



Jamaica's 'To Da World'

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Jamaica long known for its serene beauty, tranquil beaches, great hospitality and easy going life style is making an impact in the global outsourcing market as a preferred nearshore BPO location. The Jamaican BPO industry, which is about 15 years old, accounts for USD 145 million of the USD 2.5 billion Caribbean and LatAM market and employs over 13,000 full time workers.

Introduction

Famed Jamaicans like Bob Marley, Courtney Walsh, Asafa Powell and Usain Bolt have something in common, they are all legends in their own right and have set standards in their chosen field that are pretty hard to emulate. Each one of them is an epitome of talent and success that has been achieved through pursuit of excellence, years of disciplined effort and training. There may well be another star sharing the same qualities that could be added to the list - the Jamaican ICT industry. Jamaica long known for its serene beauty, tranquil beaches, great hospitality and easy going life style is making an impact in the global outsourcing market as a preferred nearshore BPO location. The Jamaican BPO industry, which is about 15 years old, accounts for USD 145 million of the USD 2.5 billion Caribbean and LatAm market and employs over 13,000 full time workers. With considerable support from the government for the sector, the Jamaican IT-BPO industry is fast improving its regional market share while moving to its rightful position in the world. It's no surprise that the AT Kearney GSLI Index 2011 rankings rate Jamaica higher than India in terms language skills and at par with US (Tier 2), UK and Canada along with being the second best location in terms of financial attractiveness in the Latin American region.

The immense opportunities that the BPO industry offers to the service oriented population has already led the Jamaican government to make ICT one of the three growth pillars along with Tourism and Manufacturing. The large untapped potential of the young English speaking talent pool on the island was recognized early by some of the largest of BPO companies in the world including the likes of ACS, Teleperformance and West Corporation. While these companies have been active in Jamaica for over a decade others like Convergys joined the fray in 2011 by announcing the launch of its local operation that would employ 1,000 agents by end of 2012. Many others like Hinduja Global Services (HGSL), AB Minacs, RealDecoy etc. are at various stages of setting up, operationalizing or expanding their local operations. With the presence of four of the world's top ten BPO companies and many others committing millions of dollars in investments, the question is what's attracting companies across the world to this idyllic land of Cricket and Reggae? The answer is rather straight forward – Jamaica has most of the desired attributes of a low cost and medium scale English nearshore location.

Jamaica's biggest advantage versus other nearshore locations is the combination of its proximity to the US and possessing the third largest native English speaking population in the Americas after US and Canada. Sharing the same time zone as the US East Coast and being within three hours of flying time from key east coast cities makes it truly nearshore. Besides, it can also effectively serve Europe with a five to six hour time difference rather than the eight hours difference as with locations like the Philippines. The proximity ensures that clients and service providers can be in constant physical contact with reduced travel time and cost. Moreover, as Jamaica is a tourist hotspot, it is well connected with major cities across the world through direct flights.

The other key factor in Jamaica's favour is its 1.3 million strong English speaking work-force. This includes over 7500 university graduates and 22,000 secondary and another 68,471 students enrolled in tertiary education in 8 universities *. While this may seem small when com-

pared to many offshore locations, it is considerably larger than many of the other nearshore locations. Moreover, a larger percentage of Jamaica's employable workforce is willing and available to work in the services sector. A thriving hospitality industry has created a strong service oriented culture which lends very well to the BPO sector. Low inflation and a downturn in the tourism industry have kept wages low and labor availability high. Interestingly, unlike other locations, even secondary school graduates in Jamaica are well suited for BPO roles as they are more adept in English language, the medium of instruction. With unemployment rate among young graduates (18-24 year olds) in excess of 25 %, labor availability remains high. Further, to bridge the employability gap, HEART Trust, a government funded program spread across the country, provides requisite training in computer skills, customer service, business administration etc. ensuring a constant flow of trained manpower. The government is also teaming up with High Schools to train over 10,000 students in BPO/ICT specific programs through a Career Advancement Program (CAP). Having a strong service based economy due to the tourism industry makes the whole eco system much more hospitable and conducive to be used as a services base.

Another positive facet of the Jamaican BPO industry is that it has a healthy mix of multinational providers, Captive centers as well as locally managed service providers. This has resulted in a deep pool of middle and senior level management talent that has aided in the growth of the local industry. Notably, Montego Bay based Global Gateway Solutions and Kingston based Fullgram Solutions have made a mark in the industry in a short span of time. The workforce is also trainable in vertical and specialized skills. Providers like ACS and Vista Print have been able to successfully go up the value chain by delivering complex Finance and Accounting as well as Tech support functions from their Montego Bay center.

However Jamaica is not without its share of issues. Primary amongst them is its perception of being a high security risk destination. The reality is that most of the BPO industry is concentrated in Montego Bay which being a tourist hub is a very safe city and in Portmore outside of Kingston which is a newer suburb with very low crime rates. Also, since the aggressive criminal crackdown in 2010, Jamaica's violent crime rate has come down by over 40%. The other issues are related to a tight real estate market and high utility rates. Recent expansion of the Montego Bay Free Zone and construction of 3 new Technology parks will ease some of the capacity constraints. There are also concerns about the potential inflation and attrition due to the influx of new companies and high concentration of BPO centers in the Montego Bay area. However new entrants such as Convergys clearly don't see that as an issue and feel the labor pool is deep enough to absorb the growth. Nonetheless, greater emphasis needs to be put on diversifying away from call center and voice based services towards higher value and skilled services such as Finance and Accounting BPO, Tech support and Software development.

Conclusion

The future of the BPO industry in Jamaica continues to remain bright. The new Tech parks are somewhat symbolic of the island's progressive policies and changing priorities as they are replacing sugarcane plantations, which once were the main exports. Often rated as one of 'happiest' countries in the world, the Jamaican enthusiasm and commitment is also mirrored in higher employee efficiency and productivity. Jamaica's penchant for warm hospitality and excellence in service is captured by Usain Bolt's salute – 'To Da World'. As more and more providers find their footing on this island, this might become the BPO industry's welcome slogan.

About the author

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