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Call-centres boost Manila's food industry

By Roel Landingin in Manila

It is 4am in Manila and a big crowd of young people are walking around a huge tent city of food stalls, looking for the best-tasting local and foreign dishes.

Manila is witnessing a rise in overnight food markets that point to the changing economic landscape of the Philippines. Most diners have just come from nearby high-rise office blocks where they work as call-centre agents for US companies, talking to customers many time zones away.

“We used to eat mostly at McDonald's and [a] few other 24-hour fast-food chains. It's getting to be boring. Now there are more choices,” says Mcklen Academia, 23, who works in a call-centre that helps American credit card users track their purchases and payments.

For the broader outsourcing industry in the Philippines – including back-office services, medical transcription and software services – revenue last year climbed 24 per cent to \$11bn. The size of the workforce rose 22 per cent to 638,000, though this was still far below the more than 2m working in India's outsourcing industry.

“We're seeing a second wave of BPO [business process outsourcing] businesses coming into the country and some of them are micro enterprises between five and 10, maybe 20 seats,” says Gillian Virata, senior executive director of the industry association. “They are being set up by smaller companies in the US or Europe trying to cut costs to survive the economic downturn. If things work well, they expand these operations to 50-100 seats.”

The association is implementing an ambitious plan to almost double the number of employees to 1.1m by 2016 while more than tripling revenues to \$25bn, making outsourcing the major source of dollars for the country other than remittances, which reached \$20.1bn last year. Outsourcing revenue contributed just 3.7 per cent of gross domestic product in 2011.

The association recently launched a website to attract college students and graduates to consider a career in outsourcing, enticing them with the opportunity to earn good money without leaving the country – giving them the opportunity to take a different path from the 9.4m Filipinos who work and live overseas.

But though entry level salaries are typically higher by half compared with other industries, many graduates are reluctant to work in call-centres because of the night work and high levels of stress from listening to customer complaints.

Eman Rivas, a 23-year-old call-centre worker assigned to deal with complaints from customers of a US car hire company, did not think he would last long in the job. “My first day was the toughest. I thought about quitting after hearing several angry American customers call me names,” he said. “Our manager, an Indian who has had many years dealing with irate customers, was very helpful. He told us, ‘Look, there’s no need to be scared. The customers are halfway around the globe; they can’t do anything to you.’”

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