



South Africa Emerging as a Credible Offshore Destination for Financial Services

Comprehensive View of South Africa's Financial Services BPO Capabilities & Potential

Press release

GURGAON, December 11, 2008 – Everest Group has released the findings of its latest and most comprehensive study on South Africa's BPO industry, titled "[Ready to compete: South Africa's BPO capabilities in the Financial Services sector](#)". Everest conducted this study with Letsema Consulting on behalf of a South African government and industry partnership, which comprised of "the dti", Business Trust and BPeSA (BPO industry association). This report provides a comprehensive fact-based view of South Africa's current BPO capabilities and its growth potential in the Financial Services (FS) sector.

Says **Brian Whittaker, CEO of South Africa-based Business Trust**, "BPO is one of the priority sectors for growth in South Africa. Our target is to achieve 100,000 direct and indirect jobs by 2009; and we have already made significant progress. Various public and private sector initiatives have been put in place to attract more offshore BPO jobs to South Africa. This report provides potential investors with a level of fine-grained information to support the business case for investing in Financial Services (FS) BPO in South Africa."

Elaborating on the findings of the study, **Nikhil Rajpal, Principal, Everest Group**, adds, "South Africa presents a significant opportunity for global Financial Services firms looking to expand their offshore footprint. It offers a 50-60% operating cost savings potential over western markets. Further, we observed that the **savings gap** between Johannesburg and a low-cost offshore destination like Bangalore has **decreased from 30% in 2005 to 15% in 2008 and could further decrease to just 8% in 2012**. One of the reasons is that while most other currencies have appreciated on average over the last 3 years, the South African currency has depreciated. Also, inflation levels in South Africa are lower than other low-cost destinations like India and Philippines. If we take into account the impact of lower attrition in South Africa, the savings gap is even lower." There are eight established delivery locations in South Africa, with the **key ones being Johannesburg, Cape Town and Durban**, he said.

To download the full press release, [click here](#)

For more information on the study and the South African BPO program, [click here](#)

Spotlight on South Africa as an Emerging Sourcing Destination

Register Now

DATE & TIME:

Thursday, January 8, 2009
7:00 a.m. CST
8:00 a.m. EST
1:00 p.m. GMT
6:30 p.m. IST

PRESENTERS:

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The Institute addresses both business process and information technology sourcing topics, providing the global outsourcing and offshoring community with information that empowers highly productive, sustainable sourcing strategies and relationships. The Institute's wealth of knowledge and experience provides unique perspectives into today's marketplace and the competitive edge required to take advantage of emerging opportunities.

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