

Global Services Delivered from South Africa

Case Study Background

Business Process Outsourcing (BPO) means hiring a third-party provider to run whole business functions or processes (e.g. customer service, sales, finance & accounting, HR, IT support, back-office processing). It can be onshore, nearshore or offshore depending on where the provider sits relative to the client. BPO's value proposition historically was lower cost to serve and scalability, today it increasingly includes outcome-driven delivery, digital transformation and AI augmentation.

Market snapshot:

Global: recent industry reports place the global BPO market at around USD310 billion and project low-to-mid single-digit to double-digit CAGR over the coming years as providers adopt AI and move from pure lower cost to service benefits to outcome-based services.

Local: South Africa as one of Africa's fastest-growing BPO/export sectors. SA accounts for 32% of new service provider center setup activity. The local market is valued in the low billions USD and forecast to grow strongly.

Presenting South Africa as BPO destination of choice to international companies would create thousands of jobs and contribute significantly to the local economy.

Task:

1. What are the considerations that should be considered when delivering international services from South Africa?
2. What challenges might a South African team face when serving global clients, and how can we solve them?
3. How could AI tools help to deliver world-class service?
4. What role do you see government and corporate South Africa playing in driving growth in this sector?

