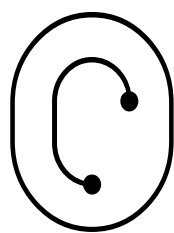


WNS: BUSINESS PROCESS SOPHISTICATION



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ne of the most cynical depictions of India's BPO sector appeared in the Hollywood blockbuster *Transformers* (2007) with a

nose-picking telecom company back-office agent talking back to a brave US commando fighting off an alien deception.

Such images have given way to business process management, which at the higher end includes machine learning and artificial intelligence-based automation,

and consulting around digital technologies and platforms.

Three acquisitions made by WNS, one of India's biggest BPM companies, all made within the second half of 2022, reflect this change in the sector.

Originally born as a unit of British Airways, WNS today is among India's biggest BPM companies. The Mumbai-headquartered company has operations from the US to Australia, and from China to South Africa. It reflects how this segment has changed and continues to evolve.

"If you look at what has also been happening at the back end, all of us

as providers have been leveraging technology to the hilt, to connect with our own employees, train them, reskill or upskill them," says Keshav Muruges, CEO of WNS.

"We are also bringing in more accretive, synergistic kind of acquisitions to increase our offerings. It means that the value proposition of companies like WNS for clients and prospects has increased dramatically," he says. As a result, the company is "seeing a very strong pipeline", he adds.

For the quarter ended December 31, WNS reported revenues of \$306.9 million, up 8 percent from

WNS Global Services

FOUNDED: 1996

INCEPTION: Started as a captive unit of British Airways

HEADQUARTERS: Mumbai

LISTED: NYSE



REVENUE: \$306.9 million (Q3 FY23)

NET PROFIT: \$34.7 million

WORKFORCE: 57,994

TOP VERTICALS: Insurance, Travel & Leisure, Healthcare & Lifesciences

CUSTOMERS INCLUDE: United Airlines, GFG Alliance, Energy Australia, Virgin Atlantic



RECENT ACQUISITIONS: Vuram, The Smart Cube, OptiBuy

STOCK PRICE: \$93.17 (March 31)

MARKET CAP: \$4.49 billion

PLANS FOR 2023: Take capabilities from acquisitions to more customers, tap into demand for digital transformation

SOURCE Company, media reports, analysts reports

\$284.1 million in Q3 of last year and down 0.1 percent from \$307.1 million for the previous quarter. Profit for Q3 of FY23 was \$34.7 million compared with \$34.3 million a year ago and \$33.2 million for the September quarter.

WNS expected to end FY23 with revenue between \$1.146 billion and \$1.158 billion, up from \$1.027 billion in FY22. This includes revenue from companies it acquired. In the last 12 months, WNS acquired three companies, spending upwards of \$320 million in total.

Concerns about a recession in the US, combined with more solutions being offered by companies like WNS and the BPM sector's access to

talent in locations from Philippines to India to South Africa—instead of costly talent markets like Europe or the US—are all combining to “feed the pipeline”, Murugesh says.

Therefore, this is also an opportune period for the BPM companies to consolidate their capabilities via acquisitions, he says.

WNS announced the acquisition of Vuram, in Chennai, in July 2022. Vuram helps companies accelerate digital transformation by aligning, automating, and optimising processes using a combination of low-code software applications and intelligent automation platforms.

It can create custom BPM solutions, including the ability to extract, collect, and categorise data using OCR and AI-based document processing; and develop rule-based processing engines and machine learning-based augmentation, and exploit advanced analytics to improve decision-making.

Vuram has also created customisable, low-code, plug-and-play solutions across front, middle, and back-office functions, including industry-specific solutions for the banking, financial services, insurance, and health care verticals. Founded in 2011, Vuram was a team of about 900 people with digital skillsets in India, the US, Mexico, Australia, Canada, and the UK.

In December, WNS announced the acquisition of The Smart Cube in London, Britain, and OptiBuy in Warsaw, Poland. The Smart Cube, a 20-year-old company, provides digitally led market intelligence and analytics solutions in procurement and supply chain, commercial sales and marketing,

digital and analytics, and strategy and investment research.

The Smart Cube uses a proprietary digital AI knowledge management platform called Amplifi Pro to help clients improve procurement, and market intelligence and insight-based decision-making. They also bring strong front-end advisory capabilities and a large European footprint to the WNS portfolio.

The company has over 800 global employees, including a seasoned leadership team with CXO-level relationships, and more than 600 talented R&A specialists (reporting and analysis) with approximately two-thirds of them holding a master's degree.

OptiBuy was founded in 2010. It is a leading European provider of procurement platform consulting and implementation solutions. The company helps clients use the capabilities of third-party procurement and supply chain platforms, including Ivalua, Jaggaer, and O9, and complements WNS's existing offerings with platforms such as Coupa and Ariba, WNS said in a press release in December.

OptiBuy also provides consulting, optimisation, outsourcing, and training services to its clients. Focussed on the EMEA market, the company had approximately 90 employees, including more than 40 senior-level certified platform implementation professionals based in Poland.

WNS sees the expansion of these capabilities into the North American market as a significant opportunity.

These purchases are “in line with our vision really to accelerate the digital journeys for our clients and these are ensuring significant strategic, operational and financial value enhancement”, Murugesh says. WNS can now “play in the end-to-end procurement space, from consulting all the way to running operations”, he says. **F**

“Our recent acquisitions are ensuring significant strategic, operational and financial value enhancement.”

KESHAV MURUGESH, CEO, WNS