

# What is IT – ITeS Industry ?

➤ **IT (Information Technology)** : Information technology is the use of computer systems and telecommunications to store, retrieve, transmit, and manipulate data.

▪ **IT helps organizations and individuals to :**

- Store data (files, records, databases)
- Process information (calculations, reports)
- Communicate digitally (email, video calls)
- Secure information (cybersecurity)
- Automate tasks (software systems)

▪ **Main Components of IT :**

- **Hardware** : Physical devices used in computing  
Examples: computer, server, printer, router
- **Software** : Programs that run on hardware  
Examples: operating systems, mobile apps, web applications
- **Networking** : Connecting computers to share data  
Examples: internet, LAN, Wi-Fi
- **Data** : Raw facts that IT systems store and process  
Examples: customer records, marksheets, bank data
- **People** : IT professionals who design and manage systems  
Examples: programmers, network engineers, system admins

▪ **Real life example of IT :**

- Online banking systems
- E-commerce websites
- Mobile apps like food delivery
- College management systems
- Cloud storage (Google Drive)

➤ **ITeS (Information Technology Enabled Services)** : Information Technology Enabled Services (ITeS) are services that use information technology to improve the efficiency and quality of business processes.

▪ **Key features of ITeS :**

- Uses computers and internet
- Service-oriented work
- Supports business operations
- Often outsourced (BPO/KPO)
- Focus on customer and process support

▪ **Common types of ITeS :**

- **Customer Support/Call Centers** : Handling customer queries through phone, chat, or email.
- **Data Entry and Processing** : Entering and managing large amounts of data.

- **Medical Transcription** : Converting doctors' voice recordings into text.
- **Finance and Accounting Services** : Payroll processing, billing, bookkeeping
- **HR Services** : Recruitment, employee record management.
- **Online Tutoring** : Providing education services through digital platforms.

▪ **Real life Examples :**

- A call center helping telecom customers
- Online chat support for an e-commerce website
- Payroll processing for a company
- Back-office work for banks

➤ **IT vs ITeS :**

- **IT** = Creates Technology
- **ITeS** = Uses that technology to provide services

- **Categories of ITeS Industry** : The ITeS (Information Technology Enabled Services) Industry uses information technology to provide services to businesses and customers. It mainly focuses on outsourcing different types of business processes to improve efficiency, reduce cost, and enhance productivity.

There are two main categories of ITeS Industry:

- 1. BPO (Business Process Outsourcing)** : Business Process Outsourcing (BPO) is the practice of contracting specific business operations or tasks to a third-party service provider.

In BPO, a company transfers its routine or non-core business activities to an external organization (vendor). This helps the company to focus on its main business activities while reducing operational costs.

❖ **Features**

- Focuses on routine and repetitive tasks
- Work is handled by an external service provider
- Helps in cost reduction
- Improves efficiency and productivity
- Saves time and resources

❖ **Types of BPO**

- Back-office BPO: Internal processes (billing, data entry, payroll)
- Front-office BPO: Customer interaction (call centres, support services)

❖ **Examples of BPO Services**

- Call centres (customer support)
- Data entry and processing
- Accounting and payroll services
- Medical transcription
- Insurance claim processing

### ❖ **Advantages**

- Reduced operational cost
- Access to skilled professionals
- Improved service quality
- Focus on core business activities

**2. Business Process Management (BPM) :** Business Process Management (BPM) is the practice of managing, analysing, and improving business processes to increase efficiency and performance.

BPM goes beyond outsourcing. It focuses on optimizing and improving business processes using strategies, tools, and sometimes technology to achieve better results.

### ❖ **Features**

- Focuses on process improvement and optimization
- Uses analysis and strategic planning
- Enhances decision-making
- Improves overall business performance
- May or may not involve outsourcing

### ❖ **Examples of BPM Services**

- Data analytics and insights
- Business research
- Market analysis
- Process optimization
- Customer behaviour analysis

### ❖ **Advantages**

- Better decision-making
- Increased efficiency
- Improved business performance
- Continuous process improvement

➤ **Outsourcing :** Outsourcing is the business practice of hiring an external company or third party to perform tasks or services that could be done in-house.

Outsourcing = Getting work done from outside the organization.

### ▪ **Why Companies use Outsourcing :**

- Reduce costs
- Save time
- Focus on core business
- Access expert skills
- 24 x 7 service availability

### ▪ **Commonly Outsourced Services :**

- Customer Support(call centers)
- Data entry
- HR and recruitment

- Software development
- Technical support

➤ **Call Centres :** A Call Centre is a centralized office or service centre that handles a large number of customer calls (incoming and outgoing) using telecommunication technologies and computer systems.

Call centres are an important part of the ITeS (BPO) industry. They are mainly used to provide customer support, solve queries, give information, and promote products or services. Trained employees called Customer Service Representatives (CSRs) handle customer interactions through phone calls.

#### ❖ **Types of Call Centres :**

1. **Inbound Call Centre :** Handles incoming calls for customers like Customer support, Complaint handling, Technical assistance.
2. **Outbound Call Centre :** Makes outgoing calls to customers like Telemarketing, Sales promotion, Customer surveys.

#### ❖ **Features of Call Centres**

- Uses telephones and computer systems
- Operates 24×7 in many cases
- Handled by trained professionals
- Provides quick and efficient customer service
- Maintains customer records and data

#### ❖ **Functions of Call Centres**

- Answering customer queries
- Providing product or service information
- Handling complaints and feedback
- Technical support services
- Sales and marketing calls
- Customer satisfaction tracking

#### ❖ **Advantages of Call Centres**

- Improves customer satisfaction
- Provides quick response to customers
- Reduces workload of companies
- Cost-effective outsourcing solution
- Helps in building customer relationships

#### ❖ **Disadvantages of Call Centres**

- Language or communication barriers
- Customer dissatisfaction due to scripted responses
- Time zone differences
- High employee turnover

➤ **Applications of IT** : IT is used in almost every field of life. Some major applications are :

- **IT in home computing, Everyday Life** : Used for browsing the internet, online shopping, email, entertainment, online learning, storing personal data, and using smart appliances.
- **Business** : Helps in accounting, billing, inventory management, payroll, data analysis, and e-commerce.
- **Communication** : Enables email, video calls, social media, messaging apps, and online meetings.
- **Education & Reference** : Supports online classes, digital libraries, e-books, research, and exam management.
- **Medicine & Healthcare** : Used for patient records, diagnostic systems, medical research, and hospital management.
- **Banking & Insurance** : Online banking, ATMs, digital payments, account management, and policy management.
- **Government & Public Services** : E-governance, online services, digital records, and public information systems.
- **Science & Engineering** : Research, simulations, design (CAD), data analysis, and innovation.
- **Library Automation** : Book tracking using barcodes, issue/return management, and catalog systems.
- **Military & Law Enforcement** : Security systems, surveillance, communication, and defense technologies.
- **Marketing & Publishing** : Digital marketing, online advertising, printing, and content creation.
- **Entertainment, Sports & Arts** : Music production, gaming, animation, broadcasting, and performance analysis

➤ **Full Forms** :

- **IT** – Information Technology
- **ITeS** – Information Technology Enabled Services
- **ERP** – Enterprise Resource Planning
- **BPO** – Business Process Outsourcing
- **BPM** - Business Process Management
- **RPO** - Recruitment Process Outsourcing