



## Impact Sourcing Definition

Impact Sourcing (IS) is a business process service delivery model that provides employment opportunities to previously unemployed youth who have not been meaningfully engaged in the formal economy



## Impact Sourcing Worker Characteristics

- First time job seekers, unemployed youth
- Economically disadvantaged; located in low income areas or areas with limited opportunities
- Socially disadvantaged; minority groups (cultural, ethnic, regional, religious)
- Differently-abled or diagnosed with health-related disadvantages limiting their opportunities to find formal employment

## Business Case: Impact Sourcing in South Africa



access to a large, untapped talent pool



Performance comparable with traditional workers



Stable workforce



Cost savings compared to traditional workers



Competitive advantage for business in South Africa



Social impact

## Strong Business Case Drives Adoption of Impact Sourcing

Having experienced success with impact sourcing during the pilot program, Webhelp is now scaling up impact sourcing workers hiring in South Africa

### The Backstory

Webhelp South Africa identified impact sourcing as an opportunity to engage unemployed youth in South Africa. While the company has hired some impact workers through their normal recruitment channels, it was concerned about high up-front costs associated with targeted large scale impact worker hiring. To evaluate these concerns, the company decided to run a pilot program by engaging a specialist training academy for identification, training, and recruitment of impact workers in 2015.

Backed by the success of the pilot program, Webhelp is in the process of hiring additional impact workers.

### Positive Pilot Program Experience

Webhelp engaged Harambee Youth Accelerator, a training academy, for impact worker identification and training for its pilot program. Harambee's training focuses on building technical skills (e.g., computer skills, data entry) and soft skills (e.g., behavior, communication) to prepare impact workers for employment in the BPO industry.

Candidates recruited from Harambee were treated on par with Webhelp's regular workers; i.e., they were put through the company's standard training process and were paid the same compensation as traditional workers. The company did not differentiate the job profile/responsibilities of these workers either.

### Comparable performance, extraordinary commitment

Webhelp monitored impact worker performance and recorded exceptional results:

- Impact workers regularly met all target KPIs (e.g., average call handling time, customer satisfaction scores)
- Lower absenteeism and better adherence to schedules
- Strong work ethic, commitment, and discipline
- Zero attrition among impact workers

Webhelp reported that the performance of impact workers (Refer exhibit 1) during the training was comparable / marginally better than the overall average for all workers (traditional and impact workers).

### Case Study at a Glance

Leading global BPO services company discovers benefits of impact sourcing and decides to expand hiring of impact workers

*"Impact workers have displayed extraordinary commitment to work. We have faced no issues concerning performance of these impact workers."*

*"The speed to competence for impact workers is at par with our regular workforce. This is very encouraging."*

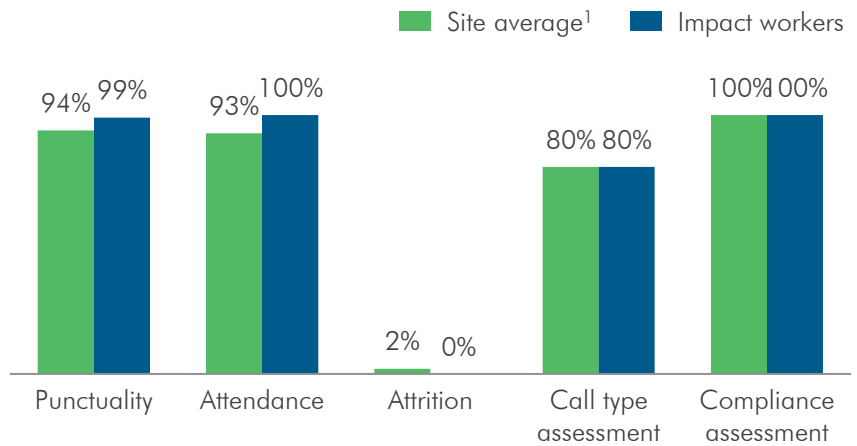
*"Overall as a business, we are delighted with the pilot group and strongly propose to continue this route of sourcing candidates"*

*"While we have to incur higher upfront costs on the work readiness training, we are able to recover the costs within 6-8 months after hiring impact workers. This is mainly due to lower attrition among impact workers. All impact workers hired in 2015 are still with us."*

*"This is about creating a broader social impact and our clients appreciate our efforts. Impact sourcing has contributed positively to our brand globally."*

*"If given a chance, these workers (impact workers) can do amazing things and by employing them, we can contribute in helping them and their families through impact sourcing."*

## Comparison of performance of impact workers with site average during training period



<sup>1</sup> Site average represents aggregate performance of all workers (impact workers and traditional workers)

In addition, this initiative has received appreciation from Webhelp's clients globally and helped improve the company's position as a socially responsible employer.

### Impact sourcing offers a favorable financial business case

Webhelp expected higher upfront costs for hiring and training of impact workers to be a potential challenge, as that could increase the overall cost of operations.

However, upon assessment of the financial benefits in the pilot phase, the company established that they are able to recover the upfront costs within six to eight months of hiring impact workers, driven by a reduction in hiring and training costs for additional candidates owing to significantly lower attrition among impact workers. In fact, the company believes that impact sourcing can deliver cost savings in the long term.

As impact workers remain with the company for a longer time period, there are additional benefits in terms of stable service delivery and better client experience as well.

### Expanding the Impact Sourcing Model

Having tested the business case for impact sourcing, Webhelp decided to increase hiring of impact workers. In 2016, the company hired another batch of impact workers from Harambee. The initial experience with these candidates has been positive and similar to the previous batch.

The pilot program's success, backed by a strong business case, has helped reinforce the company's resolve to expand targeted hiring of impact workers. Webhelp is committed to impact sourcing and plans to hire more impact workers going forward.

## About Webhelp

Webhelp is a leading global business process outsourcing services provider, with a focus on customer service across voice, social, and digital channels. The company employs ~35,000 FTEs across its ~90 sites in more than 25 countries. Other services offered by Webhelp include payment management, sales, and marketing services.

## About This Joint Project between Everest Group and The Rockefeller Foundation

The Rockefeller Foundation has funded Everest Group to refresh the business case for impact sourcing originally created by Everest Group in 2014. The refresh is focused on South Africa but the elements are applicable globally. The assessment includes fact-based substantiation of the business case for the IS model to accelerate adoption of impact sourcing. Everest Group is also creating case studies to raise awareness of IS in enterprise buyer and BPO communities. Increase in IS adoption is expected to create employment opportunities for currently unemployed, but high potential youth, improving their lives and the lives of their families and communities.

## About The Rockefeller Foundation

For more than 100 years, The Rockefeller Foundation's mission has been to promote the well-being of humanity throughout the world. Today, The Rockefeller Foundation pursues this mission through dual goals: advancing inclusive economies that expand opportunities for more broadly shared prosperity, and building resilience by helping people, communities and institutions prepare for, withstand, and emerge stronger from acute shocks and chronic stresses.

## About Everest Group

Everest Group is an advisor to business leaders on the next generation of global services with a worldwide reputation for helping Global 1000 firms dramatically improve their performance by optimizing their back- and middle-office business services. With a fact-based approach driving outcomes, Everest Group counsels organizations with complex challenges related to the use and delivery of global services in their pursuits to balance short-term needs with long-term goals. Through its practical consulting, original research and industry resource services, Everest Group helps clients maximize value from delivery strategies, talent and sourcing models, technologies and management approaches. Established in 1991, Everest Group serves users of global services, providers of services, country organizations and private equity firms, in six continents across all industry categories. For more information, please visit [www.everestgrp.com](http://www.everestgrp.com).