

Human Resource Dimensions in Knowledge Process Outsourcing Organizations: Evidences from Existing Academic Literature Spanning a Decade Plus One (2003-2014)

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Abstract

Purpose: Knowledge process outsourcing (KPO) is no longer an un-familiar or a new-fangled term. It is widely acknowledged not just as a popular acronym among the business and pedagogic fraternity worldwide, but also as a well established outsourcing branch. Notwithstanding, copious articles on the same in various published media sources, only a few academic endeavours on human resource (HR) issues in KPOs have been made. This paper brings together notable academic research works pursued in the direction since KPOs coinage in the year 2003, spanning between years 2003 to 2014 and presents it in the form of a literature review.

Design/methodology/approach: Academic research papers from popular online databases/resources based on select criteria were looked for the purpose from January 2003 through December 2014.

Findings: Extremely limited academic research papers exclusively in the KPO sector with special reference to human resource management (HRM) could be traced. Suggestions for possible future research in the direction have been outlined.

Research limitations/implications: The review portion pertaining to general projections and forecasts about the industry although puts together global projections about KPO, the emphasis remains India, it being a major KPO hub. The authors unknowingly might have not been able to cover all academic research works pertaining to the area nevertheless it seems logical to presume that the review process covered almost all the major studies of relevance.

Originality/value: The review adds to the limited academic literature in the area and holds value for providing useful information on the important research works on the same.

Keywords: Human Resource Management, HRM, Human Resource, HR, Outsourcing, Knowledge Process, Knowledge process outsourcing, KPO

Paper type: Literature Review

1. Introduction

Knowledge Process Outsourcing (KPO), which chiefly deals in outsourcing of high-end activities also known as the white label support services, the central or most essential operations of the business (financialexpress.com, 2014) is not a vogue word anymore. It has been much in craze for quite some time in both business and academic circuits and has witnessed its share of splendid success and withered all economic upturns since the last decade. It emerged with a lot of differences in opinion with regard to its meaning and origin amongst the outsourcing industry players, gained a lot of interest and became the spotlight of immense discussions. With KPOs attracting and grabbing both global and local media and business attention as evident in its presence in numerous newspaper and magazine articles, industry reports, websites and conferences on the same over the last couple of years, how could the academic community lag behind?

Even though there has been substantial contribution to outsourcing literature by the academic fraternity ever since its emergence and thereafter specifically in the area of KPO since its coinage in 2003, HRM issues explicit to KPOs have been sparingly touched upon. Accordingly, academic research papers addressing key HR issues on KPOs albeit being extremely limited needed to be identified. This article is an endeavour to clearly delineate and document the key academic research on HR aspects affecting this brilliant and much talked about industry eleven years down the line between the years 2003-2014. The authors to the best of their knowledge believe the review to be a pioneer attempt to identify and accumulate academic research in the field.

The literature review has been divided into sections and sub-sections. The first two sections of the review focus on the meaning of the terms 'knowledge', 'knowledge process' and 'KPO'. The third section brings about projections and forecasts about KPO with special reference to India. The fourth section presents the key academic literature remotely or directly pertaining to HR dimensions in KPOs. The paper ends with the summary and conclusion section.

2. Literature Background

2.1 Literature Review Classification

Cooper (1998) came up with taxonomy of literature reviews to aid in assessing and organizing knowledge synthesis. This taxonomy categorizes literature reviews based on six characteristics: focus, goal, perspective, coverage, organization and audience.

Although, it is not possible to delineate this review into exact categories according to Cooper's (1998) taxonomy as there shall always be some over-lapping and the categories are not mutually exclusive, nevertheless, we have broadly considered and focused on the characteristics proposed.

This literature review focuses on both research outcomes and research methods as also the practices and applications of relevant academic literature, with the goal of presenting different studies without being critical and identifying the central issues of the research in the field that could possibly direct future endeavours in the direction. We do not claim that this literature review covers all work that has been published as non-academic research in the field has not been included. Also, although an attempt has been made to identify key refereed academic researches across multiple databases and platforms, a few might have unknowingly not been included. This review can thus be classified as exhaustive with selective citation and also representative. For organizing our literature review, we choose the historical criteria for key findings of relevant academic research studies on HR dimensions in KPOs although the literature on general terminologies relating to knowledge, knowledge process and KPO, KPO projections may not necessarily be placed in that order. We have taken a neutral representation and concentrate on both

academic and practical audience with existing knowledge of the field who could be specialized or general scholars or industry policy makers or practitioners. As per Cooper's (1998) taxonomy of literature reviews, this literature review can thus be broadly categorized as under in Table 1:

Table 1: Broad classification of literature review based on Cooper (1998) Taxonomy

Characteristic	Categories
FOCUS	Research Methods and Outcomes, Practices or Applications
GOAL	Identification of Central Issues
PERSPECTIVE	Neutral Representation
COVERAGE	Exhaustive with Selective Citation
ORGANIZATION	Historical
AUDIENCE	Specialized Scholars General Scholars Practitioners and Policy Makers

2.2 On the subject - Knowledge

Knowledge defined as “justified true belief” (Audi, 1995) and viewed as an ‘understanding’ (McQueen, 1998), capability (Carlsson *et al.*, 1998) is considered to reside in the user rather than the information collected (Churchman, 1971). Knowledge can be acquired and renewed / transformed and is not easy to describe (Sveiby, 1997). It changes continuously (Boisot, 1998; Seigler, 2000). New knowledge can be derived from multiple sources (Johnes *et al.*, 2003) but measuring its effectiveness in practice is not too simple (Liebeskind, 1996). Leonard and Sensiper (1998) consider knowledge to exist on a continuum, between two extremes of ‘explicit’ and ‘tacit’; explicit – which can be articulated and embodied (Hall and Andriani, 2003; Kamiki and Mphahlele, 2002) and inferred (tacit) – which includes values, point of views, instinct (Hall and Andriani, 2003; Kamiki and Mphahlele, 2002; StOnge, 1996; Sveiby, 2001). Conklin (1996) uses the terms ‘formal knowledge’ and ‘informal knowledge’ where the former exists in books, manuals and documents and can easily and routinely be captured while the latter is used to create formal knowledge and is relatively hard to capture. Rulke *et al.* (1998) on the other hand focus on the knowledge of an organization, phrased as ‘transactive knowledge’ and ‘resource knowledge’. Brown and Duigid (1998) view knowledge as ‘sticky’ implying hard to transfer while, Hilderth *et al.* (1999) categorize knowledge as either ‘hard’ which is easily codifiable or ‘soft’, a little less quantifiable.

Irrespective of different terminologies, the chief means to have a competitive edge is through knowledge (Nonaka, 1994; Spender and Grant, 1996) and with the mounting significance of information and knowledge economy, it has become one of the most prized and vital resource for competitive advantage at firm level (Quinn, 1992; Sveiby, 1997; Teece, 1998) as also at the national level (Organization for Economic Co-operation and Development (OECD), 1996; Ungson and Trudel, 1999; World Bank, 1998). In Indian context, intellectual brilliance has always been considered superior to material possessions and resources and referred to as true freedom - *vidyaa saa vimuchyate* (Gopalakrishnan, 2007). Davenport and Prusak (2000, p.5) give the most inclusive definition of knowledge as “...a fluid mix of framed experience, values, contextual information, expert insight and grounded intuition that provides an environment and framework for evaluating and incorporating new experiences and information. It originates and is applied in the minds of the

knowers. In organizations, it often becomes embedded not only in documents or repositories but also in organizational routines, processes, practices and norms”.

2.3 On the subject - Knowledge Process and KPO

Davenport (1994, p.134) defines a process as, “... simply a structured set of activities designed to produce a specified output for a particular customer or market. It has a beginning, an end and clearly identified inputs and outputs. A process is therefore a structure for action, for how work is done. Processes also have performance dimensions - cost, time, and output quality and customer satisfaction - that can be measured and improved”. Currie *et al.* (2008, p.95) define a knowledge process as “... a sequence of intellectual activities involving analysis, pattern recognition, design, judgement, which converts unstructured and poorly defined inputs into a well defined, often original output”. In addition they suggest a few characteristics of the same as being analytical, concerning intricate, professional, intellectual choice, having widespread and complex domain knowledge, requiring expert staff, unstructured, not easily automated processes and resources and dynamic, creative and ad-hoc work. According to Aron and Singh (2005) a knowledge process can be judged as one which is not straightforwardly codifiable for lack of exactness with regard to existing conditions, scenarios and situations in such work. Such processes warrant expert human discretion in construing the information and make presence of domain and functional knowledge extremely essential for right application. KPMG (2008, p.8) differentiates between knowledge and business processes as follows - “Knowledge processes are different from business processes in terms of the value proposition to the client, which leads to a clear demarcation in process complexity, the amount of intellectual intervention in the process, the skills required and the ability to scale. While business processes are essentially process-driven and rule-based, knowledge processes involve judgment”. Davenport *et al.* (1996) affirm that knowledge processes are generally grouped on the basis of whether they involve knowledge creation or knowledge reuse. Mudambi and Tallman (2010) consider these as firm activities directly concerning the production of knowledge and innovation in conjunction with certain measure of firm-specific proficiency while, Murray *et al.* (2009) regard knowledge processes as all about services that are unique and customized and which involve non-routine and atypical inferred knowledge. Moreover, such wide-ranging activities demonstrate features of being chiefly implicit, superior, demanding significant human capital investment with ample strategic potential (Mudambi and Venzin, 2010). Since a KPO involves knowledge - intensive processes, the decision to accordingly undertake it is governed by the knowledge prevalent in the organizational context (Mansingh *et al.*, 2009).

KPO refers to performing “high end knowledge or judgment services” (Larkey, 2006) and is a result of a complicated decision-analyzing process (Tarn and Chich, 2012). Given that KPO chiefly involves domain expertise, it is the offshoring/outsourcing of high-end knowledge intensive processes concerning a transition from standardized processes to processes that demand advanced diagnostic, technical and decisive skills (Evalueserve, 2004a). According to Michell (2005, as cited in Currie *et al.*, 2008, p. 96), “KPO is the transfer to a third party of intricate and highly variable activities requiring intellectual decision making”. Rocsearch (2006) consider KPO as involving companies providing outsourcing services for high-end knowledge work coupled with enhanced customer value. Moreover, they also regard knowledge service companies as those offering solutions or services that could be, in a few cases, intrinsic and elemental to the core competency or business strategy of the client. Wangikar (2006), considers KPO as a comprehensive term encompassing an array of activities, areas/domains and skill sets wherein

service providers are employed for ‘outcomes’ or results/selection recommendations with sizeable business impact and not simply for ‘processes’.

Banerjee *et al.* (2007, p.4) give a description of KPO as “...getting high-end, value-added work done by resources whose co-location with the end client is not necessary, where the effort is people-intensive, and the end product is arrived at through rigorous methodologies. Because this type of work requires a high level of judgement, subjective analysis and interpretation, the end results can vary from practitioner to practitioner”.

KPO, a term aptly and smartly coined by its business pioneer’s Chief Operating Officer (COO) in 2003 (Aggarwal, 2007) has not stopped gaining momentum or attention since. This is clearly evident in the numerous forecasts made for this burgeoning industry since its commencement as discussed in the subsequent sections.

2.4 KPO: Projections: Then and Now - With special focus on India, a major KPO hub

Right from the time of its start, despite very diverse and extreme projections and forecasts originating from key industry sources and associations the KPO industry has shown significant growth. Several countries besides India such as Srilanka, Russia, Ukraine, Poland, Hungary, Romania, New Zealand, China and Philippines have ventured into the KPO space.

It was predicted by Pandey *et al.* (2004) that India would become the focal point of key knowledge-intensive services like China, a lead in the manufacturing zone. Dogra *et al.* (2005) predicted a rise in the contribution of the KPO sector from 56 percent in 2003 to 71 percent globally by 2010 adding 1.8 percent to the service sector. The offshoring industry worldwide showed a 27 percent growth in revenue between the periods 2003-04 and 2006-07 i.e. and was expected to grow to United States Dollar (USD) 16.7 billion in 2010-11 entailing an annual growth rate of 39 percent. The revenue earned by the KPO industry globally showed a 54 percent annual growth rate increasing from around USD 1.2 billion in 2003-04 to USD 4.4 billion in 2006-07. The number of professionals employed by the industry rose from 34,000 in 2003-04 to 106,000 in 2006-07 which were expected to reach up to 350,000 globally by 2010-11. Total revenue of USD 260 million was the result of only 9,000 billable professionals in India in 2000-01 which multiplied to USD 3.05 billion by 75,400 billable professionals in 2006-07. This involved a 51 percent cumulative annual growth in USD terms and 43 percent in the number of billable professionals during a six year period (Aggarwal, 2007; Sachdeva, 2007a).

Some of the initial estimates made by Evalueserve (2004a) regarding the prospects of the KPO industry in general and in India have been a little sanguine compared to other industry estimates, though in line with their own forecasts. They predicted a growth from USD 1.2 billion in 2003 to USD 17 billion by 2010 implying a compounded annual growth rate of 46 percent. In another report in the same year they suggested an increase in the number of jobs in the KPO space, from 25,000 to over 250,000 by 2010 and the difference in salaries between BPO (business process outsourcing) and KPO jobs as USD 2800 per annum (Evalueserve, 2004b).

In 2007, Evalueserve valued the knowledge process market in India to be worth USD 2.5 - 3 billion a year, expected to progress to USD 10 - 12 billion by 2012 (Sachdeva, 2007b).

The Ministry of Information Technology and Communications forecasted India’s share to be 15 percent of the USD 54 billion KPO industry worldwide by 2010 (Sharma, 2007).

Confederation of Indian Industry’s study envisaged a growth rate of more than 8 percent in the service sector and its contribution to the gross domestic product (GDP) likely to be more than 51 percent, claiming India’s transition from a BPO to KPO hub as forthcoming. It also forecasted the

KPO industry's compounded annual growth rate (CAGR) at 46 percent worth USD 17 billion by 2010, of which USD 12 billion being likely to be outsourced to India. India was to surface as the global KPO lead as the business required expert and specialized knowledge in relevant verticals and the basic requirement for human resources were to be taken care of by the country's engineering and technical institutes (Makhija, 2005; Rediff.com, 2005).

According to National Association of Software and Services Companies (NASSCOM) (2005) popular KPO services would include insurance underwriting, risk assessment, equity research, financial data mining and modeling and corporate and market research, health care, pharmaceuticals, biotechnology, legal support, intellectual property research, design and development for automotive and aerospace industries and animation and graphics in the entertainment sector. NASSCOM (2007) further projected KPO sector in India may reach USD 15.5 billion by 2010.

As per the global research firm Gartner forecasts, India's Knowledge Process Outsourcing (KPO) market was expected to grow by 25-30 per cent annually till 2013 as a result of the burgeoning demand for professional services (hindustantimes.com, 2010). Frost and Sullivan report on KPO forecasted it to be a USD 32.5 billion industry employing 410,000 professionals by 2014, registering a CAGR of 63 per cent (Agarwal, 2006) while Kelly Services (2006) predicted India's brilliant growth rate in all the technically advanced segments of the KPO industry.

A study carried out by Baring Private Equity Partners (India) Limited, had established that KPO industry due to their knowledge intensive nature, had the possibility of attracting maximum venture capital financing in India. The report said that financing of merger and acquisition (M&A) activity would be the major uses of venture capital in KPO. The study found a difference of almost 50 percent in terms of revenues per hour between KPOs and BPOs (domain-b.com, 2005).

In contrast, several other studies showed a relatively restrained growth for this industry. A study by Associated Chambers of Commerce and Industry (ASSOCHAM), India's premier apex body of chambers of commerce estimated that the shortage of knowledge professionals in India would shrivel the KPO business by nearly 30 percent by 2012 and it would touch only USD 10.5 billion mark against the projection of USD 15 billion by 2012 impairing KPO skills in India. It also stated that the appreciation of rupee against the dollar and the rise of countries such as Russia, China, Poland and Hungary as sturdy contenders for the KPO business would eventually hit growth prospects of the domestic KPO industry (The Economic Times, 2007). A study by Rocsearch (2006), a United Kingdom (UK) based research services company projected an enormous supply gap that warned to curtail KPOs growth. According to this study the KPO market may just reach a level of USD 5 billion by 2010, manned by 100,000 people instead of a USD 12 billion market supported by 250,000 employees.

As per other estimates too, despite the consequences of global recession, KPO was expected to do well with India retaining its lead position with good management, existing talent in different fields and steady policies of the government (Financialexpress.com, 2009).

Despite variations in the statistics, KPOs overall contribution as a revenue and employment generator for the Indian economy cannot be lessened.

Both the client and the service provider stand to gain in KPOs. In addition, a major element of the increased salary of employees and large profits of KPOs also adds to revenues for different sectors such as retail, real estate, education and infrastructure, yet again creating a larger multiplier effect for the economy as a whole (Dogra *et al.* 2005). Furthermore, Small and Medium Enterprises (SMEs) having very small setups and high overhead costs, profit the most from offshoring due to

controlled costs (Evalueserve, 2004b). The demand for language-sensitive work also has a beneficial impact on the Indian economy, by producing a ripple or multiplier effect on job creation for English-speaking Indian professionals (Evalueserve, 2005).

Assocham's report on the scenario about India's KPO industry states that the industry may well reach USD 30 billion by 2015 from the existing USD 20 billion, due to the rising demand for knowledge-based services. Employing over 3,50,000 KPO professionals and catering to over 70% of the world's KPO industry, as of 2013, the total market size of the KPO industry in India reached over USD 20 billion (assochem.org, 2013). According to NASSCOM-CRISIL estimate, the KPO market will grow at 22.2% CAGR by 2015, rising from 2 billion USD in revenue in 2010 to 5.6 billion USD in 2015 (financwalk.com, 2014). A recent forecast predicts the demand for analytics professionals in the knowledge process outsourcing (KPO) to grow exponentially in the coming years (economictimes.indiatimes.com, 2014). Furthermore, overall the KPO industry in India is expected to grow from 166,000 professionals and USD 6.21 billion in revenue in 2014 to approximately 310,000 professionals and USD 12.12 billion in 2020, with more growth expected in sectors related to data management, data mining and analytics (deccanherald.com, 2014).

With KPO providers being increasingly viewed as strategic partners rather than mere support providers (financialexpress.com, 2014), current analysis forecasts the global KPO market to grow at CAGR of 23.12 percent over the period 2013-2018 (prnewswire.com, 2014).

2.5 Key academic literature remotely or directly pertaining to HR dimensions in KPOs

Much recently, two literature review papers pertaining to KPO (Aleman, 2014 and Edvardsson and Durst, 2014) could be located with the focus of the first paper on the following KPO aspects - process, performance, awareness on how to profit from trends and theoretical perspectives. The second paper incorporated five themes in the review - outsourcing of knowledge processes, outsourcing and collaborative agreements between knowledge-based firms, factors affecting successful knowledge outsourcing, knowledge management (KM) and knowledge outsourcing and other outsourcing issues. The inclusion criterion for the review of both was limited to select databases.

Although considerable literature has grown in the broad area of outsourcing relating to various disciplines over the last two decades, little has been learned in academic literature in the area relating to KPO in HRM context. Accordingly, academic research papers addressing key HR issues on KPOs albeit being extremely limited needed to be identified.

It is accepted that the HR function in the future will be very different from that in the past. The companies that do not recognize this and proceed accordingly will have a serious dilemma with the core assets of the "new economy": the knowledge workers and the knowledge professionals (Raich, 2002).

Further, traditional approaches to managing this knowledgeable and expert workforce would be replaced by distinctive practices that acknowledged and facilitated high levels of autonomy (Robertson and Hammersley, 2000). Willocks *et al.* (2004) professed that in a commoditized outsourcing market, with evermore demanding client companies, contending on knowledge would be the key to success. Lacity *et al.* (2008a) predicted the employee turnover in KPO to be low due to professionals doing intellectually challenging work with direct client interaction. This prediction was based on their research that found that interesting work and not pay was the main determinant of an Indian employee's intentions to remain with his/her current employer (Lacity *et al.*, 2008b). Grimshaw and Miozzo (2009) examined the HRM practices of IT firms that call attention to a

specific model of organizing knowledge-intensive business services (KIBS). Key factors identified influencing HRM in large specialist KIBS firms were - inter-organizational relations, contract performance conditions, knowledge flows and the economic and institutional context. Snieška and Drakšaitė (2007) focused on the effect of knowledge outsourcing on national economy as a source of competitive advantage and were of the view that countries bounteous in relatively cheaper labour with vast potential for knowledge development had immense prospects to improve their competitive positions by employment of knowledge outsourcing. Kuruvilla and Ranganathan's (2010) research focused on HR challenges (recruitment and retention) in BPOs wherein they proposed certain measures that specifically pertained to KPOs. According to them the focus of government should be on developing long term high skill human resource capability, build up second and third tier institutions, encourage research, groom students, employ superior faculty and set up mutually constructive relationship with the industry as in case of the first-tier institutions. Also, lack of adequately trained employees was a significant issue that needed to be addressed for the development and progress of the industry.

This section clearly highlights the key academic research works on HR dimensions in the KPO sector undertaken between the aforesaid periods. Only English language, empirical and refereed academic research papers exclusively on KPOs available from reputable online databases/resources like EBSCO, Emerald, JSTOR, Proquest, Elsevier, Sage, Wiley Blackwell, Gale and Google Scholar were considered for the purpose from January 2003 through December 2014. A serious search using all possible combinations of relevant words in title, abstract, keywords as also full-text mostly generated studies and articles on call centers (CCs) and BPOs and general outsourcing than on KPOs. Only the ones found relevant have been included. A summarized presentation to better distinguish the different methodologies, specific focus areas and key findings of important and relevant academic research studies has been made in Table 2 as under:

Table 2: Key findings of relevant academic research studies on HR Dimensions in KPOs

<p>1. Author(s) and Year : Raman <i>et al.</i> (2007)</p> <p>Journal Title : <i>Employee Relations</i></p> <p>Approach and Sample:</p> <ul style="list-style-type: none"> • Case study • 1 financial services KPO in India • 18 semi-structured interviews at different levels in the organization <p>Focus:</p> <ul style="list-style-type: none"> • People management issues in KPOs <p>Findings:</p> <ul style="list-style-type: none"> • Talent acquisition and retention, developing training infrastructure along with employee health and work-life balance issues identified as pivotal HR challenges • Highlighted the presence of formal, structured, transparent and novel HR practices
<p>2. Author(s) and Year: Ghosh and Chakraborty (2008)</p> <p>Journal Title: <i>Vision-The Journal of Business Perspective</i></p>

Approach and Sample:

- Case study
- Interviews, questionnaires and secondary sources
- 2 KPOs in Bangalore and Gurgaon in India

Focus:

- Emotional intelligence parameters (self-awareness, self management, social awareness and relationship management) and the extent of its business impact on performance of knowledge employees to solve challenges faced by KPOs

Findings:

- Overall factors of emotional intelligence identified as business, employee and HR concerns and organizational determinants
- Balance between emotionally intelligent, transparent and classless leadership and performance linked emotionally mature culture aided in improving knowledge employees' performance and enhancing morale

3. Author(s) and Year:

Sachdeva *et al.* (2009)

Journal Title:

Global Business and Management Research: An International Journal

Approach and Sample:

- Survey using questionnaires
- 32 key representatives from top, senior and middle levels of HR department of KPOs (32 KPOs in India)

Focus:

- HR Practice Scenario in KPOs in India

Findings:

- Existence of strong, dynamic and well thought-out practices in talent acquisition, training and performance management systems in Indian KPOs
- HR practices in specific areas of career planning and development along with compensation and benefits could be stepped up
- Retention being important is smoothly taken care of through bundles of HR initiatives

4. Author(s) and Year:

Wickramasinghe and Kumara (2009)

Journal Title:

Career Development International

Approach and Sample:

- Survey using questionnaires
- 25 HR Mangers (16 KPOs and 9 BPOs) and 117 (70 KPO and 47 BPO) employees in Srilanka

Focus:

- Identifying and distinguishing competency requirements and exploring any dissimilarities in the methods used to attract, select and train ITES-BPO and KPO employees

Findings:

- Differences in the extent of value given to some competencies by ITES-BPOs and KPOs

- Job posting followed by advertising for recruitment, selection interview for selection and learning from feedback given by superiors for training and development rated as the commonly used methods by both BPOs and KPOs
- Three factors - age, the highest level of education and total years of work experience had interaction effects among some of the competency requirements of BPOs and KPOs

5. Author(s) and Year:Sachdeva *et al.* (2010)**Journal Title:***International Journal of Indian Culture and Business Management***Approach and Sample:**

- Survey using questionnaires
- 157 junior and middle level KPO employees from 9 KPOs in the National Capital Region, India

Focus:

- Employee opinion of HRM practices in KPO companies in India

Findings:

- Career planning and development emerged as an area of employee precedence demanding immediate focus

6. Author(s) and Year:Sachdeva *et al.* (2014)**Journal Title :***International Journal of Indian Culture and Business Management***Approach and Sample:**

- Survey questionnaires
- 32 key representatives from top, senior and middle levels of HR department of KPOs (32 KPOs in India)

Focus:

- Human resource opportunities in knowledge process outsourcing companies in India: expectations from and returns for prospective contenders

Findings:

- Specifies a range of expectations by KPOs from potential hires in terms of qualification, experience, specific skills and qualities as also their offer in return in terms of compensation, work-environment and training among others

3. Summary and Conclusion

It is acknowledged that the field of KPO plays practical role in the 21 century (Pérez-Nordtvedt *et al.* 2008) but relatively only a few articles pay attention to KO (Tarn and Chich, 2012). Given the industry is broad one and the interest and attention this human intellect driven KPO industry attracts as exhibited in the numerous forecasts about its prospects in industry reports and viewpoints shared by key industry experts about issues relevant to it, academic literature in general does not provide sufficient information on HR issues the industry throws. Hence, the primary objective of this article is to present a scholarly review of important research works in the area and to offer avenues for future research. To this end this article brings together and discusses research on HRM in KPO with a focus primarily from 2003-2014.

The above review reveals that despite being an area of regular discussions, debates and drawing significant limelight as being expert people centric industry only 6 papers relevant to the theme could be identified out of which 5 pertained to India. The possible reason for this could be the popularity of KPO in India, it being a major hub. Further, no paper could be traced in between the years 2003 and 2006, the initial three years since the term KPOs coinage. The reason could be its initial stage wherein the terminology was just beginning to get accepted as being different from BPOs. The focus of all the research papers has been on different HR issues/aspects using different methodologies. Also, since only a meager research papers could be traced all these eleven years, a lot of issues remain untapped. A more detailed analysis to discover HR dimensions prevalent in service specific KPOs as also those concentrated in particular geographical regions can be undertaken in future research on the subject. With more and more big and small players and newer areas emerging in the scene it is essential to understand relevant HR issues that could affect KPOs - primarily a specialized and expert service-oriented industry in which the P-factor or the people factor is the most crucial to make important contributions to the overall economy. Employee opinion, employee satisfaction, employee engagement are some of the pertinent areas that could be studied. The intricate and sub HR issues in KPOs can be further researched. Each of the HR areas can be picked and analyzed in detail with respect to its corollary to make it more effectual in the overall functioning of the KPOs in the industry. Some of the more relevant issues that could additionally be explored and studied relate to HRs focus on KPOs newest generation of workforce, it's judicious usage of social media/networking sites, concern for social responsibility, strong sense of realization to imbibe and nurture human values and ethics and particular focus on the sensitive issues pertaining to women employees in KPOs. Further, there is a need to uncover HR issues as they apply to other nations besides India as most of the studies on the area revolve around it. More comparative studies between different nations and cultures on the same could also be undertaken. This is quite evident especially with regard to the Indian KPO industry and others as going by the trends, the Indian industry is expected to progress, carrying out tasks entailing great complexities. Industry consolidation will persist, with the bigger players setting up international centres globally. The sector will also need to manage talent dearth and alleviate competition from countries like China and the Philippines (financialexpress.com, 2014). KPO industry is here to stay and so are the people issues that pertain to it. Besides growth and maturity the industry has seen its ups and downs too. However, to continue to have an undivided edge it is absolutely necessary to peg up the human factor, the key element for the stupendous growth of the industry.

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