

BPO for ICT/ITeS in the port sector

Gunnam Bhulokam, Head of Shipping Industry Practice and Centre Delivery, & **Vishal Biyani**, Manager for Ports & Cargo group, CMC Ltd., Hyderabad, India

With globalisation, mergers and acquisitions, deregulation, competition, quality of service to customer and costs, companies have been forced to concentrate more on core businesses and outsource as many processes as possible. Companies are making a shift in using Business Process Outsourcing (BPO) to respond to these demands which is causing a significant change in the way business is being done today, giving executives a creative edge.

Increased costs, competition, shortage of manpower and high attrition rates have alarmed companies and lead them to move towards cost cutting and risk minimisation. With advancements in Information and Communication Technology (ICT), BPO has gained momentum and acceptability. In its early days, security risks, Internet band width and technical skills were shortcomings of BPO, but now with advancements in technology, BPO has become a reality.

With BPO, companies have benefited from:

- The opportunity to focus on core business
- An increase in productivity
- Operational cost control
- Access to expertise
- Cost savings
- Improved accountability
- Improved HR
- Risk minimisation

ICT/ITeS (IT enabled Services) requirements at ports

The investments made by ports are large by any standard. The gestation period to reap the benefits of these investments is larger. The following are the major areas which ports have to crucially deal with:

- Port automation operations (container, break bulk, Ro-Ro, liquid and jetty etc)
- Navigation systems
- Dry-dock operations/ship repair Systems
- Planning, monitoring and control applications for ports
- Logistics management (end-to-end shipping supply chain solutions)
- Global e-commerce applications (including EDI-based messaging)
- Asset management
- Financial and commercial applications
- Activity-based costing
- Passenger reservation for ferry and cruise operations
- Computerised maintenance management system
- Legacy systems upgrades/data integration
- Infrastructure upgrades
- Migration
- Backups
- Training
- Maintenance
- Support/help desk
- Network security

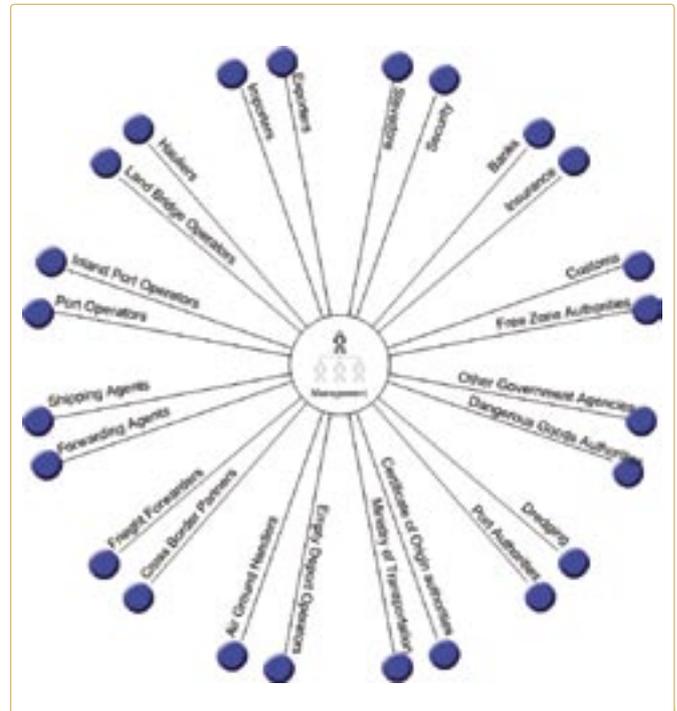


Figure 1. Port Managers must monitor many different areas in the port community.

- Consultancy
- Executive information system

Port community

Let's consider a scenario for port management monitoring different communities as shown in Figure 1. It is a complex system with too many uncertainties and contingencies.

With BPO in ports

Now consider a port sector with BPO in place, as shown in Figure 2 (overleaf).

With BPO in place, management monitor and take decisions with fewer managers, who in turn monitor the progress of the outsourced processes and information from BPO partners.

BPO's success run

Top-notch companies have embraced the benefit of BPO and are looking forward to a number of other processes to outsource. While many ports are still in the judgment phase, the majority of sectors have already taken the advantage and the results are tremendous. The port sector will have to seriously consider BPO as a vital option in coming years.

Port sector areas where BPO can be considered include:

- ICT/ITES
- Operations
- Business
- Maintenance
- Legal

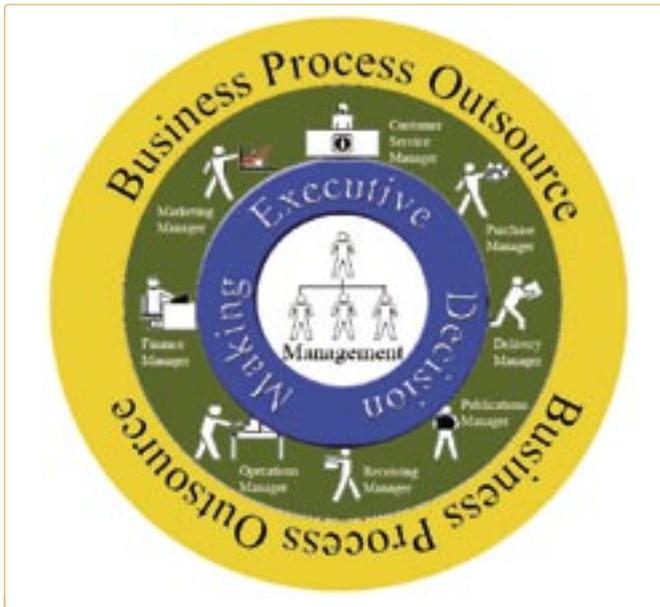


Figure 2. Port management with BPO in place.

- Sales
- Office
- Management

Activities to be closely observed for BPO transformation include:

- Identify the business process
- Identify the risk factors
- Identify the partner
- Information to the existing work force
- Scope of the contract and signing
- Manage the transformation

Identifying a reliable partner

The very key to success in BPO is finding a reliable partner; some of the critical factors for identifying partners are:

- Reliability
- Domain expertise
- Financial background of the partner company

- Long standing
- Accessibility for communication ease

CMC as a reliable ICT partner

CMC Limited is a leading ICT solutions company. In order to address the needs of ports, the Ports and Cargo Group was started which has led to development of highly scalable products such as:

- **MACH (MARine Container Handling system)** for container and Cargo Management.
- **CALM (CARGO Logistics and Management system)**, which caters to the requirements of the terminals handling Bulk and Break Bulk Cargo.
- **WARM (WAREhouse Management system)** caters to container freight station operations
- **SWIM (SoftWARE for Intelligent Messaging)** for EDI Messaging
- **AIMS (Agent Information and Management System)** to meet the logistics requirement of shipping agents

Key business drivers include:

- Being the leading ICT solutions provider and part of the TATA group, India's best-known business firm with US\$17.8 billion global turnover
- Proven capability to handle Large and Complex projects (Indian Railways, Container/Cargo handling system, Bombay Stock exchange)
- 24 x 7 customer support
- Effective after sales support including training
- ICT outsourcing through client-dedicated Global Development Centres
- Access to 50,000+ highly skilled resource pool from its permanent staff based across the world
- Assessed at CMMI® Level 5 and ISO 9001
- Experience in developing various products for various verticals like banking, insurance, finance, transportation etc. and tools in language processing, service management and knowledge management areas
- Strong Customer Relationship
- One stop solution for all ICT/ITES services

ABOUT THE AUTHORS	ABOUT THE COMPANY	ENQUIRIES
<p>Gunnam Bhulokam is Shipping Industry Practice Head and Centre Delivery Head for CMC Limited, India. He has a Masters of Technology in Computer Science and Engineering from Osmania University, Hyderabad, India. He has over 18 years of experience in the port industry as Project Manager and is responsible for Worldwide, CMC Suite of Product Sales, implementation and Support Services.</p> <p>Vishal Biyani is Manager for Ports & Cargo group of CMC Limited. He has over 8 years of experience in Product Sales and International Business Development. He has a Master's degree in Business Administration from Bharatidasan University, Trichy and a Bachelor's degree in Chemical Engineering from Osmania University, Hyderabad, India.</p>	<p>CMC Limited is a leading IT solutions company and a subsidiary of Tata Consultancy Services Limited (TCS Ltd), one of the world's leading information technology consulting, services and business process outsourcing organisations. CMC are a part of the Tata group, India's best-known business conglomerate.</p> <p>With 18 offices, 150 service locations, 520 nonresident locations and over 3,500 employees worldwide, CMC provide a wide spectrum of unique Information Technology solutions and services to a clientele of premier organisations in the government and private sectors.</p> <p>CMC Americas, a subsidiary, services clients in the US, while their branch offices in the UK and Dubai market our products and services in Europe, Africa and the Middle East.</p>	<p>CMC Limited CMC Centre Old Mumbai Highway Gachibowli Hyderabad – 500 019 India</p> <p>Tel: +91-40 23000401 Fax: +91-40 23000509 E-mail: shipping@cmcltd.com Website: www.cmcltd.com/industry_practices/shipping/</p>