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Bloomberg News Sites Zagada on Caribbean Outsourcing Story Jamaica's E-Services leads Caribbean's outsourcing challenge

Bloomberg News - By Amy Thomson

E-Services Group International, Jamaica's largest employer, plans to almost double revenue in two years by persuading U.S. companies to look to the Caribbean instead of India for call centers. "Many of our clients are pulling back from their Indian operations," Chief Executive Officer Patrick Casserly said in an interview Wednesday in New York. His Montego Bay, Jamaica-based company handles customer-service calls and transactions for clients such as Xerox and Delta Air Lines.

Jamaica's proximity to the U.S. makes projects easier to manage and has helped E-Services employees be more in tune with American culture, Casserly said. Those draws may help push the closely held company's sales just shy of \$100 million by 2009, he said. The Caribbean has nearly tripled the number of workers employed by outsourcing firms to about 65,000 since 2005, according to Philip Peters, CEO of Zagada Institute, a researcher in Coral Gables. India employs 450,000 of the one million call-center workers serving U.S. firms.

"Jamaica would have significantly more workers, but the country is not building enough space at a quick enough pace," Peters said. "It's a good problem to have because you know there's demand." E-Services is snapping up offices as soon as they become available, said Casserly, 42. The company's workforce grew by about 40 percent last year, and is now at almost 4,000.

The company's annual turnover rate is less than 15 percent, which means employees typically have more experience in handling customers and can provide more reliable service, he said. E-Services aims to use that dependability to lure clients, who might be more familiar with his country's reputation as a vacation spot and producer of world-class sprinters such as Usain Bolt, three-time gold medalist at the Beijing Olympics.

Delta spokeswoman Betsy Talton and Xerox spokesman Michael Moeller didn't return calls seeking comment on their companies' outsourcing operations to the Caribbean. In the Dominican Republic, Jamaica's Spanish-speaking counterpart, the number of call-center workers has increased fivefold since 2005. That makes it the largest call-center employer in the Caribbean, according to the Zagada Institute. Throughout the Caribbean, the outsourcing industry may employ up to 250,000 workers and add \$4 billion to the region's economy by 2013, Zagada said.

Jamaica had an unemployment rate of 9.9 percent in 2007, according to the CIA World Factbook, a database of statistics maintained by the U.S. government's Central Intelligence Agency. Gross domestic product, a measure of the goods and services produced in the country, grew 1.4 percent in real terms last year, reaching \$11.2 billion. That compares to India's growth rate of 9.2 percent, according to the CIA. "For a long time we've been seen as sea, sun, sand, reggae and some very fast people," said Casserly, who recently expanded operations to St. Lucia. "It's really a shift for us, and we're really proud of that."