

fdi

SUPPLEMENT

WWW.FDIINTELLIGENCE.COM

Jamaica's BPO boom

MAKING A SPLASH
ON THE GLOBAL
OUTSOURCING SCENE



PRODUCED BY

fdiMagazine
THE BUSINESS OF GLOBALISATION

JAMAICA

is the

leading outsourcing destination

in the Caribbean

nearshore
advantage
in:

400
International
Flights Weekly

up to **60%**
Lower Salary *
Costs

* compared to North America

5
Subsea

Fibre Optic
Systems

**convenient
access**

talent

technology



JAMPRO
TRADE & INVESTMENT JAMAICA

CONTACT US

T: +1(876) 978-7755

E: knowledgeservices@jamprocorp.com

W: www.tradeandinvestjamaica.org



#DoBizJa

CONTENTS

Published by The Financial Times Ltd,
Number One Southwark Bridge,
London SE1 9HL,
UK Tel: +44 (0)20 7873 3000.
Editorial fax: +44 (0)1858 461873.

Staff members can be contacted by
dialing +44 (0)20 7775 followed by
their extension number

Editor-in-Chief

Courtney Fingar 6365
courtney.fingar@ft.com

Deputy Editor

Jacopo Dettoni 4339
jacopo.dettoni@ft.com

Global Markets Reporter

Natasha Turak 6480
natasha.turak@ft.com

Production Editor

Richard Gardham 6367
richard.gardham@ft.com

Deputy Production Editor

Angus Walker 6338
angus.walker@ft.com

Executive Editor

Brian Caplen 6364
brian.caplen@ft.com

Art Director

Paramjit Virdee 6535
paramjit.virdee@ft.com

Advertisement Executive

Daniel Macklin 4120
daniel.macklin@ft.com

Global Commercial Director

Chris Knight 6718
chris.knight@ft.com

Associate Publisher

Luke McGreevy +971 (0)4 391 4398
luke.mcgreevy@ft.com

Publishing Director

Angus Cushley 6354
angus.cushley@ft.com

Marketing Executive

Jay Seenundun 6896
jay.seenundun@ft.com

**Subscriptions/
Customer services**

CDS Global, Tower House, Lathkill
Street, Sovereign Park, Market
Harborough, Leics, UK. LE16 9EF
ft@subscription.co.uk
tel: 0845 456 1516 (customer
services) 01858 438417 (overseas),
fax: +44 (0)1858 461 873

Subscription rates

One-year: full price
£395/€495/\$635
Two-year: 10% discount
£711/€891/\$1143
Three-year: 15% discount
£1007/€1262/\$1619

Please contact us for details of other currencies

The Financial Times adheres to a self-regulation
regime under the FT Editorial Code of Practice:
www.ft.com/editorialcode

Registered Number: 227590 (England and Wales) ISSN:
1476-301X © Financial Times Ltd 2016. FDI is a trade-
mark of Financial Times Ltd 2016. "Financial Times"
and "FT" are registered trademarks and service marks
of the Financial Times Ltd. All rights reserved. No part
of this publication may be reproduced or used in any
form of advertising without prior permission in writing
from the editor. No responsibility for loss occasioned
to any person acting or refraining from acting as a
result of material in this publication can be accepted.
On any specific matter, reference should be made to
an appropriate adviser. Registered Office: Number One
Southwark Bridge, London SE1 9HL, UK

Reprints are available of any fdi Magazine article, with
your company logo and contact details inserted if
required (minimum order 100 copies).
For details telephone 0207 873 4816.
For one-off copyright licences for reproduction of
fdi magazine articles telephone 0207 873 4871.
Alternatively, for both services
e-mail synd.admin@ft.com



FOREWORD

29 Jamaica has carved a niche as a business process outsourcing hub. Anthony Hylton, Jamaica's minister of industry, investment and commerce, explains how government plans will further build on the growth already experienced by what is quickly becoming a key sector within the country's economy.

OVERVIEW

30 Jamaica is eager to claim its share of the international outsourcing market and with a young, educated population, strong links to the US and the UK, a government committed to business-friendly policies, and an aptitude for customer service, the sector is expanding fast. Natasha Turak reports.

INTERVIEW

33 Yoni Epstein, the president of the Business Process Industry Association of Jamaica and IteL BPO Solutions' chief executive, has a vision. He explains his plan to turn the Caribbean island into a world-leading BPO destination over the next 10 years.

INFRASTRUCTURE

35 To realise its ambition of becoming a globally known hub for BPO operators, Jamaica needed to attract big-name players. The Barnett Tech Park – by bringing in Vistaprint and then Xerox and ACCT – did just this, giving the country international credibility. Natasha Turak looks at how these essential first steps were taken.

SKILLS

37 The importance of training is recognised at all levels throughout Jamaica, to the point where many of its government-sponsored programmes are developed to cater to the specific needs of the industries investing in the country. Natasha Turak reports on the impact this has had with regards to FDI.

CONNECT FASTER WITH DIGICEL'S HIGH SPEED FIBRE FAST. RELIABLE. AFFORDABLE.



Sign up to Digicel Business for the most reliable and resilient fibre connection.

For more information call 619-5777 or email salesinfo@digicelgroup.com

Complete solutions for your business needs

Digicel | BUSINESS

A growing presence on the BPO map

JAMAICA HAS CARVED A NICHE AS A BUSINESS PROCESS OUTSOURCING HUB. ANTHONY HYLTON, JAMAICA'S MINISTER OF INDUSTRY, INVESTMENT AND COMMERCE, EXPLAINS HOW GOVERNMENT PLANS WILL FURTHER BUILD ON THE GROWTH ALREADY EXPERIENCED BY WHAT IS QUICKLY BECOMING A KEY SECTOR WITHIN THE COUNTRY'S ECONOMY



Attracting investment and creating more jobs is part of the government of Jamaica's plan to create a vibrant, logistics-centred economy. The outsourcing industry is a vital part of that plan. With 70% of buyers planning to increase their use of outsourcing, we are convinced that this will continue to be a major growth sector for years to come.

With our continuously improving business environment, stable economy, globally recognised talent pool, modern and cost-effective telecommunications, and advantageous geographic location, we are certainly open for business in the outsourcing sector industry, as well as in other areas of our economy. We also have a comprehensive suite of incentives that investors can enjoy: income tax concessions, exemption from duties and taxes on imported items for the business, and employment tax credits are just a few.

In addition, we offer free training and recruitment support, which can be customised to the needs of investors.

Supporting outsourcing

Today, we are proud of the fact that Jamaica is home to an estimated 40 outsourcing companies, including leading global firms such as Xerox, Teleperformance, Hinduja Global Solutions, Alorica and Sutherland Global Services. More than 17,000 Jamaicans are currently employed in the sector, with projections for unprecedented levels of growth over the next five years.

More recent developments in the sector include the public-private partnership agreement to build an additional 11,000 square metres of space in the Naggo Head Technology Park in the parish of St Catherine, specifically for the business process outsourcing (BPO) industry. In Montego Bay, Barnett Tech Park is home to a number of major BPO players, with construction under way for more to enter the space.

Moreover, existing companies, such as Sutherland Global Services, IBEX and Hinduja Global Services, have been expanding their operations. This is testament to the value that Jamaica offers as a nearshore outsourcing location, and the future growth potential of this trillion-dollar global industry.

As such, the government of Jamaica continues to introduce measures to support growth in the sec-

tor. Our investment promotion agency, Jampro, has introduced a number of strategies to boost growth of the outsourcing sector in Jamaica:

- A multi-pronged approach focusing on the development of the ecosystem – policy, infrastructure, training – as well as aggressive marketing to increase global mindshare of Jamaica as an outsourcing location.

- Expanding the industry through geographical dispersion, where possible, thereby presenting the full destination as an option for outsourcing.

- Promoting the export of outsourcing services, while working closely with clients in the execution of marketing penetration initiatives, with the aim to secure global contracts for their Jamaica-based outsourcing services.

Furthermore, to address the lack of readily available and suitable space to house outsourcing companies, the government of Jamaica has incentivised the build-out of space with the creation of an infrastructure loan facility, managed by the Development Bank of Jamaica. Our persistent promotion of the sector has resulted in a growing number of private sector investors becoming more overtly interested in developing real estate for the industry.

As we pave the way for the development of a logistics-centred economy, the recently passed Special Economic Zone Act has repealed the Jamaica Export Free Zone Act. Now, we are moving towards the designation, promotion, development, operation and management of special economic zones. The act also allows for the establishment of a Special Economic Zone Authority, a tax credit for investment in employee training, and the granting of benefits and other measures to attract domestic and foreign investments in BPO and other sectors.

We are continuously working to improve the business climate and see an even brighter future for more outsourcing investments in particular, and generally, within other sectors of our economy. This is an exciting time to do business and invest in Jamaica. ■

Anthony Hylton is minister of industry, investment and commerce for Jamaica. The Ministry of Industry, Investment and Commerce of Jamaica contributed to the cost of production of this report, along with other sponsors. Writing and editing were carried out independently by fDi Magazine.



A buzz: Jamaica has established itself as a leading player in the business process outsourcing market with call centres such as the one pictured left opening across the country, including in the capital Kingston (pictured right)

A BPO ambition

JAMAICA IS EAGER TO CLAIM ITS SHARE OF THE INTERNATIONAL OUTSOURCING MARKET AND WITH A YOUNG, EDUCATED POPULATION, STRONG LINKS TO THE US AND THE UK, A GOVERNMENT COMMITTED TO BUSINESS-FRIENDLY POLICIES, AND AN APTITUDE FOR CUSTOMER SERVICE, THE SECTOR IS EXPANDING FAST.
NATASHA TURAK REPORTS

Jamaica's rich history as a hub of commerce and trade goes back centuries, and its image as a paradise for holidaymakers is well known worldwide. In the course of the past decade, however, the country has made strides in diversifying its economy and chasing growth by focusing on the ICT and business process outsourcing (BPO) industries. Faced with high public debt, 13.2% unemployment in 2015 and a GDP growth rate of 1.9%, one of the slowest in the developing world, Jamaica is relying on these strategic sectors to deliver growth and job creation.

"It has been a challenge of low growth or no growth," says Anthony Hylton, Jamaica's minister of industry, investment and commerce, describing the past few decades. The country has run a fiscal deficit almost every year since its independence in 1962 and currently has a 140% debt-to-GDP ratio. In an attempt to reverse this, the government has embarked on a wide-ranging set of reforms in exchange for substantial support packages from the IMF, the World Bank and the Inter-American Development Bank.

"We had to engage with macro-economic reforms, fiscal and tax incentives, and business environment reforms, and the numbers demonstrate that we have successfully met these requirements," says Mr Hylton.

Indeed, measures to improve the private sector environment have enhanced confidence, lifting Jamaica to 58th place in the World Bank's Doing Business Survey for 2015, up 27 places from 2014. However, continued economic recovery requires further work. "We have to be much better integrated into the globalised economy and FDI is a critical component of that," says Mr Hylton. "One of the first things we have to do is look at the competitive advantages of the Jamaican economy and how we can leverage our assets as opportunities for FDI."

A new phenomenon

Of those assets, one that is making noticeable bounds is Jamaica's budding BPO sector. While call centres and accounting services may not immediately spring to mind when one thinks of Jamaica, a range of multinational outsourcers have



]]

[JAMAICA HAS] TO
BE MUCH BETTER
INTEGRATED INTO THE
GLOBALISED ECONOMY
AND FDI IS A CRITICAL
COMPONENT OF THAT

[[

come to the island do business, and it is now hard at work to raise its profile in the industry.

“The BPO sector is a new phenomenon of the past 10 years,” says Diane Edwards, president of Jampro, Jamaica’s national trade and investment promotion agency. “In 2009 the sector had about 11,000 employees and now the number is over 17,000, so in the past five years it has grown by 63%.”

The industry now generates about \$300m a year and hosts some 40 outsourcing companies, the majority of which are international. “Several factors have led to that – we have a young workforce, a strong tertiary education system, six universities and English as our official language,” says Ms Edwards. The government recently implemented a mandate to double the size of the industry to 32,000 employees by 2020. “That is our goal,” she says, “and I think we’re on track.”

Working their assets

“The question is not ‘why Jamaica?’ It is ‘why not Jamaica?’,” says Karl Graham, chief executive and founder of Jamaica-based contact centre

Fullgram Solutions. “Our strongest asset is our people, and our hospitality background gives us a natural affinity for services,” he says.

One challenge, Mr Graham observes, is getting Jamaica’s name out there and breaking the stereotype of it being little more than a beach destination. “We want to let the world know we are very good at BPO. Agencies such as Jampro have been instrumental in getting the name out there,” he says. Fullgram started in Kingston in 2010 with 44 employees and now has more than 500, providing contact centre services for seven local and international clients, three of which are Fortune 500 companies.

Massachusetts-based digital health services company Medullan first came to Jamaica in 2014, attracted by a number of advantages that the country offered. “Jamaica is in the US east coast time zone, it is geographically proximate to the US and has a well-educated population with many cultural similarities,” says Gordon Webster, Medullan’s programme director. “A key aspect of our work is that openness – it is just a good match culturally.”

Jampro’s Ms Edwards concurs,

describing Jamaicans as “Afro-Saxons”; a heritage of US and British cultural affinity goes a long way in building strong customer relations, she says. “You also find a lot of the voice work is coming to Jamaica because of our accent – that picture of Jamaican warmth, confidence and customer service has made a tremendous difference,” adds Claude Duncan, Jampro’s vice-president. “There are many businesses here whose customer satisfaction scores have topped all their other areas worldwide.”

“I think Jamaica has an absolutely fantastic labour pool,” says Leroy Reid, country director at Xerox subsidiary Jamaica ACS, an IT outsourcer and Jamaica’s largest private employer, with 7000 staff. “Our labour pool is about 1.3 million, and 60% of people are in the services sector. And our client testimonials say Jamaica’s talent pool compares favourably with that of anywhere in the world with respect to intellectual capacity, productivity and ability to meet evolving client needs.”

Mr Reid and numerous other BPO players point to the country’s training and education infra- ▶

structure, through which entities such as the Heart Trust/NTA, Jamaica's national training agency, and the Ministry of Education design and fund programmes to ensure young Jamaicans are equipped with vital industry skills across a range of sectors. "In the 16 years that Xerox has been here, we have never missed a hiring target," says Mr Reid.

A team effort

Companies cite Jamaica's business environment as a further attraction. "The government has been very proactive in providing excellent telecoms infrastructure," says Gloria Henry, vice-president of Montego Bay Free Zone (MBFZ). "It also provides a range of incentives to help attract FDI in BPO and service work – tax-free benefits to investors, exception from customs duties, VAT and so on."

"A remaining challenge is infrastructure development," she adds. "However, the government has made BPO a priority sector in the national growth agenda and has earmarked

funds through the Development Bank of Jamaica to facilitate the construction of purpose-designed buildings, making us more marketable in the BPO sector." By 2020, Ms Henry expects MBFZ – which currently hosts 18 companies, three of which are Jamaican – to have at least 10,000 employees. It currently occupies 55,750 square metres of space, but there is room for at least 35,000 square metres of expansion, which is already attracting interest from investors, she says.

The free zone recently built a BPO incubator with help from the Inter-American Development Bank. "It's a 200-seat fully equipped facility supporting BPO growth and development. It covers everything – all the investor has to do is provide the bodies," says Ms Henry. "It has so far been very successful in helping new investors come to Jamaica and test the environment."

The scope of the clients serviced by Jamaica's multinational BPO community speaks for itself – companies

such as Amazon, AT&T and Netflix represent global standards of customer service. And the fact that most of the international BPO offices are headed by Jamaicans is a testament to their work performance. "We're in this for the long haul," says Ms Edwards at Jampro. "We see the whole outsourcing category expanding and there is an opportunity to interest more local entrepreneurs and create more local companies that can really secure the industry."

"Everyone knows Jamaica for tourism," says Jampro's Mr Duncan. "But it is the stepping up of marketing and outreach internationally that is absolutely critical to our success in this space. So, while we tick all the boxes in terms of ICT infrastructure, human capital, talent and cost, we have to break out of being unknown."

Jamaica's biggest challenge will be establishing its name as a global outsourcing destination – and it seems the groundwork is well under way. Now it is time to tell its story. ■

A leading role

YONI EPSTEIN, THE PRESIDENT OF THE BUSINESS PROCESS INDUSTRY ASSOCIATION OF JAMAICA AND ITEL BPO SOLUTIONS' CHIEF EXECUTIVE, HAS A VISION. HE TELLS NATASHA TURAK ABOUT HIS PLAN TO TURN THE CARIBBEAN ISLAND INTO A WORLD-LEADING BPO DESTINATION OVER THE NEXT 10 YEARS

If you look at the Caribbean, Jamaica has to come up because no other country in the region matches Jamaica's scale in terms of population, proximity to the US, infrastructure in technology and BPO [business process outsourcing] facilities and human capital abilities. But we have to remain bullish," says Yoni Epstein, the president of the Business Process Industry Association of Jamaica (BPIAJ) and ITEL BPO Solutions' chief executive.

Formerly a global operations director for resorts operator Sandals, Mr Epstein spent 12 years managing more than 400 employees in five countries. In 2012, he branched out to form ITEL BPO Solutions in Montego Bay Free Zone, which now has more than 550 employees in two facilities in Montego Bay, one in Kingston and one in Freeport, Grand Bahamas. In the same year, he formed the BPIAJ, the leading national entity for improving the local business environment, assisting member companies and stakeholders, and promoting the sector in Jamaica and internationally.

Diversification drive

ITEL BPO Solutions began as a travel booking service and has since expanded to medical billing and processing, telecoms, utilities, tourism and car rentals and back-office processing. "We are really diversifying our portfolio to be a fully fledged BPO [company], which has been very beneficial to the growth of our organisation," says Mr Epstein. ITEL BPO Solutions is now the largest local player in the Jamaican BPO landscape, something Mr Epstein attributes to its proactive approach to marketing, training and company culture.

"The culture in our organisation is premised on four Ys: quality, integrity, reliability and family," he says. A large number of Jamaicans leave high school to work, so Mr Epstein provides his staff with training and certifications. "This helps build family orientation and work culture. You are not only in business to make money, but you are reinvesting in your workforce," he says.

In 2013, Mr Epstein was recognised as one of the 50 most influential executives in nearshore outsourcing in the Latin America and Caribbean region by news source Nearshore Americas. And, as the leading voice for the BPO industry regionally, he stresses the need for greater development of space for the industry, as well as more local investment.

"In our drive to put more emphasis on BPO, the BPIAJ along with the public sector have led investors to realise it is worth taking the chance to develop the necessary space and facilities," says Mr Epstein. His own venture with ITEL BPO Solutions was a risky one – he began with 465 square metres of undeveloped space and seven employees. "The greatest benefit of the BPIAJ has been from an advocacy perspective. We worked with the government to make sure space was developed and that new policies would not deter further growth of the sector," he says.

Skilling up

Training remains of paramount importance to Mr Epstein. "We can talk about BPO and its growth opportunities, but if we don't have a labour pool we won't be successful at it," he stresses. Collaboration between the BPIAJ, the Ministry of Industry, Investment and Commerce, and the Ministry of Education resulted in a partnership with the Heart Trust/NTA, Jamaica's national training agency, which develops job training programmes in a range of sectors. "It was the first time the call-centre stakeholders were all at the table with the national training industry to revamp the curriculum for call-centre training," he says.

"Our organisation as a Jamaican-born BPO facility is investing extremely heavily in marketing and business development, to expand business here and create more jobs for Jamaicans," says Mr Epstein. "We have to remain bullish – as a medium-sized firm, we need to stay ahead of the curve and move faster than anyone else to remain relevant and be disruptive to the market." ■



CURRICULUM VITAE

YONI EPSTEIN

2012

ITEL BPO SOLUTIONS
Founder and CEO

Previously

Director of site operations,
Sandals and Beaches Resorts
contact centre

Honours

Named among top 50 most
influential executives in nearshore
outsourcing in Latin America and
the Caribbean by Nearshore
Americas



ITEL: JAMAICA'S BPO EXPERTS

Itel-BPO Solutions is a market leader in the business process outsourcing space and has recently made further inroads with its launch of three new companies to its business portfolio: Itel-Media, Itel-Travel and Sign Up And Get A Job Ja.

What started off with two agents in a small room in June 2012, now stands as one of Jamaica's leading providers of business process and contact centre management to some of the largest companies globally.

Itel-BPO Solutions is one of the country's market leaders in the industry, and offers an integrated suite of business process outsourcing (BPO) operations. These include, inbound and outbound customer engagement, sales, online booking services, web chat, social media, Google advertising, data entry, and quality assurance services.

The company's mission is to increase its clients' competitive advantage, by offering solutions to achieving their goals, helping to drive productivity and efficiency.

Itel-BPO boasts more than 550 agents in four offices, located in Freeport, Grand Bahama, The Bahamas, Montego Bay and Kingston, Jamaica, respectively, boasting the title – leading Jamaican-owned BPO employer.

With this strong human capital, the company looked at industries where it would have an added advantage and could bring value to its clients. The outcome, three additional com-

"THE COMPANY'S MISSION IS TO INCREASE ITS CLIENTS' COMPETITIVE ADVANTAGE, BY OFFERING SOLUTIONS TO ACHIEVING THEIR GOALS, HELPING TO DRIVE PRODUCTIVITY AND EFFICIENCY."

panies to its offerings – 'Itel -Media', 'Itel -Travel' and 'Sign Up, Get a Job Ja'.

CEO for Itel-BPO Yoni Epstein, added that it was, "a response to the growing needs of our clients for these services. Knowing the capabilities of our Jamaican people I knew it was a no brainer for us to venture into these services. The people who work in our company are why we are successful and is what keeps our business ticking over day in day out."

ITEL-MEDIA

Itel-Media was born out of a void in the digital media marketing locally, with the capacity to help clients become more efficient, while providing value with high-level skill sets.

"We signed an agreement with an international firm to do social media, Google PPC management along with other media management solutions and we felt that it was time to capitalize on other skill sets in Jamaica. It's the skill sets and the human capital that make our business & this industry," said Mr Epstein.

ITEL-TRAVEL

The company's travel section was born out of the tourism industry. It currently provides quality assurance support management for unique vacations the worldwide representatives for sandals resorts the regions largest resort chain.

itel-Travel uses itel-BPO's award winning call centre infrastructure to offer solutions for untapped revenue for hospitality brands. It provides business-to-business travel technology solutions to the market locally & regionally.

Through its platform, users have access to hundreds of thousands of excursions globally, where itel-BPO currently receives very generous discounts on 400 airlines, 250,000 hotel properties, 17 cruise lines and 36 car rental brands at below market prices.

Current success of this new brand boasts levels of sales conversions in excess of 40%.

SIGN UP GET A JOB JA

As true as its name, this full-service employment platform manages and oversees the entire process of employee placement. It connects job seekers and employers by taking the hassle out of the recruitment process. The firm plans on doing an intensive tour of local schools and career expos later this year.

Itel-BPO plans to continue its strides as an industry leader. The award-winning company is actively searching for innovative ways to expand on its services and deliver world-class service to its clients. Its experienced management team has more than 50 years of combined experience in the sector. This year, the company has plans for the development for the expansion of its Montego Bay offices and to further expand in Kingston.

"We have been at the forefront of Jamaica's development in the BPO space since we started our company in 2012 and we continue to do so on many fronts. With business that we have lined up and where things are heading we are planning to have another stellar year projecting over 1,000 employees in our company".

CONTACT:

Patrique Goodall
info@goodallandco.com
876.841.5446

Sponsored by





Behind the facade of pleasure-seeking, Jamaica is hard at work attracting multinationals with its outsourcing know-how

Building a foundation

TO REALISE ITS AMBITION OF BECOMING A GLOBALLY KNOWN HUB FOR BPO OPERATORS, JAMAICA NEEDED TO ATTRACT BIG-NAME PLAYERS. THE BARNETT TECH PARK – IN BRINGING IN VISTAPRINT, AND THEN ADVANCED CALL CENTRE TECHNOLOGIES AND XEROX – DID JUST THIS, GIVING THE COUNTRY INTERNATIONAL CREDIBILITY. NATASHA TURAK LOOKS AT HOW THESE ESSENTIAL FIRST STEPS WERE TAKEN

On a drive through Montego Bay on Jamaica's northern coast, it is impossible not to be taken aback by stunning landscapes and vibrant colours. The scenery is not exactly evocative of IT and service centres, something that many people working in Jamaica's business process outsourcing (BPO) sector say provides a challenge when it comes to promoting its suitability for the industry.

However, that land is key to the country's success: open space suitable for large purpose-built office

buildings and operations centres capable of housing thousands of seats. The development of office space, BPO operators say, must be facilitated and supported in order for the industry to expand. This requires adequate financing, maintenance and support from a number of important players in the public and private sector.

Taking the plunge

"Nobody wanted to build space – it was always a chicken and egg scenario," says Yoni Epstein, chief exec-

utive of local outsourcing firm ITEL BPO Solutions and president of the Business Process Industry Association of Jamaica. This was often due to the risk associated with setting up physical facilities – acquiring financing could be tough, and if the facility failed to attract tenants, its developers would suffer a substantial loss.

One of the country's pioneers in this regard, says Mr Epstein, is Barnett Tech Park, a 19-hectare facility in Montego Bay in which about 30,000 square metres (sq m) of retro-fitted BPO office space is currently being developed. Started in the late 2000s with help from the Development Bank of Jamaica (DBJ) and government support, the tech park now houses three blue-chip companies – Dutch printing company Vistaprint, US-based Advanced Call Centre Technologies (ACCT) and global business services giant Xerox.

"If we really want to build this industry, we have to have space," says Mark Kerr-Jarrett, managing director of Barnett Ltd, the developer and operator of Barnett Tech Park. In 2008 the tech park sold discounted land to Vistaprint with the idea that attracting an established multinational would give weight to Jamaica as a BPO destination. "We ▶

brought Vistaprint in as an anchor, and once there was a blue-chip company here, others knew it was attractive. That vote of confidence helped us a lot,” says Mr Kerr-Jarrett, a Montego Bay native.

“The park then sought a way to finance constructing the buildings, because we realised that without that inventory sitting on the ground, the clients won’t come,” says Paula Kerr-Jarrett, company director at Barnett Ltd. “Many companies want space immediately, but not everyone has the finance to have inventory sitting there, so it is a big risk.”

Collaborative approach

In 2013, Jamaica’s Ministry of Industry, Investment and Commerce offered the tech park a development financing package through the DBJ. “We were able to build these spaces despite not yet having tenants – the government was very flexible and supportive of our idea,” says Ms Kerr-Jarrett. ACCT and Xerox soon came to fill the space, each taking one level of a

427 sq m building housing 1000 seats, and both have expanded into additional buildings since.

“Most operators run two shifts per day, so 1000 seats means 2000 direct jobs per building,” says Mr Kerr-Jarrett. “And a significant support industry comes with it – security, transportation, catering, maintenance, mechanical and electrical engineering services, etc.”

The tech park is part of a bigger development including a Montego Bay campus for the University of the West Indies, 1200 new homes to be built by Gore Development and financial services group Sagicor’s creation of BPO dormitories in the vicinity, creating a campus-style community. “It will also have the capacity for 74,000 sq m of production space, which is 16,000 seats, and then more than 18,580 sq m of commercial services,” says Mr Kerr-Jarrett.

“The government and the DBJ have really bent over backwards to try to facilitate our developments,” says Ms Kerr-Jarrett. “Without their help, this would never work. They

understand its importance, which is critical because it’s a partnership.”

Return on investment

Mr Kerr-Jarrett calculates that a projected 16,000 employees, if all planned space is properly financed and built out within the next five years, could bring in about \$55m per year of government revenue in direct taxation. “And if they go to two shifts, you are looking at \$110m per annum,” he adds.

“The government just has to stay the course with its IMF programmes, continue to offer good business incentives, and make sure schools are turning out students with the requisite skills for employment in the BPO industry,” says Ms Kerr-Jarrett. “We can build as many buildings as we want, but Jamaica itself must be attractive as a BPO destination.”

“This really is a nation-building exercise,” says Mr Kerr-Jarrett. “A rising tide floats all boats. If we can get Jamaica to rise, then we all rise with it, and everybody benefits.” ■

xerox.com

**HELPING CALL CENTERS WORK
25% FASTER, SO CUSTOMER
RELATIONSHIPS WORK BETTER.**

Xerox Automation Suite helps companies work with customers more personally and efficiently. Using real-time data to anticipate and respond on any device means faster answers and a lasting connection. **Work can work better.**

xerox

*Average call time reduction pre/post Automation Suite
© 2016 Xerox Corporation. All rights reserved. Xerox®, Xerox and Design® and Work Can Work Better are trademarks of Xerox Corporation in the U.S. and/or other countries.



Opening the floodgates: Jamaica's Heart Trust/NTA works with educational facilities, including the University of the West Indies (pictured), to provide students with training, which is developed in response to labour market information and employer feedback

At your service

THE IMPORTANCE OF TRAINING IS RECOGNISED AT ALL LEVELS THROUGHOUT JAMAICA, TO THE POINT WHERE MANY OF ITS GOVERNMENT-SPONSORED PROGRAMMES ARE DEVELOPED TO CATER TO THE SPECIFIC NEEDS OF THE INDUSTRIES INVESTING IN THE COUNTRY. NATASHA TURAK REPORTS ON THE IMPACT THIS HAS HAD WITH REGARDS TO FDI

As the cost of university education in Jamaica rises, many of the country's young people are leaving secondary school to work, creating a gap that many businesses are looking to fill with training and certification. The collaboration of private companies, Jamaica-based institutions, community centres and the government has been essential in creating these opportunities for young Jamaicans. It has also helped to reduce youth unemployment, which stands at 38% nationally, according to World Bank figures.

While its low costs and human talent have made Jamaica a key business destination for an increasing number of multinationals, its commitment to tailoring its employee training to investors' needs has shown just how innovative and collaborative the country can be.

Home-grown support

Under the 1982 Human Employment and Resource Training (Heart) Act, the Heart Trust/NTA trust fund and training agency was founded, which is financed by a 3% annual contribution from all Jamaican employers above a certain income level. "We always pay close attention to what employers want, because it is their funding we are using to equip the workforce," says Dr Wayne Wesley, director of the Heart Trust/NTA. "All the training we offer is driven by labour market information and employer feedback indicating where the jobs and the demand will be, and we make sure there is an adequate supply of individuals ready to take on those opportunities."

The Heart Trust was established

to ensure Jamaica's youth would have an opportunity for upward mobility and development, according to Mr Wesley. It now has 30 training institutes across the country focused on every job sector in Jamaica, from hospitality and construction to beauty care and business process outsourcing (BPO). To date the trust has enrolled about 550,000 trainees and certified more than 300,000. Enrolment for 2016 is estimated to be 55,000.

"We also work with the University of Technology, the University of the West Indies and others. It is a collaborative effort," says Mr Wesley. "The only concern is the rate at which jobs become available to support the number of people we train."

The Heart Trust provides a broad base of technician-level training, then partners with industry players to tailor-make custom courses based on their needs. And while the agency offers training in every sector, it prioritises what is at the top of the government's agenda. "For example, the government is now supporting the BPO sector, so we are making sure



Building blocks: a number of international outsourcing companies, including Xerox (pictured), have chosen to expand in Jamaica, attracted by the country's highly skilled workforce

our resources facilitate that. Wherever jobs are likely to be is where we have a purpose and a mandate to support," says Mr Wesley.

Partnerships in action

"The government, through the Heart Trust, has a customer care BPO programme that it has made available for the industry to build up the labour pool," says Leroy Reid, country director at service provider Jamaica ACS, a Xerox company. "Xerox also worked with the Business Process Industry Association of Jamaica and the government to revise some of Heart's training curricula to ensure they are a fit for industry requirements." The biggest BPO player in the country, Xerox now has 7000 employees in Jamaica, its fourth largest concentration globally.

BPO companies also take on training roles of their own to cover trainees' costs, often in partnership with agencies such as the Heart Trust. Sutherland Global Services, one of the largest BPO multinationals active in Jamaica, offers individuals in at-risk communities an opportunity to be certified with Microsoft basics. "We have so far graduated

more than 500 at-risk youths and we have taken a percentage of those as apprentices at Sutherland for a year," says Odetta Rockhead, Sutherland Global's vice-president and country head. "This was only made possible by the Heart [Trust]. The apprenticeship programme has them in real-life work roles, from accounting to administration to IT."

Development continues on the job, according to Gloria Henry, president of the Montego Bay Free Zone, home to 18 outsourcing companies, including Xerox. "We've started to expand and move up the value chain with our services – we started finance and accounting, and we can get trained graduates from the universities," she says. "We also started medical billing and software development and [we] intend to expand in that area. The Heart College of Innovation and Technology is expanding and building facilities in Montego Bay and we want to partner with it to expand those skill sets so we can bring more IT-related work to Jamaica."

Starting at the source

Jamaica's government is pursuing computer proficiency and ICT education for its youngest citizens with

organisations such as E-Learning Jamaica (e-LJam), an agency of the Ministry of Science, Technology, Energy and Mining. E-LJam produces content and curricula for schools in partnership with the Ministry of Education, the country's universities and other private and public entities to promote technology integration into the education system from pre-school through to secondary and teacher training schools.

E-LJam trains all 11,500 teachers in the country's high school system in partnership with Microsoft, which provides learning suites at a subsidised cost, and with help from the Heart Trust's ICT training programmes. The agency is currently in the pilot phase of its Tablets in Schools project, supplying 25,000 tablets to students and teachers in 38 schools with the goal of increasing youth access to e-content.

"We feel that these projects will prepare students to be more technologically savvy," says Avrill Crawford, the chief executive of e-LJam. "They will ensure that more school leavers have the skills required in growing industries such as BPO – computer literacy, problem solving, and critical thinking. All those things are critical to the success of the BPO industry in Jamaica."

Remote access

Despite the Heart Trust's broad reach, Jamaica has a poverty rate of 16.5% and many economically depressed communities where training institutions have traditionally struggled to reach. "What we have strategically done is something called community training interventions and mobile labs, which deliver training in partnership with us in almost every single community of the country," says Mr Wesley. These smaller, mobile training units – there are nearly 90 across Jamaica – are operated from churches, community centres and schools in remote areas. They offer training in welding, hospitality, construction and more, with support and guidance from the Heart Trust.

"As an organisation, we are established to facilitate the trust of the government for economic development and our own competitiveness as a country," adds Mr Wesley. "Our particular remit is workforce development, and for any investor who requires the services of training and development, the Heart Trust stands ready to make that possible." ■



MBFZ: HOME OF OUTSOURCING IN THE CARIBBEAN

The Montego Bay Free Zone is recognised both inside and outside Jamaica as the leading outsourcing location in the Caribbean.

Established in 1985, the Montego Bay Free Zone (MBFZ) overlooks the tranquil and pristine waters of the Bogue lagoon, on the peninsular south west of Montego Bay, Jamaica's world-renowned north coast. The zone reflects the mix of resort hospitality in an efficient business environment that is characteristic of Jamaica's tourism capital.

The MBFZ is operated by the Port Authority of Jamaica and currently has more than 600,000 square feet of space, supporting offshore companies engaged in the information communications technology/business process outsourcing (ICT/BPO) sector in Jamaica. The MBFZ ICT sector supports a wide range of BPO operations in data operations, receivables management, market research, reservation, customer service, sales, software development, finance and accounting (F&A) and other back office processes. The MBFZ is home to 65% of the overseas call centres operating in Jamaica.

With Jamaica ranked as the leading outsourcing location in the Caribbean, the MBFZ is the ideal hub for new investors to leverage Jamaica's many favourable advantages to investors. As stated by one large Fortune 500 US-based company "We have several advantages here in Jamaica – we are an English speaking country; geographically, we are close to 90% of our client base, usually a couple

hours travel will enable our clients to get here if they need to see the operations and meet with the talented people first hand; we understand the American business culture and we adapt to it very well, which makes it very easy to do business with our customers."

INVESTOR BENEFITS

Investors locating their contact or call centre business in Montego Bay will have access to a wide range of quality services and a business environment that is supportive of a successful operation. These include:

- A workforce that is qualified, skilled and customer service-oriented
- A telecommunications industry with multiple players, offering highly competitive rates in a deregulated sector
- A tourism destination, where foreign investors feel a greater sense of security
- A 'business haven' for investors that offers opportunities for work and leisure in one convenient location
- Modern business facilities
- Access to sophisticated technical and financial services
- Business Process Industry Association of Jamaica

SERVICES PROVIDED IN MBFZ

The free zone provides a wide variety of services to investors and their employees:

- Training school – providing workforce development training for companies on site.
- Bonded warehouse/customs – providing on-site logistics services and door-to-door delivery.
- Health care and social services – engagement centre, medical clinic and sports club.
- Food services – canteens, kiosks and vending machines.
- Banking and transportation services – automated banking machines (ABMs) and contract transportation operators.
- Free zone status – granted through its parent company the Port Authority of Jamaica.
- Business facilitation – through its network of service providers the MBFZ helps investors to set up their business in Jamaica (for example, business registration), establish domestic service contracts, banking, recruitment, build-out and telecommunications.
- BPO incubator – a fully built-out plug'n'play facility for new investors seeking to operate within the industry.

THE BPO INCUBATOR

The free zone's incubator is the first of its kind in the region and it seeks to support the growth of small and medium-sized enterprises in the business process outsourcing industry in Jamaica.

The turnkey facility is a modern 10,000-square-foot, 200-seat plug'n'play equipped facility operated by the Business Process Industry Association of Jamaica in partnership with the Montego Bay Free Zone Company and Cable & Wireless Business Solutions. The facility was partially funded under the 'Compete Caribbean' initiative of the Inter-American Development Bank.

It provides comprehensive services for new investors looking to start operations in Jamaica and existing investors looking for short-term solutions to meet their expansion needs. The incubator provides furnished space for lease to client companies and includes an array of services from auxiliary, security, telecoms and maintenance to other managed services.

Opened in 2015, the Contact Center Incubator currently hosts three clients and employs 130 individuals. The success of the incubator and the demand for the solution has influenced the further expansion of a 300-seat facility led by the Montego Bay Free Zone Company. The facility will continue to influence economic growth through maximising the success of new and expanding investments in the industry whilst promoting employment creation.

Sponsored by

