

Philippine BPO Industry Facts and figures

EILER Industry briefer

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While the country's voice business process outsourcing (voice BPO) industry has ousted India from the top spot, Filipino call center employees continue to endure a race-to-the-bottom story.

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> The Philippines' share to the global BPO market was at 6 % in 2009, far behind India's 51 % (NASSCOM, 2010).

> But the country's contact services was estimated to have earned **\$7.38 billion** in exports in 2011, surpassing India's **\$7 billion**.

> In 2011, the BPO industry generated **\$11.56 billion in revenues**, accounting for **5%** of the country's gross domestic product (GDP). Overseas remittances reached \$20.1 billion last year.

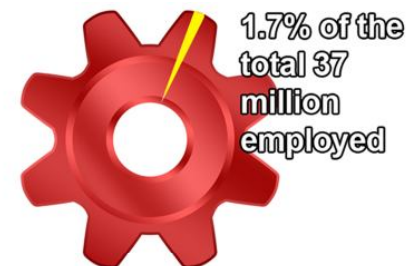
> BPO firms located inside special economic zones enjoy a host of incentives and perks, including income tax holiday, tax credit, tax exemptions, among others.

> BPO revenues jumped by **681 %** from \$1.48 billion in 2004 to **\$11.56 billion** in 2011. (BPAP)

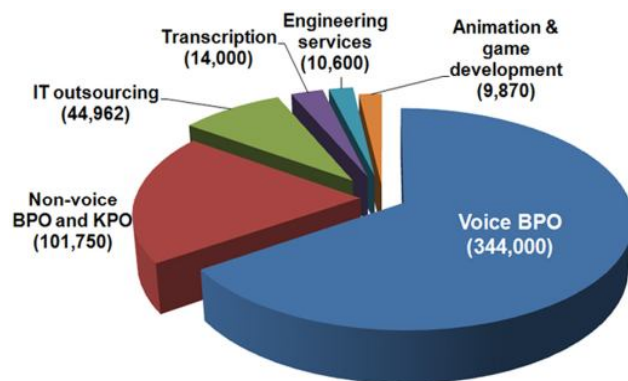


> PH exports 86 percent of its BPO services to the US market while 7.1 percent goes to Europe. The remaining portion goes to Japan (3.2%), Australia-New Zealand (1.3%) and other Asian countries (2.4%).

> BPO employment in 2011 stood at 640,000, or merely 1.7% of total employed.



> Majority of BPO employees are in the contact center subsector.



> 34% or one out of three BPO employees are not regular employees (BLES, 2010)

CONTRACTUAL



“ The work is not well-compensated. On payday, after remittance and payment of bills, only a quarter of the salary is left ”

- Gwen, call center agent, mother of one child

> Achieving regular status does not ensure security of tenure for BPO workers, companies can easily fire them based on dismal performance, absences, and violations.

“ The employee should be flexible. Quota in sales should also be reached. If not, she would be in the bottomline. Just like in American Idol, candidates for forced resignation will come from the bottomline ”

- Eve, call center agent in Davao

> According to the International Labor Organization (ILO), **4 out of 10 BPO employees** in the Philippines suffer from occupational safety and health concerns such as sleep disorders, fatigue, eye strain, etc.



Sleeping neck pain voice problems disorders fatigue back pain eye strain

> Based on EILER's 2008 research on BPO employees, 45% of respondents earn a monthly salary of only P10,000-P15,000, while 36% earn P15,000-P20,000.

> Majority of respondents in EILER's 2010 study said working as BPO employee eats up their time for their families.

> Filipino team leaders, supervisors, managers and senior managers are paid 36% to 57% less than their counterparts in China, India, Malaysia and Vietnam.

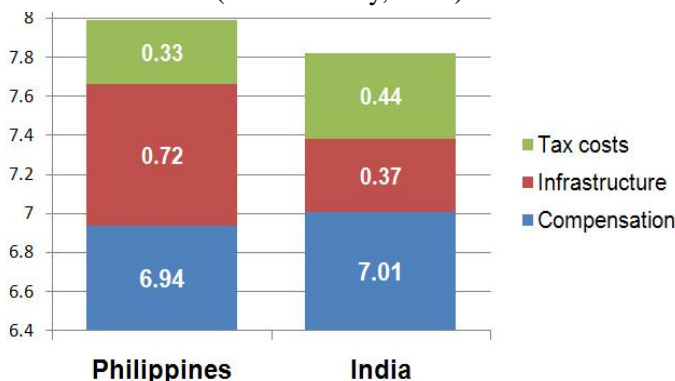
> Alarmingly, there is **no existing union** in the entire BPO industry, thus the inability of employees to assert better working conditions.

> PH bested India in the ranking of countries where putting up a BPO business is cheapest.

> The Business Process Association of the Philippines (BPAP) even noted the non-unionization of the industry as “accomplishment”.

> But EILER's research in 2008 showed that 78% want to form and join unions to assert their rights.

Financial attractiveness score
(A.T. Kearney, 2009)



*The higher the score, the cheaper

> Increase in the compensation of call center agents dropped sharply during the global financial crisis, from 54.2% during the 2007-2008 period to 16.3% during the 2008-2009 period.

EILER's Kaagapay project, with the support of the People with a Mission, seeks to support workers' advocacy inside economic zones including BPO hubs.

OUR CALL: **ORGANIZE! ORGANIZE! ORGANIZE!**

E-mail: eiler.inc@gmail.com, Twitter: @eilerinc Facebook: Eiler Phils Web: www.eiler.ph Telefax: 433-9287