



## Systemic Change Story

# Fiji Outsourcing Services

## Emerging resilience and growth in a time of uncertainty

The outsourcing services sector holds immense economic promise for Fiji but has operated for many years without reaching its potential. To correct this gap, in 2017, the Business Process Outsourcing Council (BPOC) of Fiji was established by several key stakeholders with an initial grant from the Fiji Government. At the time, Outsourcing Services providers promoted their own businesses in overseas markets and primarily relied on the owners' personal networks and word-of-mouth to secure new clients.

### Strengthening industry coordination

In its formative years, the BPOC struggled to build industry membership, coordination and high-level engagement with government. In late 2019, MDF partnered with the BPOC of Fiji to build the internal capacity and advocacy capability of the Council through the recruitment of an Executive Director and the establishment of a professional secretariat. Later, with support from MDF, the BPOC also became the 10<sup>th</sup> Council member of the Fiji Commerce and Employers Federation (FCEF), the country's largest private-sector organisation.

This strategic support proved timely. In 2020, the COVID-19 pandemic severely crippled many industries, resulting in business closures and significant job loss. However, the global pandemic also opened up a business opportunity for the sector. Australian and

New Zealand businesses that used outsourcing services began to re-evaluate their global outsource suppliers, as traditional Asian providers, such as India and the Philippines, experienced hard lockdowns and service disruptions. The Fijian outsourcing services sector, on the other hand, had zero shutdowns during the pandemic. Additionally, they provided comparable costs, convenient geographic proximity, good infrastructure and reliable connectivity. MDF was already working with the Council and Investment Fiji on a comprehensive marketing campaign to raise the profile of Fiji as the premier outsourcing services destination in the Pacific. The pandemic offered an opportune moment to adapt this previous work, promote the Fiji outsourcing services sector and find opportunities in these nearshore markets.

## Marketing for success

To complement outsourcing services destination marketing efforts, MDF also engaged an Australia-based company specialising in business-to-business market linkages to facilitate a series of webinars. The series aimed to increase access to new networks and pique the interest of nearshore businesses that could potentially outsource a portion of their work to Fiji and entice outsourcing services businesses to set up business operations in-country. Backed with the participation of prominent public and private sector stakeholders, including Fiji's Attorney General and Minister for Economy, Investment Fiji and the Australia and New Zealand Banking Group Limited (ANZ Fiji), the webinars successfully generated a nearly 100 per cent increase in outsourcing services related enquiries and a 36 per cent lead conversion rate, directly resulting in new job creation during a time when all the other industries in Fiji were struggling to keep their staff employed.

In 2021, BPOC membership doubled to 14 and now includes prominent IT service providers, accounting and insurance companies. The stronger industry association, backed by a series of successful marketing initiatives, generated several positive outcomes at the national level. Prominent stakeholders, such as the Attorney General and Investment Fiji, have signalled interest in and recognition of the initiatives, adding to the council's credibility and standing within the business community.

The BPOC's submission to the 2021-22 national budget was well received and resulted in the government allocating FJD200,000 (USD100,000) to support the continued operations and marketing of the council. This amounted to an additional FJD175,000 (USD87,500), compared to the year before. In addition, several other incentives were announced in the same national budget address, including a 20-year tax holiday for investments in infrastructure to support the BPO industry, exceeding FJD10 million (USD5 million).

The council also recently partnered with Fiji National University (FNU) to develop and launch Fiji's first Basic Operation in a Centre Certificate III course. The course aligns with market demand and the needs of the industry. It also helps reskill or upskill those who are making a career transition into a different sector due to the pandemic.

MDF's support has equipped the BPOC with the necessary marketing, advocacy and capacity building tools to place Fiji on the global market as a premier outsourcing services destination. Fiji's OS industry now employs 4,000 Fijians, and BPOC membership has doubled in a very short period – signalling resilience in a challenging time. The Fiji Government now also recognises the immense potential of the industry to become a future economic driver for the country, capable of creating 100,000 new local jobs over the next decade with the right policies, development and incentives in place.

