



# TALENT TRANSFORMATION: The Role of the Private Sector

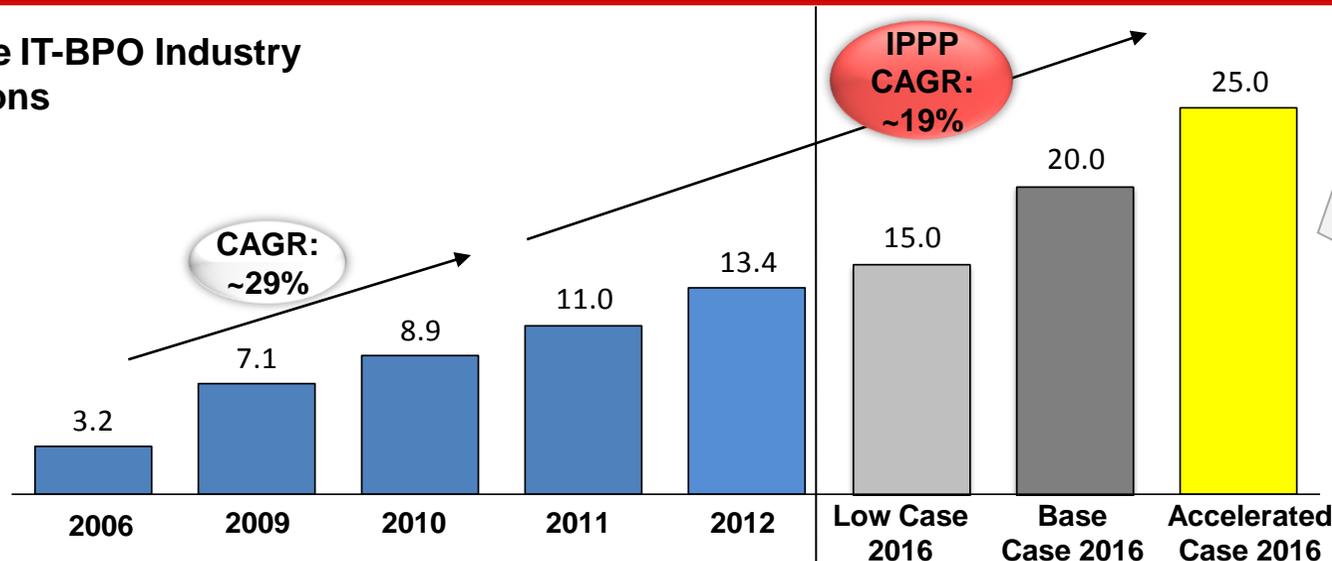
ADB International Skills Forum  
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# 2016: IT-BPO Industry Accelerated Case increases total jobs from 2.8 million to 4.5 million

Philippine IT-BPO Industry  
US\$ Billions



Vs Base Case, Accelerated Case adds from 2012 to 2016:

- 1.3M jobs
- \$14B export revenue
- ₱295 B taxes on wages

% of GDP	2.6%	4.2%	4.5%	5.2%	5.9%	5.0%	6.7%	8.3%
Direct employment	240K	423K	525K	638K	772K	680K	900K	1.3M
Indirect employment	600K	1.1M	1.3M	1.6M	2.0M	1.7M	2.3M	3.2M

Sources: BPAP data; Everest analysis; World Bank and IMF projections

## What's At Stake?

Export Revenues

Jobs

Taxes on Wages

**US\$15 billion**

**2.4 million**

- Direct: 0.7M
- Indirect: 1.7M

**₱820 billion**

- Direct: ₱328B
- Indirect: ₱492B

**US\$20 billion**

**3.1 million**

- Direct: 0.9M
- Indirect: 2.2M

**₱995 billion**

- Direct: ₱398B
- Indirect: ₱597B

**US\$25 billion**

**4.5 million**

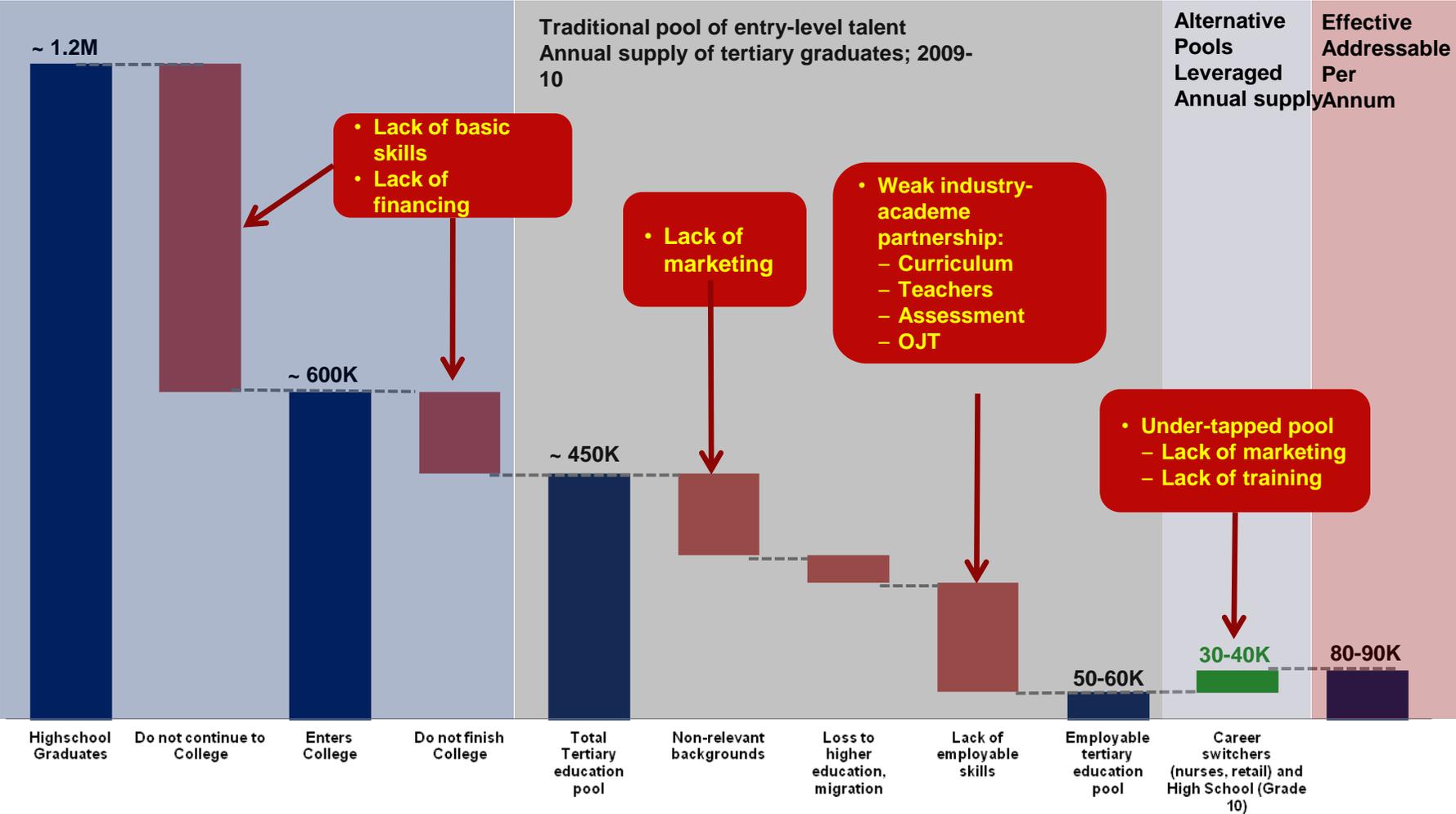
- Direct: 1.3M
- Indirect: 3.2M

**₱1,290 billion**

- Direct: ₱516B
- Indirect: ₱774B

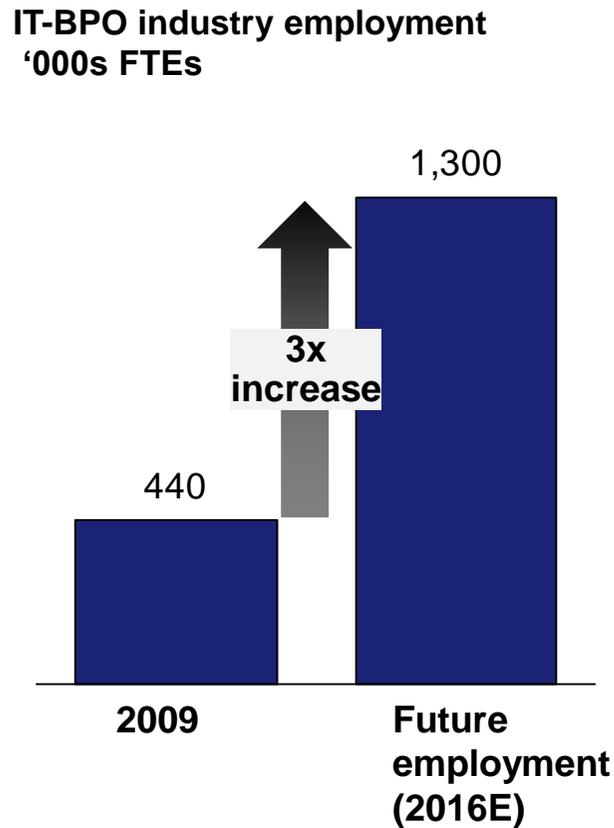
# The educational system is the our biggest bottleneck...

Current IT-BPO industry supply estimates

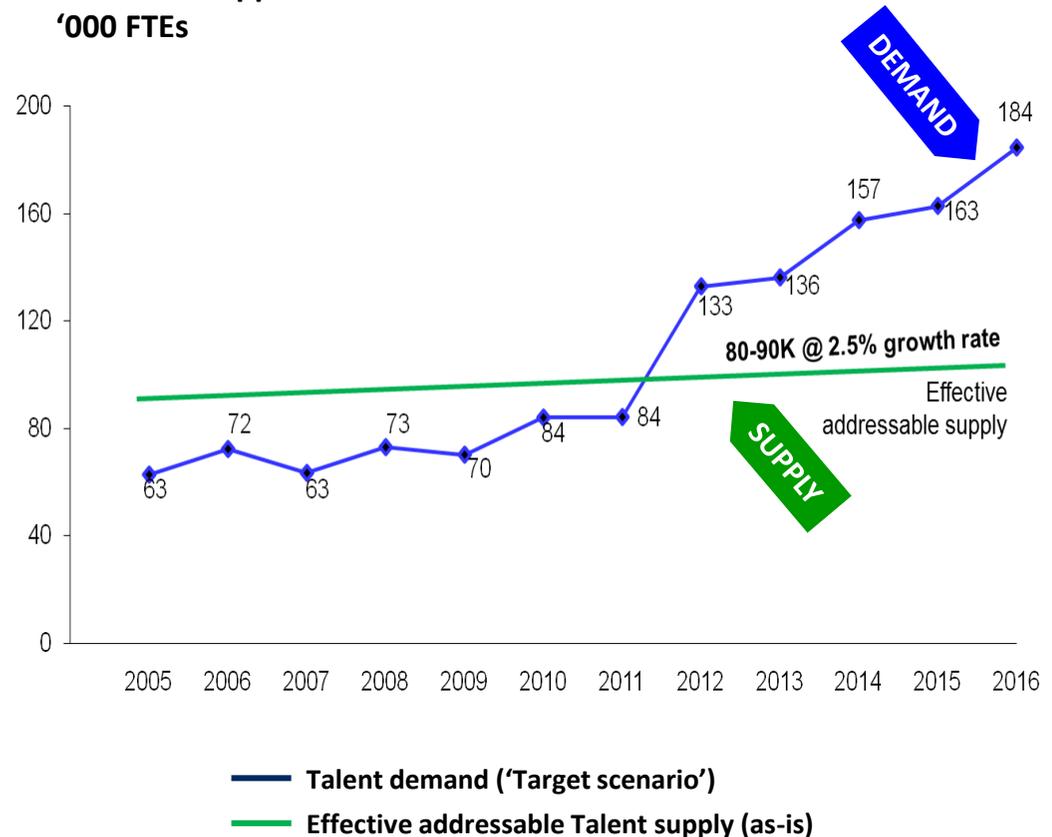


Source: 2010. Everest Global and Outsource2Phillipines; Everest Research, Nasscom Strategic Review 2010

# Demand for Philippine talent is far greater than supply...and not just for IT-BPO...



Annual Demand and Supply projections of entry-level industry talent – Philippines IT-BPO  
'000 FTEs



Source: Everest analysis

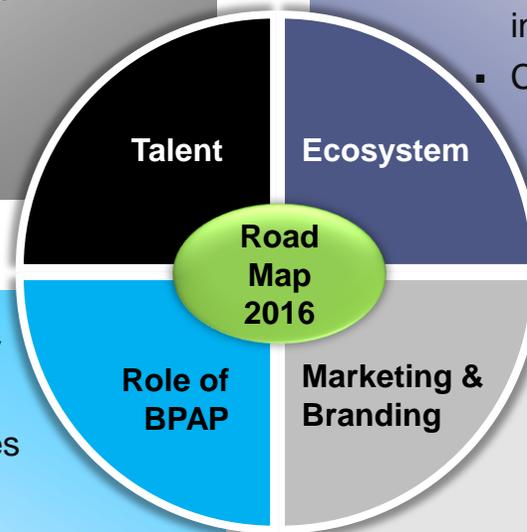
# Achieving US\$25 B requires BPAP to drive favorable outcomes across many areas, especially in Talent

## Widen and deepen human capital by scaling Industry-Public-Private-Partnership (IPPP) Programs

- Attract and train 1.1M talent base over 5 years
  - includes executive and specialized skills
- Scale talent development programs
- Make IT-BP careers aspirational

## Strengthen Philippine attractiveness as an investment destination through our advocacy activities

- Favorable legislative and regulatory environment
- Competitive and predictable fiscal incentive regime
- Competitive cost structure



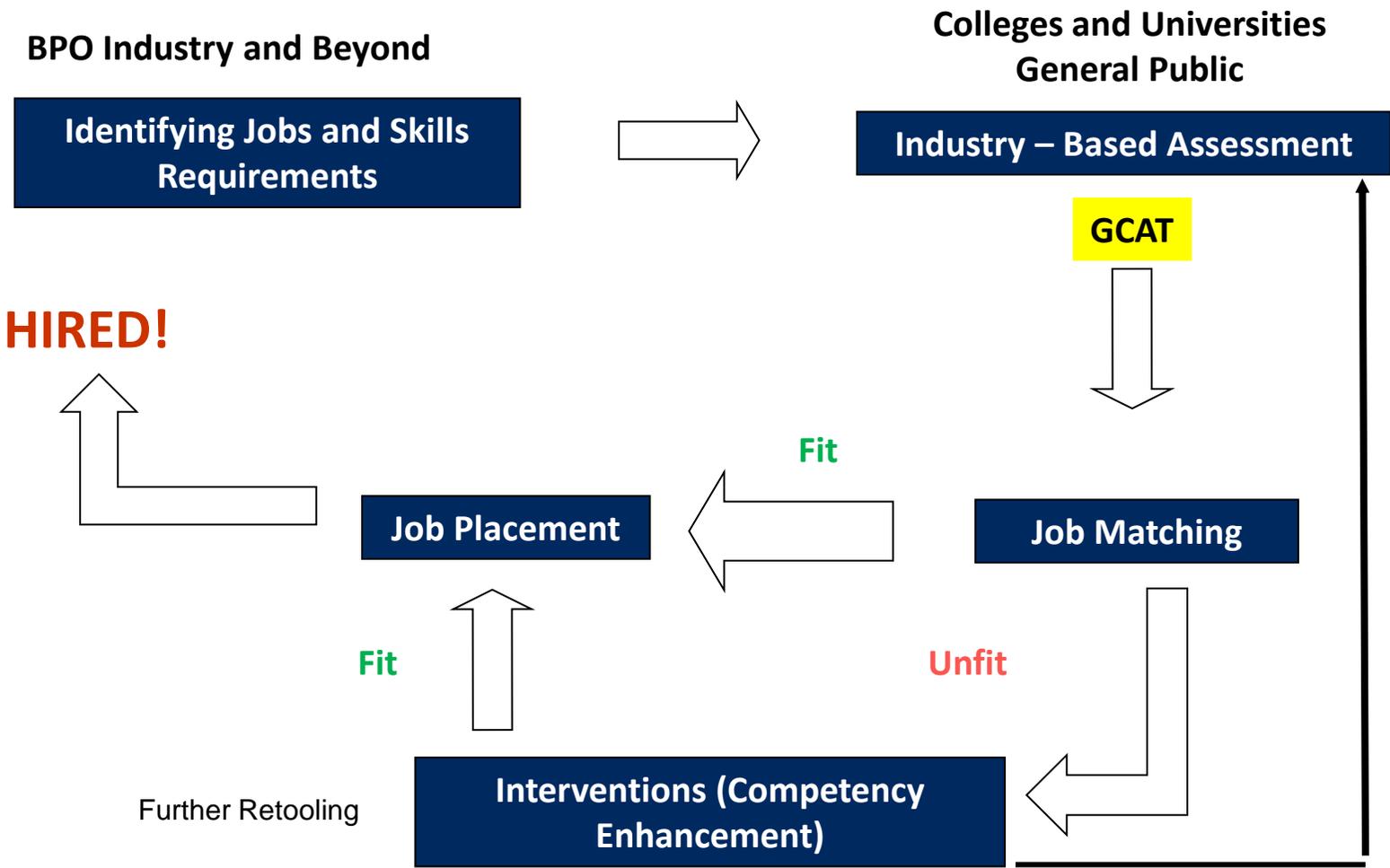
## Achieve Road Map 2016 Goals by leading cross-sectoral efforts

- Harnesses, leads, and harmonizes cross-sector involvement & investment in Road Map 2016 programs
- Leads the design and program management of IPPPs
- Official and credible voice of the industry

## Build PH IT-BPO brand globally through marketing programs

- CRM: strengthen market leadership, attain leadership in UK, ANZ markets
- HIM, F&A, HR, Multi-lingual: global market leadership
- IT, CP, Engineering Services: double market share

# Industry -Academe - Govt Partnership Model



**Service Management, AdEPT, BEST, TESDA I-TWSP, Associate Program**

# Road Map 2016 Year 2

## Talent Development

Program	Accomplishments to date	Target 2013
<b>Global Competitiveness Assessment Tool</b>	<b>Close to 20,000 students assessment nationwide</b> <ul style="list-style-type: none"> <li>Includes students from State Universities as well as Higher Education Institutions</li> </ul>	<b>30,000 college graduating students (SY 2012-2013) through government funding</b>  <b>5,000 teachers to be assessed</b> <ul style="list-style-type: none"> <li>GCAT with other interventions will increase hit rate from 5-8% to 10-12%.</li> </ul>
<b>Industry Training for Work Scholarship (through TESDA)</b>  <b>65K trained, 47k hired at the end of the program )</b>	<b>41k trained, 20k employed as of Oct 2012</b> <ul style="list-style-type: none"> <li>₱416M in government funding for near-hire training and</li> <li>₱18M for Trainers' training</li> </ul>	Equivalent funding targeted by 2013  More trainers trained and qualified on IT-BPO programs through the TM+ program (Trainers' training)
<b>Service Management Program</b>	<b>Approved 21-unit SMP by CHED</b> <ul style="list-style-type: none"> <li>Program created by industry and academe,</li> <li>CMO Nos. 6 and 34 series of 2012</li> <li>4 schools included in pilot run</li> <li>46 Industry practitioners teaching</li> </ul>	<b>Train 500 teachers from identified State Universities and Colleges (funded by CHED)</b>  <b>ADB funding to train teachers. Partnership with UPOU and AIM</b>

# Road Map 2016 Year 2

## Talent Development

<b>Program</b>	<b>Accomplishments to date</b>	<b>Target 2013</b>
<b>BEST and AdEPT</b>  (Continue English training programs with new partner schools)	<b>Completed T3s run in 2012 for:</b> <ul style="list-style-type: none"><li>• 2 HEIs in Metro Manila</li><li>• 4 SUC/LCU in Quezon Province (through government funding)</li></ul>	<b>Conduct T3 for BEST and AdEPT:</b> <ul style="list-style-type: none"><li>• 11 schools identified by DOST – SEI</li><li>• 13 State universities and colleges</li><li>• HEIs which signified interest</li></ul>

# Road Map 2016 Year 2

## Talent Development: New Programs for 2013

Program	Target 2013
<b>Service Technology Management</b>	Program designed for team leaders and managers <ul style="list-style-type: none"> <li>• Complete program by 2013</li> <li>• Present to CHED for approval</li> </ul>
<b>Emerging Services</b>	<ul style="list-style-type: none"> <li>• Complete program/curriculum for the following: F&amp;A, Healthcare, ITO (with approval from CHED and TESDA)</li> </ul>
<b>Associate Degree</b>	<ul style="list-style-type: none"> <li>• Grade 11 &amp; 12 content in K-12 curriculum</li> </ul>
<b>Executive Development</b>	<ul style="list-style-type: none"> <li>• Complete Executive Development program</li> </ul>
<b>Industry Standard – Voice Assessment</b>	<ul style="list-style-type: none"> <li>• Similar to GCAT, complete study of voice assessment standard</li> </ul>
<b>Career Marketing</b>	<ul style="list-style-type: none"> <li>• Multi-media campaign</li> </ul>

# Industry Talent Transformation: 3 Phases

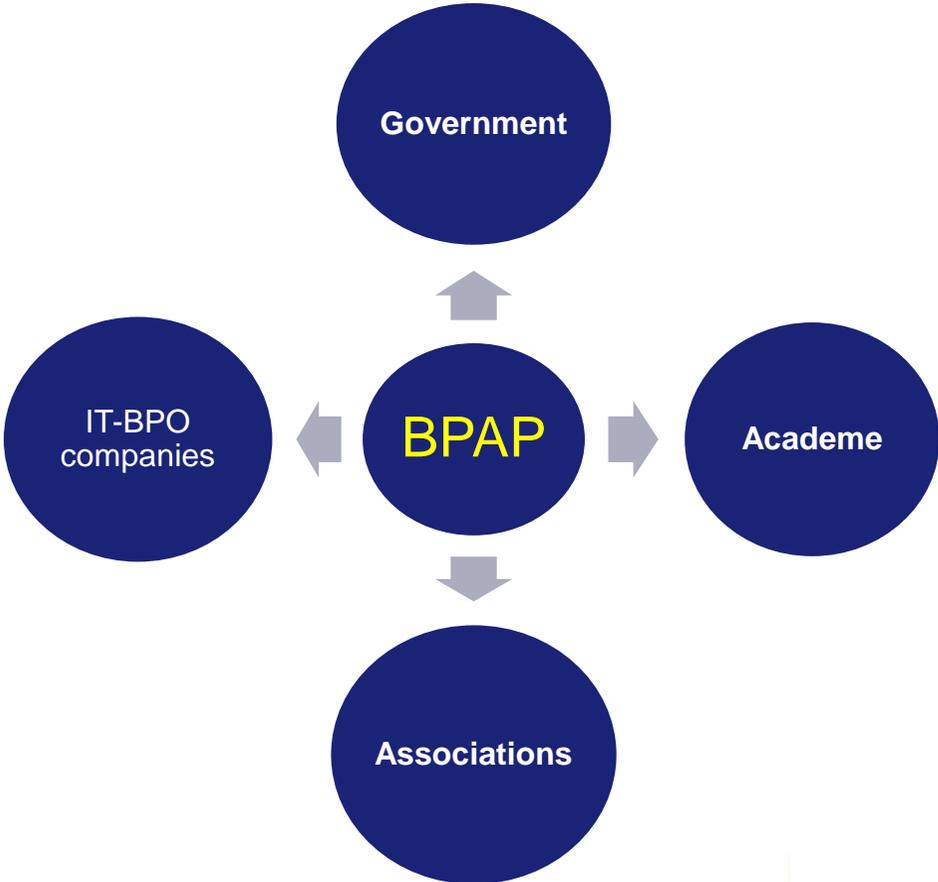
## Phase 1: Multi-sectoral effort Development & Harmonization

### TESDA

- Development of TM Plus (Trainers' Training)

### CHED

- Development of the Service Management Program



# Industry Talent Transformation: 3 Phases

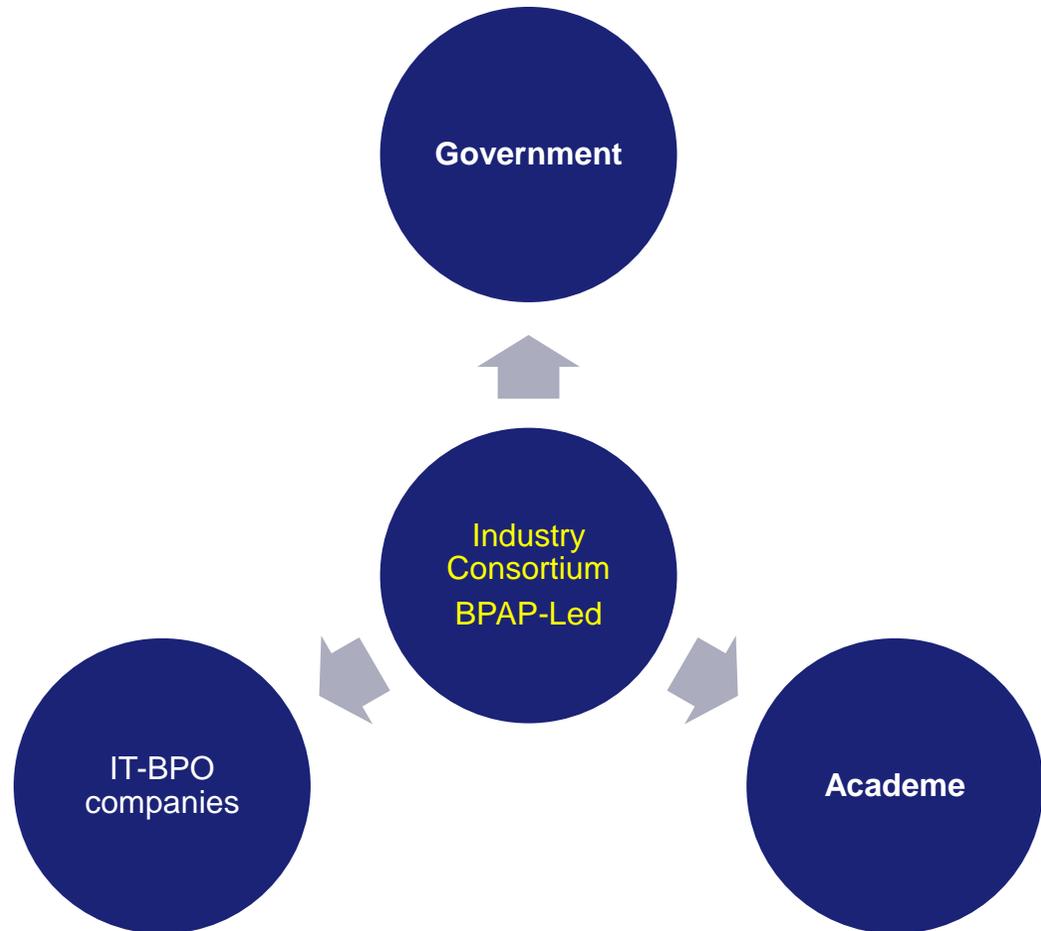
## Phase 2: Program/Solution Design & Pilot

### TESDA

- P416M Industry-based Training for Work Scholarship (I-TWSP)
- TM Plus roll out (P18M)

### CHED

- P125M Funding for 13 State Universities and Colleges which includes teachers' training



# Industry Talent Transformation: 3 Phases

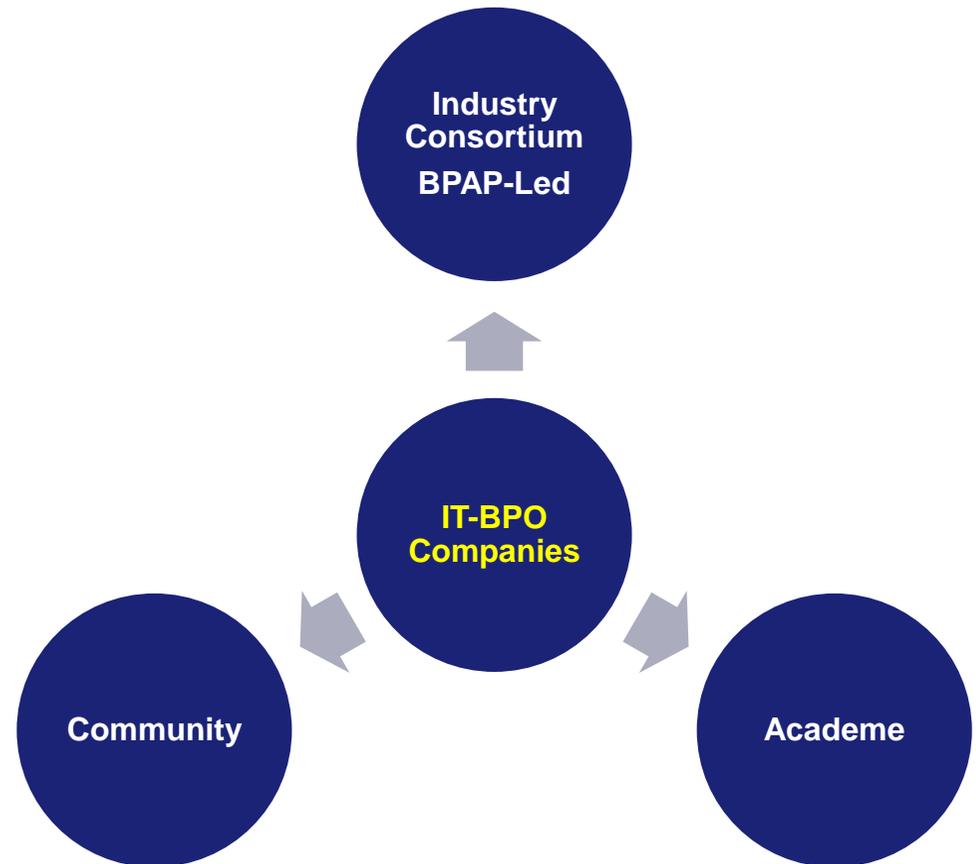
## Phase 3: Full Deployment & Scale

### TESDA

- Training institutions' partnership with IT-BPO companies for I-TWSP scholars and trainers

### CHED

- Partnership of IT-BPO companies with SUCs and HEIs including schools implementing K-12





**Thank You**