

## ■ Face to Face with Susir Kumar

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Mr. Susir Kumar has been the Chief Executive Officer of Intelenet Global Services since its inception in November 2000. He has over 18 years of extensive experience and worked with India's premier financial services company - HDFC.

A Company Secretary by qualification, He brings with him expertise in setting up and managing several profitable group companies and harbors a passion for people and technology.

**Q: Operation in international BPO arena has been smooth so far, but emergence of domestic BPO market has opened up fresh pastures. How do you intend to explore it?**

In 2005, Intelenet was ranked amongst the top 10 international BPO players in the country. Backed by two leading financial institutions, HDFC and Barclays, Intelenet started from a modest base of 500 employees in 2001, to grow to more than 9,000 employees in just 5 years. Intelenet has registered stupendous growth and handles 60 million international calls and processes 17 million international transactions annually. With over 11 state-of-the-art service delivery centres in India, and along with over 40 partner delivery centres in Europe and Latin America, Intelenet Global Services has proven its ability to be reliable and scalable on a 24x7x365 basis for its international clients.

Having clearly established itself as a leading player in the international segment, Intelenet is now planning to tap the potential of the domestic BPO market. In November 2005, Intelenet acquired 51% of the domestic BPO business of Spanco Telesystems called 'Sparsh'. This acquisition marked our foray into the domestic BPO business. Leveraging on Sparsh's expertise and relationships in the industry, we aim to gain a leadership position in the burgeoning domestic BPO market. Post this acquisition, Intelenet's presence ranges across all the key domestic BPO verticals including aviation, financial service and telecom.

The domestic BPO-ITES has almost registered a two-fold growth in the past fiscal driven by the growing demand from sectors such as financial service, telecommunication, retail and aviation. The domestic BPO market is ripe with promises, with NASSCOM projecting a 60% growth for the fiscal 2005-06.

We plan to ride this wave of the domestic BPO boom and consolidate our position further by focusing on areas that are traditionally considered weak in the domestic BPO sector such as service quality. Since the scale of business in the domestic BPO business is small and the billing rates are low, BPOs do not invest much in employee training. Since, most domestic BPO business revolve around voice-based processes, we have identified employee training as one of the major focus areas. We strongly believe that this will help us achieve success in this space.

**Q: Rise in remuneration is eroding man power cost advantage that India enjoyed. How do you plan to nullify this effect at Intelenet?**

Due to threats from poaching and attrition, most BPOs are forced to spend a sizable sum on employee remunerations. Although money is a compelling motive, it is not the only end result that drives employees. There are multiple other factors that employees are concerned about.

At Intelenet we are continuously in touch with our employees to identify what drives them and implement programs to best satisfy their needs. As part of this effort, we provide all our employees a world-class work environment with extensive training and global exposure. At Intelenet we leave no stones unturned as far as employees' personal development is concerned.

Apart from training sessions, we invest significantly in our employees and that explains initiatives such as the in-house gymnasium, concierge services, yoga classes, medical camps, routine check-ups from visiting doctors (over and above a round-the-clock doctor-on-call facility), vaccination camps, blood camps in collaboration with NGO's and initiatives in sports (Football and Cricket. We have also tied up with Drishti; a professional outfit that helps our employees cope with personal, professional and organizational stress. It is a unique employee assistance program available to all our employees.

We also provide our employees with non-monetary remuneration or perks to forge a relationship with them where the employee and his whole family gets to enjoy the fruits of his hard-work. For instance, being promoted by HDFC, we reward our employees with home loans and personal loans at a comparatively better rate.

**Q: Attrition rate is high in this industry, how do you manage people supply chain? Also gap between demand and supply of high-end knowledge professionals is increasing, how do you bridge this gap?**

At Intelenet, we believe in a scientific way of manpower planning and our recruitment process follows the same procedure. Recruitment is an ongoing process but at the same time we stress on increasing productivity of our existing employees and development of new skill sets. Aiming to achieve this, we have introduced a number of training programs at the Intelenet campus like the NMIMS Business Management Program. These programs not only train employees and help them to move up the value chain but also help curb attrition by providing a mapped out career path.

As far as the high-end knowledge professionals are concerned, approximately 8% of our workforce comprises professionally qualified people including engineers, MBAs, CAs and post graduates in various disciplines. We focus on training these employees with the aim of developing their skill sets further so that they can move into high-end processes. For instance, CAs are usually recruited to handle niche assignments for international clients and they are trained to handle transactions involving international laws and accounting regulations. The MBA's that we hire are being groomed for middle management positions.

Though there might be a dearth of labour in both low-end and high-end processes, in the short-term scenario as a result of factors like poaching and employee turnover / attrition, we expect

the demand-supply gap to even out in the medium to long term time frame. Recruitment of manpower will continue to be consistent, however, what must be understood is that one can always build / acquire required skill sets over a period of time.

**Q: 'Data Security' is one of greatest threats, what model does Intelnet adopt for Information Security?**

Providing foolproof data security services in a state-of-the-art BPO facility is a must for any BPO solutions provider. Intelnet Global Services is a BS7799 certified and compliant company and we do not compromise on attributes such as security since they happen to form a part of our commitment towards our customers. Most importantly, being a process-centric organization, we are continuously looking at consistently delivering very high quality services to our customers. Intelnet's compliance to BS 7799 and our recent COPC 4.0 certification add validity to our process-driven culture.

We also recognize that it is important to ensure that security culture is instilled and communicated to the critical mass within the organization. All Intelnet employees are trained such that the 'security' culture becomes an integral part of employees' value system and is be reflected as a part of the organization's culture. In addition to training, we comply by all the security standards laid down for a BS7799 certified company, including strict entry-exit procedures.

**Q: Do you groom Leaders within organization or head hunt and hire them?**

At Intelnet, we provide optimum opportunity to our employees wherein they can explore their potential and move up the value-chain into leadership positions. We have unique initiatives such as 'iVersity' that equip deserving employees with the required skills to escalate the value-chain. This program is designed to serve as training platforms to equip chosen employees with the required skill sets to become team-leaders. The idea is to promote people from within the firm and groom them to be best performers. For the iVersity program, the top 10% performers are selected, trained for 6 months and readied for a Team Leader position. Along with 'iVersity', we have also set up the ISC (Intelnet School of Excellence) to provide aspirants a long-term career in this business.

We have also set up alliances with external organizations that enable our employees to grow professionally as well as personally. The NMIMS alliance is one such platform. This In-house Business Management Program is a step towards enhancing our People-Capabilities and Service Excellence.

**Q: What is the road map for your growth?**

Intelnet Global Services aims to be a global shared services company delivering strategic impact to its customers by integrating BPO services with IT and consulting.

By 2009, Intelnet aims to deliver strategic impact to its customers spread across 12 centres in 5 countries with more than 20,000+ human resources. Within this time frame, Intelnet intends to forge partnerships with 100+ clients. Both HDFC and Barclays have underwritten Intelnet's Vision - 2009. Both are committed to the long-term growth and sustainability of the company.

In the domestic front, Intelenet plans to list its recently acquired domestic business within the next 4 months and is also looking at opening up centers in the tier-II cities, in keeping with its 2009 vision.

In the international business front, Intelenet is looking at a strategy of locations onshore, offshore and near shore.

In keeping with the 2009 vision, Intelenet aims at increasing its employee strength of 9000 people by 30% in the coming year, through acquisition. We are aggressively looking at acquiring companies in the range of \$30-\$40 million in the UK and US to accomplish the outlined growth in the given time frame.

**Q: Please do SWOT analysis of Intelenet?**

The key challenge for Intelenet will be to maintain **sustained profitability**. Though the industry experienced rapid growth, there has been a genuine 'slow-down' in new business opportunities for whole industry. Therefore, the revenue growth achieved during the past year has primarily been driven by mining existing client relationships. At Intelenet, we have been able to provide additional value to our clients resulting in overall increase in revenues. Apart from concentrating on volumes and revenue, we need to move towards **overall business impact**.

Our **transaction processing capability** already puts us way ahead of other players in the BPO industry. However, we plan to further ramp up our transaction processing capability. This strategy coupled with our foray into the growing domestic BPO sector, provides us a better opportunity to consolidate our leadership position in the market.

Poor infrastructure may pose a threat to future growth; therefore, we need to be wary of this in order to maintain our leadership position in the business.

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*The interview appears in the 'Face to Face' section of the Nasscom website*