

ECONOMIC EMPOWERMENT THROUGH BUSINESS PROCESS OUTSOURCING: A STRATEGIC FRAMEWORK FOR EDU VISION 2035

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ABSTRACT:

Business Process Outsourcing (BPO) has emerged as a powerful driver of economic growth, employment generation, and skill development in the 21st century. This paper explores the transformative potential of BPO as a tool for economic empowerment, particularly in preparing a future-ready workforce aligned with the goals of Edu Vision 2035. Using a mixed-method approach, the study examines the role of BPO in enhancing employability, bridging the skills gap, and creating inclusive opportunities for marginalized communities. It highlights how BPO integrates education, technology, and entrepreneurship to promote sustainable livelihoods and economic participation, especially for women and youth. The paper also identifies policy interventions, training models, and industry-academia collaborations that can strengthen human capital and foster equitable economic growth. The paper concludes with a strategic framework to leverage BPO for inclusive development by 2035.

Keywords: Business Process Outsourcing (BPO); Economic Empowerment; Skill Development; Workforce Transformation; Inclusive Growth; Edu Vision 2035; Human Capital Development

INTRODUCTION

Context and Relevance

In the 21st century, the global economy is characterized by rapid technological advancement, increased connectivity, and expanding knowledge-driven industries. Within this context, economic empowerment has become a crucial developmental goal, emphasizing the ability of individuals and communities to participate meaningfully in economic activities, enhance their income potential, and achieve social and financial independence. Empowering people economically is not just a matter of creating jobs—it involves equipping them with the education, skills, and digital competencies necessary to thrive in an evolving global marketplace.

Education, technology, and globalization are the three transformative forces shaping new opportunities in this era. Education builds the foundation for employability and innovation, technology accelerates productivity and access to global markets, and globalization connects people, ideas, and industries across borders. Together, they create a dynamic environment in which new forms of work—particularly in the service and digital sectors—have emerged as major sources of employment and empowerment. Among these, Business Process

Outsourcing (BPO) stands out as a vital industry that not only generates employment but also contributes to skill enhancement, gender inclusion, and socio-economic mobility.

BPO is increasingly viewed as a key player in the future of work, particularly in economies like India where demographic advantage, digital infrastructure, and educational reforms converge to create an ideal environment for outsourcing industries to flourish. The sector offers accessible employment opportunities to graduates and semi-skilled youth, helping bridge the gap between education and employment while fostering financial independence. Moreover, the BPO industry promotes inclusive growth by offering flexible work models, supporting women's participation in the workforce, and creating opportunities in semi-urban and rural regions.

Purpose of the Study

The primary purpose of this study is to explore how Business Process Outsourcing can serve as a catalyst for economic empowerment in the modern knowledge economy. It seeks to understand how the BPO sector contributes to skill development, employment generation, and inclusive economic participation—particularly in alignment with the educational and developmental goals outlined in Edu Vision 2035. The study aims to establish linkages between the evolving education system, the demands of the BPO industry, and the broader vision of preparing a future-ready workforce capable of navigating technological and global transitions.

The paper also aims to develop a strategic framework that aligns the growth of the BPO sector with sustainable human capital development. By doing so, it highlights how coordinated efforts among government, industry, and academia can transform the BPO industry into a long-term engine of inclusive growth and empowerment, contributing directly to the realization of Edu Vision 2035. Edu Vision 2035 envisions a future where education is inclusive, technology-driven, and skill-oriented, preparing learners for the dynamic world of work. The BPO sector, with its focus on digital skills, communication, and problem-solving, provides a natural pathway to align education with employability and economic empowerment.

REVIEW OF LITERATURE

Conceptual Framework of Economic Empowerment

Economic empowerment is broadly understood as the process through which individuals and communities gain greater control over their economic lives and participate fully in economic decision-making. According to Sen's (1999) Capability Approach, true empowerment involves expanding people's choices and freedoms to pursue livelihoods they value. Kabeer (2005) emphasizes that empowerment is multidimensional, encompassing access to resources, agency, and achievements. Within this framework, employment in the BPO sector can be viewed as both a source of income and a platform for skill development, social inclusion, and upward mobility.

Evolution of the BPO Sector

The BPO industry has grown rapidly since the late 1990s, driven by globalization, cost advantages, and digital transformation. According to NASSCOM (2024), India commands over 55% of the global outsourcing market, employing more than 4.5 million people and contributing nearly 8% to the national GDP. Studies by Deloitte (2023) and Accenture (2022) highlight that BPO services are expanding beyond traditional call centers into knowledge-intensive areas such as data analytics, financial services, health care processing, and digital

marketing. This diversification has created new skill demands and higher-value employment opportunities.

BPO and Skill Development

BPOs have emerged as modern learning environments where employees acquire communication, digital, and managerial skills. According to Sharma and Gupta (2021), employees gain transferable skills, enhancing employability across sectors. The National Skill Development Corporation (NSDC, 2022) has recognized the BPO industry as a major partner in bridging India's skill gap through vocational training and certification programs. Furthermore, partnerships between BPO firms and educational institutions have begun integrating professional skills into university curricula, aligning with Edu Vision 2035's emphasis on employability.

BPO and Women's Empowerment

A growing body of research shows that the BPO sector plays a significant role in empowering women economically and socially. Studies by Singh (2020) and McKinsey Global Institute (2023) indicate that flexible working hours, merit-based promotions, and income stability in BPO firms have helped women gain financial independence, challenge gender stereotypes, and enhance their decision-making power. The presence of women in leadership and managerial roles has also contributed to workplace inclusivity and role modeling for younger employees.

Challenges in the BPO Ecosystem

While BPO contributes significantly to empowerment, several challenges persist. Researchers such as Rajan (2021) and Thomas (2022) have highlighted issues like high attrition rates, occupational stress, irregular work hours, and lack of job security due to automation. The integration of Artificial Intelligence (AI) and Robotic Process Automation (RPA) threatens certain repetitive job categories but also opens new opportunities for reskilling and career advancement.

Research Gap

Despite extensive studies on employment generation and skill development in the BPO industry, there is limited research connecting BPO's transformative role to long-term economic empowerment frameworks and national education visions like Edu Vision 2035. Existing literature focuses on economic outcomes but rarely integrates educational, technological, and policy dimensions. Hence, this study addresses the need for a comprehensive strategic model linking the BPO sector to sustainable empowerment and future-ready education.

RESEARCH METHODOLOGY

Research Design

This study employs a mixed-method research design to comprehensively analyze how Business Process Outsourcing (BPO) contributes to economic empowerment and aligns with the goals of Edu Vision 2035. The approach integrates both quantitative and qualitative data to capture economic, social, and educational impacts.

Objectives

1. To examine the socio-economic effects of BPO on individuals and communities.
2. To assess the role of BPO in skill development and workforce transformation.

3. To develop a strategic framework for leveraging BPO to achieve inclusive growth aligned with Edu Vision 2035.

Data Sources

- Primary Data: Interviews and structured questionnaires with BPO employees, managers, trainers, and policymakers to gather insights on employment, income generation, and skill development.
- Secondary Data: Reports from NASSCOM, Ministry of Commerce and Industry, World Bank, academic journals, and policy papers on BPO and human capital development.

Sampling and Data Collection

A purposive sampling method is adopted to select respondents from diverse BPO sectors, including IT, customer support, finance, and knowledge processing. Data collection is carried out through online surveys and semi-structured interviews. The sample includes 100 participants representing urban and semi-urban areas, ensuring gender and age diversity.

Data Analysis Techniques

Quantitative data is analyzed using descriptive and inferential statistics (mean, correlation, regression) to measure the relationship between BPO employment and economic empowerment indicators. Qualitative data is analyzed through thematic analysis to identify recurring themes on empowerment, skill transformation, and inclusivity.

ANALYSIS AND FINDINGS

1. Employment Generation and Income Enhancement

The analysis reveals that BPOs have significantly contributed to employment creation in India, particularly for youth and women. The industry employs millions directly and indirectly through ancillary services. Quantitative data from NASSCOM indicates that the BPO sector's contribution to employment has grown by over 20% in the past decade. Respondents reported average income increases of 35–50% after entering the BPO workforce, indicating tangible economic empowerment.

Table 1: Employment Growth in India's BPO Sector (2015–2024)

YEAR	EMPLOYMENT (in millions)	ANNUAL GROWTH (%)
2015	3.2	-
2017	3.8	6.8
2019	4.1	4.5
2021	4.3	3.2
2023	4.5	4.6
2024	4.8	6.7

Table 2: Average Monthly Income before and after BPO Employment

CATEGORY	BEFORE BPO (₹/month)	AFTER BPO (₹/month)
Male Employees	12,500	28,000
Female Employees	9,000	25,000
Overall Average	10,700	26,500

2. Skill Development and Human Capital Formation

Findings show that BPOs function as dynamic centers for skill enhancement. Training programs in communication, problem-solving, IT literacy, and customer relations have enhanced employees' employability across sectors. Nearly 72% of respondents credited BPO training with improving their confidence and career prospects. The sector aligns closely with Edu Vision 2035 goals by fostering lifelong learning and continuous professional development.

3. Women and Youth Empowerment

The data underscores BPO's crucial role in empowering women and young professionals. Approximately 48% of surveyed employees were women, many of whom cited financial independence and improved social mobility as key benefits. The flexible work models and remote opportunities provided by BPOs have expanded women's participation in the formal economy, supporting gender inclusivity and family well-being.

Table 3: Gender Distribution and Participation in BPO Workforce

GENDER	PERCENTAGE OF WORKFORCE (%)	AVERAGE TENURE (years)
Male	52	3.5
Female	46	4.2
Other	2	2.8

4. Regional and Rural Inclusion

Emerging trends highlight the growth of rural BPO centers, especially in tier-2 and tier-3 cities. These centers have brought employment opportunities closer to semi-urban and rural populations, reducing migration pressures. Government programs like the India BPO Promotion Scheme (IBPS) have successfully encouraged regional distribution of outsourcing services, ensuring balanced economic growth.

Table 4: Regional Distribution of BPO Centers across India

REGION	TIER-1 CITIES (%)	TIER-2 CITIES (%)	TIER-3 & RURAL (%)
North India	48	33	19
South India	52	31	17
East India	41	38	21
West India	49	36	15

5. Linking BPO to Edu Vision 2035

The findings affirm that Business Process Outsourcing plays a transformative role in achieving the objectives outlined in Edu Vision 2035, which emphasizes the creation of a future-ready, skilled, and inclusive workforce. The BPO industry not only offers immediate employment but also serves as a practical training ground for developing digital, linguistic, and cognitive skills that are central to the future of work. By integrating formal education with professional skill acquisition, BPO acts as a bridge between academia and industry — a key focus of Edu Vision 2035's competency-based learning agenda.

6.Role of Education and Skill Ecosystems

The success of BPO-driven empowerment depends on the synergy between educational institutions, training programs, and corporate skill initiatives. Industry-academia collaborations can ensure curriculum alignment with evolving business requirements. Integrating soft skills, problem-solving, and data-driven decision-making into higher education curricula can enhance graduates' employability. This aligns with Edu Vision 2035's emphasis on lifelong learning and adaptability in a rapidly changing global economy.

7.BPO as a Driver of Inclusive Growth

The inclusivity of BPO operations extends economic opportunities to diverse social segments. Women, rural youth, and differently-abled individuals benefit from the flexible and tech-enabled nature of BPO work environments. This inclusiveness reinforces the principles of equitable growth and social justice embedded in national development policies. BPO's capacity to decentralize employment also supports the Sustainable Development Goals (SDGs), particularly those related to decent work, gender equality, and reduced inequalities.

8.Technological Transformation and Future Prospects

The discussion further highlights how emerging technologies—such as Artificial Intelligence, Cloud Computing, and Robotic Process Automation—are reshaping BPO operations. These technologies introduce both opportunities and challenges. On one hand, they enhance efficiency and create new job roles in analytics, AI management, and cybersecurity. On the other, they demand a reskilled workforce capable of handling complex cognitive tasks. Therefore, a shift from traditional process-oriented work to knowledge-intensive roles is essential for sustaining economic empowerment in the long term.

9. Policy and Institutional Support

To maximize BPO's empowerment potential, coordinated policy interventions are vital. Government schemes such as the India BPO Promotion Scheme (IBPS) and Digital India initiatives should be expanded to promote rural outsourcing hubs and facilitate digital infrastructure. Furthermore, incentivizing BPO firms that invest in employee education, innovation, and social responsibility can create a self-sustaining cycle of empowerment and growth.

Summary of Key Findings

- BPO contributes significantly to economic empowerment through employment, income enhancement, and skill development.
- The industry supports inclusive growth by integrating women and rural youth into the formal economy.
- Strengthening collaboration among industry, academia, and government is essential to sustain empowerment outcomes and align workforce skills with Edu Vision 2035 objectives.

Challenges Identified

Despite its contributions, the BPO sector faces several challenges:

- **Skill Mismatch:** Rapid technological advancements create a lag between academic training and industry requirements.

- **High Attrition Rates:** The repetitive nature of work and limited upward mobility cause frequent job shifts.
- **Automation Threats:** The introduction of AI and robotic process automation may reduce traditional job roles.
- **Work-Life Imbalance:** Irregular shifts, especially for global clients, can affect employee well-being.

Strategic Framework for Economic Empowerment through BPO

The proposed strategic framework positions Business Process Outsourcing as a catalyst for sustainable economic empowerment, aligned with the goals of Edu Vision 2035. It integrates education, industry, and policy to create a holistic ecosystem that empowers individuals and communities through knowledge, skills, and digital inclusion.

1. Skill Ecosystem Alignment

- **Curriculum Integration:** Embed BPO-relevant competencies such as digital literacy, communication, data management, and customer analytics into higher education and vocational programs.
- **Industry-Academia Collaboration:** Establish partnerships between BPO companies and educational institutions for internships, apprenticeships, and project-based learning.
- **Certification and Accreditation:** Develop national-level certification frameworks for BPO skills under the National Skill Qualification Framework (NSQF) to standardize competencies.

2. Inclusive Growth and Regional Development

- **Rural BPO Hubs:** Promote decentralized outsourcing centers in tier-2 and tier-3 towns to create employment at the grassroots level and reduce migration.
- **Empowerment of Women and Youth:** Encourage policies and incentives that support flexible work arrangements, entrepreneurship, and leadership development for women and young professionals.
- **Digital Inclusion:** Strengthen broadband infrastructure and digital literacy programs in rural areas to expand access to remote work opportunities.

3. Digital Transformation and Future-Readiness

- **AI and Automation Training:** Prepare the workforce for emerging technologies by integrating AI, robotic process automation (RPA), and data analytics training modules.
- **Continuous Learning Culture:** Promote lifelong learning and micro-credential programs to help employees adapt to technological changes.
- **Green BPO Practices:** Encourage environmentally sustainable operations through paperless processes, energy-efficient data centers, and remote work models.

4. Employee Well-being and Empowerment

- **Work-Life Balance:** Implement flexible scheduling, hybrid work models, and wellness initiatives to reduce stress and burnout.

- **Career Advancement Pathways:** Create structured growth opportunities, leadership training, and mentorship programs.
- **Social Empowerment Initiatives:** Encourage BPOs to invest in community development projects such as education sponsorships and digital literacy drives.

5. Policy and Institutional Support

- **Government Incentives:** Expand financial and infrastructural support for BPO startups, especially in underdeveloped regions.
- **Skill Development Mission Integration:** Align BPO-related training with existing government missions like Skill India, Digital India, and Startup India.
- **Monitoring and Evaluation Framework:** Establish regular assessments to evaluate the economic and social impact of BPO initiatives on employment and empowerment.

Framework Outcome

The integration of these pillars aims to achieve the following outcomes by 2035:

- Creation of a future-ready workforce equipped with relevant digital and cognitive skills.
- Expansion of inclusive employment in both urban and rural regions.
- Promotion of sustainable and equitable economic growth through education-industry synergy.
- Realization of Edu Vision 2035's objectives by aligning education with employability, innovation, and empowerment.

CONCLUSION

Business Process Outsourcing (BPO) has emerged as a transformative force in promoting economic empowerment by integrating education, technology, and employment. The analysis demonstrates that BPO not only creates jobs but also builds human capital, strengthens digital literacy, and enhances social inclusion. Its ability to provide skill-based, flexible, and geographically dispersed employment opportunities aligns perfectly with the aspirations of Edu Vision 2035 — to cultivate a future-ready, inclusive, and adaptive workforce.

The sector's contribution extends beyond economic parameters to encompass empowerment in its truest sense — empowering individuals through education, income generation, and personal growth. Women and youth, in particular, have benefited from the flexibility, accessibility, and professional development opportunities within the BPO ecosystem. Furthermore, the expansion of rural BPO centers is reshaping regional economies, bridging the urban-rural divide, and fostering balanced development.

However, challenges such as high attrition, skill mismatch, and technological disruptions must be proactively addressed through policy interventions and continuous skill upgrading. The strategic framework proposed in this paper emphasizes multi-stakeholder collaboration between the government, industry, and academia to ensure that the empowerment potential of BPO is fully realized.

In conclusion, the BPO industry stands as a cornerstone in the journey toward achieving Edu Vision 2035. By aligning education with employability, fostering digital inclusivity, and promoting equitable economic participation, BPO can act as a catalyst for sustainable development. The future of economic empowerment lies in nurturing this symbiotic

relationship between knowledge and enterprise — shaping not just careers, but communities and the nation's socio-economic trajectory.

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