

Neo Group Chairman, Atul Vashistha, discusses Automation & Analytics Driving Outsourcing Innovation



Global advisor, author of 3 books (Outsourcing Wisdom; The Offshore Nation; Globalization Wisdom) and frequent speaker. Founded Neo Group in 1999 with a singular focus on helping companies better leverage analysis and advice on global services and sourcing to achieve business objectives and address business challenges.

With regard to Automation & Analytics what are the key drivers behind this trend?

Atul Vashistha: Most companies have been leveraging global sourcing for 5 or more years and have realized a significant portion of the labor arbitrage and most suppliers are looking for productivity improvements beyond labor. Automation and analytics provide the path to greater labor leverage and business impact.

How do you see this trend evolving over the next 3-5 years?

AV: We will see companies and suppliers make great investments in this area. We'll see growth in shared services and outsourcing through this. Expect new and existing locations with strong mathematical and statistical skills to benefit from the analytics trend while technology companies and new software innovators will emerge to make an impact on automation. The talent required for this is not easily available and requires exposure to the business to be effective. This will require significant collaboration between the onsite and global teams. The current operating and resourcing models have not been very effective in this and will need to see significant investments.

What is your advice to others with regard to automation and analytics?

AV: Build and implement gain share models to align the strategic interest of companies and suppliers. Invest in exposing the partners/suppliers to your business. Ensure that collaboration tools and incentives are aiding this change. Focus on business impact rather than pure labor arbitrage. Ask an advisor for help. :-)