CSR, Sustainability and Impact Sourcing:
Perspectives and Best Practices

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Why should you care about Impact Sourcing?

**Creates business benefits**
- Costs and performance comparable to traditional BPO
- Attrition rates 15-40% lower and stronger employee engagement
- Where applicable, provides greater access to local markets and culture which can enable business opportunity

**Helps Impact Sourcing workers**
- Who
  - Economically disadvantaged: low income areas, lack access to jobs
  - Socially disadvantaged: minorities, gender groups
  - Persons with disadvantageous life circumstances: disabled, health limits
- Results
  - Income increases 40-200%
  - 3-4 family members benefit
  - Communities strengthened

**Others are already successfully using Impact Sourcing**
- **Leading ITO-BPO provider**: “We have hired 2,500+ impact workers till date and attrition among these workers has been 20-35% lower than regular hires…”
- **Buyer**: “Our service has stayed the same or even improved”
Impact Sourcing provides substantial benefits to impact workers, related individuals and the broader economy

- Economic impact of 3.5-4.0x of direct income
- **Up to 3x increase in discretionary spending**
- Improved employability
- Increased spend on community development

- Benefit to 3-4 related individuals
- Increased in spend on family and household requirements
- **Higher investment in child health and education**
- Improved family relationships

- First time job opportunities
- **40-200% increase in income**
- Increase in personal expenditure and savings
- Professional development and opportunities for growth
- Increase in confidence levels
- Reduced tendency to migrate
The value of Impact Sourcing is business process service delivery but with optimized enhancements

1. Low costs
   - Significant cost savings (70%+) over source locations in U.S./UK
   - Costs comparable or lower than traditional BPOs

2. Proven, reliable service delivery
   - Performance comparable to traditional BPOs
   - Track record of meeting client SLAs/KPIs and expectations

3. Large and untapped talent pool
   - Alternative to supplement traditional talent pool
   - Vernacular language capabilities

4. Stable and engaged workforce
   - Lower attrition than traditional BPO employees
   - Motivated workforce

5. Social Impact
   - Direct impact (individuals, families)
   - Indirect impact (communities, support services, local economy)
There are multiple roles that impact sourcing can play in the global sourcing portfolios of buyers and BPOs

Enable further optimization in global service delivery
- Achieve lower costs
- Absorb demand fluctuations and provide flexibility
- Free up internal bandwidth for higher order work

Competitive advantage in domestic sourcing
- Access large, untapped talent pool with vernacular skills
- Achieve lower rates of attrition
- Support global companies entry into domestic markets

Provide geographic diversification
- Enable country diversification
- Enable diversification within a country (e.g., into tier-2/3/4 cities)
- Support entry into new business markets in developing world

Help achieve CSR objectives
- Achieve supplier diversity
- Create employment for disadvantaged communities
- Help improve CSR objectives
What Is the Global Impact Sourcing Coalition?

https://www.youtube.com/watch?v=e5KMoIScRGo&feature=youtu.be
Introduction & Collaboration
Global Impact Sourcing Coalition (GISC)

Initiative Concept ONLY
“Socially Responsible Intelligent Automation thru Impact Sourcing”
Introduction to 2018 SIG Summit Attendees – October, 2018
What's the Challenge?

Intelligent Automation – 2 Edged Sword
(AI/Machine Learning and RPA)

• Enormous Positive Impact on Business & Society:
  - Improve productivity, revenue & profits
  - Enhance business and societal insights/value
  - Enable new products and services
  - Focus human resources on bigger issues/opportunities

• Significant Potential Short & Long-Term Threats:
  - Immediate loss of lower skilled jobs worldwide especially in ill-prepared developing countries
  - Shrink or inhibit the growth of the middle class
  - Widen the income and opportunity gap worldwide
  - Loss of trust and confidence in humanity’s role in business and society’s value creation & use
What’s the Opportunity?

Socially Responsible Intelligent Automation Thru Impact Sourcing – Concept ONLY

• Prepare for the Inevitable Future Now:
  - Formalize the people/process/technology equation,
  - Design-In human participation, “Humans-In-The Loop”,
  - Educate and train future workforces worldwide,
  - Leverage existing ecosystems to ensure key participation,
  - Take the GISC Challenge and be part of the commitment to create 100,000 new impact sourcing jobs by 2020!

• Self-Funded thru the early Value Created by Intelligent Automation: Ex.: Intelligent Automation in Sourcing, i.e. AP – AI-Payables
  - Rapidly shift the way buyers pay their suppliers thru digital tokens,
  - Use intelligent automation to generate new revenues for buyers & suppliers while reducing errors, fraud and processing costs,
  - Fund development & delivery of “Humans-In-The-Loop” capabilities from a minimum of revenues/profits earned.

• How – Ex. Link Ecosystem Members with Key Enablers:
  - GISC brings the global Impact Sourcing Standards, Methods and existing buyer/supplier base,
  - SIG brings its Fortune 1000 sourcing/suppliers, SIGU online curriculum and global footprint/events,
  - Government of Uganda/Munu Technologies provide a target market for Impact Sourcing projects and pilot initiatives,
  - GSOS/Lucrotec bring Intelligent Automation platform and means for funding (i.e. basis point donations) Impact Sourcing Projects/Jobs,
  - Strategic Advisor/Foundation brings global research, relationships and process excellence standards to ensure initiative success.
Session information and evaluation how-to’s

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From the **App**:
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This was session # 27

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