

enterprise creation

THE TSHWANE BUSINESS PROCESS OUTSOURCING PARK IS POISED TO BECOME A CENTRE OF EXCELLENCE FOR BUSINESS PROCESS OUTSOURCING IN SOUTH AFRICA, PROVIDING A ONE-STOP SHOP APPROACH TO ALL BUSINESS PROCESS OUTSOURCING NEEDS.



Supporting the creation of substantive township economic activity

The CSIR is helping the City of Tshwane realise its vision of stimulating economic township development through the establishment of the Tshwane Business Process Outsourcing Park (BPO) in Hammanskraal, outside the economic hub of Pretoria.

Small, medium and micro enterprises (SMMEs) will be able to supply products and services associated with the construction phase of the Park. Once construction has been completed, these enterprises will also have access to an on-site incubator and training centre.

In 2011, CSIR researchers conducted a pre-feasibility study to determine if the concept of a BPO Park is feasible in Hammanskraal. CSIR researcher Loyiso Nxumalo says, "This is a novel approach, where a BPO Park is built outside the central business district with the aim of creating substantive economic activity in the township."

After having developed a detailed business plan for the BPO Park, the CSIR was contracted to support the City of Tshwane during the implementation of the Tshwane BPO Park Phase 1, which includes the construction of two purpose-designed buildings to house BPO operations, complete with IT infrastructure, thereby providing an attractive plug and play environment for tenants.

The implementation work includes the appointment of a professional team to supervise construction, as well as an IT designer and project manager. Construction of the BPO Park, estimated to cost in excess of R300 million, began in 2016 and will create an envisaged 1 950 temporary job opportunities. The BPO Park will also have other support infrastructure including a

crèche, playroom, clinic, swimming pool and sports grounds. The completed phase 1 of the BPO Park will employ 1 100 full-time BPO staff.

The concept of business process outsourcing came about in the early 90s when companies started outsourcing their non-core operations and specific business processes to third-party service providers with a view of reducing costs while increasing quality. BPO was the only sector that showed continued growth through and after the recession in 2008 and its resilience in tough economic times appealed to the city's quest to develop the township economy.

The park will also provide opportunities for SMMEs to participate in support operations such as IT support, catering, cleaning, security, landscaping, staff care and other support services.

In addition to the main facility where the core BPO business activities will be undertaken, an in-house incubator and training centre will assist local entrepreneurs and SMMEs to develop their businesses to the point where they could compete with larger established park tenants.



Construction of the Tshwane Business Process Outsourcing Park started in 2016.

(Right) CSIR Enterprise Development Portfolio Manager, Loyiso Nxumalo (left), on site with Solly Shivambu, Fikile Construction Project Manager.



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