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# CEO

Beyond Outsourcing:

## fast and furious

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# going beyond delivery

by Valdi Pereira

In this article, CEO Magazine speaks to Suzanne Ravenall, Group CEO of Beyond Outsourcing,

about setting the transformational outsourcing trend, gaining and maintaining competitive advantage and tapping into the African market.

## **Beyond Outsourcing is about to celebrate its tenth birthday. What is the biggest lesson you have learned along the way?**

I find it really difficult to pick one lesson – when I started this business I hadn't run my own company before, so the view I have on lessons is that every single day, one should look at all that was accomplished or not accomplished on a day-to-day basis, reflect on it, and continually look for ways to improve.

There is a wonderful article I read recently that included research on what makes people great. It's always been believed that you have to be born with some sort of talent in your genes, and it's that talent that makes you fantastic. So people would look at Tiger Woods as an example, and say that the reason why he's fantastic is because he's born with the right genes. This research suggests that the key element that makes people really great is what they call "deliberate practice". It's very hard work, but a certain type of hard work.

Using Tiger Woods again as the example – his family introduced him to golf when he was very young, but by the time he won the US Open when he was 18, he'd had 15 years of deliberate practice. It's not about hitting 300 golf balls a day, and just hitting them over and over again. You have to have a plan with a clear purpose that says 'I want to hit the ball 200 metres, and get it within two inches of the pin', every time you hit that ball, you see

how you've done, and then reflect, adjust slightly, and then hit the ball again. That's deliberate practice.

Deliberate practice has been key for me: looking at what I'm doing, and what I shouldn't be doing, and then changing those activities and hopefully ending up being a better person with a better end result out of it. It's not just about your leadership ability, and the way that you go about running a business, it's about what you become as a human being.

So I definitely don't have only one lesson, I've learned many lessons every day, from how to go about running a business and African expansion, to growing the skills of a good leader.

## **Going back to 1997 when you began the company, the outsourcing market and the concept of outsourcing was very different to what it is today. If you have a look at the evolution that your organisation has undergone over the last decade or so, what do you think people look for in an outsourcing partner?**

I think you hit the nail right on the head when you said that outsourcing has changed dramatically over the last ten years. When it started, it was what was called utility outsourcing, and over the years three phases in outsourcing have developed. Enhancement was the second, and now we're in the transformation phase.

In its simplest form, utility outsourcing was typically the basic outsourcing, for example, somebody outsourcing their aircon maintenance – they make a decision not to do it internally, they may have x deliverables, for which there is x amount to pay – and it's generally less than they would spend internally – to maintain the aircons. So it's just a client-supplier relationship – there are



*Suzanne Ravenall, Group CEO*

deliverables for which they get paid. Leveraging from the supplier's infrastructure.

Then when outsourcing started to pick up, people started to see that it was definitely working – if you just take your non-core components and pass them on to other companies who specialise in them, running your business can become more operationally and cost effective. Clients then started asking for more, going back to those same companies or new companies and looking for enhancement (added value and more leverage).

Now we've moved into a new phase that is termed business transformation outsourcing, and that's really where organisations are headed. Do people know enough about it? Not yet, but the knowledge is starting to grow because business transformation is about having a value-added partner, and it's at the top of the rail when it comes to the outsourcing type of partnership. Companies are looking for organisations that they can strategically partner with.

We know right now that the world is moving very fast, and one of the ways to assist in controlling this speed is to ensure that the right best practice and correct processes are in place – otherwise it can get out of hand. The majority of issues inside businesses typically go back to a problem with a process.

Your average CEO sees that the world is moving faster and that it's never going to slow down, it's just going to become more unforgiving. They realise that they can't do everything inside their organisation and be brilliant at absolutely everything, so if they can find key components where they can strategically align with the organisations that have that key competency, and build a

hub looking after that particular competency, and align with that particular organisation through a joint venture vehicle, it doesn't become client/supplier mentality, it becomes a partnership where everybody has a vested gain in making sure it works. It's really all about strategic partnerships.

**You believe quite strongly in anticipating the future, in making sure that you've got the trends right. How do you do that with some sort of accuracy?**

Let me go right back to when the thinking first started – it was when I was about 19, and I was working in a business that was using outsourcing. The company was providing a typical utility type service, very much a client/supplier relationship. As an employee inside the organisation, I could continually see the topics that they were frustrated with, and unfortunately unless it was built into the business model, it was never going to change for the client.

Firstly, I could see that outsourcing companies were often not delivering on what the client's requirements were. Secondly, I could see the world was speeding up, and thirdly, there were lots of educated thinkers coming into the marketplace, which was fantastic, but the same amount of implementers/executers were not being employed.

So I looked into the future and asked many questions – maybe because I'm just one of those curious people that just keeps reflecting. What would happen twenty years down the line from now if we carry on doing that? The world is not going to start slowing down, it's going to carry on speeding up, and if we carry on bringing in a lot of thinkers and not enough doers, where will

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we be twenty years from now? Surely, we will end up with an execution problem? And that's exactly where we are today, one of the biggest challenges facing countries and CEOs is how do they get their strategy executed faster, more efficiently and better than their competition.

So that's where the thinking started. It was a basic thought – if execution will be a problem, what product could we bring to market to meet that market demand? And at the time, all those years ago, everyone was talking about technology. It was the be-all and end-all – if you had a business problem, technology would be the way to go about solving it. And as we know today, technology is the enabler, it's not the be-all and the end-all. So what will then control discipline, best practice, speed?

So I started thinking best practice process, and a completely different type of performance improvement partnership, amongst others, could be a key way to control the problem. So when the product was built, we knew we were thinking way ahead of the marketplace, offering execution toolkits, containing best-in-breed generic process, generic technology, operational outsourcing in a co-source/JV model, constructed for any industry, any country and so that any person could understand them, regardless of qualification.

When we built the product in 1997, no-one was really talking about business transformation outsourcing or performance improvement, and if you went out into the market and talked about it, everyone just looked at you and said you're nuts. So we really had to be careful with launching the product. We launched in phases to make sure that we built something and sold it to the marketplace in a way that they understood at that time.

Today we utilise such research mechanisms as Gartner and Forrester for international trends, benchmarking products, as well as various committees that look at where we are now and the future's possibilities. We are already working on what we believe to be the next wave.

#### **How do you benchmark yourself against other players in the industry?**

As pioneers of a product we have had to be very self-reflective, you don't always have many companies to look at across the world. We do however, review many companies in various sectors, as well as other business transformation companies, and BPO businesses, to understand what's happening – where do they see the future in their particular business and industry, as well as the research mechanisms mentioned. We then scenario plan and adjust our execution as we move.

### **Moving on to Africa – what do you think the keys are to successfully getting into the African market?**

For us, the key is to approach the whole market very, very slowly and cautiously, thinking globally and acting locally. You've got to do that when you've never been there before. You can talk to as many people as you like about what they've done well and what they haven't done well, to learn from their experiences, but I think you've still got to go through the experience yourself and learn as you go.

We've recognised that one of the most important elements is to make sure you have a really good local shareholder. It's a bit like a marriage – when you enter into any shareholder agreement, you really need to spend the time understanding your partner.

I also believe having a regional focus is important, meaning that your countries of interest are not scattered across the continent. Once you have one country's operations up and running, then you can move on to the next, allowing you to eventually service those regions from one focal point.

Thirdly, it is important to make sure you have local people on the ground. One might need to send people initially from your local operation, but then transfer the skills to the local people on the ground.

### **What legacy would you like to leave behind?**

When I started off in business, what motivated me and what motivates me today are two different things; they have changed over time, which has to be the case if you are growing as a business leader and human being.

One of the reasons why I love working in this company is because of the people. I am so inspired by some of the things that people do when they come to work, and I look at how they have grown themselves over time, and obviously we have played a part in that. We talk about touching the lives of every single person associated with us, and we'd like to make sure that we can touch that person in some way and remember that we are touching the ten people in their family as well.

The people development side is very important to me, so one of the key aspects I'd want to leave as a legacy is having given people the kick start to think differently and grow personally and professionally. They just carry on the growth that we've started and look back with fond memories of the learnings and how it has shaped their lives.

One of the really good things we're able to do is just touch a button in somebody and help them spread their wings so they can say 'wow, look what I'm capable of doing'. Help them to realise they don't have to rely on somebody else, they don't have to



be overly talented, they can actually do anything they want to do, but it does take hard work, deliberate practice and feedback.

We develop people, and it's fantastic to see some of the things we've done, and I'd like that to remain one of the biggest legacies for the business. However long people stay here, we want their journey to have been meaningful.

I'd also like to think we leave people looking at our business thinking, 'wow, they've brought something different into the marketplace, that works so effectively, which has helped shape execution'.

Lastly, that as an African nation, we have to learn to hunt together regardless of size of company and class and race of person – for the betterment of overall business and society, I hope that we can as employees of the company continue to work within our own business with suppliers, clients and partners to add value in this regard.

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