BPO BULLHORN

Straight talk. Smart insight. No bull.

Thursday, October 22, 2026

Have you been forwarded this email? **Sign up here**

Hello there

Top stories

- Only 8% of Insurance BPO Buyers Would Renew Contracts as AI Delivery Falls Short
- Costa Rica Free Zones Shed 2,205 Jobs as Strong Colon Raises BPO Payroll Costs 40%
- Kenya Pitches Konza Technopolis as BPO Hub at Rift Valley Global Services Forum

Last week we asked: which pricing model wins by 2027?

You voted. Outcome-based takes over, leading with 42%, hybrid wins out at 35%, too early to call at 15%, and hourly billing survives at 8%.

The market has already answered. The question now is whether your contracts have.

Let's get moo-ving! 📣🐂

Invite a friend to join BPO Bullhorn

BPO Bullhorn
Editorial Team

Bullseye: The Essentials 🎯

Industry News

→ **Only 8% of insurers would renew outsourcing deals as they stand**

ISG surveyed 150 insurance decision-makers across North America, Europe, and Asia in August 2026 and found that only 8% would renew their outsourcing contracts as they stand, with 64% saying they would renegotiate for AI-driven efficiency and 23% saying they would rework terms and service levels entirely. Ashish Jhajharia, insurance principal analyst at ISG, said AI-led innovation was the area where BPO providers most often fell short, named by 49% of buyers as below expectations, the largest shortfall among the nine areas assessed. The research was commissioned by mea Platform, which sells AI software for insurance operations. Independently reported.

→ **Costa Rica free zones shed 2,205 jobs as strong colón hits BPO**

Costa Rica's free zones employed 200,203 salaried workers as of July 2026, down 2,205 from the same period a year earlier, according to data from Caja Costarricense de Seguro Social. Daniel Alvarez, executive president for Latin America and the Caribbean at Cushman & Wakefield/AB Advisory, said currency appreciation has raised multinationals' payroll costs by 35% to 40%, with BPO services the most exposed due to their cost-sensitive, standardized nature. Alvarez said he expects BPO companies to consider alternative markets including Guatemala, Mexico, the Philippines and India, and sees no recovery for services sector jobs. Independently reported.

→**Kenya's Konza Technopolis targets BPO investment and digital jobs beyond Nairobi**

Kenya's Technopolis Development Authority presented Konza Technopolis as a hub for BPO and global business services at the Rift Valley Global Services Forum in Eldoret, hosted by the Ministry of Information, Communications and the Digital Economy and the Kenya Investment Authority. The authority highlighted a BPO Onboarding Framework to guide investors through market entry, infrastructure including the Konza National Data Centre, and the Jitume Digital Enablement Programme, which provides

skills training through digital hubs across Kenya. The authority said partnerships with government, industry and county administrations would continue to expand Konza's role in attracting BPO investment and digital employment outside Nairobi. Independently reported.

Governance

→ **The FCC just made offshore call centers a boardroom problem**

FCC Chair Brendan Carr proposed rules that would cap the volume of calls handled offshore, require disclosure when customers are speaking to agents outside the US, and give customers the right to request a domestic transfer. Zeus Kerravala, Principal Analyst at ZK Research, said the proposal goes beyond labor economics to connect customer experience quality, data security, and national security as a single regulatory concern. Kerravala warned that companies treating the rules as a like-for-like headcount shift onshore will face higher costs without also rethinking the underlying operating model. Independently reported.

→ **NCCIA sets legal guidelines for call centers in Pakistan**

Pakistan's National Cyber Crime Investigation Agency outlined the legal requirements call centers must meet to operate in the country, following a series of operations targeting fraudulent call centers in major cities. SP Atif Ameer, Additional Director of the NCCIA Lahore Zone, said call centers must hold registrations from the Securities & Exchange Commission of Pakistan, the Pakistan Software Export Board and the Federal Board of Revenue to be considered legitimate. The NCCIA cited cases where call centers held all required registrations but operated outside their declared activities, including one 200-person center registered for medical billing that was found to be running fraud operations. Independently reported.

→ **Meta ordered to pay $25 billion in New Mexico data privacy case**

A New Mexico judge ordered Meta to pay the state $25 billion after jurors found the company had made 26 misleading statements about data privacy and user data access linked to the Cambridge Analytica scandal, with more than 43 million violations of New Mexico's consumer protection laws cited. Judge Francis Mathew found penalties of more than $219 billion were warranted under state law before reducing the figure, and New Mexico

Attorney General Raúl Torrez called it one of the largest financial penalties against a corporation in US history. Meta, which plans to appeal, previously paid a $5 billion FTC penalty in 2019 over the same scandal and reached a $17.1 billion multistate settlement in August over claims its platforms harmed teen mental health. Independently reported.

Media Field Guide 📝

Video

Is AI fearmongering a funding stunt?

Andrew Ng, Managing Partner of AI Aspire and Adjunct Professor at Stanford University, argues that Big Tech uses AI safety fears as a strategic PR tool to raise funding and block open-source competition. He breaks down the OpenAI agent incident, challenges the AI job apocalypse narrative, and explains how liability should be assigned between tool creators and tool users.

Why watch: Vendors use AI fear to protect funding and block open-source competition. Ng gives you the framework to separate the signal from the sell.

Podcast

Leading Through Uncertainty and AI

Martin Gutmann, professor and keynote speaker, joins Gregorio Uglioni on the CX Goalkeeper podcast to explore how AI is changing the relationship between leadership, trust, and expertise. Gutmann argues that uncertainty is where leadership becomes essential. Predictable situations can be managed. Leading means helping people move forward when the answers are unclear. The conversation covers how generative AI changes credibility when employees produce work using tools others cannot see, and why access to knowledge is not the same as developing judgement.

Why listen: Your team can now produce convincing work faster than ever. The harder question is how you know who actually understands what they

are doing.

Book

Workforce Intelligence

Mike Sullivan and Vinay Gidwaney are co-founders of OneDigital, a benefits and HR services firm they scaled to $1.7 billion, serving 100,000 employers. Their framework treats the workforce as a composed capacity of human judgment and machine capability, and argues that most AI initiatives fail because organizations run them as technology rollouts rather than talent strategies. The book traces the shift from Personnel Management to Human Capital Management to Workforce Intelligence, and delivers a measurement model built to hold up under board-level scrutiny.

Why read: When only 8% of insurance buyers would renew BPO contracts as they stand and AI delivery is the biggest gap, the real question is not which tools to deploy. It is who owns how humans and machines work together, and whether that person sits in technology or in people leadership.

What media would you like to see more of? **Hit reply** and let us know. We'll give you a shoutout if we include it.

Continue the conversation

Resource Rodeo 🤠

Previously FEATURED:

- PwC Global Business Services Index 2026
- 2026 State of International Voice for the Contact Center
- A Practical Guide to AI Governance in Contact Centers
- Talent Insights Report Q3 2026 (Jobtrain)
- AI Visibility Index Q3 2026 - Armasourcing
- A Practical Guide to Impact Sourcing

Toro's Timetable 📆

October

26 - **ICMI Contact Center Expo** | Orlando, FL

November

7 - **CCW Europe Summit** | Amsterdam

10 - **BPESA BPO Conference** | Cape Town

18 - **Contact Centre and Customer Experience Expo** | London

December

7 - **GITEX Global** | Dubai

The Tail End 🐃

New here? **Subscribe** or **browse past editions.**

Thanks for reading. See you next Thursday.

Enjoying our newsletter? Follow us on social for more

Maistro UK Limited

Rowan House North 1 The Professional Quarter, Shrewsbury Business Park, Shrewsbury

Privacy Policy

You are receiving this email because you subscribed to our newsletter.

Unsubscribe