



RANK
17

HCL BPO

RAHUL SINGH, CEO

R Rangarajan, COO

Abhay Chaturvedi, CFO

Sundaresan Ramamoorthy, chief risk officer

Manpreet Singh Khurana, CTO

Subrat Chakravarty, head, HR

AK Zalpuri, head, quality

HIGHLIGHTS

- Tied up with Cforia to improve 'Order-to-Cash' business service and Trintech to provide better F&A services to clients in UK
- Headcount of employees increased by 7%
- Consciously restructuring portfolio of offerings for bright future aspects
- Plans to downsize 1,200 workers in Northern Ireland

Work in Progress

HCL BPO recognized the need to change, and is finally transforming itself under a new CEO

Call it ironic if you like, but the year saw HCL Technologies record one of the highest growth figures in the entire Indian IT industry. Its BPO unit recorded one of the sharpest falls (6 positions) in our ranking. It also recorded the biggest percentage de-growth.

So, what went wrong? Nothing particular in FY11. In fact, HCL BPO's problem has been there for some time. HCL was one of the first IT companies to tap BPO, way back in 2001. It is still continuing with the commoditized voice processes model prevalent at that time. While Wipro also went through a similar phase post the acquisition of Spectramind, it recognized the problem early and the then CEO of Wipro BPO, TK Kurien changed the business model completely. HCL recognized the problem much later and it is only in May 2010 that it roped in BPO industry veteran Rahul Singh to initiate the change. Since then, he has been steadily making changes. If AMJ 2011 results are any indication, he is on the right track. The company is now talking the same language—transformational deal, better tech leverage, blended play, outcome based pricing, verticalization, and a seamless global delivery—as the rest of the industry.

Singh has taken some drastic steps. His thrust on signing deals with enough scope to do value-add has resulted in longer sales cycles compared to typical call center deals but it is expected to increase margins. Some of the older commoditized telecom and insurance businesses have been dispensed with. One example is transfer of the telecom expense management business (obtained through acquisition of Control Point) to Tangoe. In fact, telecom and insurance saw the sharpest drops in revenue last year while new areas like media, entertainment, publishing (MEP) saw impressive growth. HCL won 8 new clients in FY11.

Its opened facilities in Poland and Mexico. It also plans to open in one more location in Asia, most likely Philippines. It has tied up with Stellar Asia Pacific to expand in Australia and APAC.

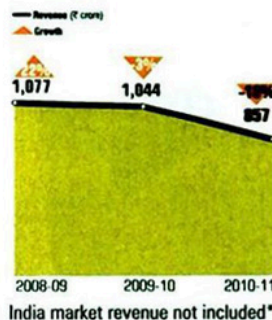
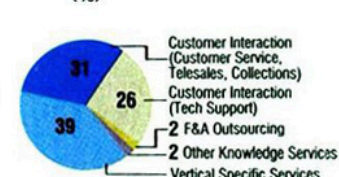
This year will decide if HCL BPO will manage to turn around successfully.

Vertical Break-up (%)



Total Revenues: ₹ 857 crore

Service Line Break-up (%)



FACTSHEET

- Start-up Year: 2001
- Address: B 34/3 Sector 59, Noida 201 307
- Employees: 10,884
- Tel: 0120 258 9690
- Website: www.hclbpo.com