

# South Africa's BPO sector surges on the back of global recovery

*SA's BPO sector is one of the country's fastest growing exports and is well positioned for growth, investment and job creation.*

JOHANNESBURG, GAUTENG, SOUTH AFRICA, August 2, 2021 /EINPresswire.com/ -- As world economies drive their COVID recovery plans, [South Africa's](#) Business Process Outsourcing (BPO) sector has surged as global businesses look to mitigate location and overhead risks by offshoring to the country.

With South Africa nominated most favored offshore destination for CX delivery services in 2021 in the Ryan Strategic Advisory BPO Omnibus Survey, stakeholders need to act strategically to entrench the country's attractiveness to global markets by building on its reputation and operational resilience during the last 18 months of the pandemic. SA's BPO sector is one of the country's fastest growing exports and is well positioned for growth, investment and job creation.



Clinton Cohen, CEO of iContact BPO

"The sector demonstrated strong operational and service capabilities and has not faltered in its business continuity efforts, despite the upheaval wrought by the pandemic. SA's BPO businesses quickly migrated to remote and hybrid working models ensuring that operations and service delivery continued with minimal disruption. The ramping up of our vaccination programme to include people from 18 years and older is also a major step for the industry which employs mostly people under age 35," explains Clinton Cohen, CEO of [iContact BPO](#).

iContact is a BPO provider serving predominantly global businesses specialising in inbound and outbound sales and support services, customer experience and back-office fulfilment. iContact BPO is part of the Alefnet Holdings group which has headquarters in Johannesburg and Cape Town and employs 1500 full time employees.

Cohen adds that global interest in South Africa as a BPO destination is underpinned by the drive for operational efficiencies as companies recover from the economic and operational fallout from COVID-19, achieving economies of scale and cost competitiveness, South Africa's reputation



Speed to market, flexibility and professional delivery are key factors that global clients look for, and South Africa's BPO sector offers this in abundance."

*Clinton Cohen, CEO of  
iContact BPO*

in service excellence and English proficiency, and a large, skilled workforce which allows for rapid scale without compromising quality and compliance. Equally important, the digital revolution brought about by the pandemic demands strong technical and customer support through call centres which many businesses are not geared to provide inhouse.

"Global giants like Amazon recognised SA's potential and set up operations here, employing an additional 3 000 people during 2020, bringing its total headcount to 7 000

employees to support its customers in Europe and North America. As iContact BPO, we have also seen significant growth in new global business accounts, recently landing three new clients in the United States, United Kingdom and Australia where we are providing outsourced CX delivery services, sales and back-office fulfilment services," adds Cohen.

Besides the considerations of technology infrastructure, linguistic capabilities and stable business environment, South Africa has a large pool of skilled labour which means that scale can be rapidly achieved. "Speed to market, flexibility and professional delivery are key factors that global clients look for, and South Africa offers this in abundance. As one example, we recently geared up for a US-based automotive client, hiring 100 skilled agents in less than 100 hours, including management appointments, to handle an incredibly time sensitive client. There are few BPO sectors that can provide this sort of agility and scaling while maintaining quality and compliance," adds Cohen.

The BPO sector's growth is also good news for youth employment. According to McKinsey's South Africa Big Five report, the sector currently employs over 270 000 people in six cities, of which 65 000 serve international clients.

This base could grow to over 775,000 jobs by 2030, with two-thirds of these in the service of overseas markets. 61 percent of existing offshore business in South Africa comes from the United Kingdom, 18 percent from the United States and Canada and 11 percent from Australia.

"When you take the advantages that SA has to offer, and factor in the benefit that our exchange rate offers global businesses, it's a big win in terms of costs and economies of scale. South African BPO providers are more cost competitive than our European and American counterparts, with a fully loaded cost base approximately 11 percent below the global average - making SA an attractive option for outsourcing when businesses across the globe are under enormous pressure to cut costs and drive profits. SA is currently the third largest offshore location for UK and Australian organisations which enjoy up to 60% cost savings compared to onshore service delivery, along with a comparable if not better quality of service, cultural affinity and great work ethic of our people," says Cohen.

The McKinsey report further points out that with the strong support from Government and industry bodies such as Business Process Enabling South Africa (BPESA), and in the context of a growing global industry, the BPO sector in South Africa has a way to go to realise its full potential and there are solid prospects for long-term growth for the industry by scaling services to the international market. The Department of Trade, Industry and Competition has provided funding of approximately R1.3 billion between 2007 and 2018, with a further R1.2 billion committed in 2019. The BPO industry was also given essential service status which ensured that local providers could continue to serve their clients during the lockdown. The BPO industry is also a leading light in terms of 'impact sourcing' - employing socio-economically disadvantaged individuals as principal workers in its contact centres.

"The business growth of [South Africa's BPO sector](#) is underpinned by delivering strong offshoring fundamentals, bringing together the best of economics, quality BPO services, rapid scale, high service levels, socially responsible supply chains and operational performance metrics that matter most to our business clients. It's clear that the impact of COVID-19 will be long-tailed, and it won't be the last pandemic that the world experiences. As businesses look to diversify their BPO locations in a bid to mitigate their location risks and potential for service interruptions, SA's BPO sector shines a light on achieving and maintaining operational resilience and service excellence in the face of a crisis as a key competitive advantage," concludes Cohen.

For more information visit [www.icontactbpo.com](http://www.icontactbpo.com)

Clinton Cohen

iContact BPO

+27 11 019 0290

info@icontactbpo.co.za

Visit us on social media:

[LinkedIn](#)

---

This press release can be viewed online at: <https://www.einpresswire.com/article/547818429>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2021 IPD Group, Inc. All Right Reserved.