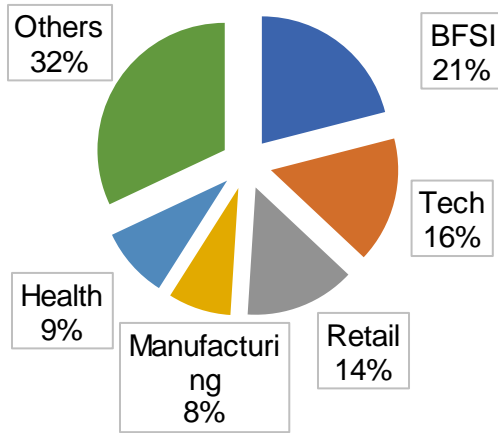
Game Dev. Services by Type



- Total Revenue: \$24.1 Million
- Direct FTEs: 2,111
- Largest Service Type: Entertainment
- Largest customers: Mobile & PC segments

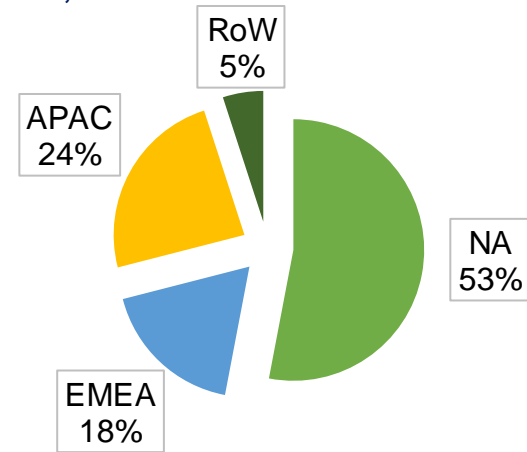
Revenue by Service Type

ITO, 2016



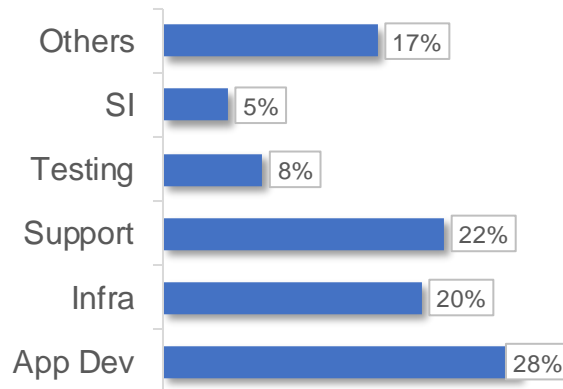
Customer Demand

ITO, 2016



Market by Revenue

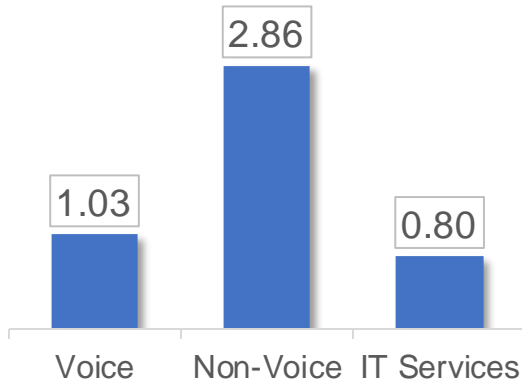
USD billion, 2016



- Total Revenue: \$2.97 Billion
- Total FTEs: 123,240 Employees
- Largest Service Types: ADM, Support
- Largest Customers: Tech, BFSI, Retail

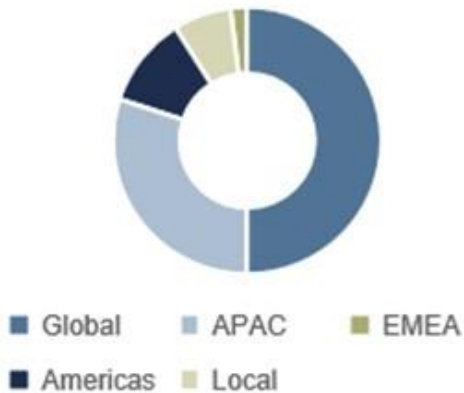
Shared Services Functions

USD billion, 2016



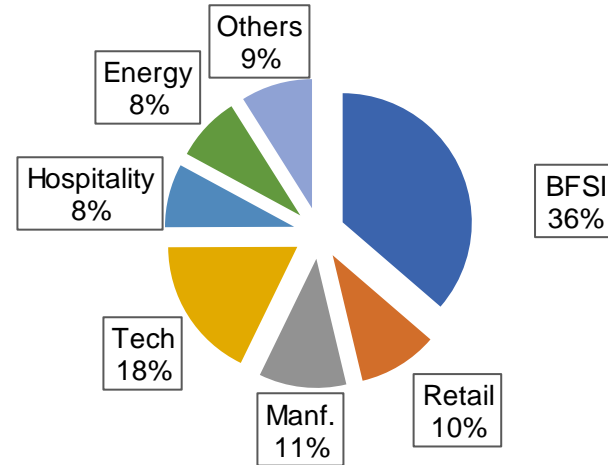
Customer Demand

Shared Services, 2015



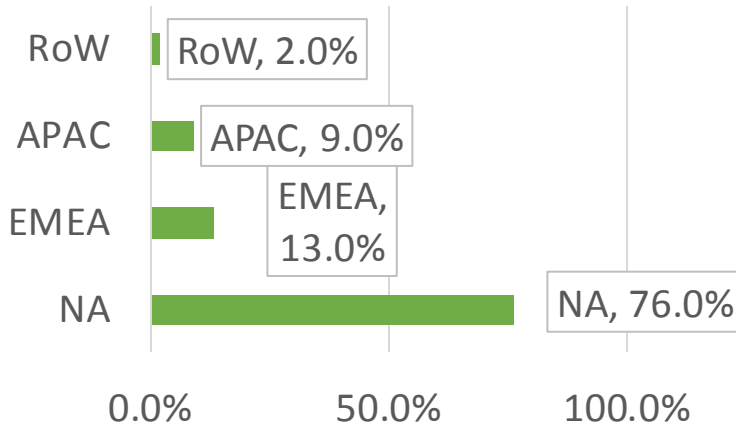
Revenue by Vertical Markets

Shared Services, 2016

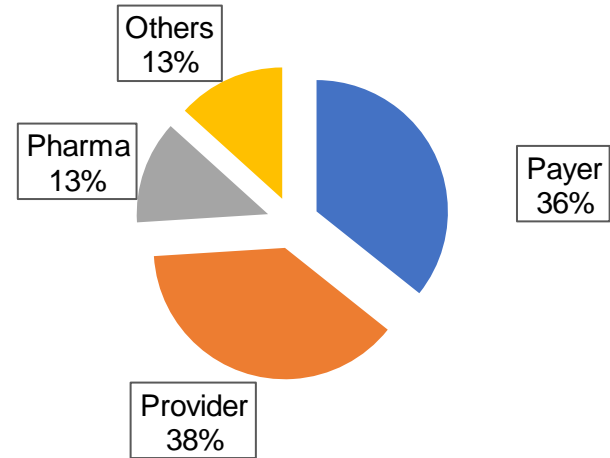


- Total Revenue: \$ 4.69 Billion
- Direct FTEs: 148,700
- Non-Voice is more Dominant
- BFSI is Largest Vertical

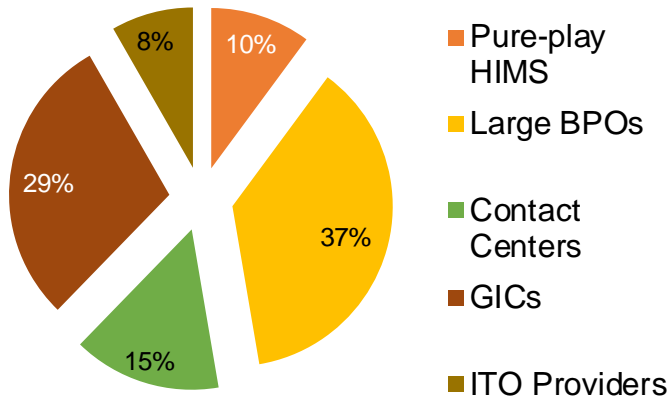
Customer Demand HIMS, 2016



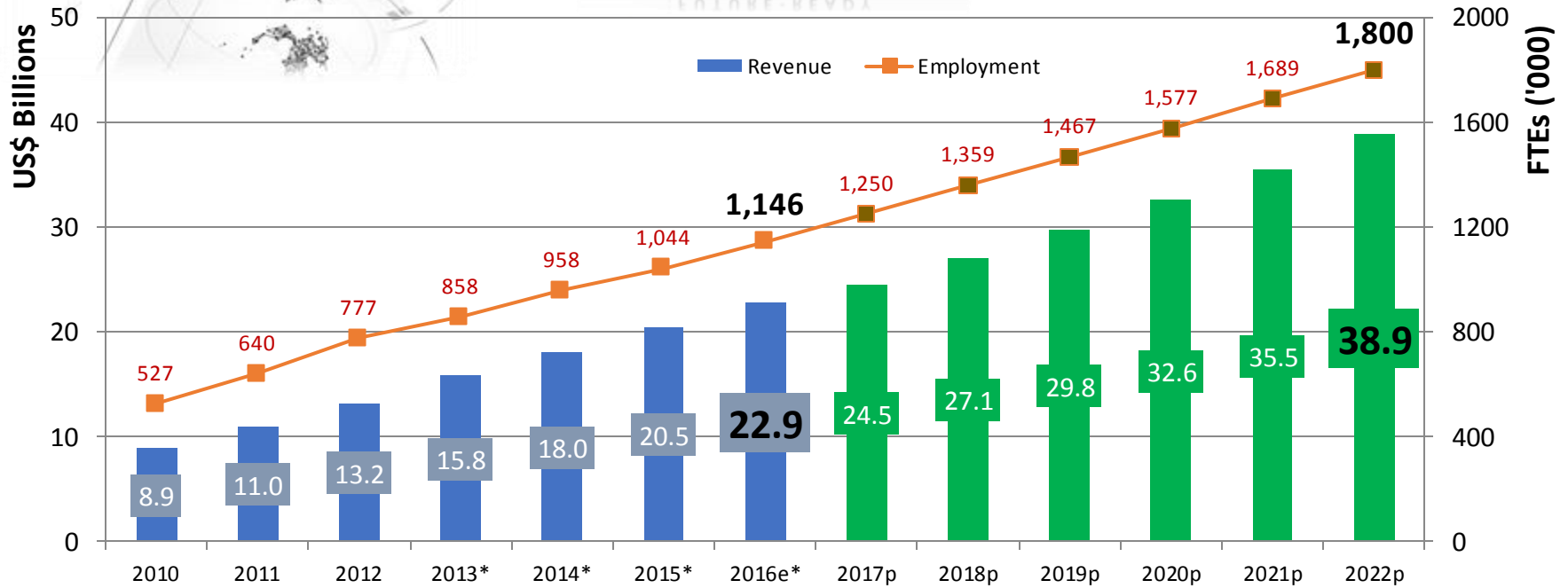
Market by Service Type (FTE) HIMS, 2016



HIMS Market By Provider Type



- Total Revenue: \$2.4 Billion
- Direct FTEs: 118,245
- Largest Service Type: Payer services
- Largest players: BPOs & shared services



Enabling Conditions

Upgrade
Talent
Ecosystem

Maintain
Competitive
Incentives
and
Regulations

Develop
Infrastructure
in Next Wave
Cities™

Sustain High
Business
Confidence

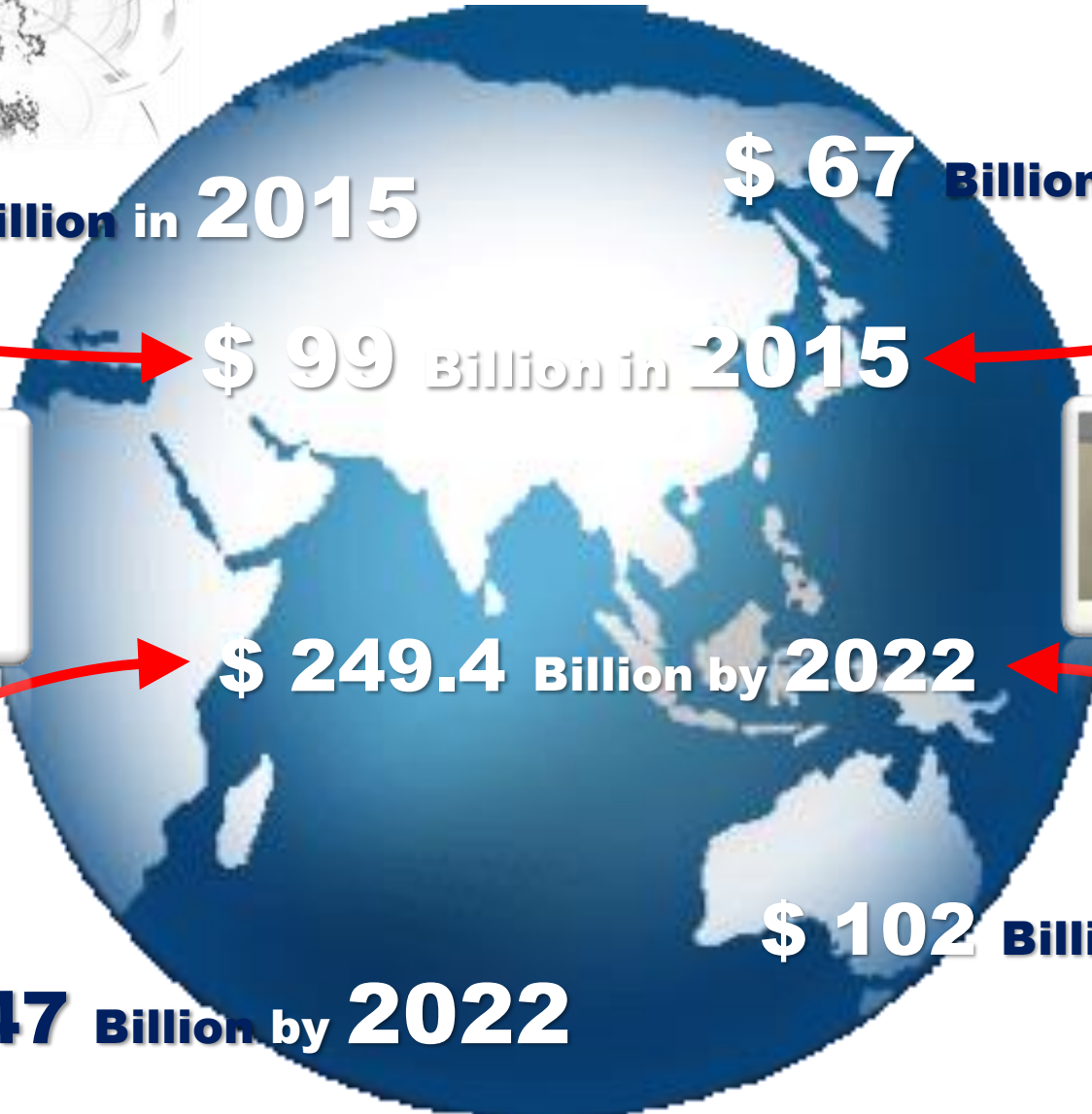
Pivot to
Higher Value
Services

Strengthen
Industry
Association



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FUTURE-READY
ROADMAP 2022

KEY FINDINGS



\$ 99 Billion in 2015

\$ 67 Billion in 2015

\$ 99 Billion in 2015

\$ 249.4 Billion by 2022

\$ 102 Billion by 2022

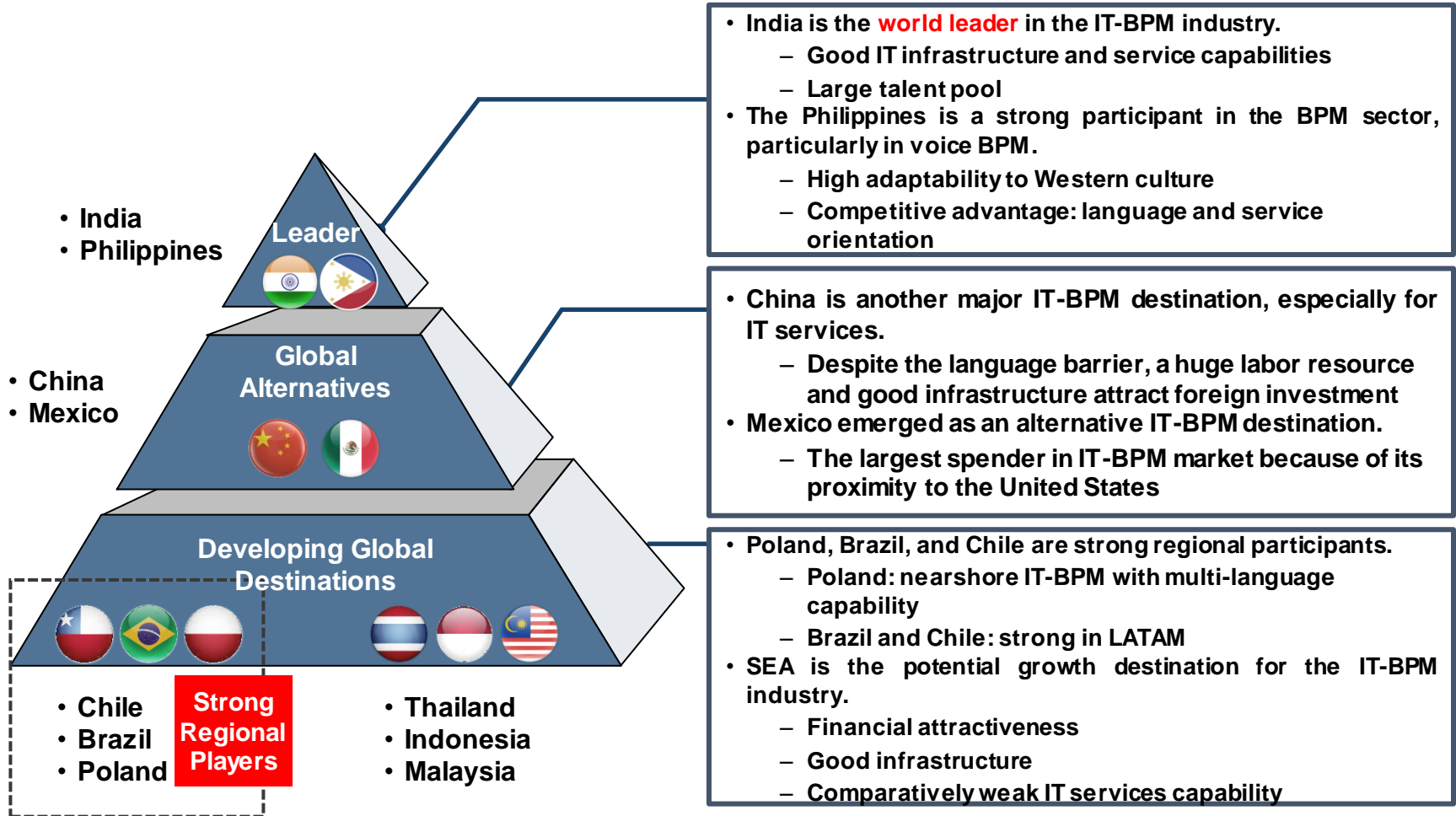
\$ 147 Billion by 2022



IT SERVICES

BPM SERVICES

COMPETITIVENESS TO INCREASE MARKET SHARE



3 MAJOR TRENDS IN TECHNOLOGY CONVERGENCE

1. Digital Transformation



Convergence of Big Data Analytics, Internet of Things along with expanded computing power & storage



A **digital organization** that uses technology as a competitive advantage in its internal and external operations, potentially redefining its business model, processes and customer interface → a **wider array of outsourced services**

2. Automation & AI



Combination of technologies such as robotics process automation, artificial intelligence & machine learning



Enables organizations to achieve **higher levels of efficiencies** by automating entire or partial workflows and processes. Applications are widespread, from **collecting and analyzing data** to enabling basic **customer response** and possibly even complex tasks

3. New Delivery Models

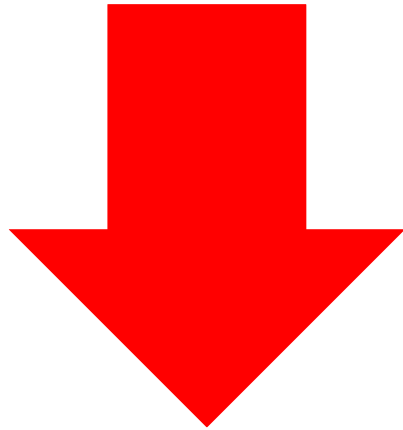


Delivery of IT services hosted over the internet transforming compute resources into a utility



Resources are measured at a granular level, allowing users to **pay per use** for the resources and workloads they use. Cloud services **facilitate mobility** by allowing employees, especially remote workers to access data or their files from anywhere anytime

IMPACT OF TECHNOLOGY: 2 OPPOSING FORCES



Potential dampening of roles due to automation

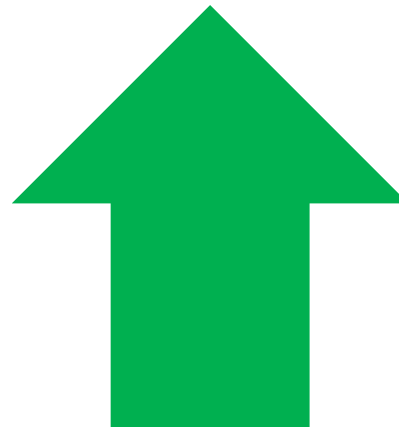
- For low skilled roles, this would usually mean job replacement through automations
- For more complex job categories, implications are more on reskilling than on replacement

- Medical transcription
- Simple contact center services
- Basic 2D animation services
- Parts of IT technical support
- Transactional mid and back-office transactions

Services Impacted

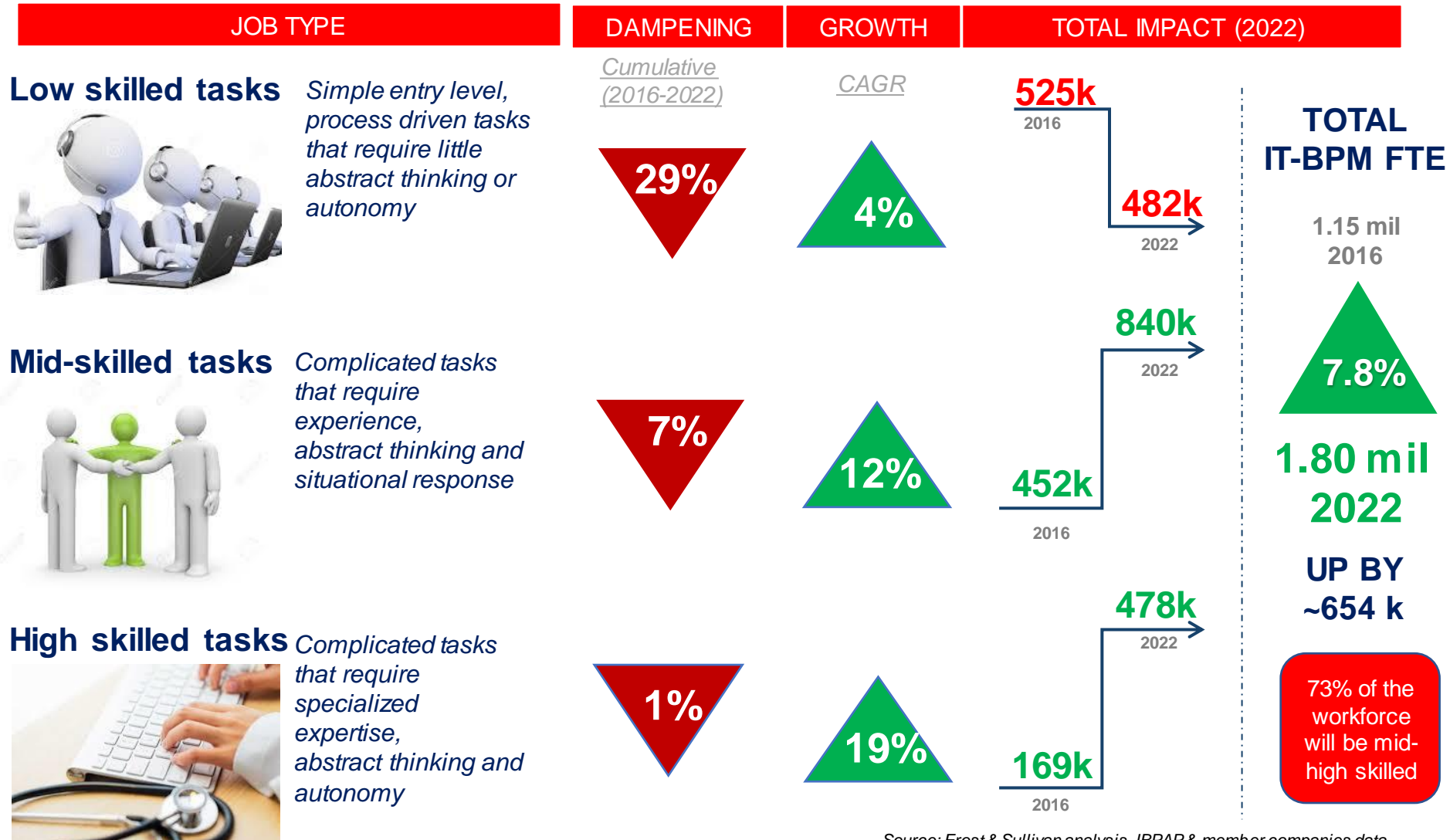
Augmented growth of the functions / services supported by IT-BPM

- Outsourcing market (end-use demand) continues to grow
- In many cases technology accelerates this growth
- Many new (complex) services will be offered by the sector



- Analytics & optimization engines
- Automation enablement
- Clinical data analytics
- Remote health management
- VR / AR enabled animation
- Supply chain optimization

PRODUCE TALENT FOR HIGHER VALUE JOBS



Source: Frost & Sullivan analysis, IBPAP & member companies data

WHAT IS THE INDUSTRY DOING?



ANIMATION COUNCIL
OF THE PHILIPPINES, INC.



Healthcare Information Management
Association of the Philippines



SERVING THE WORLD



Philippine Software Industry Association

CHED Project 17 State Universities & Colleges

Don Mariano Marcos Memorial State University

- 30 SMP trained Teachers
- 35 Language trained Teachers



Benguet State University

- 31 SMP trained Teachers
- 60 Language trained Teachers



Pangasinan State University

- 37 SMP trained Teachers
- 38 Language trained Teachers



Technological University of the Philippines

- 31 SMP trained Teachers
- 97 Language trained Teachers



Bulacan State University

- 45 SMP trained Teachers
- 20 Language trained Teachers



64 Academic Master Trainers
650 Teachers trained in SMP*
917 Teachers trained in the Language Tracks*

Tarlac State University

- 33 SMP trained Teachers
- 81 Language trained Teachers



130 Teachers trained on ELITES*
16 SUCs Trained out of the 17 SUCs*

Cavite State University

- 66 SMP trained Teachers
- 26 Language trained Teachers



Philippine Normal University

- 20 Language trained Teachers



Batangas State University

- 68 SMP trained Teachers
- 81 Language trained Teachers
- 802 Students enrolled in SMP



Polytechnic University of the Philippines

- 49 SMP trained Teachers
- 22 Language trained Teachers
- 89 Students trained in SMP

Nothern Iloilo Polytechnic State College

- 26 SMP trained Teachers
- 110 Language trained Teachers



Laguna State Polytechnic University

- 56 SMP trained Teachers
- 100 Language trained teachers
- 2987 Students enrolled in SMP



Carlos Hilago Memorial State College

- 33 SMP trained Teachers
- 41 Language trained Teachers



Western Visayas College of Science and Technology (ISATU)

- 10 SMP trained Teachers
- 101 Language trained teachers



Negros Oriental State University

- 61 SMP trained Teachers
- 110 Language trained Teachers
- 325 Students enrolled in SMP



West Visayas State University

- 30 SMP trained Teachers
- 46 Language trained Teachers

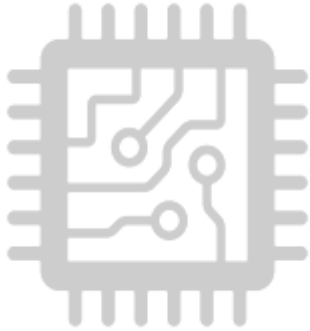


University of Southeastern Philippines

- 44 SMP trained Teachers
- 24 Language trained Teachers



HIGH IMPACT PROGRAMS



IMPACT OF TECHNOLOGY



HUMAN CAPITAL



INCLUSIVE GROWTH



ROLE OF GOVERNMENT



COUNTRY COMPETITIVENESS



SMEs & START-UPS

HIGH IMPACT PROGRAMS



Build an industry-led IT-BPM talent attraction ecosystem; career progression path, skill mapping and advocacy

Enhance Service Management Program (SMP to SMP+) targeting specific subsectors and mid / high end skill development with HEPP

Embark on a nationwide effort to enhance English proficiency and STEM across early stage education, near hire, and existing workforce

Create more high quality and effective skill development avenues through evaluation, accreditation & ranking

Create sustainable long-term funding mechanism for human capital development activities, tapping on to more sources

Establish a program to upskill existing manpower in specialized competency areas

- **Next Wave Cities™+**
- **ICT Councils Support**
- **National Disaster Risk Reduction Management Plan**



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Human Capital and Impact of Technology: Career Map





**HUMAN CAPITAL IMPACT OF
TECHNOLOGY**

1

Build an industry-led IT-BPM talent attraction ecosystem; career progression path, skill mapping and advocacy



Program Objectives and Deliverables

**Attract
career/job
seekers to
the IT-BPM
Industry by
having
career clarity**

1. Conduct a **Talent Demand – Supply Study** that will define the current as well as the future landscape to talent requirements of the industry
2. Develop a **Career Guide** for each IT-BPM industry (i.e. representing verticals: Healthcare, Finance, IT, Animation and Gaming). Identify the jobs, skills & certifications required to traverse the outlined career paths associated within the interactive career path.
3. Create an **online interactive career map** based on the career guides developed for the IT-BPM Industry
4. Create a **marketing campaign** to direct job seekers to use the online career map, which could include, incentivizing companies and applicants to increase views of the Career Map and applications to IT-BPM Jobs.

Sample Deliverable: Career Guide

Level 1

Level 2

Level 3

Level 4

Level 5

Level 6

Analytics Associate

MIS Reporting
Sr. Associate

MIS Reporting
Team Lead

MIS Reporting
Manager

MIS Reporting
Director/
AVP/VP

Head of
Analytics



Required Skills

Required Skills

Required Skills

Required Skills

Required Skills

Required Skills

Required Certification

Required Certification

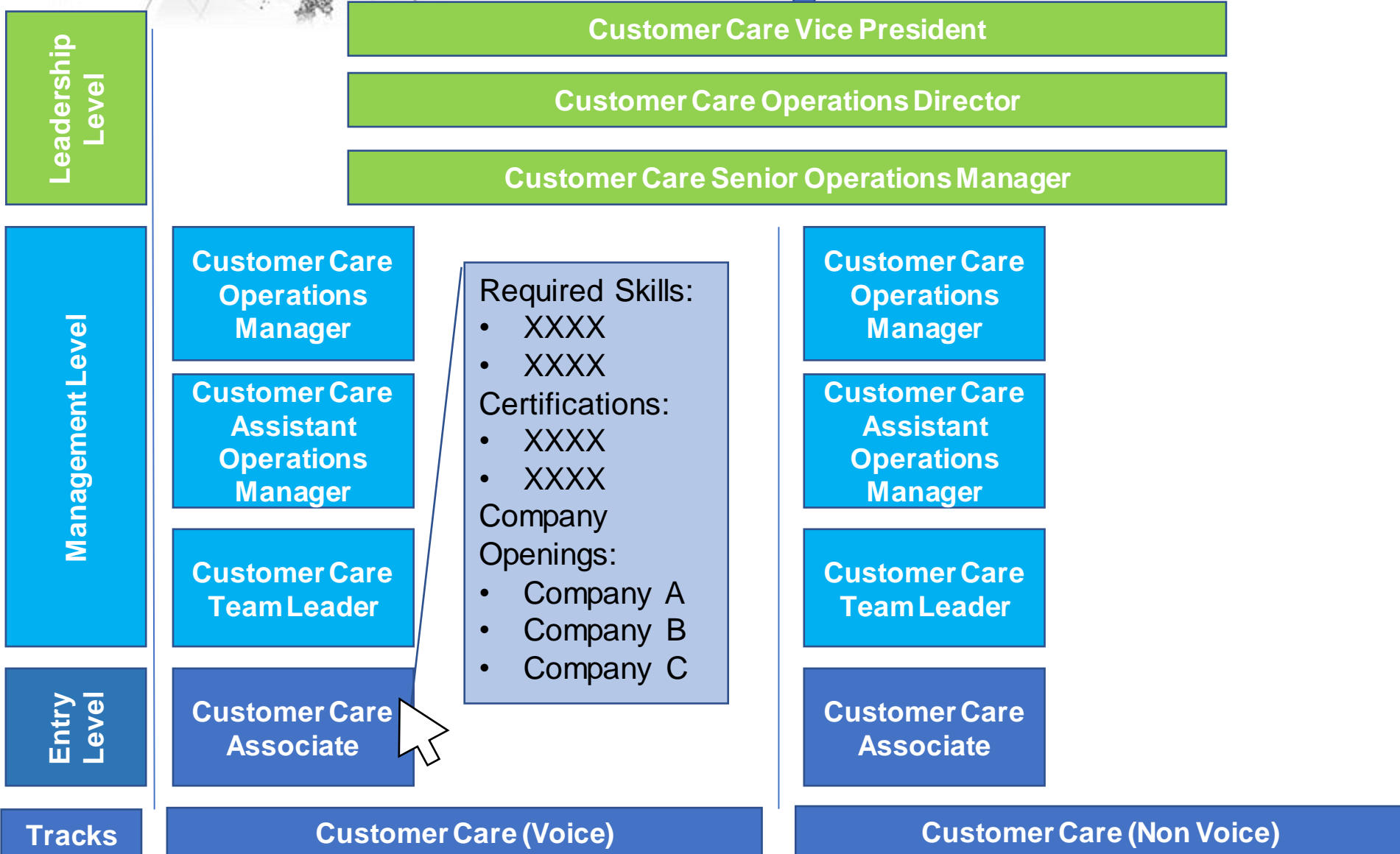
Required Certification

Required Certification

Required Certification

Required Certification

Sample Deliverables: Career Map





- **Extended pool for mid & high-skill roles**
- **Industry-led talent identification**
- **Elevated Career Branding**
- **Career clarity and branding**
- **Transparent demand-supply**
- **Increased industry readiness of hires**
- **Trusted avenues for skill development**
- **Recurring income sources**
- **Outcome oriented program design**
- **Drive up importance of English proficiency**
- **Customized, facilitated growth in new centers**

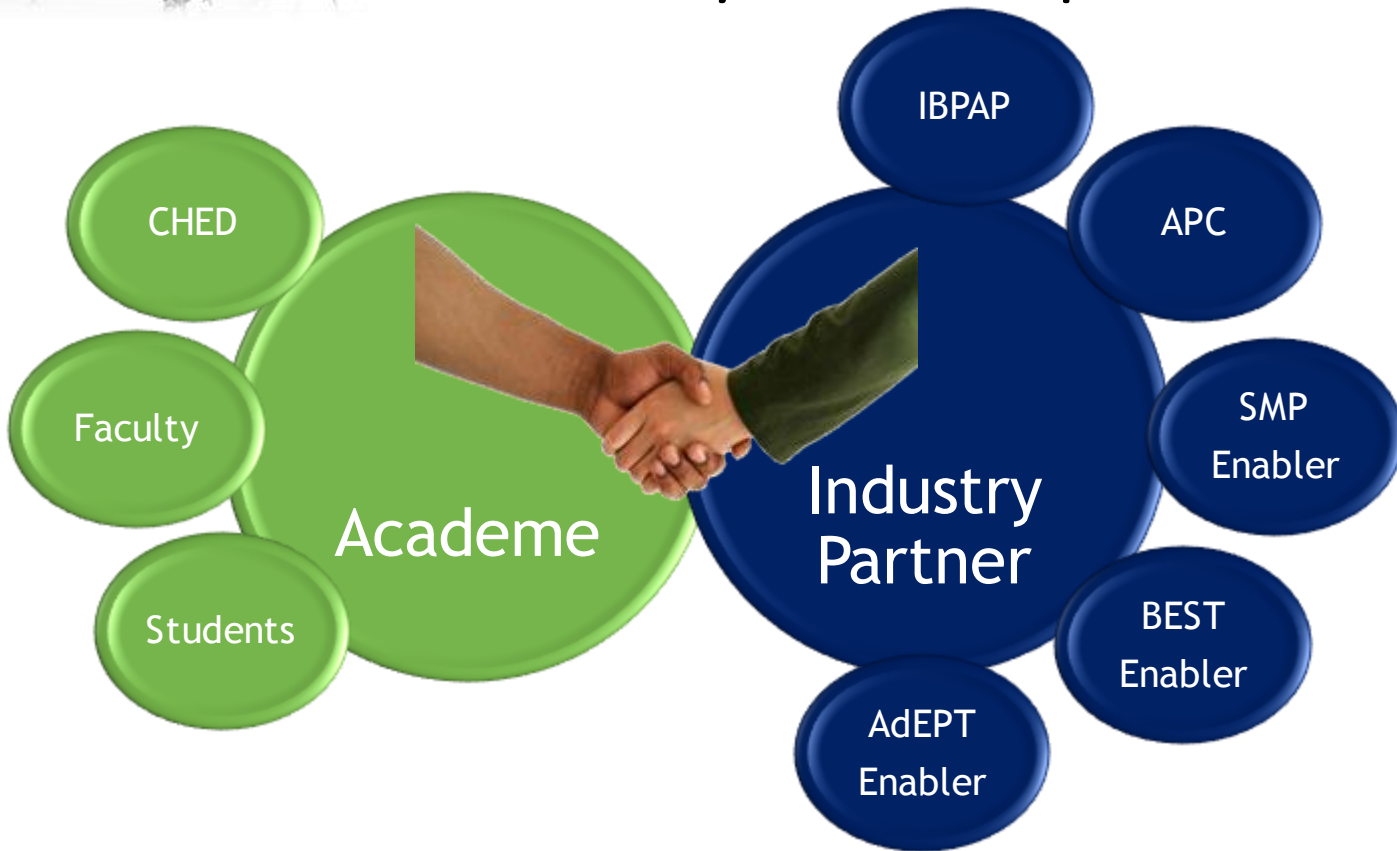
OUTCOMES





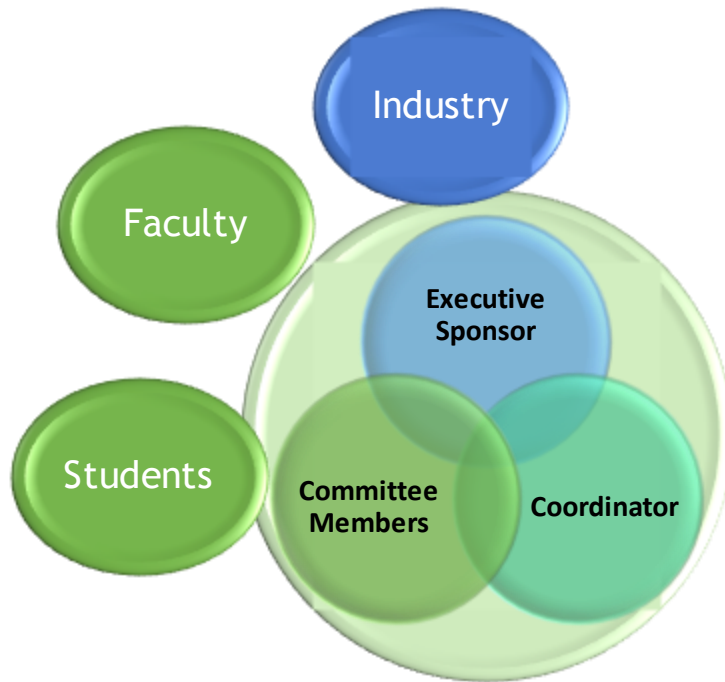
Academe - Industry Partnerships

Academe and Industry Partnership Framework



- Responsibilities are shared between 2 entities (Academe and Industry Partner)
- Model enables both entities benefiting from the partnership

Academe Working Committee



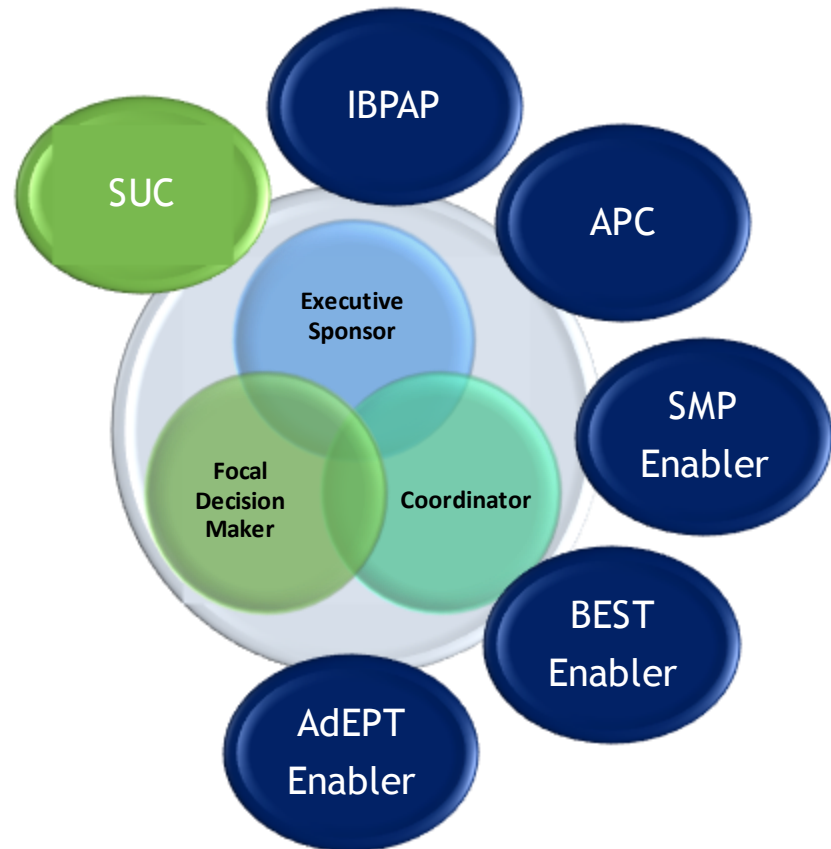
Academe Working Committee

- Executive Sponsor - Provides leadership for the Partnership
- Committee Members - Decides along with the Executive Sponsor on partnership agreements
- Coordinators - Coordinate with the Industry Partner the tactical activities for the project

Industry Partner Working Team

Industry Partner Team

- Executive Sponsor - Provides leadership for the Partnership
- Focal Decision Maker - Main focal person for the Partnership
- Coordinator - Coordinates tactical activities for the project



Value Proposition for Industry Partner

Corporate Social Responsibility

Academe and Industry Alignment

Community and Campus Branding

**Performance: Reduced time to
Proficiency**

**Retention and Commitment:
Company Loyalty**



Value Proposition for the Academe



Internship, Job Fair Partners

Hired Qualified Graduates

Scholarships and Infrastructure
Donations/Grants

CSR Activities

Industry Volunteers for Training,
Testimonials



IBPAP Participation

Develop Standards and Programs

Establish the Over-All Governance for the Partnership

Initiate and Monitor Partnership between Academe and Industry Partner

Coordinate Industry/Career Marketing



Key Asks from the Academe

Co-develop Standards

Promote Industry & Industry Standards

Form a Working Committee for the Partnership

Supply Qualified Graduates to Industry Partner



Key Asks from the Industry Partner



Engage Executive Sponsor, Decision Maker and Coordinator

Participate in Industry and Career Marketing

Partner for Internship

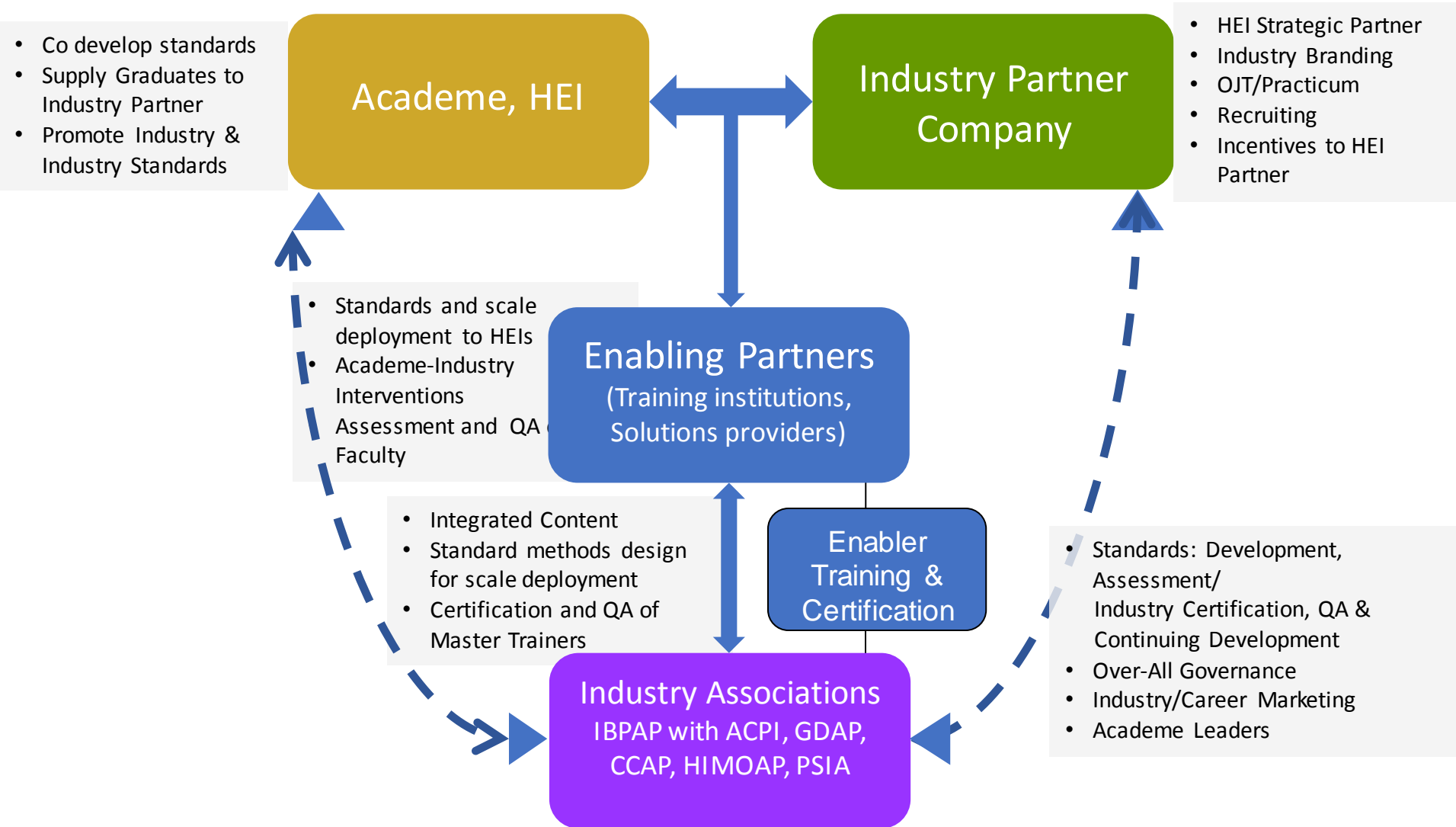
Engage Volunteer Employees for Training, Testimonials

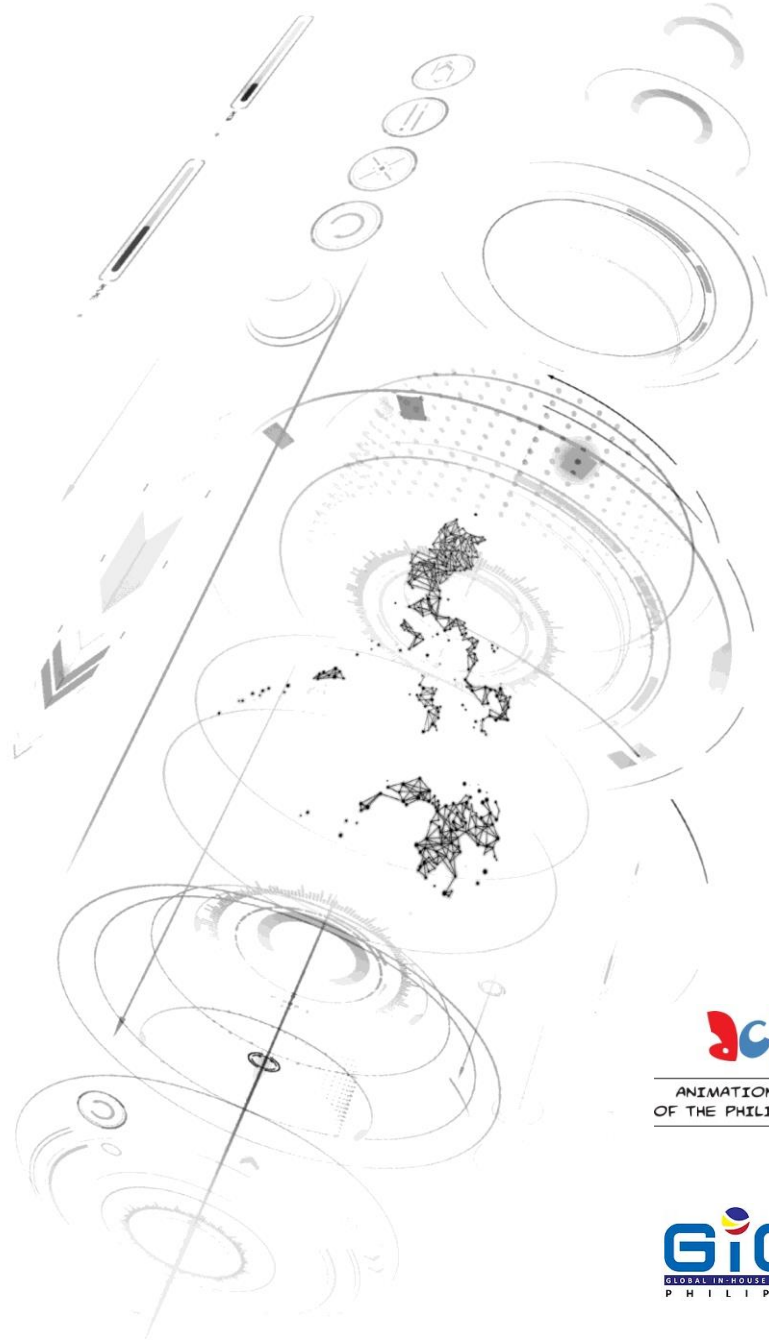


SMP
Service Management Program
**Academe – Industry
Linkages
Playbook**
A look on how we can work better together



PROJECT FRAMEWORK: ACADEME-INDUSTRY ALIGNMENT





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Thank You

