

# 'India is Core to Our BPO Strategy'

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Bank of Ireland, Ireland's largest private bank, is going through a tough time with a crisis in Irish banking industry and needs €5.2 billion for a bailout. Still it will not withhold the bank's management from spending more on outsourcing to BPO vendors in India, which the bank feels is imperative to transformation and create new jobs.

In an exclusive chat with **ET**, Bank of Ireland's head of group customer operations Joe Larkin says its Indian partners, such as HCL and TCS, are core to bank's customer operations, and he will be spending more on such partnerships.

"Now, we want BPO vendors who can help expand the bank's business and create new jobs. Only then moving jobs to offshore locations like India makes sense in this current political environment," Larkin tells **ET** on the sidelines of the Nasscom BPO Summit here.

Larkin is part of a team that has just signed IBM as the new prime IT vendor for Bank of Ireland, replacing HP. He manages the bank's relationships with Indian outsourcing partners like HCL BPO in Chennai, TCS in Mumbai, besides Accenture and IBM, which also service the client.

The bank has a million deposit customers which are serviced outside of HCL BPO in Chennai. In a smart move, Bank of Ireland has shifted its post office deposit busi-

ness out of its balance sheet, and then moved its customer operations to India.

"Using a bank is like using an iPhone. There are hundreds of suppliers who are supplying the apps. But the customer just looks it from the outside," he adds.

The bank has a balance sheet of over €155 billion and employs about 14,000 people. "India is very core to any bank's IT budget, with its large talented pool. The quality of delivery from suppliers here is excellent," he adds.

Larkin also added that the downgrade of the US debt has changed the world view of banking industry.

"We are all struggling to raise capital to meet the required capital adequacy ratios. In all this turmoil, we are looking for BPO vendors who would modernise us, and bring us to the cutting edge in banking industry. BPO spends will increase for banks," he adds.

Ireland has emerged as the nearshore destination for Europe, with a cheap labour pool, and a 3.5-hour flight to mainland Europe.

Dell, Facebook, Intel, Microsoft, Google all have set up large facilities in Ireland. HCL BPO, a supplier to Bank of Ireland, has also set up a large facility with 2,000 people in Northern Ireland to service its European clients. There are about 40 million Irish Americans and a large number of American businesses in Ireland are being set up by them. Larkin adds that the days of outsourcing to a single vendor are gone.