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**The Current Opportunities and Challenges in
Business Process Outsourcing:**

Multi-Regional Perspective

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ABSTRACT:

The research analyzes Business Process Outsourcing transformations in worldwide regions by studying workforce changes and technological developments in addition to regional economic impacts and market potential. As a historical cost-driven practice BPO has transformed into an organizational strategic asset to achieve innovative operational excellence and worldwide competitive advantages. This research implements a multiple region analysis which examines BPO sector developments in North American and European markets as well as investigative trends emerging from Southeast Asia (Bangladesh), Australia, and North America. Data collection was conducted utilizing qualitative approaches via semi-structured interviews with industry specialists from several geographic regions, allowing the acquisition of comprehensive insights into business operations, regional advantages, and cultural constraints faced.

The findings demonstrate that globalization and digital transformation have altered BPO operations via AI, RPA, and cloud computing, facilitating service specialization and scalability. The global BPO sector recognizes Bangladesh as a developing power that extends its operations from basic call centers into advanced technological fields such as cybersecurity along with fintech and IT-enabled services. Long-term growth of the BPO industry faces major barriers because of wage inflation together with political instabilities and cultural misalignment issues. A complete framework for evaluating BPO industry competitiveness and strategic positioning emerges through the combination of Porter's Five Forces with Resource-Based View (RBV) and SWOT analysis. Research underscores the necessity for organizations to unite internal strength with external business conditions to properly exploit strategic business processing opportunities in modern digital world economies.

KEYWORDS: Digital Transformation, Globalization, Strategic outsourcing, Technological Innovation, Regional competitiveness.

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1 Introduction

Economic powerhouses like the United States and other post-war European countries pursued economic transformation when the international order was reorganised after the conclusion of international War II. The post-war economies of the West started transitioning into service-based economies, with a vast majority of their economic output driven by the service sector. Secondary economic activities such as manufacturing were gradually delegated to third-party intermediaries in the developing economies, mainly to Asia. It was anticipated that 80% of US corporations will engage in outsourcing by 2005 (Brown & Wilson, 2005). Business Process Outsourcing has expanded beyond the traditional offerings of performing clerical business functions. Even highly technical and knowledge intensive activities are currently being outsourced (Luo et al., 2010). The shift in industrialization from the West to the East had prompted an increasing number of corporations in the United States and other Western economies to follow suit and relocate their manufacturing units to the developing economies, mostly sub-contracted to third-party intermediaries and BPO, which stands for business process outsourcing, came into existence as a result of this procedure. An organisation is able to prioritise its important operations, which are crucial to its value proposition, by outsourcing non-core business services to a dependable third party (Tayauova, 2012). This helps the company to reduce expenses while simultaneously focussing on its key operations. According to Somjai (2017), the process of outsourcing is anticipated to hasten the supply of services since business processes are generally delegated to companies that are experts in carrying out such duties.

However, outsourcing does not come without its cons. It poses challenges in terms of loss of managerial control. It requires special skills which combine people management, process management, contract management and power negotiation (Filatotchev & Piesse, 2009). According to the findings of (Tayauova, 2012), anything that is not covered in the contractual agreement between the third-party and the outsourcer will be subjected to additional incurrence of costs. The absence of oversight and inadequate governance of compliance in outsourcing sophisticated IT services is seen as a significant

obstacle regarding data breaches and security concerns (Bachlechner et al., 2012). This case aims to examine the present potential and constraints of Business Process Outsourcing (BPO) from a multi-regional viewpoint. Prior studies in this domain have been limited, mostly focusing on the potential and constraints associated with Business Process Outsourcing as a transfer from developed to developing nations, following the traditional paradigm. Very little scholarly work exists on Business Process Outsourcing (BPO) operations performed in developing economic regions. Liberian government implemented the delegation of 93 public schools' management to 8 private organizations to enhance service quality and correct administrative issues (Romero et al., 2020).

Asian and African economies with growing markets have many service tasks, such as accounting, payroll, taxation and customer assistance that are commonly outsourced. The Zimbabwean market embraced Business Process Outsourcing (BPO) while ensuring that outsourcing remains indigenous (Mukucha et al.2020). The central research question of this study is, "What are the key opportunities and challenges of business process outsourcing (BPO) in various regions, and how do factors and workforce dynamics affect the decision to outsource in both developed and developing economies?"

More specially, this study intends to analyze the key opportunities and challenges of business process outsourcing (BPO) across different regions. The research will analyze the competitive forces that affect BPO together with identifying BPO business opportunities and market challenges present in both developed and developing economic regions.

Tayauova (2012) proposes that future research should concentrate on discerning the trends, challenges, and opportunities of Business Process Outsourcing across diverse domains and sectors, to facilitate a comparative analysis of outsourcing and the potential discrepancies in objectives and outcomes at a regional scale. The outsourcing concept operates beyond tertiary sector activities only. The examination of outsourcing effects at both primary and secondary levels through upcoming research would reveal how the

target benefits of outsourcing perform throughout various product or service stages (Mukucha et al., 2020). Business Process Outsourcing (BPO) represents an active business trend that should be studied in the future through long-term analysis across various nations using enlarged datasets to achieve measurable findings (Ishizaka et al., 2019).

2 Literature Review

2.1 Business Process Outsourcing (BPO)

Business Process Outsourcing is also adopted by organizations as a technique of handing a specific non-core operation to external experts who have some specialized knowledge to increase their productivity and reduce cost as well as focusing on the core operation (Lacity, M., & Willcocks, L. (2014). According to Quinn (2000), business process outsourcing (BPO) was first used as a cost-cutting strategy; however, it has since evolved into a strategic instrument that can be used to achieve firm domination, stimulate innovation, and provide scalable development potential. Business process outsourcing hosts IT-centred and administrative tasks which include programming duties and support functions and advanced knowledge-intensive operations like financial analysis and legal research (Heiko Gewald & Franke, 2005). Companies use global expertise and advanced technical resources in outsourced activities to create business values and improve market agility. The practice of transferring organisational processes or services to external third-party providers situated either offshore or nearshore is referred to as business process outsourcing, or BPO for short. It is possible for a company to decide to make use of external suppliers in order to outsource operational or knowledge-based services that are not in line with the basic organisational goals of the company. Various corporate services, such as customer service, payroll administration, accounting, information technology operations, and other specialist tasks, are outsourced to external vendors by organisations. The development of BPO has advanced substantially since its inception because businesses require cost-management and operational efficiency enhancement and global expertise acquisition (Wüllenweber et al., 2008). Business Process Outsourcing started its legacy through cost minimization but currently it is known as a vital strategic tool to drive innovation with global competitiveness advancement (Quinn, 2000).

Author(s)	Definition of BPO
Chaudhury, A., Nam, K., & Rao, H. R. (1995)	BPO represents the practice of transferring IT-intensive business operations to external providers who handle administration and manage the processes according to defined performance metrics (Chaudhury et al., 1995).
Lacity, M. C., & Hirschheim, R. (1993)	The term BPO stands for business process outsourcing where companies send their noncritical tasks to outside providers for better operational efficiency and cost savings and core productivity enhancement (Lacity, M. C., & Hirschheim, R. (1993).
James Brian Quinn. (1999)	The strategic management practice of business process outsourcing enables organizations to utilize external vendors who complete operations outside their core functions (James Brian Quinn, 1999).
Seleshi Sisaye. (2005)	The process of BPO requires organizations to delegate important business operations externally for purposes of cost management and process effectiveness enhancement (Halvey & Melby, 2007, p. 72).
Lacity, M., & Willcocks, L. (2015)	According to Lacity and Willcocks (2015), business process outsourcing enables companies to outsource their specific business processes to third-party service providers who are responsible for managing these operations in order to improve their operational efficiency.
Brown & Wilson (2005)	Business Process Outsourcing describes contracting work processes from payroll to accounting and customer service to external providers (Brown & Wilson, 2005).

Table 1. Definitions of Business Process Outsourcing (BPO)

The industrial revolution saw the origin of outsourcing during the time companies started sending high-volume work to external service providers for cost reductions while raising their production effectiveness (Williamson, 1981). The outsourcing model focused on manufacturing operations including production line work and raw materials purchasing before the 20th century. A fundamental transformation occurred in the late 20th century because of IT outsourcing which developed from the advancements in computer technology and telecommunications according to Heeks et al. (2001). Business process outsourcing (BPO) emerged in the 1990s as a distinct sector from traditional outsourcing, which focused on individual functions. Offshore outsourcing hubs in the Philippines and India were established during this time, coinciding with a period of rising globalisation and trade liberalisation policies (Herguner, 2013). In the early 2000s, as a result of the incorporation of information-intensive business processes, the healthcare, financial, and legal industries began to see a rise in the demand for specialised services and knowledge process outsourcing (KPO) (Willcocks et al., 2004). Blockchain technology, RPA (robotic process automation), and artificial intelligence (AI) are all examples of how modern BPO has evolved and how it is impacting corporate processes all over the globe (Davenport & Kirby, 2016).

The wide range of BPO activities operates throughout numerous business sectors. BPO is integrated into two operational groups which include front-office operations with back-office operations. BPO operations that engage with customers fall under front-office category where businesses deliver customer support and perform sales duties and market their products along with rendering technical assistance. Companies use these services to establish durable customer connections and maintain loyal customer bases (Ramachandran & Voleti, 2004). The core functions of back-office BPO concentrate on internal processes including accounting and payroll functions and data entry and supply chain management tasks to improve operational efficiency and minimize organizational spending (Schniederjans et al., 2007). The scope of BPO services now extends to specific sectors such as healthcare together with finance and legal services and education.

Medical billing and coding functions managed by healthcare BPO providers along with financial BPO firms performing both mortgage processing and risk analysis (Willcocks et al., 2017). Organizations can solve their operation-specific issues through BPO service utilization which provides customized solutions that follow their business strategies. Given current global interconnection, BPO has transformed into a fundamental element of business strategies worldwide. Organizations use this solution to access affordable worker pools and expert knowledge while gaining access to modern technology which keeps them strong in the competitive market environment (Kakabadse & Kakabadse, 2002). By using this method, businesses are able to modify their operations in line with the needs of the market. This is accomplished without the need for major financial investments, which is one of the reasons why outsourcing results in operational flexibility (Williamson, 1981). The importance of business process outsourcing has expanded through technological growth because service providers use AI and RPA and cloud computing to provide accelerated precise solutions (Davenport & Kirby, 2016). BPO promotes innovation by enabling the release of internal resources that can be directed toward strategic business advancements instead of putting them into daily operational work (Quinn, 2000).

Businesses in today's competitive economy need outsourcing critical functions as a vital tool to enhance adaptability and fight market risks enabled by globalization. The expansion of the BPO industry results from three main developments such as advancing technology, international business expansion and new locations for outsourcing. Rapid technological progress acts as the fundamental driver behind the progression of BPO services in the market. High-speed internet combined with digital communication technologies introduced in the 1990s established smooth business operations between companies and offshore service providers (Lacity & Willcocks, 2014). Cloud computing together with software-as-a-service (SaaS) platforms from the early 2000s brought more scalability and flexibility to outsourcing deals (Heeks et al., 2001). The recent adoption of AI together with RPA and blockchain technologies has reshaped process automation which enhances service efficiency and produces accurate and secure outsourced outcomes (Davenport & Kirby, 2016). BPO growth has experienced significant

acceleration from the globalizing trends in the business world. Businesses now connect to worldwide labor forces and build their offshore business units in price-efficient locations through the advancement of trading policies together with modern transport systems and communication networks (Kakabadse & Kakabadse, 2002). The combination of skilled labor force together with compatible culture and supportive policies from India and the Philippines attracted companies to establish their operations as leading outsourcing destinations (Deshpande & Richardson, 2009). The BPO industry demonstrates its adaptive character through constant changes in existing outsourcing locations. Several emerging markets within Eastern Europe and Latin America and Africa have gained considerable ground in BPO since 2007 through their specialized strengths which include multi-language service delivery and helpful time differences and specialized domain experience (Schniederjans et al., 2007). The industry demonstrates its market responsiveness through regional specialization which enables better value delivery to international clients.

Business Process Outsourcing services comprise two distinct categories including front-office and back-office services. The front-office BPO domain includes customer outreach responsibilities such as call center management along with telemarketing functions while providing sales assistance which supports brand trust and customer satisfaction (Bairi & Murali Manohar, 2011). Back-office BPO services execute payroll processing as well as accounting operations and human resource management which enable organizations to simplify their internal functions and decrease operational expenses (Mani et al., 2010). Specialized BPO services serve particular market requirements which span across various industry sectors. The healthcare BPO industry maintains control over medical billing and claims processing and transcription services as well as the financial BPO sector performs tasks including loan processing and compliance reporting (Lacity et al., 2016). Knowledge Process Outsourcing (KPO) delivers high value services by specializing in research and analytics activities and intellectual property management and market intelligence operations (Davenport & Kirby, 2016). The wide selection of available services demonstrates how BPO suites market needs across different industries.

The BPO industry presents multiple advantages together with distinct difficulties that are dissimilar between different geographical areas. According to Williamson (1981), BPO can produce cost savings by leveraging the variations in labor markets between developed and poor nations. The acquisition of specialized expertise together with advanced technological solutions through BPO leads to better service quality as well as enhanced efficiency (Quinn 2000). Company operations gain flexibility through scalability because they can adjust their business scale to market volume fluctuations without significant cost increases (Lacity & Willcocks, 2014). The use of offshore outsourcing continues to face major obstacles because data security threats and cultural communication difficulties remain between service providers. The danger of data breaches alongside privacy concerns shows the highest severity within industries which manage sensitive information such as healthcare and finance (Heeks et al., 2001). While imprecise Service-Level Agreements (SLAs) produce costly difficulties and disappointed expectations, clients and service providers experience hurdles owing to cultural and language variations that impact their collaborative work. These obstacles may be attributed to the fact that clients and service providers confront challenges (Kakabadse & Kakabadse, 2002). Within the wider multi-regional business landscape, the BPO sector shows distinct patterns of capability strengths along with specialization types. South Asian countries especially India control IT and KPO segments while the Philippines leads Southeast Asia in delivering customer support and call center solutions (Penter et al., 2009). Eastern Europe stands out due to its IT outsourcing talent which combines premium service quality with affordable prices, yet Latin America and Africa have started attracting businesses because of their growing digital infrastructure along with bilingual workforce (Schniederjans et al., 2007). BPO creates worldwide economic expansion because businesses spread throughout several regions enable international industrial synergy.

2.2 Business Process Outsourcing Across Different Regions

Organizations engage in Business Process Outsourcing (BPO) through third-party contractors who handle different corporate functions in locations across the world. BPO serves as an organizational strategic decision which helps companies reduce costs and

improve operational performance while they concentrate on core business functions. Technology advancements combined with economic forces and worldwide market developments has driven an accelerated growth phase in the BPO industry. Each geographic area has developed its own characteristics which either enhance or hinder the ability to outsource different operational activities (Lacity & Willcocks, 2014).

2.2.1 North America

According to Strange & Magnani (2018), business process outsourcing and outsourced services hold significant importance in the North American markets of United States and Canada. Labor-intensive work moved to lower-cost countries served as the main objective for BPO operations in North America between the 1990s and early 2000s according to Lacity & Willcocks (2014). North American organizations maintain their practice of sending IT support functions along with financial operations and customer service work to outside providers.

North American outsourcing activities have shifted toward transformed into nearshoring operations in the Canadian and Mexican markets beginning in 2017 (Strange & Magnani, 2018). Nearshoring to Mexico brings major cost advantages because quality management functions better together with improved communication in contrast to distant offshoring locations (Modesto & Bravo, 2022).

RPA and AI join cloud computing to transform North American outsourcing through superior services including automated financial operations and AI-powered customer support (Davenport & Kirby, 2016). Some North American firms return operations to their home territories after facing security issues and employee displacement risks and complicated cross-border contractual needs especially when handling sensitive or important duties (Joo et al., 2010).

2.2.2 Europe

The European business world shifted its focus from conventional outsourcing to sophisticated knowledge-based BPO services. European countries particularly Poland and Romania together with the Czech Republic attract Western European companies for

outsourcing due to their advantageous location near Western European regions along with affordable prices and trained manpower (Kakabadse & Kakabadse, 2002).

Digital technology advances including cloud computing and RPA and AI augmented operations at European BPO locations enable businesses to deliver services that incorporate AI for customer care and software development (Kakabadse & Kakabadse, 2002).

European businesses face data privacy hurdles after GDPR went into effect in 2018 because strict privacy regulations make borderless data transfer complicated while requiring companies to maintain strict data privacy standards (Egger et al., 2001).

2.2.3 Asia-Pacific

The region of Asia-Pacific (APAC) which includes countries like India and the Philippines together with China dominates the worldwide outsourcing market sector. It is well known that India stands as the cornerstone for worldwide IT outsourcing and BPO services which encompass customer service and IT support and software development according to Lacity & Willcocks (2014). The workforce of India attracts foreign interests because they speak English fluently and operate at reduced costs.

The Philippines functions as a top choice for voice-based services including customer care, technical support as well as telemarketing because the country shares Western cultural values and possesses workforce members who understand English well (Davenport & Kirby, 2016). IT outsourcing in China continues to expand beyond manufacturing yet intellectual property security concerns together with cybersecurity threats prevent the country from achieving full dominance (Lacity & Willcocks, 2014).

APAC service providers can deliver highly complex services with the help of automation technology and AI combined with data analytics according to Davenport & Kirby (2016). APAC faces multiple hurdles which include political turmoil together with labour regulation issues and continuous infrastructure development requirements (Kakabadse & Kakabadse, 2002).

2.2.4 Latin America

The United States finds Latin American nearshore outsourcing to be more appealing than ever. The Latin American countries Mexico, Brazil, Colombia and Costa Rica provide advantages to North American clients which include positioning near US customers and overlapping time zones and elements in shared cultural traditions (Yakovlev, 2023). The Mexican market is highly preferred because it offers low operating expenses combined with established industries and skilled employees (Modesto & Bravo, 2022).

The BPO services in Latin America cover financial operations along with IT and software development as well as customer service support. Digital technology enables service providers in the region to provide electronic marketing solutions along with analytics and AI-based services. The region maintains obstacles including political instability together with economic fluctuations and linguistic barriers that limit its complete exploitation of outsourcing prospects (Yakovlev, 2023)

2.2.5 Africa

The BPO market in Africa keeps expanding while South Africa and Kenya along with Egypt have become important locations for onshore and offshore service operations. The South African marketplace leads all BPO destinations in Africa due to its multilingual staff members who work at low costs and benefit from well-developed infrastructure (Schniederjans et al., 2007).

Kenya together with Egypt show growing potential as offshoring destinations for call center management and back-office operations because they have a young workforce which includes technology skills and cost-effectiveness according to Kakabadse and Kakabadse (2002).

African BPO service delivery has barriers which include political instability and shortage of specialized labor force as well as unfinished infrastructure networks across various regions. The growth of BPO in Africa advances due to both enhanced infrastructure development and increasing business demand for cost-efficient process management (Mann & Graham, 2016).

2.3 Theoretical Framework

The framework known as Porter's Five Forces, which is based on Porter (1980) and analyses competitive industrial forces, may be used to investigate the opportunities and problems that are faced by the business process outsourcing (BPO) sector. Barney (1991) suggests that the Resource-Based View (RBV) may be used to investigate the strategic benefits of outsourcing connections, while also broadening the scope of the external environmental examination of business process outsourcing (BPO) sector aspects beyond the cultural, social, technical, and organisational dimensions. Businesses that specialise in business process outsourcing may utilise SWOT analysis to get a better understanding of the unique opportunities and challenges that are particular to their industry. This is accomplished by evaluating both their strengths and weaknesses, as well as the opportunities and threats that they face.

1.1.1 Porter's Five Forces Model

Porter's Five Forces Model is used in the process of conducting analyses of industrial competitiveness plans. These analyses are used to evaluate the competitiveness of a particular region within an industry. In 1979, when Michael E. Porter was working at Harvard Business School, he established this model in order to provide firms with a structured method of analysing the factors that drive rivalry within their respective industries. According to Porter (1979), there are five competing factors that impact market profit levels as well as strategic positioning for businesses. These forces include the threat of new entrants, the bargaining strength of suppliers, the bargaining power of buyers, substitute competition, and industry competition. The danger posed by new rivals is determined by the entrance barriers, which include economies of scale, brand loyalty, and laws imposed by the government. High barriers to entry between new competitors diminish their probability of entering the market which creates more stability for existing corporations (Porter, 1980). How much power suppliers have in determining supply chains and pricing structure constitutes supplier bargaining power. Suppliers who operate with limited numbers or work with unique resources gain the

ability to ask for higher market rates or beneficial contract terms. High negotiating power of buyers is seen when consumers exercise significant influence over pricing and product availability. The bargaining power of purchasers escalates when switching to rival items is straightforward and the market presents few unique possibilities. Organizations must reduce prices or innovate because competitive alternatives which meet customer needs create substitute threats in the market. A vital factor in industry profitability consists of direct firm competition between existing organizations whose success depends fundamentally on market saturation level and brand differentiation coupled with pricing strategy (Porter, 2008). The strategic model of Porter has gained its position as one of the foremost influence tools for corporate decision-making through its complete industry dynamics analysis that helps businesses sustain competitive advantages in fluctuating market conditions (Grundy, 2006).

Business strategy and academic studies have received major influence from Porter's Five Forces Model in historical terms. Business strategy followed primarily macroeconomic factors and internal organizational strengths before Porter's research (Porter, 1979). According to Porter's, the industry structure served as the primary profitability driver thereby directing businesses to examine external market factors (Grant, 2016). During the 1980s and 1990s large corporations in manufacturing and consumer goods sections utilized the model extensively to build competitive strategies while also evaluating market entry choices (Johnson et al., 2017). As a result of global transformation and technological development, digital disruption and sustainability emerged as new industry forces on which the model adapted over time (Dobbs, 2014). Many critics in practice often disagree on the stability of industry structures, consequently, scholars resort to their application of this model by inducting resource based and dynamic capabilities theory (Teece, 2009). The Five Forces Model by Porter is useful for businesses that wish to analyze market competition in industries like e-commerce and healthcare and finance because these industries are mostly changing due to the shifts in regulatory activity as well as in the technological innovations and in people's behaviors. Businesses in highly competitive areas, including retail and telecoms, are always reanalyzing Porter's five forces to determine their best long-term placement. Their pricing strategies, supply

chain management, and customer interaction management mechanisms will all be reevaluated with the express purpose of realignment (Hitt et al., 2020).

When developing a company strategy that incorporates Porter's Five Forces Model, it is necessary to conduct a systematic investigation of the relationship between competitive force and strategy creation. Competitive rivalry's intensity is determined through businesses detailed assessment including Market concentration & differentiating and switching cost factors (Porter, 2008). Firms that operate in an intense market competition should combine their strategies on product development innovations or cost reduction tactics or market specific branding. To conduct supplier market analysis, any business is supposed to focus on three factors which include supplier dependency levels in combination with available substitutes and monitoring input costs (Johnson et al., 2017). Businesses can reduce supplier power through the establishment of strategic alliances as well as backward integration programs or expanding their sources beyond a single player. Businesses measure buyer power through analysis of customer costs to switch providers along with their price flexibility and brand loyalty levels. High buyer power demands specific marketing techniques and client loyalty schemes and product package combinations to maintain consumer loyalty (Grundy 2006). For threat analysis of new competitors companies look at different barriers such as capital needs and scalability requirements and regulatory restrictions. Every firm needs high entry barriers to remain profitable, yet low barriers bring increased competition that forces firms to innovate their brand positions (Hill et al., 2014). As their last step firms assess the potential replacement of their offerings through alternative products and services available to customers. The prevention of substitution risks prompts businesses to strengthen their product differences and build better customer experiences with additional investments in technological innovation (Hitt et al., 2020). The strategic planning process benefits from Porter's Five Forces Model as organizations become better equipped to understand market directions and reduce dangers for improved future profitability.

2.3.1 Resource Based Theory

The Resource-Based Theory functions as a strategic framework which demonstrates companies secure lasting competitive marketplace advantages through inner resources more than through external market factors (Barney, 1991). Competitive advantages develop over time within firms that use VRIN resources which are both valuable and rare and distinct along with non-replaceable components (Wernerfelt, 1984). The theory acknowledges that resources exist as physical things like assets as well as non-tangible elements such as brand reputation and intellectual property together with organizational culture (Peteraf, 1993). A firm turns its resources into performance capabilities through skill-based and knowledge-based and processed organizational methods (Teece et al., 1997). According to Grant (1991), the resource-based view stands against industry-based approaches led by Porter's Five Forces Model since it prioritizes analyzing internal capabilities instead of external challenges. Firms that properly direct their resources toward their strategic goals will outlast their competitors while maintaining financial success according to Penrose (1959). Companies adopt intangible assets including brand equity and research and development capabilities as well as human capital to maintain their market positions because of expanding globalization and digital transformation (Barney 2001).

Edith Penrose's *The Theory of the Growth of the Firm* (1959) initiated Resource-Based Theory by analysing internal resources as competitive catalysts for enterprises seeking market expansion. RBT received deeper attention in the 1980s and 1990s following Wernerfelt (1984) and Barney (1991) and Peteraf (1993) who added fundamental elements to its development. Wernerfelt (1984) developed a resource-based view (RBV) by asserting that enterprises have to be assessed based on their resource evaluation rather than market positioning analysis. Barney (1991) built on this work through the development of VRIN criteria which serves as an assessment tool for determining long-term competitive advantages of organizational resources. According to Barney (2001) organizations should construct and protect their exclusive resources to preserve their competitive position. When Peteraf (1993) elaborated on the model he described that companies sustain profits by possessing unique resources in environments where

resources are hard to move between firms. The concept reached its advanced stage with Teece et al. (1997) when they added dynamic capabilities to show organizations how they can use existing resources for market environmental change management. Organizations in technological domains also use RBT with pharmaceuticals and manufacturing sectors and retail businesses to lead their strategic management methods according to Grant (2016).

Resource-Based Theory develops strategic business frameworks that allow organizations to detect valuable resources to transform into threats that secure maximum competitive advantages. A resource audit helps companies classify tangible and intangible assets so they can recognize assets holding strategic value as per Barney 1991. According to Wernerfelt (1984), businesses assess their distinctiveness and long-term value sustainability of resources by using the VRIN framework. Resources fulfilling the VRIN standards can be leveraged for differentiation purpose or they require patents together with legal protection or organizational complexity to prevent imitation (Peteraf, 1993). Organizations build dynamic capabilities for turbulent market success by implementing phase-based skill development together with research and development investments and through organizational adaptability (Teece et al., 1997). Modern businesses put RBT into practice through data-based decision systems combined with artificial intelligence development and relationship-building with customers to enhance their market sustainability (Grant, 2016). Through their implementation of proprietary technology along with brand devotion and human resource expertise Apple and Google have achieved sustained growth as illustrated by RBT principles (Barney 2001).

2.3.2 SWOT Analysis

Organisations may benefit from using SWOT Analysis, which stands for "strengths, weaknesses, opportunities, and threats," to get insight into their strengths, weaknesses, opportunities, and threats in the market. Businesses may benefit from using SWOT analysis, which stands for "Strengths, Weaknesses, Opportunities, and Threats," to craft winning strategies in the face of competition (Gürel & Tat, 2017). The things that make a business stand out from the competition are its strengths. Such organisational

strengths include things like a well-known brand, a highly skilled workforce, and state-of-the-art innovation. Internal variables, such as a lack of resources, ineffective supply chain processes, or antiquated system infrastructure, are examples of weak aspects that may have a detrimental effect on an organization's performance. Emerging market trends, together with technical advancements and changes in customer tastes, are external factors that provide opportunities for enterprises to improve their market status. According to Gürel and Tat (2017), organisations face threats from external causes such as changes in regulations, economic downturns, and increasing competition. According to Pickton and Wright, organisations may employ SWOT analysis as a crucial resource for decision-making and risk management because of its universal applicability and helpful simplicity (1998). SWOT analysis is a useful organisational technique that, according to Helms and Nixon (2010), is used in conjunction with Porter's Five Forces, and Resource-Based View (RBV).

SWOT analysis emerged in the 1960s through the 1970s when Albert Humphrey of the Stanford Research Institute created it during a corporate planning failure research project (Gürel & Tat, 2017). Humphrey along with his team developed the SOFT model (Satisfactory, Opportunity, Fault, and Threat) which through time evolved into SWOT (Gürel, 2017). SWOT analysis proved exceptionally popular for business planning during the time period from the 1980s and 1990s because organizations used it as their primary strategic foundation and found it both flexible and straightforward to execute (Hill & Westbrook, 1997). SWOT analysis established itself as an industry standard for developing corporate strategies and assessing risks and markets especially by Fortune 500 organizations (Pickton & Wright, 1998). Expert scholars developed the framework by adding quantitative and qualitative methodologies to make it more effective throughout the years (Helms & Nixon, 2010). SWOT analysis faces criticism because experts say it simplifies complex business conditions while lacking tools for determining priorities so interpretations become subjective according to Hill and Westbrook (1997). The SWOT analysis emerged as an advanced version of SWOT because its researchers worked to develop a tool which matches organizational factors with environmental factors (Weihrich, 1982). SWOT analysis continues to serve as a core strategic tool within

management practices because it helps companies organize competitive assessment to enable better decision making (Gürel & Tat, 2017).

SWOT analysis when applied to business strategy requires an organized method to measure internal and external elements for developing strong strategies.

Organizational SWOT engagements start with internal examinations to find organizational strengths and weaknesses that include a thorough review of financial success and operational efficiency and customer satisfaction together with brand positioning (Helms & Nixon, 2010). Organizations use their strengths to pursue market possibilities by conducting strategic improvements and optimizing resources (Gürel & Tat, 2017). Based on the evaluated insights companies' offer strategic approaches to boost achievement possibilities simultaneously with risk reduction techniques.

Companies which possess well-known brands can achieve global expansion by entering emerging markets. A company that faces high production expenses (weakness) will use cost reduction initiatives (threat) to stand up to lower-priced market competitors (Helms & Nixon, 2010). SWOT analysis serves as an integral part of strategic planning processes when combined with Balanced Scorecard, VRIO Framework and Porter's Five Forces as organizations leverage these tools to build better decisions for strategic development (Gürel & Tat, 2017). SWOT analysis serves organizations in business expansion plus product development and risk assessment and crisis management to help them adapt to changing market conditions effectively (Wehrich, 1982). The qualitative nature of SWOT analysis can be improved by businesses through data integration because it leads to more objective and accurate decisions (Pickton & Wright, 1998). SWOT analysis functions as an essential strategic management instrument which directs organizations to discover their competitive edges while organizing their business strategies to achieve sustainable achievement (Hill & Westbrook, 1997).

2.3.3 Integration of Porter's Five Forces Model, Resource Based Theory and SWOT Analysis

The integration of Porter's Five Forces with the Resource-Based View (RBV) model, including SWOT analysis, for a comprehensive evaluation of existing BPO possibilities and constraints across diverse locations.

The business process outsourcing sector experienced substantial changes because of technological progress throughout the previous decade. BPO service providers have gained new business opportunities through recent technological advances comprising automation and artificial intelligence and cloud computing and data analytics. Lacity and Willcocks (2014) showed that Robotic Process Automation together with other automation technologies serve as labor reducers which allow companies to deliver faster and more accurate solutions at cost-effective rates. Through AI-enabled platforms BPO companies can take on advanced tasks including business analytics and customer relationship management services which enable them to provide greater value and extend their service range from basic support and entry work (Davenport & Kirby, 2016). North America together with Western Europe lead the charge in implementing automation technologies to BPO services since they face both costly labor and growing requirements for skilled outsourced operations. BPO sector entities in India alongside the Philippines have pursued technological advances at a gradual rate because they focus on operational growth alongside traditional process improvements (Heeks et al., 2001). The development of new BPO outsourcing locations became possible through the critical impact that globalization had on broadening BPO service ranges. India, China and the Philippines dominated the BPO sector first, but Latin America and Eastern Europe and African markets have joined them as key contributors to the international BPO business (Sullivan & Willcocks, 2017). The emerging markets present an attractive BPO outsourcing option because they combine low operational expenses with increasing professional talent pools and beneficial government regulations according to Lacity and Willcocks (2014). Moving operations to emerging BPO marketplaces introduces new situations that organizations must face when trying to sustain their competitive market

presence. Accenture among other global players such as IBM and Infosys have established global delivery networks which produce tough competition for new entrants wishing to join the BPO market. The intense market competition requires businesses to identify specialized services they can deliver which will set them apart from other providers.

Success of BPO operations across regions is significantly affected by cultural differences alongside workforce dynamics which cause the main obstacles in business process outsourcing. Offshore Business Process Outsourcing, as per Schniederjans et al. (2007), has cultural barriers, which lead to delays in communication and conflicting business procedures as well as language misunderstandings, which result into substantial risks. Outsourcing to India and the Philippines, as compared to Latin America and Africa, is easier for the English speakers because of these two nations rank higher in English proficiency. Both business procedures, as well as workplace ethics, are basic barriers that exist in the integration of outsourced services in client systems. The lack of training for the workforce surpasses the local skills requirement, hence resulting in problems of service quality delivery. The effectiveness of regional business partnerships is dependent on the characteristics of the workforce, and the choices that corporate executives make on outsourcing should be informed by these facets.

Some BPO businesses face considerable obstacles from Political as well as economic conditions that remain unstable in certain regions. Government regulations along with trade policies and geopolitical tensions throughout the year create instability and uncertainty for outsourcing agreements. The unstable political situation facing Latin American countries including Venezuela and Argentina prevents foreign companies from building BPO facilities in those locations. The political environment and labor laws within emerging BPO markets in Africa affect both current outsourcing practices and future development prospects of outsourcing relationships (Heeks et al., 2001). Wage inflation in countries known for their affordable labor costs occurs with increasing speed. The lower labor rates of India and the Philippines compared to Western nations are facing challenges because their rising costs of living combined with rising wages forces BPO

companies to search for new affordable strategies (Sullivan & Willcocks, 2017). Low political instability with favorable labor costs has become an important factor causing companies to seek new destinations for outsourcing their operations.

A visual representation of these opportunities and challenges requires the author to develop a model. The proposed model will represent the primary components and limitations which flow through the multi-regional BPO industry system.

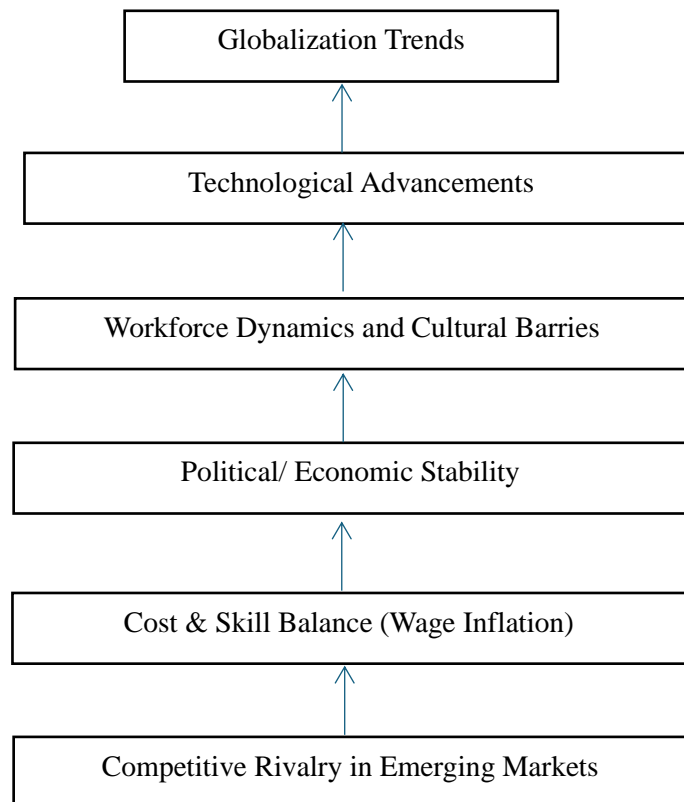


Figure 1. Integrating Porter’s Five Forces, Resource-Based View, SWOT Analysis (Porter, M. E. 1980; Barney, J. B. 1991).

The research design integrates Porter’s Five Forces (Porter, 1980) together with the Resource-Based View (Barney, 1991) for studying fundamental factors affecting the contemporary BPO environment. Business Process Outsourcing (BPO) elements receive influence from several regional factors which this model demonstrates. Globalization trends advance technological achievements because of artificial intelligence and automation platforms which reform business service company structures. The manner

in which technology modifies employee work methods and cultural obstacles impact each geographical region differently (Schniederjans et al., 2007). Business expenses diminish due to political and economic market instabilities in emerging countries based on findings from Heeks et al. (2001). Firms encounter difficulties when adapting their operations due to wage inflation together with the market competition forces (Lacity & Willcocks, 2014). Strategic alignment proves essential to BPO decisions since organizations must find equilibrium between technological features and cultural as well as economic implications for their outsourcing strategies.

The primary force behind the growth of multi-regional BPO occurs because of worldwide expansion. The growth of markets together with deepened regional business competitiveness exists as a direct result of globalization. Through globalization companies discover lower-cost employment markets throughout developing countries and this arrangement lowers operational expenses for businesses located in developed nations (Schniederjans et al., 2007). Service delivery within the BPO industry experienced significant transformation because of technological innovations that include Artificial Intelligence (AI) alongside automation. BPO industry clients no longer need human labor while AI programs handle multiple automated tasks that they previously outsourced to BPO companies (Lacity & Willcocks, 2014). Firms have utilized automation technologies to deliver valuable data analysis services and predictive modeling solutions because such capabilities would have remained inaccessible to traditional BPO services. AI technologies together with automation have both transformed the foundation of the entire BPO industry at a fundamental level. Businesses that automate repetitive operations attain flexibility to concentrate on advanced operational tasks that need human interaction and judgements. RPA technologies now dominate BPO operations through their ability to reduce human errors along with faster service delivery. The market conditions allow organizations to stay competitive because of this development (Heeks et al., 2001). The implementation of automation and AI enables BPO services to develop innovative models which deliver more useful services to their clients. The usage of AI-powered chatbots in customer

service outsourcing has expanded because they offer automated support services throughout all hours of the day according to Lacity & Willcocks (2014).

Operational costs for business process outsourcing become inefficient because of political and economic instability found in outsourcing destination regions. BPO firms face several risks from volatile political conditions that combine with economic instability since changes in government policies together with tax legislation and trade agreements consistently disrupt service delivery operations and increase operational costs (Heeks et al., 2001). Developing markets in Southeast Asia together with Latin America and specific African locations face increased business risks. Global BPO operations face direct effects from political changes when governments implement trade protective measures through tariffs or restrictions. The basic cost benefits of outsourcing diminish because of unstable economic situations which include rising prices together with currency value drops when working in these regions. Wage inflation creates substantial barriers for the BPO industry by directly affecting established outsourcing locations such as India and the Philippines. Rates rise in response to increasing labour market demand which eliminates the cost benefits firms sought in these regions at first. The increased operating expenses caused by inflation in areas with minimal wages forces BPO providers to decide either raising prices to clients for services or relocating to regions with cheaper offerings. Different outsourcing locations face growing specialist labour shortages resulting in increasing salaries throughout all markets. Business Process Outsourcing companies now follow a strategy of moving their operations to Eastern European nations and African countries because of growing operating expenses in their primary outsourcing locations (Lacity & Willcocks, 2014).

The race between firms in the BPO business features intense competition since organizations compete to deliver top-quality service at reduced costs. Due to minimal entry barriers the BPO business attracts many competitors who want to obtain market share. New technological developments such as AI and RPA have made competition more intense since businesses work to add these innovations to their service portfolios in order to stay competitive. According to Porter's Five Forces, the level of competitive rivalry in an industry is determined by a variety of factors, including the number of

rivals, the pace of industry development, and the degree to which one competitor differs from others. These factors are among the variables that define the intensity of competitive rivalry. As a consequence of developments in technology, the business process outsourcing (BPO) industry has developed several service models that differentiate one provider from another. Service innovation has become more crucial than price competition for BPO firms which leads to a changing competitive landscape of the industry (Porter, 1980).

In the business process outsourcing (BPO) sector, the success factor of companies is contingent on their capacity to strategically match their resources with the needs of the market. According to the Resource-Based View paradigm (Barney, 1991), organisations are able to obtain competitive advantages via the use of internal resources such as technology competence, worker skills, and cultural understanding. Businesses which build technological infrastructure and train their workforce and create robust client partnerships will succeed in market differentiation when competing in strong marketspaces. The narrow focus on specialized markets related to financial services outsourcing or legal process outsourcing enable companies to receive elevated payment rates which reduces market competition (Lacity & Willcocks, 2014). Organizations which handle cultural variations effectively provide customized services which fulfil client needs according to Schniederjans et al. (2007). In order to achieve success in providing business process outsourcing (BPO) services across several regions, organisations need to include Porter's Five Forces analysis and Resource-Based View principles into their strategic planning process. According to Porter (1980), business process outsourcing (BPO) companies acquire the ability to make strategic choices by getting an awareness of competitive forces. These factors include new entry risks, buyer and supplier negotiating strength, and market competitor intensity. Barney (1991) advocates that firms develop enduring competitive benefits when they effectively use their organizational resources for market customization. Therefore, merging these two analytical methods allows firms to gain full BPO strategic insights that help them both grab profit potential and deal with market risks in their dynamic landscape.

3 Research Methodology

3.1 Research Approach

Methodologies of qualitative research are used to investigate key business process outsourcing (BPO) difficulties and advantages across a variety of worldwide areas. This study investigates the influence that changes in the workforce, together with economic factors and problems that are particular to the business, have on the decisions that are made about outsourcing between developed and developing nations. This research makes use of a qualitative methodology since it provides the researcher with the opportunity to investigate the complexities of the topics being studied via the direct investigation of the experiences and opinions of industry experts (Creswell, 2014). This is different from the perspective of quantitative techniques since qualitative research is concerned with creating eloquent comprehension regarding the elements that influence outsourcing techniques that are as a result situated (Denzin & Lincoln, 2018). Thus, this study utilizes qualitative research to study contextual factors influencing BPO operations because it is a flexible approach of exploring relevant factors associated with outsourcing (Yin 2014). This research uses professional interviews of BPO personnel located in different geographical locations to come out with soundly developed insights on decision making strategy and real operations on outsourcing. Due to the direct contact with industry professionals in qualitative research, researchers are able to identify the emerging industry themes as well as understand local factors and particular regional BPO trends (Miles, Huberman, & Saldaña, 2019) that result in a very detailed industry interpretation. The research also uses the qualitative method to retain the findings that are actual practical knowledge instead of theoretical simplifications. Previous outsourcing studies' recommendations of qualitative research methods have helped to analyze industrial development as well as managerial decisions (Patton, 2015). The selected qualitative research method is appropriate for answering the research questions since it produces context – specific rich results.

3.2 Sample Selection

The decision to use purposive sampling was for participants that were also working in Business Process Outsourcing (BPO) industry. Purposive sampling is strongly regarded as one of the main qualitative research methods for selecting purposively involved individuals known to have the necessary knowledge to answer research questions (Palinkas et al., 2015). This participant selection strategy, which targets individuals with specialised understanding of context-specific data, enhances validity.

The author acquired worldwide insights into the Business Process Outsourcing industry via a representative sample from Australia, North America, and Southeast Asia. The five participants, including directors, associates, and consultants, have expertise in managing BPO operations, hence offering regional and global industry perspectives. Purposive sampling enables researchers to incorporate specialists with practical industry experience who help generate data that accurately illustrates central concepts of BPO across different geographic locations (Creswell, 2014). The targeted sampling strategy helps achieve the study's objective of determining industry-specific trends because it produces a detailed analysis of outsourcing practices in different regions.

3.3 Data Collection

Semi-structured interview sessions provided the research data. The data collection technique provides optimal results for researchers who wish to investigate deeper insights yet maintain interview-related research focus (DiCicco-Bloom & Crabtree, 2006). The study utilized Microsoft Teams as its platform for interactive sessions, yet the research picked participants who resided in Australia together with North American and South East Asian regions. The use of interviews as an investigative approach allowed researchers to make changes and ask supplementary questions based on answers from participants to gather thorough explanations about varied BPO firm challenges in different areas. All interview participants needed to share their consent to audio/video recording because this protected the research data quality and empowered analysis methods. The interview guide included structured questions to obtain standardized data

although the semi-structured approach let provided the scope to improvise and possibly extract more information through counter questions from each participant.

3.4 Data Analysis

As part of this study, applying the theme analysis provides the opportunity to evaluate the qualitative data collected using interview. Thematic analysis is a systematic and not prescriptive method for identifying, analysing, and summarizing the themes in qualitative data as per Thomas (2006). Researchers gain insight into the meaning and relation of the data contain, so that the researchers get more deeper and maintain to be understanding that which is under investigation. Thematic analysis is a malleable approach that can be effectively employed across numerous research situations and with different data forms.

With help of this tool the researchers can analyse features of social sphere in complex manner and at the same time follow the methods of numerous qualitative data quantification. However theme analysis is performed in a systematic and full view, which allows it very elastic while ensure at once the process and the results are investigable and verifiable. The likelihood of receiving consistent and correct results increases when the strategy of this is availed. Moreover, it enables researchers to do data exploration and get insights on results, relations of one outcome to another, and what implication do happen when that exploration occur. It supplements logic with major suggestions both for theory and practice and gives with clarity his view on the issue of inquiry (Braun & Clarke, 2006).

Although there are a great number of benefits associated with theme analysis, it may be fairly time-consuming. This is ensured, especially where the research problem is difficult or there is a large dataset involved. Programming, sense themes, and analysis outcomes are complex processes that require significant time and effort, as with a lot of care to information. As Theme Analysis in itself is composed by the researcher's judgment and prejudices, despite on one hand being intended to eliminate the prejudice from the data. Braun and Clarke (2006) locate the susceptibility to proclivity as trouble all through the analytical phase. This bias is usually a consequence of the diverse methods used by different analysts for data analysis. This research used theme analysis as it is flexible,

methodological framework, and thorough and detailed examination of qualitative data derived from interviews (Trudie, 2016).

3.5 The positioning of citations

Multiple strategies were established to guarantee data quality through the enhancement of credibility along with dependability and confirmability and transferability. A wide selection of BPO industry participants from across different geographic areas and organization types secured the credibility of the study according to Creswell (2014). The systematic and reliable data collection depended on consistent use of a standardized interview guide throughout all interview sessions. Multiple evaluations of transcribed recorded interviews helped prevent the omission of any essential details according to Lincoln & Guba (1985). The research design focused on participant-driven analysis to improve confirmability through minimizing researcher effects. The researcher obtained direct information from transcript data to extract findings that specifically originated from participant responses instead of researcher assumptions (Creswell, 2014). The study supports transferability through detailed methodology descriptions of both participants and contextual information alongside research methods (Lincoln & Guba, 1985).

3.6 Ethical Considerations

The study placed ethical compliance at its core to safeguard participant rights and protect their confidentiality and ensure their freedom of decision throughout research stages. According to established ethical research guidelines from Bryman (2016) the study included essential measures to protect participants while maintaining research integrity.

The investigation depended heavily on participant consent procedures. Every participant received information about research goals combined with detailed involvement description and participant rights statements. The respondent group clearly learned they could terminate their involvement in the study anytime without reception of adverse

effects. Each participant granted their informed consent by mouth before proceeding with the interview process. All personally identifying data received treatment which protected the participants' anonymity and confidentiality. Each participant received a pseudonym and generalized details about their program replaced specific names to protect their identity from disclosure from beginning to end within the research activities.

The author adopted a password-protected system to keep audio recordings and transcription documents safe, which they were the only person able to access. The research data received multiple steps of strict security implementation to preserve protection from the beginning to the end of the study. Secure methods according to institutional data retention policies will be used to destroy all personal data following research conclusion. The analysis procedure worked to prevent harm from occurring while maintaining full protection of participant interests.

The author took measures to support participants in his interviews by creating an environment of respect where individuals felt safe to share their personal experiences. The research considered gender subjects with sensitivity by allowing participants to skip questions that created distress. The research findings presented both participant well-being protection and increased study reliability because researchers followed these ethical guidelines. The study's ethical approach helped the BPO industry develop better inclusive methods of working.

4 Analysis and Findings of the Study

The interview responses present an all-inclusive perspective about the Business Process Outsourcing (BPO) industry development in Bangladesh, Australia and the American region throughout the past ten years. The discussion focuses on primary patterns and main obstacles alongside business prospects affecting BPO firms while placing maximum emphasis on globalization initiatives and technological transformations and workforce modifications and cultural differences and regulatory rules enforcement. The interview presents valuable knowledge about market trends while focusing especially on artificial intelligence (AI) as well as automation alongside data privacy issues. The following analysis draws information from the interview results.

4.1 Case Analysis and Description

4.1.1 Firm 1

Research and Discussion

For the last decade, the changes in the BPO industry in Bangladesh have been significant in nature and the shift is markedly in Favor of building a modern BPO based economy focused on BPO as a business as much as a service rather than as a traditional, low-cost service to be exported. The industry has historically focused on basic tasks such as call centres, data entry and much more but the industry now includes software development, financial outsourcing, legal process outsourcing (LPO), healthcare BPO and digital marketing. It is a transition that mirrors a larger global shift to find BPO providers moving further up on the value chain to supply the high demand for more specialized services that require more skills and more technical expertise. On the other hand because Bangladesh has been able to diversify on what it has to offer, it has come out as also becoming a competing player in the global outsourcing market by taking advantage of its skilled labour and growing infrastructure.

Globalization has been one of the most major reasons for the transformation. In line with global demand for cheaper outsourcing services. According to Participant 1, "AI-powered chatbots together with virtual assistants represent a major transformative

technology which enables companies to decrease their expenses and develop more effective customer support operations.” The participant 1 has come to the realisation that Bangladeshi businesses have bravely adopted cutting-edge technology such as cloud computing, data analytics, machine learning and artificial intelligence (AI). BPO firms are unable to stay competitive within the rapidly evolving industry without these technologies, because they are crucial for providing improvements in productivity and customer experience. AI driven solutions like chatbot and virtual assistant have been particularly effective for firms to cut down on costs and enhance efficiency by taking care of customer query and technical support without the human intervention. Automation and more advanced technology have begun to move in the direction of playing a more significant role in the future of the business process outsourcing sector.

At the same time, AI & automation plays an increasingly important role for businesses, as it allows to deliver services more efficiently and at a larger scale in parallel. AI is bringing in 24/7 customer service and auto-automation of menial tasks, in particular. Since global clients today expect highly sophisticated and automated solutions, BPO firms’ capability to utilize AI and automation will serve as a key differentiator and play the role of market leaders. This trend implies that the BPO providers in Bangladesh need to invest more in the advanced technologies to stay up with their clients’ needs and to remain in the competitive edge.

4.1.2 Challenges Faced by BPO Firms

BPO firms operating in Bangladesh need to overcome various obstacles that could reduce their development potential and long-term durability. The primary serious issue currently facing BPO firms is the increase in employee compensation. With increasing worker demand the necessity to pay higher wages cuts into the cost benefits that made Bangladesh a top destination for outsourcing before. The businesses are less competitive than other outsourcing centres globally hence, a negative impact on the profit margins due to increased wage costs. To maintain affordable labour cost, BPO organizations should find an innovation to discover efficiency methodologies that will hold the operational costs.

Dissimilarities between cultures of Western market clients and those of the BPO providers constrain their ability to yield the best service. The challenges include communication barriers as both provider and service provider may speak multiple languages and have significant accents; having different work methods; being on different time zones. It is of the utmost importance that business process outsourcing (BPO) companies in Bangladesh provide their employees with training in cultural competence. This would enable them to properly interact and work with clients from all over the globe. The management of cultural nuance is an essential component that must be present in order to properly sustain customer connections and offer high-quality service. Organizations need to master it.

The level of political instability along with economic uncertainties continue to be challenges to the Bangladesh market. According to Participant 1, political instability is dampening investor confidence which plays against BPO firms from winning long-term contract. For example, economic instability which causes price hikes intensifies the operational costs leading to increase in prices and suppression in the price competitiveness of Bangladesh in outsourcing the service. For BPO firms to initiate new investments in the countries, stable political and economic conditions become a must since unstable climates make them reluctant to invest in these countries and hence slow BPO industry growth.

4.1.3 Opportunities and Future Trends

Several vital elements make Bangladesh attractive for outsourcing, and these are what differentiate these from the other countries focusing on outsourcing. As a result of Bangladesh's cheap labour costs and rapidly expanding pool of trained workers, which gets support from the government via its business process outsourcing (BPO) sector development initiatives, Participant 1 recognised Bangladesh as an appealing outsourcing location. Government programs of incentives together with tax benefits alongside digital infrastructure investments have established a favourable business environment which drives BPO industry development. Bangladesh serves as a valid

outsourcing hub for businesses because of its strategic position and well-established education system and governmental support for BPO development.

Participant 1 feels AI technology together with automation will sustain their place as major driving forces within the BPO industry. Businesses that implement technological solutions for handling customer support and process automation will increase the need for AI security and data protection systems. Furthermore, the BPO companies can offer data analytics using technology since its rise has enabled them to provide cloud solutions as well as cybersecurity protection thus increasing the scope of the service offered. The market for sophisticated outsourcing solutions will eventually expand and give better prospects to BPO firms for successful integration of information technology, telecommunication, and client support technologies.

In order to keep client access prospects available in Western markets, the business process outsourcing (BPO) sector must continue to comply with regulatory compliance requirements such as the General Data Protection Regulation (GDPR) in Europe and the Health Insurance Portability and Accountability Act (HIPAA) in the United States. Due to the upcoming surge of cyber threats and data breaches, BPO companies need to develop a very robust data protection system through which the client is protected but remains at peace that their trust is not at stake. Stressing both data security and compliance, companies avoid legal trouble and come ahead with a good market positioning in their worldwide operations.

Technology evolution and global developments lead the BPO industry in Bangladesh to the advanced business solutions and at the same time to continuous growth. Although Bangladesh is faced with the challenges of wage inflation, cultural barriers and political uncertainty, the potential of Bangladesh for outsourcing is an interesting outsourcing option, and its strategic benefits outweigh its challenges. Organizations involved in the BPO industry now need to use automation and data protection standards together with AI technology to be able to compete in the highly technologically advanced and competitive marketplaces.

4.1.4 Firm 2

Research and Discussion

An interview with Participant 2 an Engagement Director at Manhattan Associates discusses the major changes that were made in Business Process Outsourcing (BPO) ten years ago. Globalization and technological development were, therefore, the main drivers of transformation, as he puts it. Globalization enabled businesses to make use of international professionals thus contributing to access to qualified personnel located around the world with whom the business could employ. To the contrary, the level of connectivity and speed technology has influenced the way BPO operations go about their tasks. Remote work received extensive enhancement from tools such as video calls and instant messaging together with collaboration platforms Teams and Zoom because of major advancement in fibre optic speed and digital connection technology starting from years when dial-up was the only option. Advanced connectivity platforms have enabled BPO services to operate in a more flexible way and become easier to access at the same time they offer enhanced scalability that minimizes the need for fixed business locations.

“The technology advancement of AI will enable it to become more widely used for complex BPO function automation”, according to Participant 2. The system's capacity to handle repetitive tasks leads to enhancements in service quality. According to Participant 2, Artificial Intelligence (AI) and automation systems have begun to control the BPO industry. But in his company, AI technologies have begun to emerge, their main applications of organization around the document translation processes. With many languages spoken in Latin America, China and India, the technology of the AI translation is well received and makes way to boost the document translation, minimize mistakes and expedite the processes. These were based on the fact that he believes AI technology will be able to take grip in all the advanced BPO operations due to the technological advancement on still taking place. The modernization of process automation systems by means of artificial intelligence will create the conditions for changing the standards for business efficiency and service quality. Participant 2 said that owing to AI

implementation, the industry will have to manage changing challenges concerning the workforce development in order to maintain the first-class service quality.

Opportunities and Future Trends

However, several possible obstacles are still apparent as the BPO industry grows. Wage inflation is one of the biggest challenges that particularly has a direct impact on outsourcing operations which end up being affected when there occurs wage inflation in areas which are known and recognized for its low labour costs. As a result of higher employee pay rates, operational costs of BPO firms that use a model of low wage labour end up being lowered and less profits are held. To resolve these problems, Manhattan Associates is focusing on enhancing the business process efficiency by reducing the workforce needs for the task related and emphasize service quality earlier than the cost efficiency. Cost of services rises will make clients search for cheaper options and this pressure BPO service providers to keep prices realistic and price quality balance strong. Regional labour patterns together with cultural diversity cause interference in service delivery. The time zone differences as well as the regional standards and peculiar workplace practices of various countries make the relationships with clients very challenging. The company also provides cross-culture training to its workforce in favor of the different working environments while maintaining consistent service standards. The ongoing challenge remains to maintain quality at different locations of business operations. Geopolitical volatility in key outsourcing regions means that BPO operations are disrupted, and client confidence falters and expense levels increase. If they (organizations) want to place them (outsourcing sites) on a reliable, safe, dependable business framework, they must look for some stability when selection of outsourcing sites.

Participant 2 believes the three essential factors that will dominate the BPO industry are Artificial Intelligence, automation and data security practices. It will develop capable automated solutions for complex tasks which enables personnel requirement reduction for repetitive operational duties. AI's implementation in BPO activities would boost the efficiency of the service given that companies are capable to offer quick correct outcomes. The deployment of GDPR and HIPAA-type data protection regulations

requires the BPO companies to spend their expenditure on enacting cybersecurity measures to protect the client's sensitive data while meeting local regional data protection requirements. In this fast-changing industry, the competitive position of BPO firms relies on attaining an equilibrium between data security, cost reduction and delivery of high-quality services as the global business world is getting connected.

The industry of BPO is transforming over the world and with the help of artificial intelligence because of the global business ball expansion combined with the evolution in technologies. The continued industrial challenges due to wage increases, cultural and political informalities are not stopping the business process outsourcing industry from having opportunities in areas that have stable economic systems and trained workers. The growth of business process outsourcing (BPO) services will be based on artificial intelligence technology in the future since it will improve the delivery methods and raise the efficiency of the process. The success and the survival of BPO firms in the changing environment of the global markets will depend on how they are able to achieve adaptation with innovation in the context of changes in the market.

4.1.5 Firm 3

Research and Discussion

The views of Participant 3, Associate at Alchemist Capital, is very important analysis of how the BPO sector has changed (both positively and negatively) in particular with an Australian standpoint. For the last ten years, the rapid growth within the BPO industry has been through the shift of outsourcing operations to Asian offshore locations due to globalization and technological growth. According to Participant 3, market changes let businesses in Australia shorten the operational expenses and get skilled workers from various locations. Offshore teams take up a job task and hence business operations steps up as offshore teams pick up a large workload as opposed to and burden to local employees and thereby in turn reducing analyst stress. Operational changes, such as these, allow firms to be more scalable, which allows firms to create lower costs without creating lower service quality.

The quality of services delivered through offshore BPO teams especially in Asian locations stands equivalent to if not superior to Australian workers according to Participant 3. Offshore workers have progressed in their skill development through time and now handle advanced duties which include contributing to pitch presentations alongside supporting activities that serve front-end operations. Offshore BPO providers have expanded their delivery of value-added services due to a wider pattern in the industry which drives sustained growth within the global outsourcing market.

BPO operations have received substantial enhancement through technological progress that includes AI systems and digital communication systems. With the rapid rise in popularity of platforms like Zoom, Teams, and Slack during the COVID-19 pandemic, businesses were able to better coordinate teams operating in multiple time zones and maintain consistent service standards. These platforms create better employee monitoring systems and enhance communication thereby making it easier to coordinate offshore and onshore teams. One particular technology called AI provides scalability to business processes through design templates as well as language assistance software which reduces workload for preparing documents and creating marketing content. Participant 3 stressed the need for human monitoring of complex decisions and culturally sensitive tasks because AI systems will progress toward automation of basic operations. BPO operations must strike a harmony between automated systems and human oversight because it ensures their ongoing success as well as development.

The Future of BPO and Opportunities

A series of obstacles affect the BPO industry according to the interview data. The wages paid in BPO sectors of India and Bangladesh now present major concerns because they have steadily increased. The technical abilities of offshore personnel have increased which has caused their compensation to rise yet it still stays below Western market rates. According to Participant 3 wage inflation has proven to be a problem for the industry yet it does not destroy outsourcing cost-effectiveness. He observed that political turbulence in Sri Lanka and Bangladesh alongside Pakistan produces potential threats to organizations' Business Process Outsourcing operations. Local political disturbances generate service interruptions that cause delays to operations while simultaneously

lowering client confidence when offshore teams operate outside of client awareness about their operational conditions. Service costs have risen in India and the Philippines due to market competition in global BPO which creates obstacles for Australian firms that depend on offshore business process outsourcing for financial benefits.

Participant 3 foresaw major prospects in the BPO business for the future. His analysis shows that cybersecurity expertise will rise in demand because businesses move to digital platforms and introduction of remote work solutions. Organizations should expect heightened concerns about protecting data especially within financial industries because client confidentiality remains essential. According to Participant 3 the future of BPO service delivery will be strongly influenced by AI which will focus particularly on customer service and sales applications. According to Participant 3, AI systems will handle repetitive tasks yet human involvement will preserve its significance specifically for positions requiring emotional skills as well as face-to-face human contact.

According to Participant 3, “the requirement for cultural training has increased remarkably with the BPO market expansion in Bangladesh. Businesses need to provide employees with training that makes them proficient at working with international clients.” The third participant shared positive views that Bangladesh possesses the necessary qualifications to be a successful BPO hub. Bangladesh has established itself as a forceful BPO destination that matches or surpasses India and the Philippines as a service provider because it combats both its skilled workforce capabilities and cultural compatibility with Western clients. Bangladesh establishes itself as a prime global BPO market participant by providing economical services that maintain high service standards. Its rising growth of BPO operation has created availability of BPO service providers in Bangladesh and other countries than traditional outsourcing locations for cost meriting escalation.

With the interview of Participant 3 the present situation will be understood and predicted future pattern in the BPO business sector will be clear. The offshore outsourcing offers a great number of value-added advantages to the organizations such as the ability to integrate global talents at a reduced cost and the technological improvement of the operation outputs. Important obstacles which the industry must cope, for example, with salary price increases, unstable politics, and escalating market

competition, require strategic management. Contact centre organizations will have to continue to operate with human supervision to deliver quality service to their clients, whereas AI is expanding the extent of its impact on existing business process operations. The industry is still undergoing continuous developments, and this gives Bangladesh new opportunities, demanding companies to be flexible towards increasing market globalization.

4.1.6 Firm 4

Research and Analysis

“The global market expansion for Bangladesh has been successful through its utilization of globalization which has led to specialized services including IT solutions and cybersecurity” according to Participant 4. Participant 4 indicates that the discussion charts the industry evolution by following their technological drivers and barriers, along with the prediction of new growth opportunities. It shows how Bangladesh is able to set up an ascent as a contender internationally regarding BPO following its ability to control its inflation rate alongside political unrest on work grounds, yet additionally with regards to figuring out how to work with cutting edge AI frameworks and cybersecurity.

In the past decade, there was a complete transformation in the BPO sector of Bangladesh, which enabled it to change from simple call centre services to providing high end services, like IT enabled services, software development and cybersecurity services. Digital infrastructure development and workforce development related programs by the government initiated the transformation of modern industry in Bangladesh from the "Digital Bangladesh" agenda. It is due to cost effective that Bangladesh sustains its economic strength; there is huge enough number of talented youngsters who always possess technology skills from time to time. The worldwide business process outsourcing (BPO) industry, and Bangladesh in particular, stand to benefit from this synergy, especially in the information technology (IT) and cybersecurity (Cyber) domains. On the one hand the government intervention resulted in the BPO industry development of digital infrastructure and supportive innovation environments which made it possible to leave the simple outsourcing operations behind. It facilitates the influx of high-value

services, like as artificial intelligence and financial technology, from neighbouring countries like the Philippines and India. The service sector experienced an increase, which lead to a total agreement between Bangladesh's and international market operation agreeing to the improved national expertise development.

Globalization has led to Bangladesh's BPO operations undergoing rapid technological improvements. Business Process Outsourcing providers in Bangladesh must adopt modern technology tools because international clients require it for market competitiveness. Big businesses implement AI algorithms together with cloud computing systems as essential tools to protect their cybersecurity systems. The cybersecurity industry saw MeghOps together with other organizations become leading providers through their adoption of AI security solutions in combination with cloud-native architecture. AI systems merged with automated technology systems created major changes to performance standards and cut operational costs. BPO services that use WAF and CNAPP combination provide clients advanced automated threat response systems while boosting their overall cybersecurity capabilities. The efficiency of BPO operations improves through these technological advances which simultaneously improves data security and helps BPO organizations attract clients from worldwide markets.

Participant 4 stated that Bangladesh stands behind India and the Philippines in their adoption of technology for global outsourcing management. Modern industry demands focus innovation through two key sectors AI and the financial technology industry (fintech) which show rapid advancement. Through its Digital Bangladesh initiative and technological advancement from the private sector Bangladesh reduces the gap with Indian and Philippine providers to compete successfully in global BPO operations.

The Future of BPO and Opportunities

Bangladesh's business process outsourcing (BPO) sector is seeing rapid expansion, which has resulted in a number of challenges. The main issue arises due to increased wages becoming a top concern because of rising demand for cybersecurity and AI experts at workplace. Higher wage increases reduce Western market competitiveness for Bangladesh because the country advances up the value chain through its focus on advanced IT services. Political and economic instability also pose risks to the BPO sector. The government endorses IT exportation and BPO operations, but political instability creates unstable policies and lowers foreign investment. Business performance would suffer from any potential rise in service disruptions when combined with diminished client relations. MeghOps directs its business operations toward outside customers while operating abroad which minimizes its exposure to domestic political volatility. The growing recognition of IT and cybersecurity services in Bangladesh serves as a critical element to sustain BPO industry strength. The competitive environment among foreign firms raised industrial standards which compelled every company to adapt better benchmarks. Local BPO firms build connection opportunities with global partners through market competition that enables them to develop specialized capabilities as well as personalized servicing methods. The worldwide market expansion of Bangladesh firms emphasizes cybersecurity and IT services as their key assets for competition in the advancing market arena.

According to Participant 4, the BPO industry of Bangladesh will face various upcoming developments in the near future. The forthcoming AI process market will expand while service providers must fulfil automation requirements and provide combined cybersecurity solutions with fintech and cloud computing services. These market trends will benefit Bangladesh's economic position because it possesses skilled workers and averaged-out wages. Since its favourable geography enables the country to provide continuous operational hours Bangladeshi providers deliver uninterrupted services to Western clients and Asian businesses simultaneously. The most promising business opportunity at present resides in cybersecurity. Secure outsourcing services experience growing demand because businesses need protection for their data along with fulfilment

of GDPR requirements worldwide. The BPO sector of Bangladesh provides secure operations for international businesses who want to differentiate their outsourcing by delivering secure operations to upcoming cybersecurity service requirements. MeghOps directs all its efforts toward cybersecurity to provide security solutions that attracting customers from worldwide markets.

The BPO sector of Bangladesh evolved from its beginnings in basic outsourcing activities to become a provider of advanced high-value IT and cybersecurity solutions according to Participant 4. The BPO industry of Bangladesh will expand by creating specialized services and leveraging its strategic benefits while facing rising wages and political turbulence. Bangladesh being already capable of doing cybersecurity services, automation requirements and AI based operations along with the 3 key elements will result in a different transformation in the BPO sector. A combined development of the digital infrastructure and training of people on these techniques will give Bangladesh a major boost for its contribution to the global BPO market.

4.1.7 Firm 5

Research and Analysis

The interview with Participant 5 offers a comprehensive study of the business process outsourcing (BPO) industry in Bangladesh. This review covers several subjects, including industrial trends, challenges encountered, and potential prospects in Southeast Asia. As shown by Participant 5, the evolution of BPO industry in Bangladesh follows mainly the economic expansion, government programs and the worldwide market adjustment.

In the past ten years, countries like Bangladesh have experienced outstanding growth in its BPO sector through the development of the service offerings beyond call centres with lower technological standards and customer services with high technological IT standards. The nation's literacy level has now passed 80% with Governments providing tax incentives as well as several other initiatives and thereby helping out in the growth of Information Technology sector, as observed by Participant 5. The competitive position of the BPO in Bangladesh is its low-cost service provision, at the same time enhancing professional talent and many U.S and Australia companies are leading their operations

in Bangladesh. The government provides active support to the IT industry through the digitization efforts to create a dependable enterprise for business process outsourcing development. India has progressed in its value chain toward advanced IT services, yet Bangladesh fills the service gap by handling middle-range customer service functions especially sales and account management responsibilities. The country established its distinctive role in worldwide outsourcing services while offering competent workforce at market-competitive rates.

The participant noted how global economic factors accelerated technological progress that enhanced BPO operations in Bangladesh. Advancements in technology have occurred because outsourcing clients require advanced quality services which were enabled by collaboration tools including Teams, HubSpot, and Google Workspace to establish smooth client-BPO team communications. During the COVID-19 pandemic, working remotely became completely necessary, and as a result, a number of businesses were forced to use it in order to avoid lockdowns. Participant 5 predicted that remote work will become a permanent feature of global BPO operations, enabling organisations to operate more virtually with an expanded staff across borders. The Bangladesh BPO sector is only beginning to adopt AI and automation technology, but these emerging technologies currently help with administrative workload management and operational efficiency. The artificial intelligence systems ChatGPT and Co-Pilot help businesses make their operations more efficient by performing tasks that include text interpretation and proofreading and email preparation therefore they increase workplace productivity. The customer service roles in sales and account management need representatives because clients value direct human contact over automated communication systems. Since excellent client connections and operational competitiveness are sustained by the BPOs in Bangladesh, they should maintain a balance between robotic systems and human intervention.

Challenges and Future Trends of BPO

Despite the rapid growth of the Bangladesh BPO industry, there are many operational barriers that they still need to deal with. Wage inflation is a global business problem that has taken its place as one of the main industry problems. “The skilled workforce in

Bangladesh matches Western market cultural norms making the country an attractive alternative to India as an outsourcing destination” said Participant 5. Participant 5 stated that Bangladesh enjoys cost competitive edge against western markets, but there is a need for wage change because hiring of skilled manpower has increased.’ Also, because the ascending labour costs in Bangladesh are distinctly more moderate than the U.S. and Australia the clients normally cheer the cost rise as it is costly assets diminishing. Doing business in Bangladesh is host to severe challenges of political instability. An interval stemmed from Bangladesh’s operations from the customer service teams serving both U.S. and Australian clients shut down a few days back, due to political unrest which also led a recent internet shutdown, claims Participant 5. Disruptions negatively affect Bangladesh’s global BPO market reputation according to the participant despite his observation that clients showed understanding. According to Participant 5, political stability remains essential for BPO development so the government requires immediate initiatives to keep disruptions from happening. The BPO sector of Bangladesh faces a serious threat from growing BPO competition that originates in both Africa and the Asia-Pacific region. Participant 5 pointed out that normal competitive dynamics are expected across the industry, yet price wars prompted through unhealthy competition threaten sustainability. The BPO firms of Bangladesh have chosen to stand out through superior quality service combined with affordable rates.

Participant 5 predicts that Bangladesh's BPO sector will open several vital business possibilities during upcoming years. Urban Information Technology professionals continue to gain more demand throughout the market specifically within Artificial Intelligence domains. The global industry transformation through AI requires more experts to design and support AI technologies because of its expanding importance. Bangladesh can seize this opportunity to increase its product range beyond customer service by entering the developing AI market which would help the country maintain strong competitiveness in global outsourcing businesses. Bangladesh stands to benefit from rising remote work practices together with expanding demand for efficient outsourcing services. Western companies particularly those in European markets will steadily expand their search for outsourcing solutions in Asian markets to cut expenses

and maintain their primary business operations according to Participant 5. The international demand for Bangladesh's BPO services will grow because of its non-technical role capacity along with its skilled workforce and neutral English-speaking capabilities. The last point Participant 5 outlined highlighted that effective data protection needs to combine with international regulations including GDPR and HIPAA. According to him, Bangladesh's BPO sector must focus on complete data security because U.S. and European clients enforce stringent data privacy regulations. The BPO companies operating in Bangladesh have shown important progress towards data protection compliance through NDAs with clients and by placing data security at the forefront.

The conversation with Participant 5 offered a comprehensive perspective on the present situation of the business process outsourcing (BPO) sector in Bangladesh. The BPO sector continues to grow significantly because officials support the sector through appropriate policies as well as through the expansion of available talent and global interest in lower-cost outsourcing options. Bangladesh still faces issues with wage inflation in addition to political uncertainty and intensifying business competition in the market. The BPO industry in Bangladesh needs to prioritize high-quality delivery together with AI investment and strict data security compliance to stay competitive. The BPO industry of Bangladesh will sustain its upward trajectory through customer service positions and AI services within the global outsourcing market.

4.2 Summary of the key findings

During the last decade the BPO sector of Bangladesh underwent major growth due to worldwide trends and improved technology as service demands for valuable outsourcing expanded. Initially, the BPO market of Bangladesh was a specialized economical call centre data entry service market, which started specializing in various sectors including to provide IT services, software development, financial outsourcing and cybersecurity services. Following these changes, the Bangladesh economy has turned itself into a major force in the global outsourcing market operation.

Foreign companies have acquired budget outsourcing agreements, and it pushed Bangladeshi businesses to start using novel technologies like AI systems that were empowered with machine learning capabilities, analytics capabilities and cloud-based platforms, among other things. Technological innovations led to improvement of operational capacity and lead to reduction in operational cost that led to acquiring better value chain positions among the Business Process Outsourcing operations. Implementation of virtual assistants further helped to enhance technical service operation to increase efficiency and AI technologies in the form of chatbots for automation of customer service operations. AI, and automation technology will change and therefore impact the BPO industry permanently in its customer support department and units for document processing and technical assistance services. The development of technologies allows reducing human involvement for repeated work processes thus optimizing operation. If decisions need emotional human intelligence abilities and cultural sensitivity, human operators are able to oversee advancement of automation technology.

The Bangladeshi BPO industry itself has two major challenges generated due to the wage inflation, first, it has become more difficult to recruit skilled workers and secondly, there is a problem of cultural mismatches and language Knowledge barriers, along with different time to work. Cultural training is an important tool for any organization in difference management together with a combination of economic and political market stability training which helps deal with faith issues that can affect service delivery. Regardless of the various organizational problems that Bangladesh faces, it supports company outsourcing operations. Three factors sustain the appeal of outsourcing to businesses, factors that the government supports through the funding of network enhancement and IT and BPO promotion while also offering cyber security experts for top-end BPO roles. The Bangladeshi BPO firms remained focused on areas like data compliance and cybersecurity, areas which were the only domains and past, that used to fall under the realm of traditional outsourcing locations but holding true to the business trust by maintaining their standards compliancy. The BPO industry in Bangladesh will evolve through AI revolution and automation while customers seek

rising needs in cybersecurity and fintech and AI-based services. Bangladesh aims to strengthen its position in the sector through infrastructure development of digital resources and talent development programs to fulfil upcoming requirements. The distance work trend will boost BPO service demand because Bangladesh delivers two key operational assets which include technical expertise alongside native-free English capabilities to clients.

5 Discussion

5.1 Theoretical Contribution

This research generates theoretical value through its combination of major strategic management frameworks for studying the Business Process Outsourcing (BPO) industry. This research implements Porter's Five Forces Model together with Resource-Based View (RBV) and SWOT analysis to deliver an extensive evaluation of BPO firm competition and strategic markets worldwide. This integrated approach accounts for development of BPO industry by illustrating how a company can utilize its own resources with the help of technological developments and alliance strategy to maintain the customer base in the progressing global landscapes. A two-dimensional research combination analyses organizational factors in conjunction with outside forces that impact BPO achievement either in the developing or emerging national market scenarios (Porter, 1980; Barney, 1991; Helms & Nixon, 2010).

5.2 Managerial Implications

The result of this study is a set of essential managerial solutions which deal with current issues in globalization and technological advancement for the BPO firms as well as the issues that they face in the region. In such a competitive global market, managers of Business Process outsourcing firms have to apply various strategic orientations such that they match developments at the global level while being suited to the domestic context.

In Bangladesh's developing market, business process outsourcing (BPO) managers need to optimize their resources. Based on the Resource Based View (Barney, 1991), managers in these areas have to do resource allocation decisions taking VRIN (valuable, rare, inimitable, and non-substitutable) criteria central. The pool of valuable resources consisting of skilled labour together with advanced technology supports intellectual capital setup competitive advantages for businesses. Multi-skilled clients seek BPO services from providers who have resources that address VRIN requirements so the firms can maintain profitable operations and appeal to high-value clients. Managers need to implement technological progressives such as artificial intelligence (AI) and automation

to achieve their business objectives. The BPO industry needs to integrate AI technology into its operations for customer service and data management and document processing because this advancement enhances operational efficiency and minimizes cost expenses. The BPO industry benefits from Robotic Process Automation (RPA) along with AI-powered chatbots which automate weekly tasks to enable human employees to work on important tasks instead (Davenport & Kirby, 2016). The improvement of efficiency through automation depends on human oversight to retain control of roles which need emotional intelligence alongside creativity and complex decision-making competency (Sullivan & Willcocks, 2017). The quality of service requires managers to strike a proper equilibrium between automation systems and human consultant involvement particularly in customer-related duties that need cultural expertise alongside expert communication abilities. The accelerating rise in employee salaries poses a significant issue for BPO service providers particularly in India and Bangladesh because of escalating market demand for expert workers. Higher employee wages in these areas eliminate the cost benefits that originally brought businesses to those regions. Managers in BPO operations should establish specialized teams alongside continuous employee skill development to resolve this matter. Companies that invest in worker development programs provide their staff with modern capabilities which help them deliver complex services to keep their market position despite increasing salaries. Upcoming workforce development programs should offer training in three key areas that include advanced technologies and specific industry expertise and interpersonal capabilities (Quinn, 2000). Endeavors to upskill personnel will minimize the risk of talent shortages throughout the BPO sector's transformation into a technologically advanced industry. Since the global BPO industry shows no signs of slowing down managers need to make cultural learning a major priority because it enables successful communication between staff based in different locations. BPO operations face notable barriers regarding communication together with work practices and team integration because they span numerous markets and cultural areas (Schniederjans et al., 2007). Managers need to support cultural training initiatives which teach employees about how individuals communicate differently together with business practices and cultural expectations from various

cultures. The integration results in better teamwork and minimizes communication breakdowns which directly leads to superior service quality. The expanding globalization of industry requires businesses to develop cultural expertise alongside adaptable work practice decisions for building strong client relationships. Leaders of BPO firms should prioritize three main strategies including resource optimization with technological integration and workforce specialization and cultural training in order to achieve success within the transforming BPO sector. BPO firms should concentrate on these identified areas because they help the organizations manage current market challenges and access emerging prospects which sustain competitive superiority in complex interconnected markets.

5.3 Limitations and Future Research

Despite the established additions this research contains multiple scholarly restrictions. The study mostly evaluates strategic models in the BPO sector without fully representing the complete complexity of the emerging international business environment. This study depends on restricted interview data that possibly fails to show all the different viewpoints held by BPO professionals. To monitor the development of the business process outsourcing (BPO) market, however, the existing study is deficient since it needs both a larger number of participants and observations over a longer period of time. The particular regions of Bangladesh together with India and Philippines receive substantial attention while the study fails to fully account for emerging markets extending beyond Africa and Latin America. The analysis would benefit from additional investigations into BPO operations affected by AI and automation technology where researchers examine long-term effects on employee composition and service quality delivery. A long-running study following AI technological implementations in BPO settings would help identify performance transformations as automation innovates the sector. The study of cultural obstacles facing BPO organizations in non-English areas when these difficulties affect service quality together with client connections represents a promising area for research focus in the future. Secondary research must study the evolving data security issues because of GDPR and HIPAA standards to understand how BPO companies handle client information within these frameworks. The analysis should be expanded to cover

additional geographical territories such as Africa and Latin America because these regions show how they respond to BPO industry changes during periods of political instability as well as technological advancements.

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Appendices

Appendix 1. Interview Questionnaire

1. How has the BPO industry evolved in your region over the past decade?
2. How have globalization trends influenced the technological advancements within your BPO operations?
3. What role do AI and automation play in transforming BPO services in your region?
4. How has the pace of technological adoption in your region compared to other global outsourcing hubs?
5. How do cultural differences affect BPO operations and client relationships in your region?
6. How are regional workforce dynamics influencing the skills and quality of BPO services?
7. What challenges do you face regarding wage inflation in traditionally low-cost BPO regions?
8. How does political and economic instability impact your outsourcing operations and decision-making?
9. How has the competition from global players affected BPO firms in your region?
10. What factors make your region an attractive outsourcing destination compared to others?
11. What do you perceive as the major future trends and opportunities in the global BPO industry?
12. What are your predictions for the BPO industry's future over the next five years?