

Report On
A Study on Retirement Provident Fund and Future of BPO (Business Process Outsourcing) Sector in Bangladesh

By
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An internship report submitted to the BRAC Business School in partial fulfillment of the requirements for the degree of Bachelor of Business Administration

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Letter of Transmittal

Md. Hasan Maksud Chowdhury
Assistant Professor
BRAC Business School
BRAC University
66 Mohakhali, Dhaka-1212

Subject: Submission of Internship report

Dear Sir,

With the utmost respect, I'd want to inform you that I'm extremely excited to present the internship report on Data path Limited that you asked for. Following your instructions, I have made every effort to ensure that the outcome of my internship would be successful. You have given me necessary guideline and advice which helped me to go through this long process of report writing. As I have worked in Data-path and had gained knowledge about USA retirement plan, it would give me confidence and push for my future growth and development.

I hope my report will be up to your expectation add some value to the whole internship report archive of BRAC University

Sincerely yours,

Kazi Mahbubur Rahman
ID: 18104281
BRAC Business School

BRAC University

Date: 9/27/2021

Executive Summary

The US government is committed to preserve their aged citizen's basic rights through given financial supports and make necessary policy accordingly. IRS named as internal revenue service and DOL named as department of labor provides guideline for their employers so that they can offer necessary retirement benefits for their regular employee. Normally it is known as retirement 401k plan in USA where company allow different kind of benefit plan for their employee, so that they don't need to worry about their financial condition after their retirement.

Normally the whole process of allocating and executing a plan is done by a TPA (Third party administrator) company and Data-path works for a TPA company named July services. Where working on Data-path a BPO (Business process outsourcing) company the more I have learned about July services and other TPA firm I have realized that the TPA companies' business is really a big market and Data-path is good at this as BPO Company and more and more clients. So, the intention of the project was to see what are the factors that are making an impact to the outsourcing world and how can Bangladesh become leading power of outsourcing world in near future.

Chapter one: Overview of internship

Student Information:

1.1 Name: Kazi Mahbubur Rahman

ID: 18104281

Department: BRAC Business School

Major Finance and CIM (Computer information Management)

1.2 Internship information:

1.2.1 Period: I have started my internship period from 26th July, and it will end on October 26th. It was a long internship program as most of the company run their internship program approximately 3 months, but they have designed their internship program around 4 months as they have a plan to recruit their next employee from this internship and they need to train their employee a lot. So, they always try to find their way to make sure that new intern got their best training session so that they can learn and get e actual experience of USA retirement plan and how data path run their business and operation.

1.2.2 Company Name: Data-path limited.

1.2.3 Job scope: At the beginning of my internship period, we were assigned in a team where all the interns of summer21 were in a group, and we received through training about what is RPF and how data-path right now their business and what a regular employee has to go through in a normal regular day of his work. We have learned about RPF 1 and RPF 2 where all the necessary guideline of doing all the Retirement planning has already written and to work on any TPA company to run the retirement plan one needs to know all these RPF rules and regulations. Later on, after getting information about RPF we were getting training about how to check census and how to do the whole plan process. Now I am going to list all the things that I am doing right now I in data-path:

Plan process: I have to insert all the plan specifications to the software I am working on. My software name is “Dateir” All the employee of APCI team normally work on this software.

Importing employee census to the software: After inserting the plan specification to the software I have to import all the employee information which we call employee census to the software. After that again I have to check on the employee questionnaire and from that I have to update which employee is owner and which is not owner.

Census checking: Then again, I have to export the employee census from the software and then I have to go through census checking while comparing with client census and software census. In census checking normally we check SSN (Social Security Number) , Employee birth date, Hire Date, DOP (Date of participation), Employee compensation, Salary deferral, Date of termination and employer contribution.

Contribution calculation: After checking census we have to find out if there is any error in software census and then I have to correct them. After that my job is to calculate Employer contribution where employer give profit sharing and match to their employee based on their salary deferral.

Contribution reconciliation calculating: After contribution calculation I always reconcile those contribution with RK statement and previous year adjustment account of reconcile. I do this task just to see that how much many has been funded and how much money should have been funded. We make the adjustment by comparing to reported amount with funded amount.

Asset reconciliation: After doing contribution reconciliation I do asset reconciliation. In asset reconciliation.

Fin import: After doing asset recon I have to import RK statement to the software. This is a very crucial task to manage as if I somehow insert a single digit wrong number then the software will calculate wrong value of beginning balance, gain/ loss, contribution and ending balance. Again, until and unless there is a similarity between software's beginning balance, gain/loss, contribution and ending balance with asset recons beginning balance, contribution, gain/loss and ending balance my job is not done there. All these balance needs to be matched between software's value and asset recons value.

1.3 Internship outcomes:

1.3.1 My contribution to the company: My contribution to the company was simple as BPO intern. In BPO department there are several teams, and every team has different responsibilities and task. I was assigned in APCI team where we do mainly two things plan process and plan review. For past three months I have been doing plan process which include:

1. Checking plan specification and inserting that into software.
2. Importing client census into the software
3. Going through questionnaire and update plan specification accordingly.
4. Census checking
5. Contribution calculation.
6. Contribution reconciliation.
7. Asset reconciliation.
8. Fin import.

These are the things I have been doing for my team APCI for last 3 months and every day I have been assigned more than one plan process. So, I believe I have done decent amount of contribution to my team.

1.3.2 Benefits I got from the organization:

Professionalism: After my graduation I did not do any job or internship in any organization. Data-path is my first organization where I got to touch with real organizational environment, and I have learned so many things in terms of skills and professional manner that I am overwhelmed by their internship structure. Therefore, I have gained insight how a real meeting is being organized, how one should approach toward their manager and their colleague. I have learned many aspects of group working and team workings. Now I know how it's more important to rise together as a team rather than just by myself. I have gained knowledge about how in any organization it's very important to understand each other's strength and if any member of any team is lacking behind then it would create a great impact to the whole team as well as the organization. So, I have been trained how I should always look up to my team members and how I should help someone in need without affecting my own work. Again, I would love to add that I have been closely with any manager but in data-path we had to report to our manager regularly about our workings and I have learned a lot from my manager.

How I can work under pressure: Data-path is financial consultancy firm, so it is not a surprise that all our works would be about numbers and more numbers but at first I was really overwhelmed by the whole process of their work and even there were times I was Panicked by the amount of pressure I had to go through but day by day with time I have learned how to cope up with pressures and that's how I knew that I was learning and I was growing.

Punctuality: I have learned a lot about time management and punctuality there. Time is everything in data-path and we all must run through our deadline every day. We u know that if u can't to finish your assigned task within a certain period of time they it will effect on other member of your team then u will realize that there is no scope to be late and there is no scope to be wrong here. So, I have gained experience and learned how to be more punctual and how to be more perfect in my work. So, it was a good lesson for me.

I have learned how to take criticism positively: while working on Data-path I have learned that there is no scope does not take any kind of criticism positively. We can't be perfect every time and we can make mistake does not matter how much we have given time on a project. These things I have learned from my manager and other senior colleagues. They have shown me that how to be more accepting and welcoming to any kind of criticism. At first while giving much effort on anything if is saw that again I was facing criticism that moments I felt angry and demotivated by day by day I had come up with more welcoming attitudes and it helped me a lot to engage with new idea sharing without hesitation.

How to take accountability on my own work: while working on data-path I had to learn that everyone needs to be responsible for their own task and they have to be committed to their responsibility. I had to realize that everyone has their own task, and they need to take accountability for any kind of mistake they make. This is an attitude every employee has to have. Otherwise, a good organizational culture would never be established.

1.3.3 Problems I have faced in my internship journey: Through my journey with data-path is going smooth and happenings but still there are some things that bothers me. Now I am going to discuss some of the things that I have found problematic for myself

Slow internet system: Data-path work as a remote working system and they use VPN for that. Again, have to work while presenting on US server, as they have to be on US server sometimes the PC got hang and the IT team have to work on that. Moreover, the overall process of work come to as stand still for the server issue, and I have found it as very problematic.

Less work life balance: Actually data-path is very nice place to work with. They are very friendly and the whole employee body is very much supportive to each other. Again, there is a busy session for data-path starting from January to July and at those periods the employees have to work until 8pm to 9pm and I have found it little bit problematic for them. Again, I would love to add that all employees get extra money for their extra time of work.

Not enough place to work with: As data-path is growing day by day and it's getting more client, that's why they are hiring more trainee intern for their office. For that reason, some employees have to work from home to give the chance to the new trainee intern.

1.3.4 Recommendations for the company: Here are some recommendations for data-path

1. They should make more spacious office area for their employee.
2. They should make their network system faster as need to work remotely and sometimes the pc got slow due to the server. So, they should be aware of it and make it more user friendly.
3. They provide snacks for their employee, but the quality of their snacks is not up to mark. So, I would have been happier if they provide more interesting snacks.

Chapter 2 Organizational overview (Data-path)

2.1 Background of Data-path: Data-path is a Bangladeshi BPO company which is working for July services from 2005. At first it located in Uttara and later on they shifted their office at Mohakhali. Data-path started their operation mainly for July services at the beginning and gradually as they got more efficient, they started to expand their business and services with other TPA firm like July services.

2.1.2 Background of July services: July Corporate Services is a professional services firm dedicated to providing business clients with specialized retirement plan and other administrative services. Employers and financial partners collaborate closely with us to develop tailored services that match their specific needs. Normally July services gives solutions and suggestions for plan implementation and continuing plan operation which is tied up different consultants. July services have several years of industry experience working with clients ranging from small, family-owned enterprises to large corporations. In USA it's a billion-dollar market and July services are making an impact in creating a global presence there. In USA they started their operation in 1995. They started to tie up with different financial org. and advisory figure who helped them to engage with different clients and they did their services with so accuracy and integrity that gradually they become one of the most efficient TPA Company in USA. At present they run their operation in almost 50 states, and they have approximately 3000 clients.

2.1.3 Founding members of July services: Jim Hudson initiate the idea of opening a TPA firm on his own at early 1980 while he was doing his work as public accountant. He was so efficient at his work that he was well known and respected at his field of work, and he managed to work on different retirement plan. So, it was an easy catch for him to start his own TPA business firm at 1994. Later on, John co-founded and join with Jim to manage July services.

2.2 Operations Management:

2.2.1 The following services are normally given by July services and Data-path:

Plan design: In this industry every retirement benefit plan is called “plan” where there will be customized rules and policies to make employees financial future secure and sound. Through every plan needs to be fall under IRS rules and guideline. Company cannot go outside the IRS rules and guideline to customize their retirement plan.

Processing of the plan:

1. Set of plan specification: At first, they need to maintain a plan specification given by the client where they have written down all the necessary information that needs to be followed. In a normal plan there are several things that are usually written. These are plan eligibility which means the minimum age of an employee which needs to meet to be a participant of the plan, Then to get the DOP (Date of participation) how many hours an employee needs to work minimum. These sorts of all policies are written there in plan specification and that needs to be followed.

2. Specifications about loan: If the plan allows loans, then they need to make it clear the loan policy accordingly.

3. RK statement: A participant's all money is registered in a RK statement. They can check their beginning balance, gain/ loss and their ending balance of their plan. TPA firms mainly work and maintain these RK statements.

Again, there are certain things and services that Data-path provides. These are

Calculation for eligible employee: Data-path normally calculate how many and exactly which employee are eligible for the participation for the plan. They normally calculate it according to the plan specification.

Calculation for vesting: There is a thing in plan name vesting. It is measure as percentage and data-path calculate every employee vesting percentage and exact vesting amount.

Allocation: Allocation refers to the amount which is given by the plan sponsor to the employee. Its named is employer contribution to the plan. Data-path usually calculate these allocation amount of the plan.

In any plan to keep balance of money distribution and allocation there are certain testing method which ensure the balance of money transaction and allocation. If the test fails somehow then it needs to be adjusted accordingly. These are some testing's that usually done by Data-path:

1. Top heavy testing
2. ADP and ACP testing
3. Minimum coverage testing.

Record keeping by Data-path and July services: Normally July services give their client 24 hours access of their account, and they can check their valuation daily.

Departments:

There are different departments in Data-path and these departments are related to each other and have significance over each other. Now I am going to discuss about the departments of Data-path

Department of accounts:

This department normally works on all the billing of data-path. They deal with all employee's compensation and statistics of transaction. Accounts department keep yearly valuation of Data-path and forecast necessary steps to increase the profit of Data-path.

Department of Distribution:

Distribution department normally work on disbursement which means they make distribution of money to all those participants who are eligible to get certain amount of money according to IRS rules.

Department of plan documentation:

Plan documentation is a very serious and sensitive work to be done. All the necessary information which might need to do the plan process is written in plan documentation. Data-path has a department called ERISA which maintain such plan documents. There are normally 40 to 41 pages in any plan document and this department keep tracks that all the active plan has been processing under the guidance of plan documents.

Departments of form 5500:

For every plan there is a form which is called “Form 5500”. Normally for every plan they need to submit their annual report and there in short, they can see all the asset and contribution of their plan. Every year this department prepare thousands of company’s form5500 and submit it to the designated authorities.

Department of Human resource management:

In data-path human resource management is really engaging with their all activities. Normally human resource management check up on all the employees and keep track of all employee’s personal growth and limitation. Later, they work on that and make sure that all the operations are running smoothly.

Department of IT:

IT department of data-path is very crucial for their activities as most of the work of data-path are done in remote work process. So, they need to make sure that their network is safe and running smoothly. Data-path is doing really well in terms of submitting all the remote work perfectly and this credit goes to their IT department.

Department of BPO:

In data-path all the departments and activities are aim at July services, but BPO department usually do all the things except for the July services. Currently I am working in the BPO department and as I can see that they are working for different TPA client apart from July services and give them necessary assistance. More and more TPA clients are coming this year and they are hiring huge amount of intern this year.

Department of Record keeping:

Record keeping department keep all the track of every plan and plan related process. They even keep track of all the money circulation data-path is doing for the July services.

Department of sales:

To get the business done any TPA firm have to consult with two types of authority. These are plan sponsor and financial advisor. Mainly TPA firms get their business and client from these two parties. In data-path sales department deal with these two parties to get the job done and try to maintain necessary connection. They do it for July services mainly.

Department of software:

To run all the actives of data-path they need all heavy weight software and these software needs various maintenance. So, data-path create this department so that their employee can invest their time creating necessary software for data-path and maintain their operation smoothly.

Service mix of their Business:

US retirement policy: In addition to salary, employers offer a variety of perks to their employees in USA and benefits are accounting for a growing share of the total employee-related cost of doing business. In other circumstances, such as paid vacation days, the employer which means the organization, or we call it as sponsor bears the entire cost of these benefits.

Their employer considers them to be completely funded. Employees and employers, on the other hand, frequently share information to maintain their transparency regarding their pension fund.

Plans for their employee:

Employers regularly provide benefits such as health and life insurance, vacation time, disability income, and retirement programs to enhance the physical, financial, and mental well-being of employees and their families.

Certain benefits are designed to shield employees from substantial financial hardship as a result of unanticipated catastrophic events, while others help to maintain workplace stability and productivity by boosting employee morale and allowing for competitive recruitment.

Employee benefit plans are frequently provided instead of additional cash payments as an important component of a comprehensive compensation package since employees have learned to expect this kind of certain benefit from the company.

Different type of employee benefit category: Actually, there are two broad categories of employee benefit plan of USA.

1. Welfare benefit plan
2. Pension benefit plan.

We will talk about mostly pension benefit plan here.

Discussion about pension benefit plan: According to ERISA (Employee retirement income security act) any plan which is fall under the ERISA act and give their employee any kind of benefit by deducting their salary at a certain portion is called “plan”. There is different type of pension benefit plan. These can be

1. Disability benefit plan for age old employee
2. Profit sharing benefit plan
3. Again, they can offer their employee a certain individual account for their pension benefit plan.

Again, there are broad two type of pension benefit plan.

1. **Defined benefit plan:** In a defined benefit plan any individual does not get any benefit yearly rather than the sponsor organization do mention in their plan document that how much benefit an individual will get when they cross their retirement age.
2. **Contribution benefit plan:** In this benefit plan normally, all employees will get their benefit or contribution from their employer yearly. All the calculation and gain loss are normally calculated yearly. Again, profit sharing normally occur to the next year as it is calculated in the end of the year.

Again, we can see that there can be couples of type’s contribution benefit plan such as profit-sharing plan, safe harbor plan, ownership plan, normal 401k plan and Sponsor Company can decide any kind of plan to offer to their employee.

Definition of 401k plan: In this type of plan normally employee can contribute a certain amount of money to the plan after getting participation in the plan. After their contribution to the plan those money normally being invested in different sources and from those investment the participant can have their gain or loss at the year end.

Definition of profit-sharing plan: In the profit-sharing plan it is kind of different because in this kind of plan the sponsor company must give their employee a certain amount of money. The amount of money can be varied from plan to plan. It must be written in the plan document. Normally they give the profit share in a prorated basis where they give a certain amount of money to their all-active employee according to their compensation ratio.

Definition of safe harbor plan: This is a similar kind of 401k plan but there is difference. In any kind of 401k plan the employee must contribute to get the pension benefit to their account but in safe harbor plan if any employee is eligible for the plan, then even if he or she did not contribute their salary deferral again they will get employer benefit. In safe harbor plan the employer can choose which type of benefit or catch they will provide. They can provide basic match which is basically 100% up to 3% and 50% up to next 2 %. Again, they can decide to give enhanced match which is basically 4% of employee contribution and safe harbor non-elective is 3% of employee compensation.

Now I am going to discuss about some common terms used in every retirement plan:

Eligible compensation: There is a term called eligible compensation in plans. It means by the ERISA act there is a limit of highest compensation. For example, in the 2020 any participant's highest eligible compensation was 285,000. Even some one's gross compensation was above

285000 but their profit sharing will be calculated based on their eligible compensation and that is 285000

Participation to the plan: we call it as DOP (Date of participant). There is a thing that any individual needs to pass some criteria to be added on every plan. If someone does not complete their age requirement and their working hour requirement, he or she will not get their DOP in the plan. In that case they won't be eligible for their salary deferral and they won't get any profit from the organization.

The idea of vesting: There is a term called vesting in any plan. It means for example if any participant has 5000\$ in their account of employer contribution then that participant can't cash out the whole money. There is a percentage of vesting and according to the different rule he or she will fulfill those rules and he can cash out only the vesting percentage he has got by doing his job. For example, if his vesting percentage of match is 60 % then he can cash out only 60 % of those 5000\$ dollar. In the same way if he can get to the point where he has 100% vesting then he can get the full money. Again, if the plan allows exceptional rules, then under the circumstances of death, disability, and retirement any participant will get the full money of employer contribution.

Policy regarding retirement: In every plan there are certain rules about retirement. In every plan document they clearly mention that what would be the normal retirement age and if the plan allows the early retirement. Again, if the plan allows their employee to get early retirement, then **they** can take the opportunity to take 100 vesting in their employer contribution money.

Service hour: To get the allocation every employee needs to pass the minimum hour of workings. Normally it is 1000 hour that everyone needs to complete to get the allocation for matching and

profit sharing. Even to get the DOP if the plan document has mentioned that employee needs to fulfill 1000 hour then again to get the DOP the employees need to complete at list 1000 hour. Otherwise, they won't get the DOP

Employee who falls under top paid group and highly employee: Employee who has more than 5% ownership this year and previous year is called key employee. Again, any particular employee who has more than 1% ownership and who has compensation more than 15000 current year is called key employee. Thirdly if any employee has officer status and if his compensation is more than 150000 then he is a key employee. Again, to be the highly compensated employee any individual has to have more than 5% ownership. Again, if someone's compensation is more than 120000 then that particular employee is highly compensated employee.

Election for top paid group employee: To be considered an HCE, the employer may choose to add a criterion that, in addition to passing the compensation test, the employee be in the top 20% of employees when ranked by compensation.

The top-paid group election must be included in the plan document, or the plan document will not be valid. If the employer wishes to use the option, it must be added to the document. The use of the highest-paid group. The 5% owner test is unaffected by the election. Normally ownership percentage is not relevant here to be considered in the top paid group of members.

2.3 Industry analysis

2.3.1 Industry specification: Data-path is a BPO company which means it falls under the outsourcing industry. In outsourcing business normally company gives all the necessary assistance to the mother company, but they receive less wages than actual mother company salary range. Data-path give all sorts of financial consultancy to July services and maintain necessary tracks and reports of their work.

Now I am going to discuss about different factors of outsourcing industry

2.3.2 Economic factors: There is no secret that outsourcing company are being exploited by their mother company as they get lesser payroll than their mother company but still third world country like Bangladesh can use their manpower and gain huge amount of foreign money by setting up outsourcing company. That's how we can minimize our job scarcity in our country, and it can make huge impact in our economy.

2.3.3 Technological advantages: The most fun part of setting up a BPO company is that they gain huge amount of technological support from their Mother Company and client and these things make them independent and efficient in their business and industry. So eventually they become more technologically sound and later on some outsourcing company become so big that they can make leverage in their business and set their policy accordingly.

2.3.4 Entry barrier: The main barrier that is faced by an outsourcing company is that they don't have necessary technological support and information. To maintain a BPO company there needs to have efficient support team who will always give back up in any crucial situation and maintain the normal workflow and that's why it really important that the company have necessary manpower. Eventually finding a good bunch of efficient teams is a great challenge.

2.3.5 Power regarding supplier and buyer: In any industry we can see the relation of buyer and supplier and often the market and demand of a particular product decides that if there would be more power in buyer hand or there would be more power in supplier hand. In our case I think as Data-path like company is growing rapidly and they are showing great success handling their client and they have expertise regarding their job. So, I think they can use this power to have more money and wages from their mother company. So, in this case I would say that data-path like company is supplier in this industry as they are BPO Company, and they have more power to maintain a leverage.

2.3.6 Threat of substitutes: What I have found in my studies that as there are more and more students in Bangladesh who are interested to work in tech base company and they are engaging in different skill developing activities day by day, soon enough we can see that there will be more and more prominent outsourcing company of Bangladesh will lead the whole market of outsourcing in the world. So, I would say that the threat of substitutes is getting higher in this industry. So, if anyone wants to enter in this sector, they need to keep things in mind that they must be exceptionally good to be relevant in this market.

2.3.7 Rivalry between companies: I would say that in every industry there will be rivalry and that's how any normal business industry runs. Again, I would like to say that in the financial outsourcing sector of Bangladesh there is not much of company who are dealing with this kind of business operation. So, it is safe to say that the rivalry between companies regarding financial outsourcing is not that much high in Bangladeshi industry right now.

Chapter 3

Project Part: [A Study on Retirement Provident Fund and Future of BPO (Business Process Outsourcing) sector in Bangladesh]

3.1 Background Information:

In past ten years Bangladesh had been gone through rapid change in terms of technology and digitalization. Govt. had taken different initiative to make access of internet to everyone and everywhere. In-fact they were promoting outsourcing to the youth by giving them different free govt. seminars and function in recent years. All these things finally made influence in BPO sectors and Bangladesh became 2nd largest online labor supplier. Referring to the statistics of Oxford internet institute there were around 500,000 people who are related to outsourcing job through BPO companies. Moreover, every year Bangladesh were earning around 100 million dollars through BPO and freelancing sectors. There were some core factors that must have triggered the booming of outsourcing in Bangladesh. The report aimed to show how people could take more opportunity in outsourcing sector and what were the things that could make influence in booming the outsourcing sector of Bangladesh.

3.2 Objectives:

Based on the highlighted area of project the goal is to achieve better insight about outsourcing sector in Bangladesh. Often an objective can be divided into two types. These are

Broad Objective: In a broader perspective the objective of this project is to know about different aspect of outsourcing sector and its impact on job crisis in Bangladesh.

Specific Objective:

- How BPO Company are giving people opportunity to become financially independent
- To know the factors regarding booming BPO sector in Bangladesh.
- To know the factors that have negative impact in BPO Company of Bangladesh.
- Highlight some issue that needs to be addressed to maintain excellence in this sector.

3.2.1 Methodology:

Primary Data:

1. Thorough discussion and interview with manager and other senior employees.
2. Discussion with my team members.
3. Follow up with manager of other departments.

Secondary Data:

1. Through different websites regarding BPO company
2. Newspapers and online journal
3. Digital archive of BPO companies.

3.3 Significance of issues:

The report will illustrate a clear picture about what's going on in BPO sector of Bangladesh and what should be done to push this sector to the highest form in South Asia. Bangladesh has huge number of educated but unemployed youth. So, it is required to find a way like outsourcing that can minimize the job crisis of our country. If necessary, importance is given to this sector, then it has the possibility be the next RMG of Bangladesh.

As part of my research the following questions were asked to manager, employees and senior employees during interviews and discussion:

- 1.How outsourcing is creating job opportunities in Bangladesh?
- 2.What type of skills are required to peruse outsourcing?
3. Does it necessary to have a professional degree to be engaged with outsourcing?
- 4.How much work flexibility outsourcing sector gives an individual employee?
5. Does gender equality present in this sector?
6. What are the skills Bangladeshi youth lacks to be more professional in this sector?

7. Does Bangladeshi govt. have practical policy and guideline to push up this sector?
8. What are the factors that making negative impact on the growth of this sector?
9. What should be done to become leading power in the sector of outsourcing?
10. what is the Current market size of BPO in Bangladesh?
11. what types of work normally done by freelancers?

3.4.Findings and Analysis:

Market size of BPO in Bangladesh:

Going back to 2009 when gradually outsourcing was started in Bangladesh, at that time there were few resources and exposure but again gradually growth of this sector became visible and now by increasing 20% growth the market size of this sector in almost every year its now a 300-million-dollar business in Bangladesh. There are handful of companies out there who are gaining national and international recognition in this sector by showing excellence and professionalism.

Services that are given by BPO companies in Bangladesh:

Statistics show that majority of work done by Bangladeshi freelancers are in marketing sector and the number is 40.2%. The second most frequent services that are given by Bangladeshi freelancers are software and IT development. There are still many sectors that are not explored by Bangladeshi freelancers such as programming support and Artificial intelligence because still Bangladeshi youth has lacking over skilled that require more sophisticated knowledge.

How BPO company are making impact on creating job opportunity:

Creating opportunities for women: Bangladesh's outsourcing sectors is reshaping the idea of a working place. There are lot of educated married women in Bangladesh who are incapable to do work a fulltime office job due to their family responsibilities or restrictions but in recent years more and more women are taking the opportunity to engage in different outsourcing related work and becoming self-dependent. I would like one interesting fact regarding women coming to the BPO sector is that in recent years by statistics it has shown that Bangladeshi women are getting more credibility and recognition than their male counterparts.

Gender quality in BPO sector: Statistics has showed that Majority of people are convinced that there is an equal opportunity for both male and female in outsourcing sectors of Bangladesh. While conducting interview with 20 employee of data-path this question was asked and majority of them think that gender equality presents in BPO sectors of Bangladesh.

Creating opportunity for disabled people: In Bangladesh we don't have any proper infrastructure for disabled people to make them financially independent. Again, BPO companies are playing a huge role by giving them opportunity to work from home. Any disabled people can have training online and work from home and become financially self-independent. Statistics have shown that there are lots of people who has disability problem are taking part of the freelancing sector and making a great impact.

Core factors that making influence on booming BPO sectors globally:

Effective cost Management: The cost of setting up a BPO company is relatively low comparing to other countries. Most importantly Bangladeshi labor is cheaper relatively and more and more people are now getting technical education and people are now aware of new technology. So, investors are getting efficient work force by investing lower money.

Saving money to focus on core business: While initiating a start up at first, they have low investment, and they can't focus on so many things at once. So here comes the BPO Company. BPO Company let company focus on their core business and hand their insignificant business deals. That's how they can reduce their operational cost.

Factors that are influencing Bangladeshi market to become the leader in Outsourcing sector:

Cost of labor is lower relatively: We all know that as Bangladesh is third world country and here population is very high. With increasing level of population, we have job problems. That's why people can exploit us in terms of wages and conditions of the job. Again, still it is very good for us that we can grab the attention of foreign client and we have proved it that Bangladesh has potentiality. People of all around the world are showing interest of our work just because we will charge lower than their countries people or employee. Our wage rate is way less than any other south Asian country and we have statics about it

Service quality: Though Bangladesh has high illiteracy rate but in the outsourcing sector we have gain our place by providing quality service to the clients. I can speak about data-path. In 2006 July

service first came to Dhaka and they were not sure if Bangladeshi people can really do satisfactory job regarding USA retirement plan but eventually it worked and now Data-path is handing many clients apart from July services and they are really impressed.

Increasing amount of skilled employee: In recent years enormous number of students have been graduating every year and the number is getting higher. Students are interested in outsourcing income by being skilled employee. In recent years more than ever student is coming into freelancing and that want to be more skilled and gain knowledge about it. So, in recent years we can see a trend that majority of income coming from outsourcing is actually from BPO. So, it can be said that we have skilled employee for outsourcing that can make an influence to change the job sector of Bangladesh.

Future scenario of BPO in Bangladesh: we know that technology is being better day by day and there are many jobs that are being done by automated system but again there will always be some jobs and task that would need human intervention and Bangladesh will be leading in future outsourcing world. We can see that every year increasing amount of new client are coming to Bangladesh to expand their business. So, we can forecast that in next 10 years Bangladesh will enter a leading position in outsourcing business and change the job sector of Bangladesh.

3.6 Recommendation: Though our BPO sector is booming but again there are some issues that needs to be addressed

Policy making: Still Bangladesh does not have clear law about how the employee of BPO sector will be treated, what should be their minimum wages and what would be their minimum benefits from their mother company. That's why many mother company are exploiting the system and giving the minimum wages to their outsourcing company.

Transaction issue: Bangladesh govt. still does not allow international money transaction system like pay pal and it's a big issue for freelancer. Freelancer must give up their hard earn money by getting their payment in various way. If Bangladesh govt. allow PayPal to work in Bangladesh, then it would be great for the freelancer as well as it will boost the transaction system of BPO sector of Bangladesh.

Lacking English knowledge: Though we are saying that we have skilled labor in our country in term of freelancing but still there is big gap of proper English-speaking people and for that reason many potential skilled people are not getting the opportunity that they deserve. So, it as up to the govt. and they should open institution where people can learn proper English by spending low cost.

Internet speed: It's a shame that every year Bangladesh becomes the one of those country where there is minimum internet speed, and it is affecting our whole GDP. It is affecting our education system and it is affecting out IT sector as well as BPO sector. So, I will recommend govt. to look up to this matter so that our BPO sector can be boom more than ever.

4 Conclusion: In conclusion it can be said that BPO sector has a good possibility to become (Business process outsourcing) the next RMG of Bangladesh. As Bangladesh has huge numbers of educated and youth who are jobless so they can be used as manpower and make the BPO sector

way ahead of other Asian countries. In modern era companies are trying to minimize their operational cost and they trying to gain more and more efficiency. That's why the necessity of outsourcing is increasing day by day globally and Bangladesh has become an important part of it. The study has shown that BPO sector of Bangladesh is creating job opportunities for all kind of people within their skill limit and the job is giving people more flexibility and it is helping to face the job crisis of Bangladesh. However, there are some issues in Bangladesh that have negative influence and that needs to be addressed by govt immediately to lead this sector furthermore.