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Information technology — IT Enabled Services-Business Process Outsourcing (ITES-BPO) lifecycle processes —

Part 5: Guidelines

Technologies de l'information — Processus du cycle de vie de la délocalisation du processus d'affaires des services activés par IT —

Partie 5: Lignes directrices

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ISO copyright office
Ch. de Blandonnet 8 • CP 401
CH-1214 Vernier, Geneva, Switzerland
Tel. +41 22 749 01 11
Fax +41 22 749 09 47
copyright@iso.org
www.iso.org

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Foreword

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The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular the different approval criteria needed for the different types of document should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see www.iso.org/directives).

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For an explanation on the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the World Trade Organization (WTO) principles in the Technical Barriers to Trade (TBT) see the following URL: www.iso.org/iso/foreword.html.

The committee responsible for this document is ISO/IEC JTC 1, *Information technology*, Subcommittee SC 40, *IT Service Management and IT Governance*.

A list of all parts in the ISO/IEC 30105 series can be found on the ISO website.

Introduction

ITES-BPO services encompass the delegation of one or more IT enabled business processes to a service provider who uses appropriate technology to deliver service. Such a service provider manages, delivers, improves and administers the outsourced business processes in accordance with predefined and measurable performance metrics. This covers diverse business process areas such as finance, human resource management, administration, health care, banking and financial services, supply chain management, travel and hospitality, media, market research, analytics, telecommunication, manufacturing, etc. These services provide business solutions to customers across the globe and form part of the core service delivery chain for customers.

ISO/IEC 30105 (all parts) specifies the lifecycle processes requirements involved in the ITES-BPO industry.

— It provides an overarching standard for all aspects of ITES-BPO industry from the view of the service provider that performs the outsourced business processes. This is applicable for any ITES-BPO service provider providing services to customers through contracts and in industry verticals.

— It covers the entire outsourcing lifecycle and defines the processes that are considered to be good practices.

— It is an improvement standard that enables risk determination and improvement for service providers performing outsourced business processes. It also serves as a process reference model for service providers.

— It focuses on IT enabled business processes which are outsourced.

— It is generic and can be applied to all IT enabled business process outsourced services, regardless of type, size and the nature of the services delivered.

— Process improvement implemented using ISO/IEC 30105 (all parts) can lead to clear return on investment for customers and service providers.

— Alignment to ISO/IEC 30105 (all parts) can improve consistency, delivery quality and predictability in delivery of services.

Figure 1 illustrates the key entities and relationships involved in an ITES-BPO service. It includes the customer, the ITES-BPO service provider and various levels of suppliers. This is in line with the supply chain relationship depicted in ISO/IEC 20000-1:2011, 7.2.

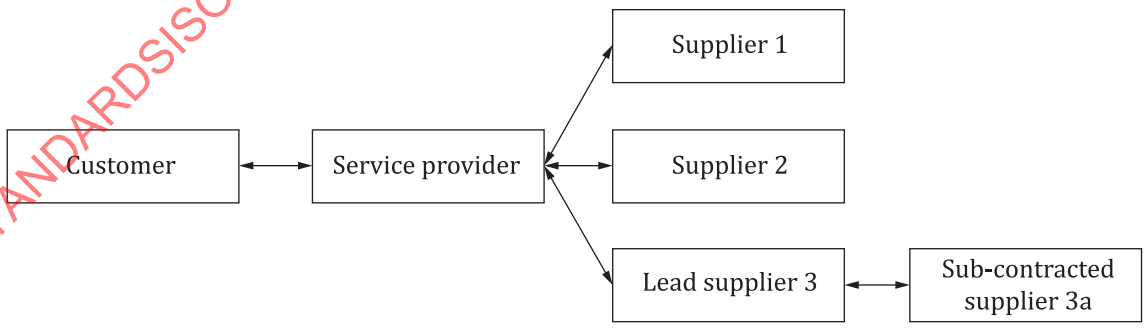

Figure 1 — ITES-BPO key entities

This document provides guidance to the other parts of ISO/IEC 30105 and the requirements for assessing processes. This document, in such a context, provides guidance on the application of the process assessment model, how to strategically leverage the assessment and then how to use it in the context of an improvement programme for an ITES-BPO organization.

Information technology — IT Enabled Services-Business Process Outsourcing (ITES-BPO) lifecycle processes —

Part 5: Guidelines

1 Scope

ISO/IEC 30105 specifies the lifecycle process requirements performed by the IT enabled business process outsourcing service provider for the outsourced business processes. It defines the processes to plan, establish, implement, operate, monitor, review, maintain and improve its services. This document:

— covers IT enabled business processes that are outsourced;

— is not intended to cover IT services but includes similar, relevant process for completeness;

— is applicable to the service provider, not to the customer;

— is applicable to all lifecycle processes of ITES-BPO;

— provides guidance on application of the process assessment model, how to strategically leverage the assessment and to use it in the context of an improvement programme or risk assessment for an ITES-BPO service provider organization.

2 Normative references

The following documents are referred to in the text in such a way that some or all of their content constitutes requirements of this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

ISO/IEC 30105-2:2016, *Information technology — IT Enabled Services-Business Process Outsourcing (ITES-BPO) lifecycle processes — Part 2: Process assessment model (PAM)*

ISO/IEC 30105-3:2016, *Information technology — IT Enabled Services-Business Process Outsourcing (ITES-BPO) lifecycle processes — Part 3: Measurement framework (MF) and organization maturity model (OMM)*

ISO/IEC 33020, *Information technology — Process assessment — Process measurement framework for assessment of process capability*

3 Terms and definitions

For the purposes of this document, the terms and definitions given in ISO/IEC 30105-4, ISO/IEC 33001 and ISO/IEC 33020 apply.

ISO and IEC maintain terminological databases for use in standardization at the following addresses:

— IEC Electropedia: available at http://www.electropedia.org/

— ISO Online browsing platform: available at http://www.iso.org/obp

4 Purpose

This document aims to provide guidance on the following:

a) the key parts of ISO/IEC 30105 (all parts), including the process assessment model, measurement framework and the organization maturity model;

b) how to undertake process assessment and determine organization maturity through assessment of process risk;

c) the approach to the organization maturity model (OMM), including the organization maturity rating scale. This scale represents the extent to which an organization is able to demonstrate its maturity through process quality. Process quality is demonstrated through assessment of the organization's ability to establish, manage and execute its processes with high capability;

d) use of the assessment and outcomes as part of a framework for performing process improvement (PI) in a continual cycle.

Assessment of process capability is concerned with analysing the output of conformant process assessments to identify the strengths, weaknesses and risks associated with deploying the processes to meet a specific requirement.

Assessment of process risk is applicable across all ITES-BPO domains and to any ITES-BPO service provider organization wanting to determine the process risks of its own processes.

PI uses the results of a current state assessment for an ITES-BPO service provider organization to formulate and prioritize improvement plans. These plans improve the processes, thus creating the inherent ability to support continual improvement.

Analysis of the output from a process assessment and process risk determination findings against an organizational unit's business goals and the joint business goals of a customer-service provider engagement will lead to identification of the strengths, weaknesses and risks related to the processes, operations, structure, etc. This can help to determine whether the processes are effective in achieving business goals and provide the critical triggers for making improvements.

The guidance on assessment of process risk covers the following:

— overview of process capability: target capability, process oriented risk analysis;

— guidance for conducting an assessment of process capability: core and extended.

The guidance on PI provides the following:

a) overview of PI: the factors which drive ITES-BPO process improvement and the underlying general principles;

b) methodology for PI: improving ITES-BPO processes within a continual improvement cycle;

c) measurement framework and management: ITES-BPO process improvement from a management perspective, including an overall framework for process measurement.

The PAM is designed to provide organizations with an integrated approach to organizational performance management that results in the following:

— delivery of increased effectiveness in driving outcomes to customers and stakeholders, contributing to organizational sustainability;

— improvement of overall organizational effectiveness and capabilities;

— organizational and personal learning.

These service provider improvements can be marketed to outsourcing companies (customers) and can provide increased value to customers and stakeholders.

For all practical purposes, “value” can be considered as business outcomes achieved in line with the requirements of the customer contract or customer requirements.

The adoption and implementation of ISO/IEC 30105 (all parts) can lead to the following benefits:

a) a greater degree of standardization of base practices in this important industry segment;

b) benchmarking for useful comparisons across adopting service provider organizations;

c) improved process efficiency and productivity, improved asset utilization and reduced internal/external failures or potential failures, thereby improving the quality of output and services;

d) improved customer focus and customer satisfaction, leading to a clear return on investment from the maturity assessment journey. This also creates an ability to achieve and communicate the business benefits to the customers and all direct stakeholders;

e) reduced time to maturity for new start-up service providers and new services for existing service providers through the adoption of the ITES-BPO process reference model;

f) for customers (who use the ITES-BPO services), a mechanism to understand the capabilities of service providers through a common standard, leading to increased levels of transparency and trust. It also provides a mechanism to jointly solve issues proactively and to work on the strategic programmes;

g) over a period of time, improved processes, shorter transition lead time for new processes, reduced defect rates, improved cycle time, improved time to market, better risk determination, improved productivity, etc. This can then lead to direct/indirect benefits to outsourcing companies due to greater maturity and value from service providers, which can be further leveraged.

5 ITES-BPO process context

The processes in an ITES-BPO service provider organization have two distinct characteristics. Firstly, operational service delivery, i.e. process execution, happens in real time. Secondly, the processes are driven by service level agreements (SLAs) and key performance indicators (KPIs), which measure the performance and quality of delivery and the quality of experience.

ITES-BPO services are based on delivery of business process transactions, which are of varied complexity and have direct impact on the customer organization’s business delivery. Typically, an outsourcing approach is adopted by a customer to gain overall process efficiency, economies of scale and transformation savings through an expert service provider.

This allows the outsourcing customer organization to stay focused on its core strategic goals, end-customer management and business growth, while the service provider organization takes full ownership of process delivery.

One of the key requirements in outsourcing is business continuity management (BCM) for the outsourced operations so that the overall system works at the desired level of assurance.

Figure 2 shows the service provider view for a typical customer engagement lifecycle.

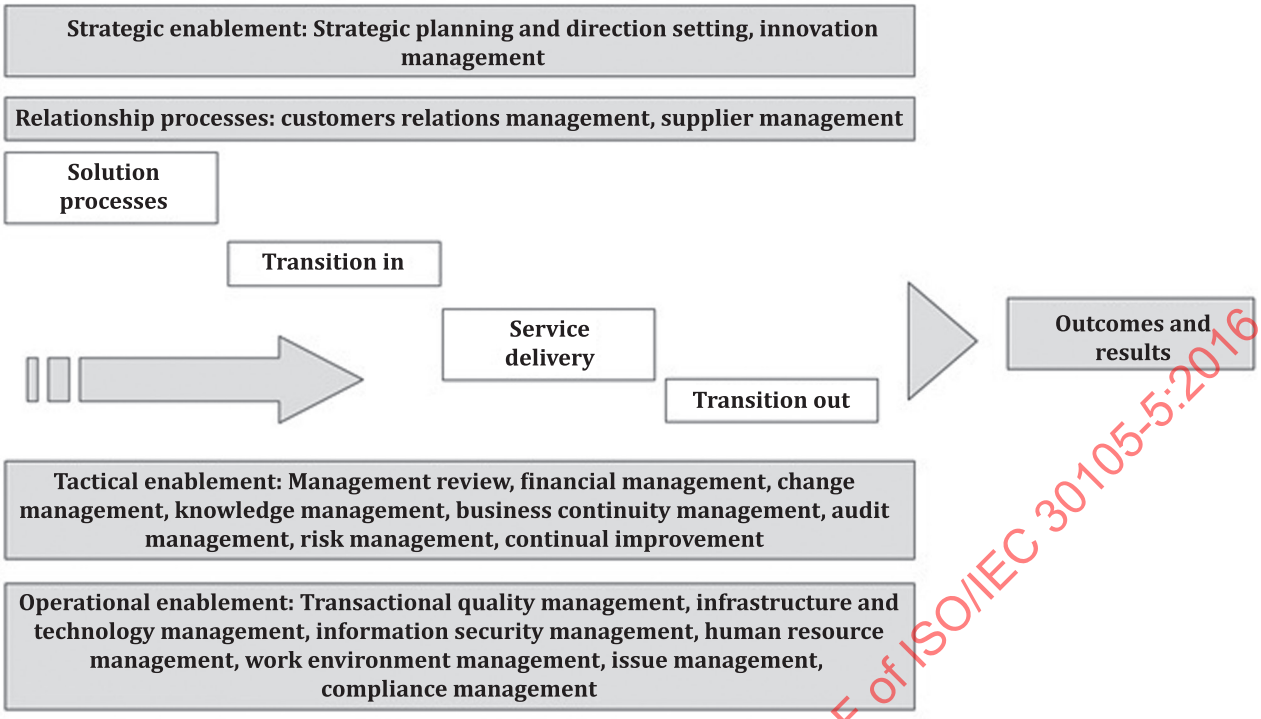

Figure 2 — End-to-end view of ITES-BPO engagement lifecycle

ISO/IEC 30105 (all parts) addresses the following key questions for an ITES-BPO organization.

— How to manage performance across the framework of people, process and technology?

— How to best stabilize and improve the processes?

— How to optimize and sustain the processes?

— How to align improvement and process efforts to desired results?

— How to ensure process improvement benefits and quality results?

— How to achieve a differentiated approach for maturity?

6 ITES-BPO process structure

Figure 3 lists the processes from ISO/IEC 30105-1 that are included in the process dimension of the process assessment model for ITES-BPO. It includes all aspects of an ITES-BPO outsourced service, from developing an ITES-BPO solution through service delivery and to transitioning out. It includes the leadership, relationship management and enabling processes which support the outsourced business across its lifecycle.

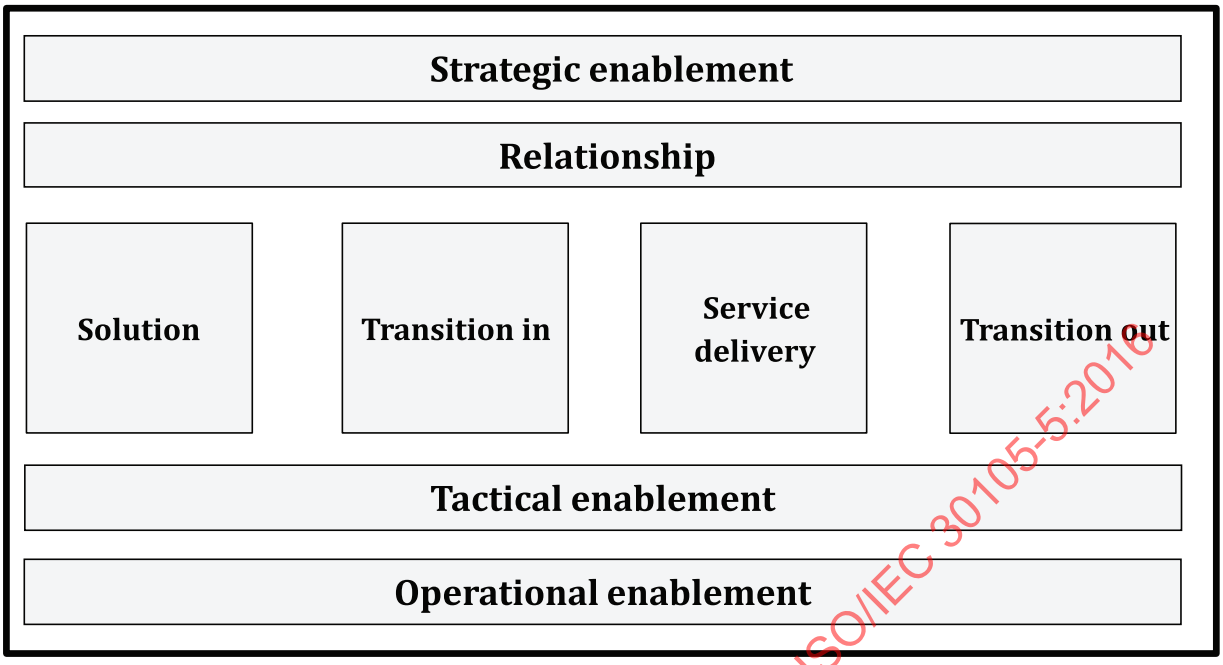

Figure 3 — ITES-BPO lifecycle process categories

The ITES-BPO process categories are as follows.

— **Strategic enablement processes**: include strategic direction and review of the business performance against plan for the service provider organization and Innovation process to bring in breakthrough changes.

— **Relationship processes**: cover the relationship of the service provider with the customer and the suppliers.

— **Solution processes**: include details on how the ITES-BPO solution is envisaged and the contract developed and managed.

— **Transition in processes**: cover the movement of business process delivery from the customer to the service provider, establishing the required management, people and infrastructure capability, and concluding with piloting the transitioned service.

— **Service delivery processes**: include all the processes that are required for the day to day management and delivery of ITES-BPO services.

— **Transition out process**: covers the movement of the business process delivery back to the customer or to a different service provider.

— **Tactical enablement processes**: involve a set of processes that enables achievement of the objective of the core service delivery processes. These are tactical in nature.

— **Operational enablement processes**: involve a set of processes that ensures day to day operations of service delivery are supported and are performed alongside the service delivery processes.

The process reference model, as shown in Figure 3, categorizes the ITES-BPO lifecycle processes:

— strategic enablement;

— relationship;

— solution;

— transition in;

— service delivery;

— transition out;

— tactical enablement;

— operational enablement.

The purpose of the process categories is to give clarity on the ways of working, as a group of linked and inter-dependant processes within the process framework, for ease of understanding for the reader.

The ITES-BPO lifecycle processes have been categorized as below.

a) **Strategic enablement processes**: include strategic direction and review of the business performance against plan for the service provider organization and innovation process to bring in breakthrough changes.

Senior leaders should set business objectives, create a customer focus, establish clear and visible organizational values and set high expectations for the workforce. The directions, values and expectations should balance the needs of all direct stakeholders. Leaders should ensure the creation of strategies, systems, organizational roadmap and methods for achieving performance excellence, stimulating innovation, building knowledge and capabilities and ensuring organizational sustainability. Senior leaders need to inspire and encourage the entire workforce to contribute, to develop and learn, to be innovative and to embrace meaningful change. Senior leaders need to be responsible to the organization's governance body for their actions, performance and conformance.

There are two processes under this category. These are strategic planning and direction setting and innovation management.

b) **Relationship processes**: cover the relationship of the service provider with the customer and the suppliers.

These processes are aimed at ensuring superior engagement with customers and suppliers for seamless business delivery.

Performance and quality are judged by an organization's customers. Thus, the service provider organization should take into account all product features and characteristics, modes of customer access and support that contribute value to customers. This can lead to customer acquisition, satisfaction, preference and loyalty, to positive referrals and to business sustainability. Customer-driven excellence has both current and future components: understanding today's customer needs and anticipating future customer requirements and market place potential.

This also includes managing any suppliers who are linked to the delivery and their performance. Service providers can also outsource some areas (e.g. invoice scanning, creating content) to a sub-contracting supplier if there is a further need for optimized value delivery.

c) **Solution processes**: detail how the ITES-BPO solution is envisaged and the contract developed and managed.

This category covers the development of feasible solutions and proposals to transfer knowledge, mobilize people and create the infrastructure. It plans for transition, service delivery risk management, information security and business continuity.

It includes the drafting, negotiation and agreement of a formal contract, and defining and monitoring obligations.

d) **Transition in processes**: cover the movement of business process delivery from the customer to the service provider, establishing the required management, people and infrastructure capability, and conclude with piloting the transitioned service.

This category covers the mobilization of sufficient people with the required skills, creating the required infrastructure, transferring appropriate knowledge, planning for service delivery and

piloting the service delivery on a limited scale. This should be achieved with minimal disruption to the customer's business performance during this activity. This establishes the operational ITES-BPO service for delivery from the service provider organization in line with the contracted commitments, including service performance and quality targets.

e) **Service delivery processes**: include all the processes that are required for the day to day management and delivery of ITES-BPO services.

This category of processes focuses on seamless operational delivery of business processes to achieve the required service levels and good customer experience. It aims to manage, operate and control the ongoing service delivery to achieve the desired performance levels. Service delivery is monitored against the operational performance targets, and a governance framework is implemented to produce timely and accurate service reports to support effective communication and decision-making.

These processes also help to manage delivery of business processes, aligned to customer requirements and related external requirements, where necessary, to ensure consistency, reliability, quality, efficiency, effectiveness, continual improvement and regulatory compliance.

Services are delivered continuously and in response to service requests, in accordance with service level agreements.

f) **Transition out process**: covers the movement of the business process delivery back to the customer or to a different service provider if needed.

This process defines how to transfer the services, in part or full, to meet defined requirements, sustained performance and contractual commitments with minimal disruption to the customer.

g) **Tactical enablement processes**: involve a set of processes that enable the achievement of the objective of the core service delivery processes. These are tactical in nature.

There are eight processes under this category. These are management review, financial management, change management, knowledge management, business continuity management, audit management, risk management and continual improvement.

h) **Operational enablement processes**: involve a set of processes that ensure day to day operations of service delivery are supported and are performed alongside the service delivery processes.

There are seven processes under this category. These are transaction quality management, information security management, compliance management, human resource management, infrastructure and technology management, work environment management and issue management.

Figure 4 shows the processes within the process categories in the ITES-BPO lifecycle.

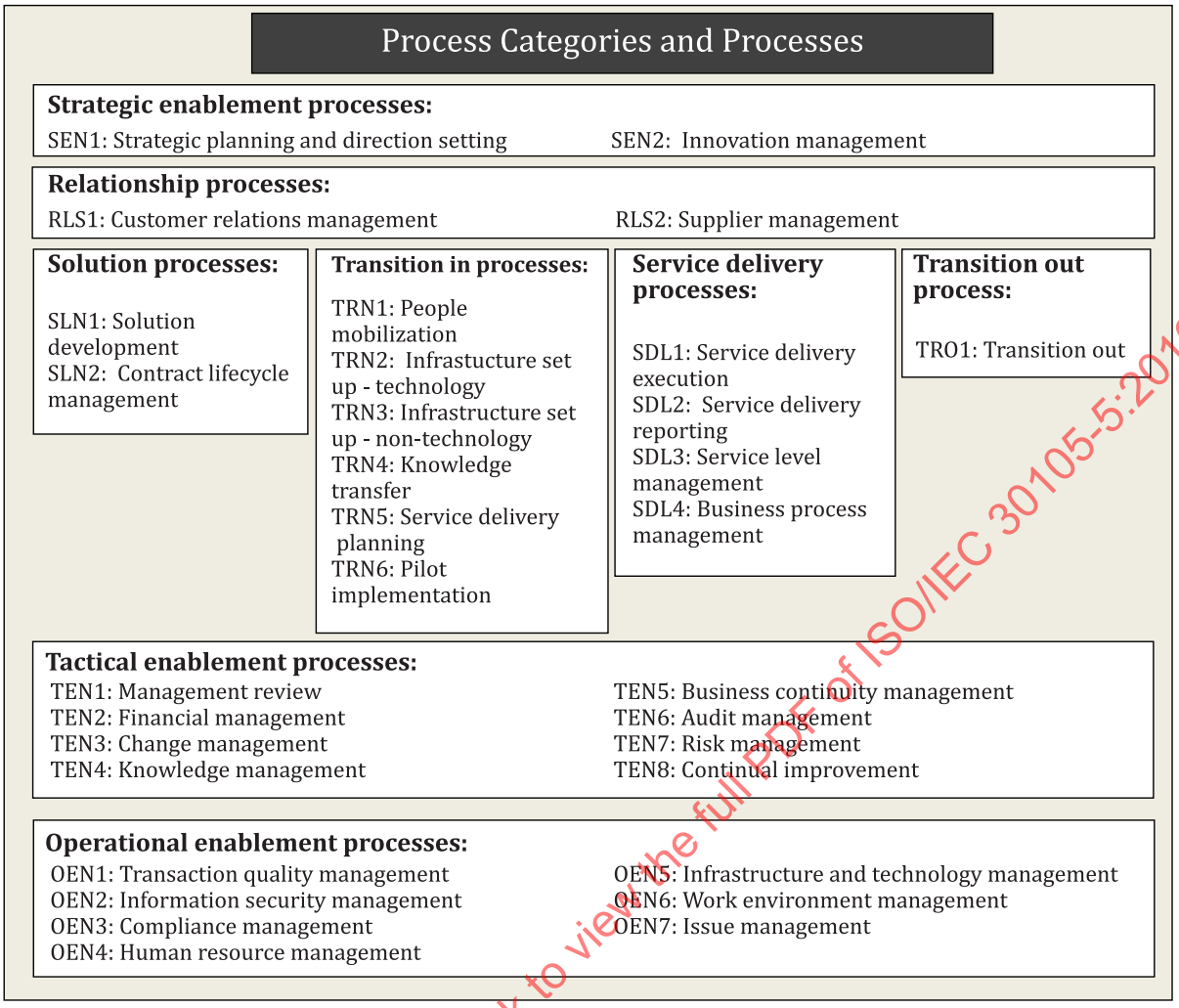

Figure 4 — ITES-BPO lifecycle process categories and processes

Each process is further described in terms of process purpose and outcomes in ISO/IEC 30105-1, the ITES-BPO process reference model. ISO/IEC 30105-2, the ITES-BPO process assessment model, further expands this model to include the base practices, generic practices, generic resources and generic and specific work products to achieve the defined outcomes.

A process assessment model consists of a set of indicators for process performance and process capability. The indicators are used as a basis for collecting the objective evidence that enables an assessor to determine ratings. The set of indicators included in ISO/IEC 30105 (all parts) is not intended to be an all-inclusive set nor is it intended to be applicable in its entirety. Supersets and subsets that are appropriate to the context and scope of the assessment should be selected.

The process assessment model in ISO/IEC 30105-2 is directed at assessment sponsors and assessors who wish to select a model, and associated documented assessment process, for the ITES-BPO lifecycle processes, for risk determination or process improvement or for both.

7 Stakeholders and stakeholder value definition

Stakeholders for ITES-BPO service provider organizations can be external and internal. They can have many different needs, often conflicting in nature.

The key direct stakeholders are as follows:

— senior management of the service provider organization;

— entire workforce, including leaders;

— customer organization.

The key indirect stakeholders are as follows:

a) suppliers and partners;

b) analyst community — these are the third party rating agencies, analysts who study and rate service providers based on their cost efficiency, brand image and automation capabilities in an ITES-BPO context.

An organization's performance measurements need to focus on key objectives and results. Results should be used to create and balance value for the service provider's key stakeholders. By creating value for the key stakeholders, the service provider organization builds loyalty.

The use of a balanced composite of leading and lagging performance measures offers an effective means to communicate short and longer-term priorities, monitors actual performance and provides a clear basis for improving results.

Stakeholder needs are influenced by a number of drivers, e.g. strategy changes, a changing business and regulatory environment and technology evolutions.

The key impacts of adopting ISO/IEC 30105 (all parts) for the primary stakeholders are as follows.

Senior management of service provider organizations:

— delivery rigour — consistency and predictability in each transaction and overall operations;

— stronger focus on internal delivery performance management;

— focus on innovation and continual improvement;

— a conscious impact to deliver towards a customer's business objectives and financial targets, as applicable;

— improved customer focus and customer satisfaction, leading to a clear return on investment from adopting ISO/IEC 30105 (all parts);

— reduced time to maturity for new start-up service providers, through the adoption of the defined ITES-BPO process reference model;

— cost efficiency;

— identification of waste/inefficiency in structured way;

— ability to use as a benchmark and identify transformation goals and drive organization wide change management programme;

— ability to grow the business.

For workforce:

a) ability to manage better with known control points;

b) overall learning and growth.

Customer organizations:

— clarity in understanding the maturity of service providers;

— improved productivity and the quality of services;

— simplification of ITES-BPO provider selection and contracting;

— cost efficiency;

— identification of waste/inefficiency in structured way;

— ability to use a benchmark and identify transformation goals and drive organization-wide change management programme;

— improved customer experience and engagement (moments of truth) throughout service and management of interactions;

— improved support for achievement of the customer's business objectives and financial targets, as relevant and applicable.

The key impacts of adopting ISO/IEC 30105 (all parts) for the secondary stakeholders are as follows:

a) ability to objectively rate and compare ITES-BPO service provider organizations;

b) understand and interpret the key process maturity measures.

While the impact to the service provider organization is direct and clear, impact to the customer organization is more implied and expected.

Value and satisfaction can be influenced by many factors throughout the customer's overall experience with the service provider organization. These factors include the service provider organization's customer relationships, which help to build trust, confidence and loyalty.

Customer-driven excellence means much more than reducing defects and errors, meeting requirements or reducing complaints. In addition, the service provider organization's success in recovering from defects, service errors and mistakes is crucial for retaining customers and engaging customers for the long-term.

A customer-driven organization addresses not only the product and service characteristics that meet basic customer requirements but also those features and characteristics that differentiate the organization from its competitors. Such differentiation can be based on innovative offerings, combinations of product and service offerings, customization of offerings, multiple access channels, rapid response or special relationships.

Customer-driven excellence is a strategic concept. It is directed toward customer retention and loyalty, market share gain and business growth. It demands constant sensitivity to changing and emerging customer and market requirements and to the factors that drive customer engagement. It demands close attention to the voice of the customer, managing and improving the customer experience and end-customer journey at every point of engagement and interaction. It demands anticipating changes in the marketplace. Therefore, customer-driven excellence demands a customer-centric culture and organizational agility.

8 Process reference model

The process reference model (PRM) defines the processes in the ITES-BPO lifecycle, described in terms of process purpose and outcomes, together with an architecture describing relationships between the processes.

ISO/IEC 33004 requires that processes included in a process reference model satisfy the following.

A process description shall meet the following requirements.

a) *A process shall be described in terms of its purpose and outcomes.*

b) *The set of process outcomes shall be necessary and sufficient to achieve the purpose of the process.*

c) *Process descriptions shall not contain or imply aspects of the process quality characteristic beyond the basic level of any relevant process measurement framework conformant with ISO/IEC 33003.*

Each process in the PRM has the following descriptive elements.

— ***Name**: the name of a process is a short noun phrase that summarizes the scope of the process, identifying the principal concern of the process, and distinguishes it from other processes within scope of the process reference model.*

— ***Context**: for each process, a brief overview describes the intended context of the application of the process.*

— ***Purpose**: the purpose of the process is a high-level and overall goal for performing the process.*

— ***Outcomes***: an outcome is an observable result of the successful achievement of the process purpose. Outcomes are measurable, tangible technical or business results that are achieved by a process. They are observable and assessable.

The PRM aligns outcomes to the business benefits derived by the customer and the service provider.

A PRM cannot be used alone as the basis for conducting reliable and consistent assessments of process capability since the level of process detail available is not sufficient.

The PAM replicates the PRM and extends it to include the attributes required to undertake a process capability assessment against this process reference model.

The purpose of a process reference model is to define a set of processes that collectively can support the primary aims of a community of interest. A process reference model can provide the basis for one or more process assessment models. The process assessment model uses the same process descriptions provided in the process reference model.

For new start-up ITES-BPO organizations or those with a less mature process framework, this PRM can be used to expedite the creation and maturity of their processes by adoption and adaption of this ITES-BPO PRM.

9 Process assessment model

In ISO/IEC 33001, the process assessment model (PAM) is described as a model suitable for the purpose of assessing a specified process quality characteristic, based on one or more process reference models.

The process reference model defined in ISO/IEC 30105-1, associated with the process attributes defined in ISO/IEC 30105-3, establishes a process assessment model that provides a common basis for performing assessments on ITES-BPO lifecycle processes, enabling the results to be reported using a common rating scale.

The process assessment model defines a two-dimensional model of process capability.

— **Process dimension**: processes are defined and classified into process categories.

— **Capability dimension**: a set of process attributes grouped into capability levels is defined.

The process attributes provide the measurable characteristics of process capability.

Process dimension

All processes in Figure 4 are included within the process dimension of the process assessment model.

Each process in the PAM is described by a purpose statement which contains the objectives of the process and a set of specific expected outcomes. The outcomes are associated with each of the process purpose statements and indicate the expected positive result of the process performance.

Satisfying the purpose statements of a process represents the only step in achieving a level 1 process capability, where the expected outcomes are observable.

Capability dimension

Process capability levels are defined in ISO/IEC 30105-3 and detailed definitions of the process capability levels and process attributes are set out in ISO/IEC 30105-2:2016, Clause 6, together with the relevant process capability indicators. Process capability is expressed in the PAM by grouping process attributes into capability levels.

Process attributes are process features which can be evaluated on a scale of achievement to provide a process capability measure. Each process attribute describes a feature of the overall capability of managing and improving process effectiveness in achieving its purpose and contributing to the organization's business goals.

A capability level is a set of process attribute(s) that together describe an ability to operate and perform a process at a given capability level. The existence or not of evidence to meet these process attribute(s) helps determine the capability levels. The levels constitute a rational path for improving capability for any process and are defined in ISO/IEC 30105-3. The assessment of process attributes is determined on the basis of assessment indicator evidence. There are two types of assessment indicators: process capability indicators (PCI), which apply to capability levels 1 to 5, and process performance indicators (PPI), which apply exclusively to capability level 1.

These indicators enable the assessment of the extent of achievement of a process attribute in the implemented process. These indicators concern significant activities, resources or results associated with the achievement of the attribute purpose by a process.

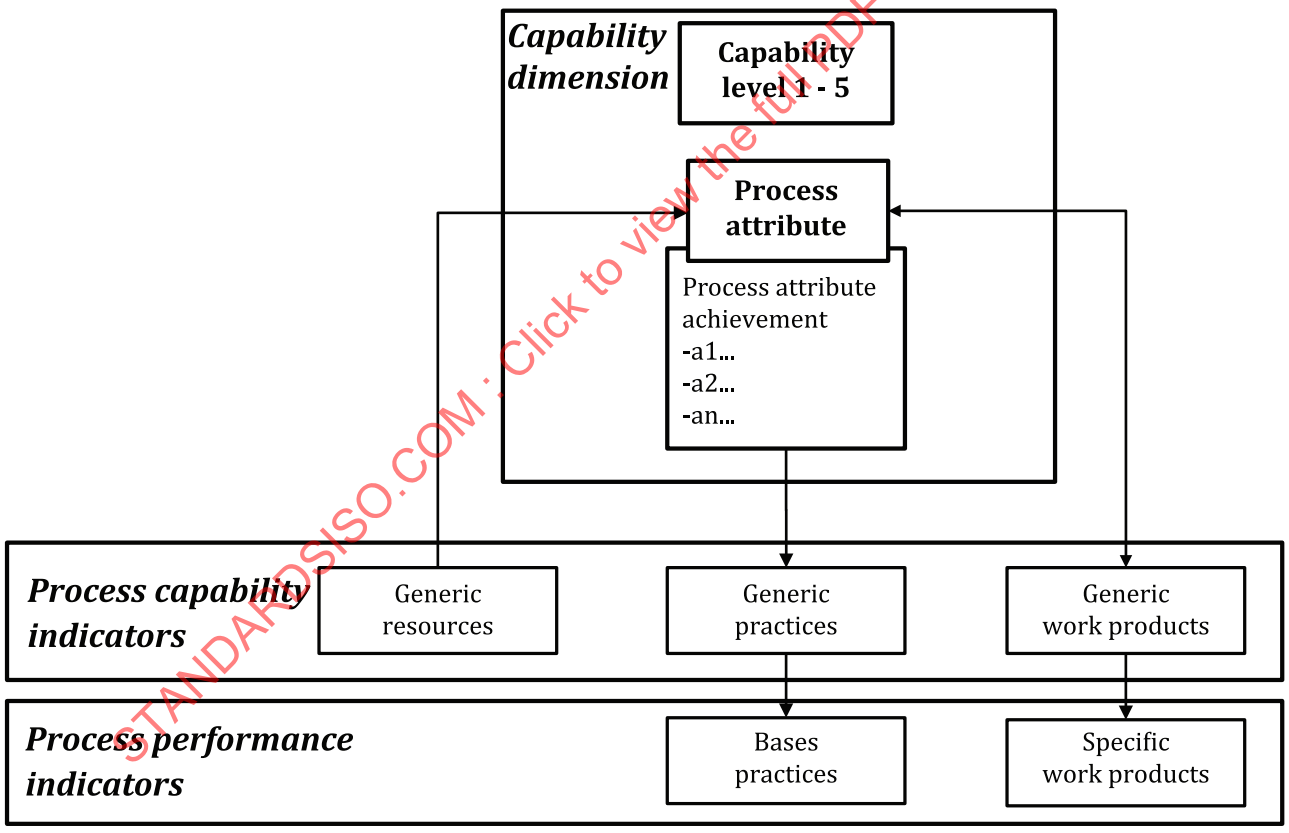

Figure 5 — Process assessment indicators

The three types of process capability indicators related to levels 1 to 5 are identified in Figure 5. They are intended to be applicable to all processes.

All the process capability indicators relate to the process attributes defined in the capability dimension of the process assessment model. They represent the type of evidence that would support judgments of the extent to which the attributes are achieved. Evidence of their effective performance or existence

supports the judgment of the degree of achievement of the attribute. The generic practices are the principal indicators of process capability.

The **generic practice (GP**) indicators are activities of a generic type and provide guidance on the implementation of the attribute's characteristics. They support the achievement of the process attribute and many of them concern management practices, i.e. practices that are established to support the process performance as it is characterized at level 1.

During the evaluation of process capability, the primary focus is on the performance of the generic practices. In general, performances of all generic practices are expected for full achievement of the process attribute.

The **generic resource (GR)** indicators are associated resources that can be used when performing the process in order to achieve the attribute. These resources can include human resources, tools, methods and infrastructure. The availability of a resource indicates the potential to fulfil the purpose of a specific attribute.

The **generic work product (GWP)** indicators are sets of characteristics that are expected to be evident in work products of generic types as a result of achievement of a process attribute. The generic work products form the basis for the classification of the work products defined as process performance indicators. They represent basic types of work products that can be inputs to or outputs from all types of process.

These three types of indicators help to establish objective evidence of the extent of achievement of a specified process attribute.

The process performance and process capability indicators defined in the PAM represent types of objective evidence that can be found in an implementation of an ITES-BPO process. Therefore, these can be used to judge achievement of capability.

There are two types of process performance indicators: **base practice (BP)** and **work product (WP)** indicators. Process performance indicators relate to individual processes defined in the process dimension of the process assessment model and are chosen to explicitly address the achievement of the defined process outcomes.

Evidence of performance of the base practices, and the presence of work products with their expected characteristics, provide objective evidence of the achievement of the process outcomes.

A base practice is an activity that addresses the purpose of a particular process. Consistently performing the base practices associated with a process helps to consistently achieve the process purpose. A coherent set of base practices is associated with each process in the process dimension. The base practices are described at an abstract level, identifying "what" should be done without specifying "how". Implementing the base practices of a process should achieve the basic outcomes that reflect the process purpose. Base practices represent only the first step in building process capability, but they represent the unique, functional activities of the process, even if that performance is not systematic.

The performance of a process requires work products that are identifiable and usable in achieving the purpose of the process. In the ISO/IEC 30105-2 ITES-BPO process assessment model, each work product has a defined set of example characteristics that can be used when reviewing the work product to assess the effective performance of a process. Work product characteristics can also be used to identify the corresponding work product that is used or produced by the organization being assessed.

Figure 6 shows how the assessment indicators are related to process performance and process capability.

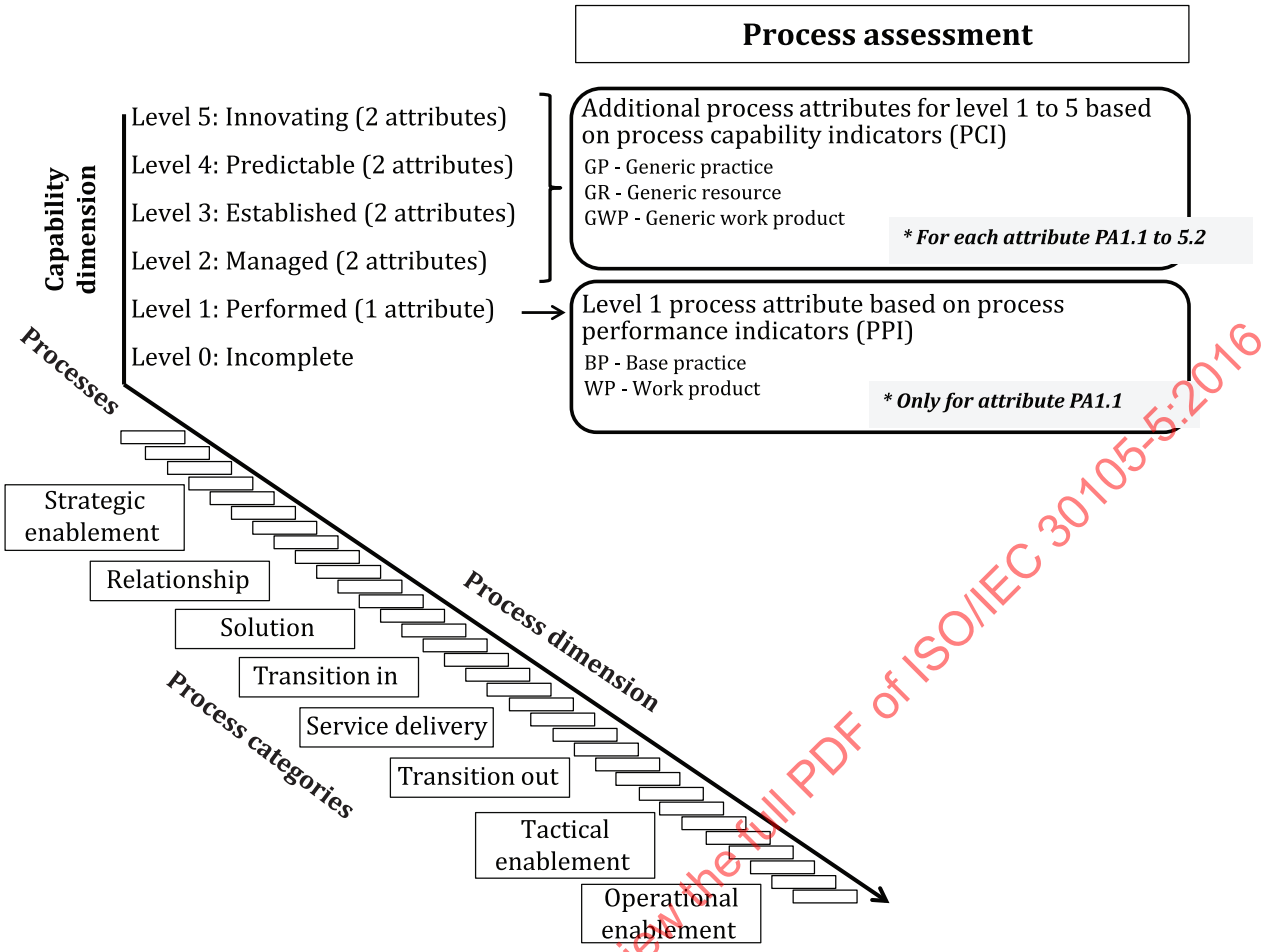

Figure 6 — Process attributes and process assessment indicators

The ITES-BPO PAM, ISO/IEC 30105-2, uses the ITES-BPO PRM, ISO/IEC 30105-1, as the base process definition. Therefore, for each individual process, it reproduces the process purpose and outcomes from the ITES-BPO PRM and defines:

a) required specific base practices that, when consistently performed, contribute to achieving the referenced process outcome;

b) required work products, which are used or produced when performing the process, contributing to achieving the referenced process outcomes;

c) characteristics for each identified work product, i.e. input or output, providing guidance on the attributes for each of these documents.

These identified base practices and work products, with characteristics, are defined to provide objective evidence to support the assessment of a process. Work products and their characteristics should be considered as a starting point for considering whether, given the context, they are contributing to the intended purpose of the process, not as a checklist of what every organization should have.

A documented process and assessor judgment is needed to ensure that the context (application domain, business purpose, development methodology, size of the organization, etc.) is considered when using this information.

To support the assessment of process capability level, the ITES-BPO PAM further defines:

— specific process capability levels for a ITES-BPO process framework as described in Clause 10;

— specific process capability indicators for an assessor to use when assessing an ITES-BPO process framework to determine the process capability level.

Evidence from the ITES-BPO process capability indicators are used by an assessor to identify that the potential criteria have been achieved in the assessment of process capability leading to the determination of the process capability level.

To undertake a process capability assessment to determine process capability levels and also derive organization maturity, this ITES-BPO PAM should be used in conjunction with ISO/IEC 30105-3 as described in Clause 10 and Clause 11.

10 Framework for assessment of process capability

10.1 Components of assessment

Figure 7 identifies the relationships between the various parts of ISO/IEC 30105 and also the relationships with the assessment requirements which are required for assessment.

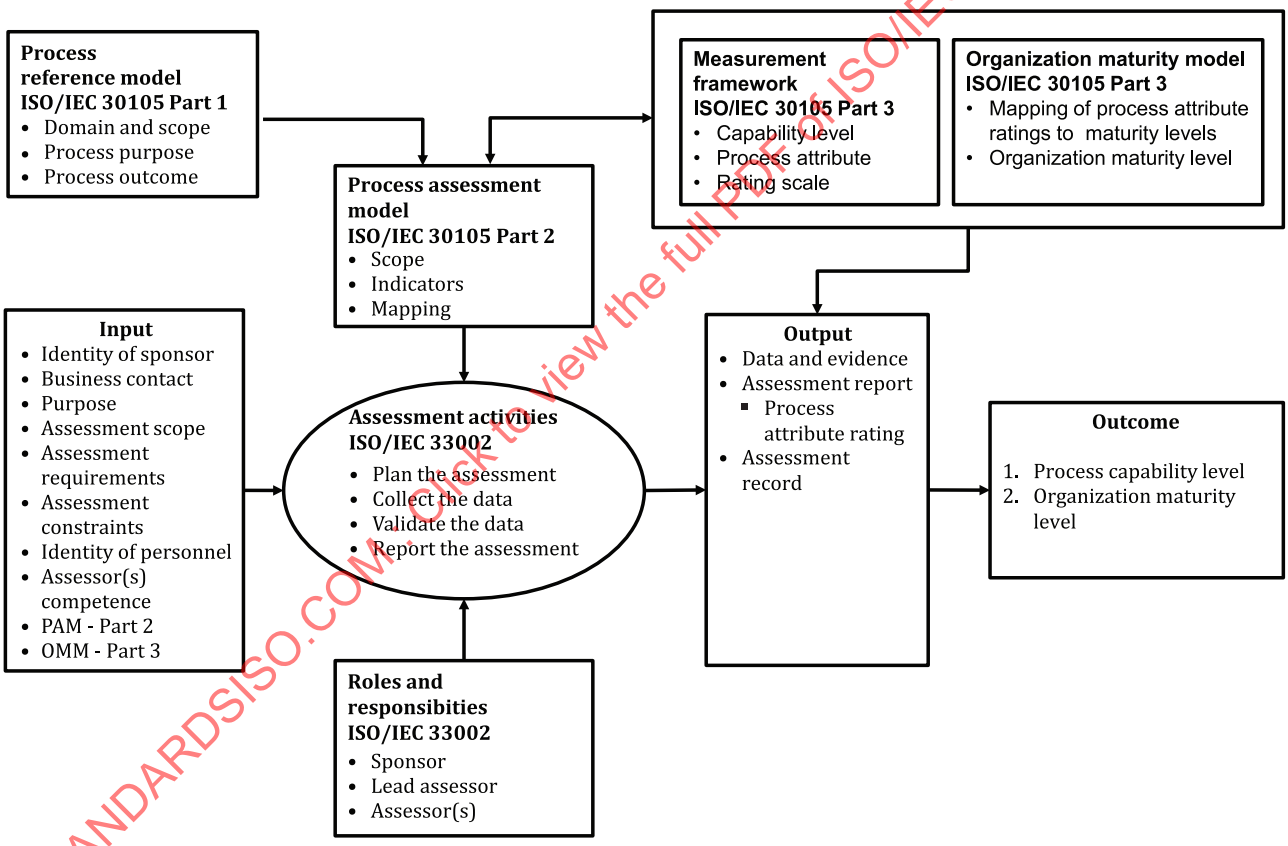

Figure 7 — Components of ISO/IEC 30105 and the inter-relationship between parts

The ISO/IEC 30105 series is composed of five parts. Figure 7 is providing a potential road map for users of ISO/IEC 30105.

As an introduction, ISO/IEC 30105-4 provides a general entry point to the ISO/IEC 30105 series. It contains the consolidated terms and definitions for ISO/IEC 30105 (all parts).

This document provides an overview to ISO/IEC 30105 (all parts), enabling the reader to identify the appropriate usage of the components within the ISO/IEC 30105 series. For readers with specific interest in either process improvement or supplier risk determination, this document also provides detailed guidance on these contexts of use.

Table 1 identifies the principal classes of reader for ISO/IEC 30105 (all parts) and shows where their primary areas of interest are addressed within the document set.

Table 1 — Readership for ISO/IEC 30105 (all parts)

Class of reader	Interests	Suggested parts to be read
Process improvement sponsor	Initiating an improvement programme, defining assessment inputs for an assessment for improvement purposes, using assessment results for improvement.	ISO/IEC 30105-4, ISO/IEC 30105-5
Process risk determination sponsor	Initiating a programme for the determination of supplier risk, defining a target risk profile, verifying and using assessment results in a risk determination exercise.	ISO/IEC 30105-4, ISO/IEC 30105-5
Assessors	Conducting a conformant assessment.	ISO/IEC 30105 (all parts)
Assessors — maturity	Conducting a conformant maturity assessment.	ISO/IEC 30105-2, ISO/IEC 30105-3
Process manager/consultant	Developing, implementing and improving processes. Conducting process self-assessments.	ISO/IEC 30105-1, ISO/IEC 30105-2, ISO/IEC 30105-3, ISO/IEC 30105-5
Analysts/marketing/sales leader/ senior leaders	Understanding the criteria and general appreciation of key terms and principles.	ISO/IEC 30105-4, ISO/IEC 30105-5

ISO/IEC 30105-1 (normative): provides a process reference model, which defines a set of processes, characterized by statements of process purpose and process outcomes.

ISO/IEC 30105-2 (normative): provides an exemplar model for performing process assessments that is based upon and directly compatible with the PRM in ISO/IEC 30105-1. The process dimension is provided by an external PRM, ISO/IEC 30105-1. The capability dimension is based upon the measurement framework defined in ISO/IEC 30105-3. The assessment model extends the ITES-BPO PRM and the measurement framework through the inclusion of a comprehensive set of indicators of process performance and capability.

ISO/IEC 30105-3 (normative): defines a measurement framework for evaluating process capability and the organization maturity model. The measurement framework defines nine process attributes that are grouped into six process capability levels that define an ordinal scale of capability that is applicable across all selected processes. Organization's maturity is measured on a six-point ordinal scale from Level 0 Organization — Immature Organization to Level 5 Organization — the Transformational Organization. The scale represents the extent to which the organization has explicitly and consistently performed, managed and established its processes with predicable performance and demonstrated the ability to change and adapt the performance of the processes fundamental to achieving the organization's business goals. In this measurement framework, organization maturity is derived from the underlying process capability measures.

ISO/IEC 30105-4 (normative): is an entry point into the ISO/IEC 30105 series. It describes how the parts of the suite fit together and provides guidance for their selection and use. It explains the requirements contained within ISO/IEC 30105 (all parts) and their applicability to the performance of an assessment. It also contains the consolidated terms and definitions for ISO/IEC 30105 (all parts).

ISO/IEC 30105-5 (informative): provides guidance on using the ISO/IEC 30105 series and on process assessment for the purposes of process improvement and risk determination. The guidance provided does not presume specific organizational structures, management philosophies, lifecycle models

or development methods. In the case of process improvement, the concepts and principles can be appropriate for the full range of different business needs, business domains and sizes of organization, so that they can be used by all types of organizations to guide their improvement activities. In the case of process risk determination, this guidance is intended to be applicable within any customer-supplier relationship and to any organization wishing to determine the process capability of its own processes.

The assessment process should be documented and should be based upon a method in line with the requirements defined in ISO/IEC 33002. A lead assessor is responsible for ensuring that the assessment is conformant.

10.2 Measurement framework

The measurement framework provides a schema that can be used to construct a process assessment model conformant with ISO/IEC 33004 which can be used to assess process capability according to the requirements of ISO/IEC 33002. Process capability is a process quality characteristic related to the ability of a process to consistently meet current or projected business goals.

The ITES-BPO measurement framework defined in ISO/IEC 30105-3 forms a structure which can be used to:

a) facilitate self-assessment;

b) provide a basis for use in process improvement and process quality determination;

c) apply across all business domains and sizes of organization;

d) produce a set of process (capability) attribute ratings (process profile);

e) derive a process capability level.

Within this measurement framework, the measure of capability is based upon a set of process attributes, as defined in the ITES-BPO process assessment model in ISO/IEC 30105-2.

Each process attribute is a measurable property of process capability. A process attribute rating is a judgment of the degree of achievement of the process attribute for the assessed process. The degree of process attribute achievement is characterized on a defined rating scale. Although process attributes are defined in such a way that they can be rated independently of one another, this does not imply that there are no other relationships between them, e.g. the achievement of one process attribute can be associated with the achievement of another process attribute within the measurement framework.

The rating method employed for ISO/IEC 30105 (all parts) process assessment is based on ISO/IEC 33020, Rating method R1, which identifies that the approach to process attribute rating shall satisfy the following conditions.

— *Each process outcome for processes within the scope of the assessment shall be characterized for all process instances, based on validated data.*

— *Each process attribute outcome of each process attribute for processes within the scope of the assessment shall be characterized for all process instances, based on validated data.*

— *Process outcome characterizations for all assessed process instances shall be aggregated to provide a process performance attribute achievement rating.*

— *Process attribute outcome characterizations for all assessed process instances shall be aggregated to provide a process attribute achievement rating.*

The capability level achieved by a process shall be derived from the process attribute ratings for that process according to the process capability level model defined in ISO/IEC 30105-2.

There are six capability levels incorporating nine process attributes.

Level 0: Incomplete process

The process is not implemented or fails to achieve the process purpose.

At this level, there is little or no evidence of any systematic achievement of the process purpose.

Level 1: Performed process

The implemented process achieves its process purpose.

Level 2: Managed process

The previously described "Performed" process is implemented in a managed fashion (planned, monitored and adjusted) and its work products are appropriately established, controlled and maintained.

Level 3: Established process

The previously described "Managed" process is implemented using a defined process that is capable of achieving the process outcomes.

Level 4: Predictable process

The previously described "Established" process now operates within defined limits to achieve the process outcomes. Quantitative management needs are identified, measurement data are collected and analysed to identify causes of variation.

Level 5: Innovating process

The previously described "Predictable" process is continually improved to respond to organizational change.

Within the process assessment model, the measure of capability is based upon the nine process attributes (PA) defined in ISO/IEC 30105-3. Process attributes are used to determine whether a process has reached a given capability. Each attribute measures a particular aspect of the process capability.

At each level, there is no ordering between the process attributes; each attribute addresses a specific aspect of the capability level.

The scale represents an increasing capability of the implemented process, from failing to achieve the process purpose to continually improving and being able to respond to organizational change.

The results of such an assessment are

a) a set of process profiles — identifying the ratings achieved for the set of process attributes for each process in the scope of the assessment; and

b) the capability level ratings achieved for each process in the assessment scope.

A capability level rating does not guarantee that an organization will perform its processes at any given process capability level, simply that it is capable of performing its processes at that level.

ISO/IEC 30105 (all parts) is designed to provide assessment results that are repeatable, objective and comparable within similar contexts, and can be used for either process improvement or process risk determination. The framework for the conduct of assessments is designed to support the achievement of dependable assessment results.

This measurement framework can be applied to all ITES-BPO domains and sizes of organization. It can be applied to a single or group of processes where an organization wants to assess, baseline or improve process capability. Where process attribute ratings are being used to derive organization maturity, then all required processes will need to be assessed, as defined in ISO/IEC 30105-3.

11 Organization maturity model

The organization maturity scale represents the extent to which an organization is able to demonstrate its maturity through process performance. Process performance is demonstrated through assessment of the organization's ability to establish, manage and execute its processes with predicable performance. This includes assessment of the organization's ability to change and adapt its processes to continue to achieve the organization's business goals. In this measurement framework, organization maturity is derived from the underlying attribute ratings.

Organization's maturity is measured on a six-point ordinal scale from Level 0 Organization — Immature Organization to Level 5 Organization — the Transformational Organization. The scale represents the extent to which the organization has explicitly and consistently performed, managed and established its processes with predicable performance and demonstrated the ability to change and adapt the performance of the processes fundamental to achieving the organization's business goals. In this measurement framework, organization maturity is derived from the underlying process attribute rating.

Within this framework, each level of organization's maturity is characterized by the demonstration of achievement of specified ratings of process attribute achievement in process sets drawn from the ISO/IEC 30105-2 ITES-BPO process assessment model.

For each of the maturity levels 1 to 5, processes are categorized based on their contributions to the business goals of the organization.

a) *Basic process set — set of processes that ensure the achievement of the basic maturity level.*

   NOTE A basic process set will include a minimum set of processes, together with additional and optional processes determined by the organization's context for the assessment. "Additional and optional processes" are identified as "Additional Optional" in the tables followed.

b) *Extended process set — set of processes specific to a maturity level higher than the basic maturity level that ensures the achievement of the relevant process profile.*

   NOTE An extended process set will include a minimum set of processes, together with additional and optional processes determined by the organization's context for the assessment. "Additional and optional processes" are identified as "Additional Optional" in the tables followed.

c) *Additional and Optional processes — a basic or extended process set may include additional processes that are:*

   1) *required for assessments with a particular scope of application;*

   2) *optional depending on the particular circumstances of the organization.*

Examples of criteria for additional processes include:

— transition out process: *optional where no transition out activities occur in the scope of the assessment*;

— supplier management process: *optional where no suppliers are engaged directly*; compliance management process: *required where outsourcer has legal, regulatory, statutory, contractual or organization's responsibilities for compliance, beyond the control of the customer.*

Therefore, prior to any assessment intended to be used to determine organization maturity, the scope of the process assessment activity should be clarified with the assessor to ensure that all appropriate additional processes (required or optional) are included in scope of the assessment.

The scale for organization maturity retains the semantic intent of the process capability levels that are defined in ISO/IEC 30105-3. The scale for process capability characterizes the ability of a process to meet current or projected business goals; the scale of organization's maturity characterizes the extent to which an organization consistently implements sets of processes within a defined scope that contribute to the achievement of its business goals. Thus, the two scales, while consistent, characterize different attributes of separate entities — the process and the organization. The measurement framework provides a schema for use in characterizing the maturity of an organization with respect to specified Process Assessment Model(s).

Figure 8 illustrates the structure of the ITES-BPO organization maturity model and the relationship between the assessment of process capability and the derivation of organization maturity.

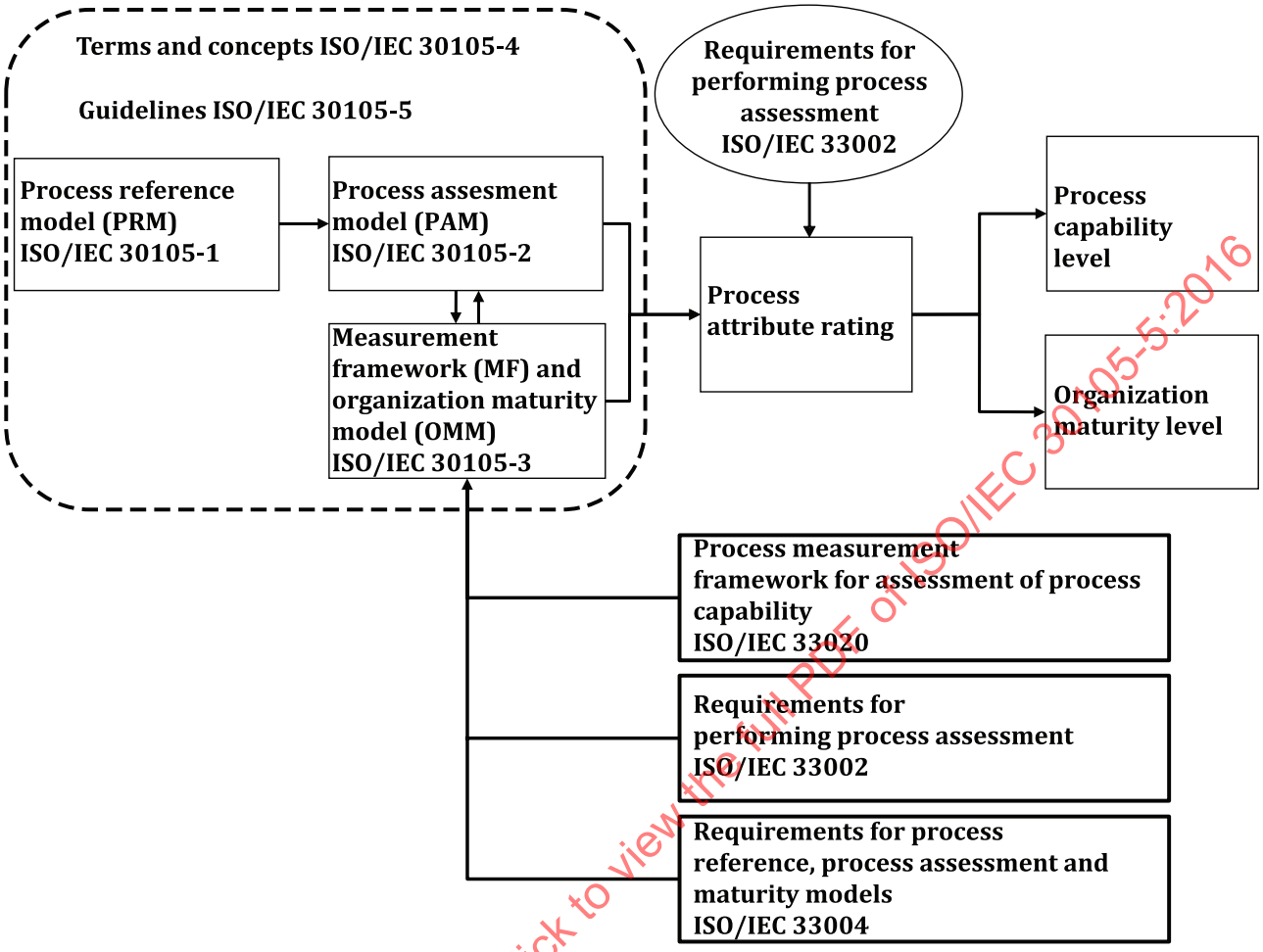

Figure 8 — Structure of the ITES-BPO organization maturity model

Organization maturity models typically include a sequence of levels (or stages) that form an anticipated, desired, or logical path from an initial state to maturity. An organization's current maturity level represents its capabilities as regards a specific set of processes and business domain. Organization maturity is measured on a six-point ordinal scale. The ITES-BPO organization maturity levels are defined as follows.

Level 0: Immature

At this level, the organization does not demonstrate effective implementation of the processes that are fundamental to support the organization's primary activities. At least one process in the basic process set fails to achieve a rating needed for process as provided *in ISO/IEC 30105-3:2016, 10.2. These organizations would be characterized by variation in output and surprises in delivery.*

Level 1: Basic

At this level the organization is able to undertake the basic activities common to all organizations who are delivering services. Without carrying out these activities delivery is not possible. Work is done but there is no assurance of outcomes. There are pockets of excellence, however a strong process approach is lacking.

Level 2: Managed activities

At this level, the organization is able to function with an assurance of outcomes being in line with specifications.

Level 3: Managed organization

This is the set of processes that enable an organization to function uniformly. At this level, the organization is assumed to be uniformly managing its processes. The focus is on improving the delivery process and eliminating problems.

Level 4: Strategic alignment

At this level, the organization starts aligning strategically to the customer's business. The focus is to understand the customer's and the organization's business needs and focus on the organization's improvement. The organization looks to adopt best practices and lessons.

Level 5: Transformational

At this level, the organization is looking to innovate and transform the customer's business in line with the goals of the outsourcing and the outsourced organization.

Maturity models are used to assess as-is situations, to guide improvement initiatives and to measure progress.

Figure 9 depicts the typical behaviour of organization maturity across organization and what it means to the stakeholders. It also illustrates how an organization improves its processes, to become more agile, competitive, efficient and effective.

Maturity level	Maturity representation	Typical supporting tools / processed adopted	Key outcomes
L5	**Transformational**	Benchmarking of best / next practices Innovation / transformational	• Thinking and acting world class • Managing for innovation • Doing disruptive change and not incremental • Setting trends / new benchmarks
L4	**Strategic alignment**	Reliability management Quality of management	• Improved customer perception about the service quality • Failure rate / defects low • Performance improving overall
L3	**Managed organization**	Lean Six Sigma Managing for quality	• Manage process performance with excellence goals. • Organization level processes
L2	**Managed activities**	Process definition Problem solving (mostly reactive)	• Initialthinking about performance excellence • Functional level processes
L1	**Basic**	Services / output delivered with variation	• Services managed in some parts of delivery • Variation exists
L0	**Immature**	Processes do not exist in many parts / functions	• Failures in delivery • Inconsistent output

Figure 9 — Organization maturity and resultant benefits

12 Process capability assessment

12.1 Process capability initiation

Process capability assessments can be initiated to support process risk determination or process improvement programmes. These programmes will usually require and be resourced by a sponsor. The sponsor has the authority to ensure that the programme is carried out effectively, and takes ownership of the results. The sponsor can have one or more staff working within a team whose task is to plan and implement the actions required to achieve the objectives identified by the sponsor.

Sponsorship can be implemented in a variety of ways, according to the culture of the organization. In non-hierarchical or higher maturity organizations, for example, both sponsorship and project management of process improvement activities can be delegated to a working level, although authorities, roles and responsibilities should always be clearly defined.

Depending on the drivers for the capability assessment, the capability assessment can be undertaken as a self-assessment or by independent external assessors with the appropriate skills and experience, as described in ISO/IEC 30105-3, to deliver an industry benchmark against ISO/IEC 30105 (all parts).

Process capability assessments can also be undertaken internally, as a self-assessment, on an individual process by process basis to drive continual improvement.

12.2 Process assessment output

The output of a process assessment includes a set of process profiles, which express the process attribute ratings achieved for each process from ISO/IEC 30105-2.

Each attribute rating represents a judgment by the assessor of the extent to which the attribute is achieved. To improve the reliability and repeatability of the assessment, the judgements of the assessor are based on a coherent set of recorded objective artefacts.

Aggregation may be performed using a defined set of rules to summarize the ratings.

A process attribute is measured using an ordinal scale as defined below.

N Not achieved: There is little or no evidence of achievement of the defined process attribute in the assessed process.

P– Partially achieved: There is some evidence of an approach to, and some achievement of, the defined process attribute in the assessed process. Many aspects of achievement of the process attribute may be unpredictable.

P+ Partially achieved: There is some evidence of an approach to, and some achievement of, the defined process attribute in the assessed process. Some aspects of achievement of the process attribute may be unpredictable.

L– Largely achieved: There is evidence of a systematic approach to, and significant achievement of, the defined process attribute in the assessed process. Many weaknesses related to this process attribute may exist in the assessed process.

L+ Largely achieved: There is evidence of a systematic approach to, and significant achievement of, the defined process attribute in the assessed process. Some weaknesses related to this process attribute may exist in the assessed process.

F Fully achieved: There is evidence of a complete and systematic approach to, and full achievement of, the defined process attribute in the assessed process. No significant weaknesses related to this process attribute exist in the assessed process.

The corresponding percentages should be:

— *N Not achieved 0 to ≤15 % achievement;*

— *P– Partially achieved– >15 % to ≤32,5 % achievement;*

— *P+ Partially achieved+ >32,5% to ≤50 % achievement;*

— *L– Largely achieved– >50 % to ≤67,5 % achievement;*

— *L+ Largely achieved+ >67,5 % to ≤85 % achievement;*

— *F Fully achieved >85 % to ≤100 % achievement.*

The relevant process attributes and process ratings are defined in ISO/IEC 30105-2.

Process attribute ratings method

A process attribute outcome is the observable result of achievement of a specified process attribute. A process outcome is the observable result of successful achievement of the process purpose.

Process outcomes and process attribute outcomes are characterized as an intermediate step providing a process attribute rating.

Process capability level model — Achievement of process capability levels

The capability level achieved by a process is derived from the process attribute ratings for that process according to the process capability level model defined in Table 2. This approach is based on ISO/IEC 33020:2015, 5.6 with two-dimensional aggregation using heuristics (see ISO/IEC 33020:2015, 5.5.2.2).

Table 2 — Capability level ratings

Scale	Process attribute	Rating
Level 0	Process performance	Largely(–) or below
Level 1	Process Performance	Largely(+) or Above
Level 2	Process Performance	Fully
	Performance Management	Largely(+) or Above
	Work Product Management	Largely(+) or Above
Level 3	Process Performance	Fully
	Performance Management	Fully
	Work Product Management	Fully
	Process Definition	Largely(+) or Above
	Process Deployment	Largely(+) or Above
Level 4	Process Performance	Fully
	Performance Management	Fully
	Work Product Management	Fully
	Process Definition	Fully
	Process Deployment	Fully
	Process Measurement	Largely(+) or Above
	Process Control	Largely(+) or Above
Level 5	Process Performance	Fully
	Performance Management	Fully
	Work Product Management	Fully

Table 2 *(continued)*

Scale	Process attribute	Rating
	Process Definition	Fully
	Process Deployment	Fully
	Process Measurement	Fully
	Process Control	Fully
	Process Innovation	Largely(+) or Above
	Process Innovation Implementation	Largely(+) or Above

13 Process risk determination

13.1 Process risk determination — Introduction

Process risk determination is a systematic assessment and analysis of selected processes within an organization, carried out with the aim of identifying the strengths, weaknesses and risks associated with deploying the processes to meet a particular specified requirement.

a) Core process risk determination is applicable for a minimum set of activities within a single organization; for example, when an organization proposes to meet a specified requirement by deploying its current process capability, without any suppliers or sub-contractors being involved.

b) Additional process risk determination is applicable when an enhanced capability is proposed, or when consortia or sub-contractors are involved.

A process risk determination can be initiated by an ITES-BPO organization for a number of reasons. Scenarios that can lead an ITES-BPO organization to initiate an assessment of capability are to:

— identify and establish the risks involved in delivering the work;

— improve specific process capability that has been identified as a weakness and risk to the organization;

— improve process capability and maturity to increase and improve organizational capability, maturity, performance and effectiveness to improve delivery to customers, reduce risk and increase profitability;

— achieve organizational quality standards and targets in line with organization strategy;

— improve the organization's ability to compete and win new business in the ITES-BPO market.

An ITES-BPO service provider organization's process risk determination can also provide a fundamental input to a supplier selection process for an organization planning to outsource its ITES-BPO services or be initiated by the customer during the course of service delivery to manage risk and drive improvement.

Both self-assessment and independent assessment approaches can be used to assess current capability. In a contractual situation, a customer organization can invite the potential suppliers to provide a self-assessment set of process profiles when submitting a proposal for a contract. The customer can then choose to:

a) accept the self-assessment at face value;

b) initiate a full independent assessment, possibly using assessors from his own organization, following the guidance of ISO/IEC 30105-3, and make this a condition of contract award;

c) initiate a limited independent assessment, after a pilot engagement, to verify that the self-assessment is a true representation of the supplier's current process capability. This approach

offers the benefit of reducing disruption to suppliers' business activities caused by multiple process assessments.

Figure 10 illustrates the steps of process risk determination and the information flow between steps, that can be used with the ITES-BPO process assessment model, as described in ISO/IEC 30105-2.

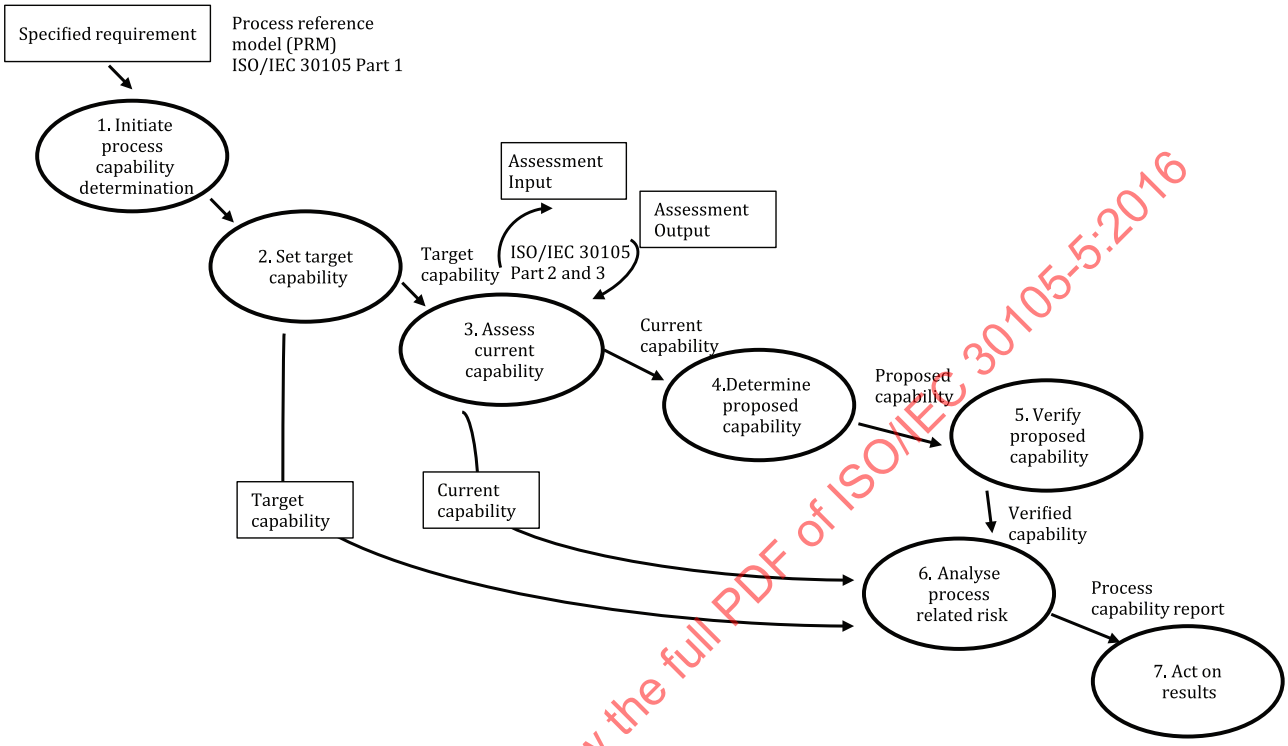

Figure 10 — Steps of process risk determination

The process capability and process performance indicators in the ITES-BPO process assessment model give examples of evidence that an assessor may obtain, or observe, in the performance of an assessment. The evidence obtained in the assessment, through observation of the implemented process, can be mapped onto the set of indicators to enable correlation between the implemented process and the processes defined in this assessment model.

These indicators provide guidance for assessors in accumulating the necessary objective evidence to support judgments of capability. They are not mandatory nor are they exhaustive. The steps involved in assessment of capability are given in 13.2.

13.2 Process risk determination — Steps

13.2.1 Step 1 — Initiate process risk determination

The assessment sponsor first decides whether or not to carry out a process risk determination. The process risk determination should be implemented as a project in its own right, with defined sponsorship, project management, budget, milestones and accountability. In short, the project should be managed according to a project management process, aligned to the process assessment model defined in ISO/IEC 30105-2.

A process risk determination plan should be produced, approved by the assessment sponsor and used to monitor progress. The plan should include the following:

— the purpose of the process risk determination;

— the process assessment method and model to be used, i.e. ISO/IEC 30105-2;

— the organizational scope, i.e. the organizational unit(s) whose processes are to be the subject of the process risk determination and the specific set of ITES-BPO processes to be assessed;

— the target capability (inserted after it has been defined in step 2);

— key roles and responsibilities;

— required resources;

— appropriate milestones, review points and reporting mechanisms.

13.2.2 Step 2 — Set target capability

The assessment team sets the target capability. The target capability comprises a set of target process profiles or target process capability levels that express the capability which the organizational unit is required to achieve as a result of the assessment.

Senior management or the assessment sponsor reviews and approves the targets.

13.2.3 Step 3 — Assess current capability

The assessment sponsor can invite the organizational unit to submit the output of a conformant self-assessment of current process capability, adopting the process assessment model in ISO/IEC 30105-2.

Alternatively, the assessment sponsor can decide to initiate an independent process assessment, bearing in mind the nature, cost and importance of the specified requirement. In either case, the output from the assessment of current capability will take the form of a set of process profiles as defined in ISO/IEC 30105-2.

The typical risks or concerns that can affect the business process delivery may include one of more of the following:

— delay in transition timelines, missing transition deadlines (leading to cost/delivery risk);

— cycle time (not able to meet the market time);

— back up skills not fully available;

— budget overshoot (in some cases due to lack of automation);

— lack of availability of right talent/skills;

— peak/seasonal spikes not planned;

— communication gaps leading to delivery misses.

13.2.4 Step 4 — Determine proposed capability

If invited to do so, the organizational unit can optionally submit to the assessment team a statement of the capability that it proposes to bring to bear in meeting the specified requirement. The proposed capability should be based on one or more process assessments which:

— satisfy the requirements of ISO/IEC 30105-2;

— is a true representation of the organizational unit's current process capability; and

— can be produced specifically for the assessment or generated during a recent self-assessment, or produced following a recent independent assessment.

A key feature of ISO/IEC 30105 (all parts) is that process assessment outputs are reusable. Many organizational units will have a repository of process assessment outputs generated as part of a process improvement programme.

If a number of suitable process assessments are available, then the organizational unit can use the outputs as the basis of a proposed capability. If not, then the organization can carry out a self-assessment in accordance with the requirements of ISO/IEC 30105-2.

If the organizational unit has a process improvement programme underway, then it can optionally propose to bring an *improved capability* to bear in meeting the specified requirement. The improved capability can be justified via a set of current process profiles plus a process improvement plan. The process improvement plan can in turn be supported by a process improvement track record.

If the proposed capability does not meet the requirements of the target capability, the organizational unit can optionally submit a *mitigation plan*, setting out the organization's view of any capability level gaps, and proposing measures to mitigate them. The organization unit can then pass a proposed capability to the assessment team, justified by the following:

a) the output of a current, conformant process assessment;

b) a process improvement plan;

c) a process improvement track record;

d) a mitigation plan.

13.2.5 Step 5 — Verify proposed capability

If the organizational unit has submitted a statement of the capability that it proposes to bring to bear in meeting the specified requirement, then the assessment team should review the proposed capability to determine its credibility and to decide if any further action is needed to establish confidence in it. This can involve the following:

— checking that the proposed capability is based on one or more conformant process assessments;

— checking the credibility of any improved capability and process improvement plans.

The assessment sponsor can accept the proposed capability, or decide to initiate an appropriate degree of independent process assessment. This can involve sampling selected processes or a comprehensive independent assessment of all processes specified in the target capability. Having carried out any required activities to verify the assessment, the assessment team can compare this output with the organizational unit's proposed capability and derive a profile to be used for subsequent risk analysis.

If the process risk determination involves a number of competing suppliers, then the assessment sponsor can opt to verify each supplier's proposed capability by using an independent assessment team, the same assessment method and the same conformant process assessment model. This should not only provide the assessment sponsor with greater confidence in the consistency with which each supplier is assessed, but also provide the suppliers with greater confidence in the fairness of the selection process.

13.2.6 Step 6 — Analyse process related risks and act on results

When the process risk determination has been carried out by an organizational unit, depending on the business drivers for this activity, then the assessment sponsor has the option to initiate a process improvement programme to address any process-related shortfalls and risks identified.

The process improvement programme needs to include the gap analysis, cost to address gaps, business case for costs and benefits to be delivered. These benefits can include achieving the required level of capability and maturity, risk reduction, improving service delivery performance and quality and improving competitiveness, etc.

14 Process improvement

14.1 Process improvement — purpose and outcomes

The purpose of process improvement is to continually improve the organization's effectiveness and efficiency through alignment of the processes with the business need.

As a result of successful implementation of process improvement:

— commitment is established to provide resources to sustain improvement actions;

— issues arising from the organization's internal/external environment are identified as improvement opportunities and justified as reasons for change;

— analysis of the current status of the existing process is performed, focusing on those processes from which improvement stimuli arise;

— improvement goals are identified and prioritized, and consequent changes to the process are defined and implemented;

— the effects of process implementation are monitored and confirmed against the defined improvement goals;

— knowledge gained from the improvements is communicated within the organization;

— delivered improvements are evaluated and consideration given for deploying elsewhere within the organization.

The information sources providing input for change can include: process assessment results, audits, customer satisfaction reports, organizational effectiveness/efficiency, cost of quality.

The current status of processes can be determined by process assessment, such as that defined by the ISO/IEC 30105 (all parts) for an ITES-BPO service.

14.2 Types of process improvement

In any ITES-BPO environment, process improvement can be initiated and undertaken at operational, tactical and strategic levels, depending on the process and results stability, maturity of the organization. These types of improvement are shown in Figure 11.

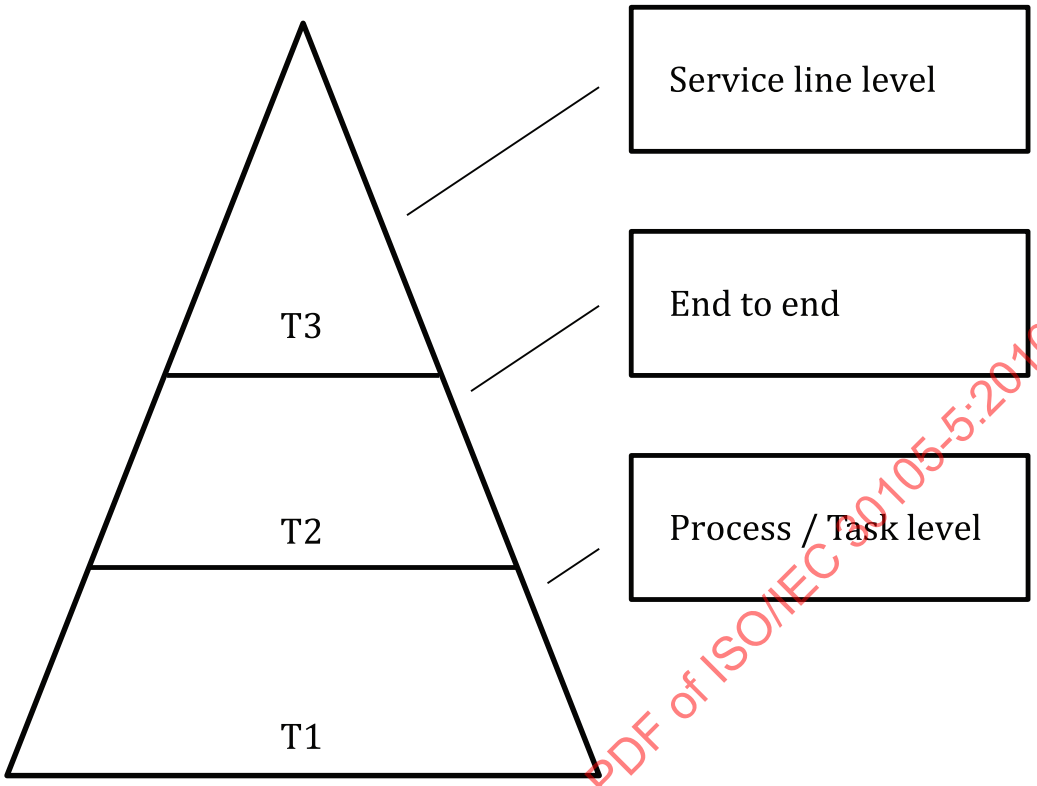

Figure 11 — Types of process improvements

T1: This refers to task or process level improvement. This covers improvements only for the tasks outsourced to the service provider. This typically happens in a very transactional world, where low-end tasks are outsourced to the service provider.

T2: This includes the end-to-end process improvement, encompassing both the customer and service provider process elements. The key is that it covers the full product line. This is the next level of maturity in the engagement, where the service provider is able to undertake end-to-end service improvement, including those elements of the processes that are not outsourced.

T3: This refers to the overall line of service or business and holistically is owned by the customer. This is the overarching next level of maturity, where the service provider is a strategic partner for the customer. This needs the service provider to be able to demonstrate and deliver strong and accurate domain knowledge, significant execution capabilities and thought leadership. Often, these outcomes are transformational, generating a non-linear step change in outcomes.

Figure 12 shows the steps of a process improvement programme using a conformant process assessment.