



HFS Hot Vendor:

PeopleShores

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# Introduction

The HFS Hot Vendors are an exclusive group of emerging players, each with a differentiated value proposition for the HFS OneOffice or HFS OneEcosystem. HFS analysts speak with numerous exciting startups and emerging players.

We designate a select group as HFS Hot Vendors based on their offerings' distinctiveness, ecosystem robustness, client impact, financial position, and the impact in our OneOffice and/or OneEcosystem Frameworks. The HFS Hot Vendors may not (at the time of writing) have the scale and size to be featured in our Top 10 reports, but they have the vision and strategy to impact and disrupt the market.

# Impact sourcing for socially conscious corporations

Author: David Cushman

PeopleShores brings a radical new approach to outsourcing: a social-impact-led model designed to transform challenged communities. With it, it offers enterprises the opportunity to support their ESG (environmental, social, and governance) and D&I (diversity and inclusion) agendas, meet SLAs (service level agreements), and handle the current skills gap.

PeopleShores is a public benefit corporation (PBC) with the objective of bringing technology-oriented careers to economically challenged communities in the United States. A PBC is “for-profit,” but only where that profit is made in alignment with its public benefit goals.

In partnership with willing companies, PeopleShores sets up centers in underserved communities in the United States and provides underemployed young adults with technology jobs and career pathways.

PeopleShores hires and trains teams in cohorts of 20-30. Teams receive training in using different technologies to support digital transformation and grounding in soft skills to prepare them for the working environment, including communication skills and personal development for the world of professional services.

Technical skills cover RPA (robotic process automation), data analytics, cybersecurity, coding and development in SQL and Python, and more. The 320-480 hours of training each new hire receives can also cover customer service skills, accounting fundamentals, and business process basics, depending on their track. Participants receive pay throughout.

PeopleShores goes where the outsourcing giants won't—Clarksdale, Mississippi, and Pine Bluff, Arkansas, for example—and plans to expand to inner-city Atlanta. It is also opening a tech center in Brooklyn to employ and train people in system development with a major Wall Street firm as the main client. The business is in the final stages of establishing a new business process outsourcing (BPO) center in the Frayser community of Memphis, Tennessee.

And because, by design, PeopleShores sets up in locations where opportunities are limited, there is a benefit for enterprises seeking reliable resourcing. Churn at PeopleShores is around 10%. Current churn rates among technology and process workers in other businesses can be as high as 50%.

Even without that carrot to dangle, your enterprise's ESG committee will already be getting the picture. For instance, in the Clarksdale center, nearly 80% of the workforce are women, and 90% are from minority communities. The ESG folk will also be happy to know deliverables include social impact reports illustrating how your outsourcing spending has benefited a local community.

PeopleShores prides itself on delivering the same quality and value as its giant counterparts at competitive prices. PeopleShores has long-term plans to create scale with centers in every US state. And while it seeks to be flexible on contracts, it requires partners commit to a body of work that will generate at least 50 jobs (from multiple companies) for the target community. The flexible-term commitment is usually for between three and five years.

Core service offerings include IT development, customer care, level 1 and 2 tech support, and back-office processing. It also offers RPA development, ML (machine learning) and AI (artificial intelligence) data annotation, and cybersecurity management.

Customers include the US government agency that provides housing-, loan-, and workforce-related services to counties and municipalities, including a “Career Step” process matching candidates with local employees. PeopleShores reduced processing time from 2 hours to 30 seconds, automating the process with 100% accuracy.

At a large business advisory company, it uses Automation Anywhere to automate the download of a semi-structured database from third-party vendors and compile the data into structured formats for payroll processing and executive reporting. Five manual tasks were automated, delivering 4 hours of saving every 24.

PeopleShores has also been able to help a large US insurance company address the skills shortage facing most companies in today's economy. In three months, PeopleShores has already recruited and trained more than 35 people to help support claims processing requirements, working from PeopleShores' center in Pine Bluff, which provides facilities, management, infrastructure, and connectivity.

The insurance company's President of Claims said: "PeopleShores is a true partner with our company. They are very customer-oriented and respond efficiently and effectively to any needs we have." She added any enterprise would get the best from PeopleShores by acting as a good partner. The enterprise should, for example, ensure PeopleShores has all the notice it needs to onboard staff when the enterprise knows it has deadlines looming.

There are now 65 employees in the Pine Bluff Center, with plans to reach 200 employees within a year. In Pine Bluff, that will have a real social impact. The 2021 US census reported that Pine Bluff was the fastest-shrinking city in the nation, with a decade-long decline in population of 12.5% to 41,253.

## HFS' take

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We name PeopleShores a OneOffice Hot Vendor for the trailblazing example it sets in making the automation and outsourcing of business processes a positive force for good in the hardest-to-reach and most in-need communities.

If PeopleShores can deliver with SLAs and costs matching those of far bigger competitors, we hope others will be inspired to follow its example and deliver just as much benefit to minority communities. Governments may talk a good

game about "leveling up," but businesses can make those aspirations real.

Inspired by founder Murali Vullaganti's experience with Indian impact-sourcing leader RuralShores (which employed 11,000 rural youth workers in 10 years in operation in India), PeopleShores may not be the future of outsourcing itself, but it offers an inspirational glimpse of the good that global outsourcers can do in partnership with their enterprise customers.

## Vendor factsheet

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- **Founded:** 2017
- **Key executives:** Murali Vullaganti, Founder; Mickey Austin, CEO
- **Headquartered:** San Jose; Delivery centers in Clarksdale, Mississippi; Pine Bluff, Arkansas; and Brooklyn, New York
- **Funding source:** Private investors
- **Number of clients:** Six active outsourcing relationships (15-plus clients since launch, including RPA and other digital transformation projects)
- **Notable clients:** Large US insurance company for claims processing, largest US school district for technical helpdesk support, a large

regional bank for IT application support, global financial services provider for business process support, a large healthcare services provider for call center support, a global investment bank for application development services and support

- **Services portfolio:** Customer care, RPA development, data analytics, cybersecurity, tech support, AI/ML data annotation, back office/business process, application development
- **Industry coverage:** Government, healthcare, financial services, insurance, logistics, tech
- **Technology partnerships:** Automation Anywhere, UiPath, Qlik



# About HFS

## Insight. Inspiration. Impact.

HFS is a unique analyst organization that combines deep visionary expertise with rapid demand side analysis of the Global 2000. Its outlook for the future is admired across the global technology and business operations industries.

Its analysts are respected for their no-nonsense insights based on demand side data and engagements with industry practitioners.

HFS Research introduced the world to terms such as "RPA" (Robotic Process Automation) in 2012 and more recently, the HFS OneOffice™. The HFS mission is to provide visionary insight into the major innovations impacting business operations such as Automation, Artificial Intelligence, Blockchain, Internet of Things, Digital Business Models and Smart Analytics.

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