Impact Sourcing – A visible impact on our communities and our businesses

This white paper explores Impact Sourcing and Startek’s approach in India and South Africa
Article 1 of the UN’s Universal Declaration of Human Rights is unambiguous: All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.

When one steps away from that statement, it is easy to see that this is an unambiguously ambitious goal; millions around the world still struggle with issues that impact their dignity and human rights. Irrespective of the economic, physical, or social disadvantage—they don’t share access to skills and opportunities that others in their communities might.

The circumstances of our lives and our ability to perform well at our jobs shouldn’t conflict with one another—and yet, they do. Many have an aptitude for hard work, but struggle with opportunity and equal access. Pride can tend to take a back seat and they become mired in a cycle that can be hard to break—neither benefiting the individual, their family, their community, nor their country.

It is a scenario that challenges business leaders to reframe their thinking and start focusing on the shared value that inclusive business practic-es provide communities and countries.

The approach is known as Impact Sourcing: finding innovative ways to provide new and sustainable employment and talent development opportunities for communities with otherwise limited prospects—while providing options that acknowledge the innate capabilities of every individual.

When governments and companies work together to intentionally hire and provide career development opportunities to people with limited prospects for formal employment, they often find new hires who demonstrate higher levels of employee engagement and lower attrition rates. There is benefit on both sides: these new hires step onto a career ladder to economic self-sufficiency through income growth, better living conditions, skills development, and professional advancement.

It is also worth noting that efforts toward Impact Sourcing directly address three of the UN’s 17 Sustainable Development Goals—goals that are a universal call-to-action to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere, by 2030.
About Impact Sourcing

**WHAT**
Impact Sourcing (IS) is a business process service delivery model that provides quality and cost at parity with traditional BPO services, but with optimized enhancements such as
- A qualified, trained, untapped talent pool with skill sets aligned to match client needs
- Lower attrition rates and higher corresponding levels of employee engagement
- Opportunities to fulfill corporate social responsibility and diversity objectives while operating within a traditional BPO framework

**WHO**
Helps impact workers
- Economically disadvantaged: low income areas, lack access to jobs
- Socially disadvantaged: minorities, gender groups
- Persons with disadvantageous life circumstances: disabled, health limits

**WHY**
Creates business impact
- Cost and performance comparable to traditional BPO
- Attrition 15-40% lower and higher worker engagement
- Provides greater access to local markets
Creates social impact
- Impact workers’ income increases 40-200%
- 3-4 family members benefit; communities strengthen

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Sanjeev’s story

I am Sanjeev Pawar, working with Startek Chhindwara, India for about 2 years now. I enjoy my tenure and opportunities provided at Startek. During this pandemic, Startek has been providing financial and social support.

During this pandemic, when most were at home and struggling for monetary incentives, I am able to continue my job during this crisis and help my family to overcome this situation. This helps me to motivate, train and build confidence to deliver the best out of me.
The impact of the Global Impact Sourcing Network (GISC)

Formed as a global coalition of businesses that work together to create jobs through procurement and global supply chains, the GISC advocates strongly for the power of Impact Sourcing—challenging its members around the world to hire 100,000 new impact workers by the end of 2020.

Seed funded by the Rockefeller Foundation, the GISC is a Business for Social Responsibility (BSR) collaboration bringing together more than 400 companies that span multiple sectors and geographies. Together, they work to set standards, strengthen company performance, improve markets and industries, and contribute to systemic change for a more just and sustainable world.

They encourage companies to prioritize suppliers who intentionally hire and provide career development opportunities to people who were previously long-term unemployed, or living below the national poverty line. Terming them as ‘impact workers’, the GISC suggests that one of the most sustainable means to achieve inclusive economic growth and poverty reduction is to ensure that disadvantaged communities have access to formal employment and decent work, allowing them to improve their living conditions as well as acquire sustainable skills in their careers. This helps uproot families out of poverty—forming part of business for the larger good.

The Five Objectives of the GISC Impact Sourcing Standard

1. Improve the lives of people who otherwise have limited prospects for formal employment, people who are long-term unemployed, or living under the national poverty line

2. Enable product and service providers to communicate consistently about their Impact Sourcing service capabilities and performance to their clients and other stakeholders

3. Enable client organizations to evaluate their product and service providers based on their Impact Sourcing service capabilities and performance

4. Facilitate the adoption of Impact Sourcing across companies operating in a wide range of geographies and industries

5. Improve access to formal employment and decent work for disadvantaged people
The Business Benefits of Impact Sourcing

Low cost
• Significant cost savings (70%+) over source locations in U.S./UK
• Costs comparable or lower than traditional BPOs

Proven, reliable service delivery
• Performance comparable to traditional BPOs
• Track record of meeting client SLAs/KPIs and expectations

Large and untapped talent pool
• Alternative to supplement traditional talent pool
• Vernacular language capabilities

Stable and engaged workforce
• Lower attrition than traditional BPO employees
• Motivated workforce

Social impact
• Direct impact (individuals, families)
• Indirect impact (communities, support services, local economy)

The Business Process Management workplace of the future will require all employees to develop a holistic view of the digital ecosystem.

COVID-19 has forced a different approach to operations in the contact centre industry. At Startek, the technologies that facilitate the ability to work from home—and do so while ensuring the security of customer data—have changed the way the company views its business.

Seamless integration through Startek’s proprietary StarCloud™ and Campus in the Cloud helps deliver a better customer experience and encourages business continuity in times of uncertainty. It also breaks down social and economic barriers, especially when it comes to Impact Sourcing; new hires at Startek will be trained and expected to work with globally dispersed teams and an entirely new set of tools—ones that will increase their technical proficiency and value to themselves and the organization. That includes the ability to work on—and with—digital solutions that enable work from home.
Startek and its collaborative approach to Impact Sourcing

Startek is a customer engagement services company with over 40,000 employees, and a presence across 13 countries and 46 campuses. With over three decades of domain expertise, Startek helps its partners make smarter and faster decisions by assisting many interactions with digital technologies such as analytics, data science, Artificial Intelligence (AI), and meaningful and reliable reputation management data, all of which enable deeper insight into customer behaviours and preferences.

In keeping with their industry-leading mindset, Startek has been investing in Impact Sourcing in South-East Asia for several years—primarily in India. This forms part of the company’s socially responsible sourcing strategy—an integral part of their diversity and inclusion framework—and the company has pledged to hire 500 new impact workers by the end of 2020.

As part of Startek’s commitment towards Impact Sourcing, it follows a six-dimensional framework of diversity and inclusivity covering Persons with Disabilities (PwDs), gender inclusivity, socially and economically disadvantaged people, culturally and linguistically diverse people, mature age people and inclusion of indigenous people. This model also helps the company access new sources of talent, achieve superior performance, reduce turnover and sustain a high level of engagement.

More than half of Startek’s agents work from home today with technologies and processes in place that help address data security, behavioural shifts and the remote workplaces of tomorrow. The company’s focus on technology and its applications provide tremendous learning opportunities for new hires, including impact workers.

Importantly, however, the company focuses on hiring people with the right core values—recognizing that technical skills can be taught, but integrity cannot. And this approach is perhaps at the very core of effective Impact Sourcing: focusing on the qualities that potential hires bring to the job, especially those who do not have traditional educational backgrounds.

Startek’s success is powered by attitude—hiring candidates who possess both unique talent and more importantly, the right core values that ensure a good fit. “I look for candidates who possess honesty, loyalty, passion, determination, discipline and integrity. These are crucial skills,” says company President, Rajiv Ahuja, adding, “skills can be developed or honed accordingly but integrity is something that is hard to evoke. The required skills can be developed in any employee, but it’s these values that make a person effortlessly stand out in a crowd.”

And it is an interesting reflection on hiring values that match consumer behaviours that drive purchasing power. It creates empathy between agents and consumers that drives brand loyalty.
Startek’s Impact Sourcing in India and South Africa

Startek’s Impact Sourcing in India supports efforts by the Government of India to accelerate the growth of the IT-ITES sector and encourage rural employment.

This is a mature sourcing model for the company’s operations in India; one of their key target groups is the underemployed—including people with disabilities. In addition to jobs, the company provides job training and opportunities for higher education.

Today, there are over 3000 such hires across the Indian cities of Chhindwara, Bhopal and Lucknow, and the number is expected to increase. Resourcing models are shifting and Startek is going where the talent is—instead of bringing their employees into urban areas with all the associated costs of moving, housing, office space, transportation, and attrition.

The company is actively looking for talent in Tier II and III cities—creating distributed operational centres that support the company’s larger strategy. Its virtual Campus in the Cloud and in-depth training programs provide a high level of assurance around service delivery and an equal assurance of support to new hires from those regions.

Impact Sourcing is an integral component of Startek’s talent model in South Africa, for both domestic and offshore work. The company’s approach has evolved over the years. Initially, most Impact Sourcing was unintentional in nature—leading to the hiring of unskilled talent, and no plan in place for skill development or improving employability.

As the process matured, the organization recognized that Impact Sourcing was a strategic asset, one which created a solid talent pipeline for their BPM operations. Startek’s Intentional Impact Sourcing is now leading the way with strategic public-private partnerships that institutionalize programs and modules for impact workers—helping them develop industry-specific (technical) skills and soft skills. This level of focus also trains specialized impact workers for high growth sectors, such as e-commerce, Fintech and consumer durables.

South Africa’s unemployment rate peaked at 41.4% since the start of the pandemic, impacting almost every job market locally and internationally, including critical industries like travel and tourism. During such uncertain times, BPM companies must lead from the front and find new ways of working. Startek is redefining customer experiences to address today’s acute needs and impact workers are helping meet that challenge.

The company’s staff referral program is supplemented by hiring roadshows and career fairs that create awareness and offer graduate and learnership opportunities. Candidates are interviewed on the spot to determine if they could be considered for learnerships, or mainstream employment. Learnerships yield an NQF level 2; its 128 credits can be used across the industry. Startek often hires graduates and impact workers through these learnerships.
Sduduzile’s story

Startek’s outreach through annual roadshows helped them meet Impact Worker, Sduduzile Masondo, who joined the company on 19th August 2019 at Durban. Here’s what the program meant to her:

“I am originally from a small town in the Northern KZN called Danhauser, on the outskirts of Newcastle. I am the second born of 4 children. I grew up with both my parents but unfortunately my father passed away in February 2019. Unfortunately, for my family, he was the only one who was employed, as my mother was placed on medical boarding in 2005. My father’s passing was a huge blow to our family. I had been unemployed since December 2018. So, when I heard about the Roadshow opportunity, I was hopeful that it would change my family’s situation. I was then called in for an interview which I attended and was successful. This was a big breakthrough for me and my family. It has really given me hope for a better future and a surety that I can now provide to my 8-year old twins, my unborn child, and my family”.

Conclusion

We began this paper with the UN’s Universal Declaration of Human Rights and recognizing that in many ways, this is still an uneven world for those who struggle with economic, social, or physical disadvantages that impact their dignity and human rights. Impact Sourcing has and will continue to make a visible difference in communities around the world, irrespective of industry. All it asks is that businesses look outside traditional boxes and actively hire talented impact workers.

The COVID-19 pandemic adds an unexpected and unavoidable digital dimension to BPM and Impact Sourcing; companies like Startek are necessarily moving to a global work-from-home model that accesses applications in the cloud. This means jobs can now come home to impact workers irrespective of their physical location; however, it also means actively increasing employee levels of technical expertise, and finding ways to keep those employees and their teams connected despite distances and lack of visual contact.

This is a new normal; companies like Startek know they must now rebuild the human experiences that existed before COVID-19—from suppliers to employees to customers. And they must do it within a contactless world—the world that will not only be different but also pose continual challenges, especially for any impact workers new to the company.

Visibly demonstrating the spirit of brotherhood as described in the Universal Declaration, Startek recognized the technological hurdle early on. They are creating programs that will guide and support impact workers on every step through this new digital territory and towards full integration with the Startek business value chain.

Caring about the career development of impact workers in a rapidly evolving, post-pandemic, digital world is just one example of the kind of lateral thinking that is earning Startek recognition on a world stage. Among them, the recent inclusion as a Champion in IAOP’s Impact Sourcing Champions Index—an index developed in partnership with the Global Mentorship Initiative (GMI).