



AUGMENTIVE BUSINESS 7 SOLUTIONS PVT. LTD.

SALARY
BENCHMARKS

Business Process Outsourcing Cost Comparison

Cost analysis for common BPO functions: customer support, accounting, data entry, and more. By region and quality tier.



\$450B+

Global BPO market (2026)

42%

India market share

50–65%

Cost savings range

8.2M

BPO workers globally

BPO Cost Analysis Framework

This guide benchmarks total cost of outsourcing by function, service tier, and geography. Includes salary, overhead, platform fees, quality metrics, and hidden costs assessment.

What is Included in "Total Cost"

- Base monthly salary per FTE
- Platform/vendor management fees (typically 15–25%)
- Infrastructure and tool costs
- Quality assurance and supervision overhead
- Training and onboarding
- Turnover/bench time buffer (5–8%)

Market Trends 2026

- ✓ 48% of BPO contracts now require nearshore or hybrid models
- ✓ India still dominant but Philippines/Eastern Europe growing 18% YoY
- ✓ AI-augmented BPO (human-in-loop) increasing adoption 35% YoY
- ✓ Data residency requirements reshape India vs Eastern Europe decision



CUSTOMER SUPPORT: TIER 1 (\$/Hour All-In Cost)

Tier 1 Support	US Cost	Philippines	India	Eastern Europe	Best For
Base Hourly Rate	\$18–\$24/hr	\$5–\$7/hr	\$4–\$6/hr	\$8–\$12/hr	Direct cost
Total Burdened Rate	\$28–\$35/hr	\$8–\$11/hr	\$6–\$9/hr	\$12–\$18/hr	All-in cost
Minimum Contract Span	Flexible	6 months	3 months	6 months	Commitment
Quality Target (AHT)	4–6 min	5–8 min	6–9 min	4–7 min	Handle time
Monthly FTE Cost (170 hrs)	\$4,760–\$5,950	\$1,360–\$1,870	\$1,020–\$1,530	\$2,040–\$3,060	Budget line

Tier 1 = basic password resets, account lookups, escalations. Quality variance high; India/Philippines require stricter QA. Eastern Europe best for EU clients (GDPR compliance).



FINANCE & ACCOUNTING BY REGION (\$/FTE/Month)

Function	US Cost	India Cost	Philippines	Eastern Europe	Complexity
Accounts Payable (AP)	\$3,500–\$4,500	\$420–\$650	\$500–\$750	\$800–\$1,200	Low–Med
Accounts Receivable (AR)	\$3,800–\$4,800	\$450–\$700	\$550–\$800	\$900–\$1,300	Low–Med
General Ledger (GL) Data Entry	\$3,200–\$4,000	\$380–\$580	\$450–\$650	\$700–\$1,000	Low
Financial Planning & Analysis (FP&A)	\$6,000–\$8,500	\$1,200–\$1,800	\$1,400–\$2,000	\$2,000–\$3,000	High
Reconciliation & Close	\$4,500–\$6,000	\$600–\$950	\$750–\$1,100	\$1,200–\$1,800	Med–High

India dominates AP/AR due to cost and process maturity. FP&A requires stronger English and analytical skills; often nearshored. US rates include benefits; offshore includes overhead/margin.



DATA ENTRY & PROCESSING BY TIER (\$/Hour All-In)

Volume Tier	US Rate	India Rate	Philippines	E. Europe	Accuracy Target
High-volume (simple)	\$16–\$22/hr	\$3–\$5/hr	\$4–\$6/hr	\$6–\$10/hr	98% accuracy
Standard (medium)	\$20–\$26/hr	\$5–\$7/hr	\$6–\$9/hr	\$9–\$13/hr	99% accuracy
Complex/regulated	\$26–\$34/hr	\$8–\$11/hr	\$9–\$12/hr	\$13–\$18/hr	99.5% accuracy
Medical/HIPAA-compliant	\$30–\$40/hr	\$10–\$14/hr	\$11–\$15/hr	\$16–\$22/hr	99.8% accuracy

Data entry is price-sensitive; volume pricing critical. India and Philippines compete aggressively. Quality guarantees (SLAs) add 15–25% premium. Medical/regulated data require certified operators.



HR & PAYROLL ADMINISTRATION (\$/FTE/Month)

Function	US Cost	India	Philippines	E. Europe	Peak Season Impact
Payroll Processing	\$400–\$600	\$45–\$85	\$60–\$100	\$120–\$200	Month-end spike
Benefits Administration	\$500–\$800	\$60–\$120	\$80–\$140	\$150–\$250	Open enrollment
Employee Onboarding	\$600–\$900	\$80–\$150	\$100–\$180	\$200–\$350	Hiring season
Time & Attendance Mgmt	\$450–\$700	\$50–\$100	\$70–\$120	\$140–\$220	Weekly admin
Compliance & Reporting	\$800–\$1,200	\$150–\$250	\$180–\$300	\$300–\$450	Regulatory filings

HR/Payroll is heavily rules-based and sensitive to regulation changes. India leads on cost but requires strong compliance expertise. Nearshore (E. Europe) preferred for EU/multinational clients.



IT HELPDESK COST BY TIER & REGION (\$/FTE/Month)

Tier & Region	Base Salary	With Overhead/Mgmt	Burdened Rate (\$/hr)	SLA Penalty
Tier 1 – India	\$400–\$600	\$520–\$840	\$3–\$5/hr	2–5% of cost
Tier 1 – Philippines	\$500–\$750	\$650–\$975	\$4–\$6/hr	2–5% of cost
Tier 2 – India	\$800–\$1,200	\$1,040–\$1,560	\$6–\$9/hr	3–8% of cost
Tier 2 – Eastern Europe	\$1,500–\$2,200	\$1,950–\$2,860	\$12–\$17/hr	5–10% of cost
Tier 3 – E. Europe/Nearshore	\$2,200–\$3,500	\$2,860–\$4,550	\$17–\$27/hr	8–15% of cost

Tier 1 = password resets, basic troubleshooting (India/Philippines cost-optimized). Tier 2 = complex tickets, scripting (India emerging). Tier 3 = escalation, architecture (nearshore).



MEDICAL BILLING & CODING BPO COST

Service	US In-House	India Offshore	Philippines	Hybrid (US+India)	Revenue Impact
Medical Coding	\$4,000– \$5,500/mo	\$600– \$900/mo	\$750– \$1,100/mo	\$2,000– \$3,000/mo	Claims processed ↑ 20–30%
Medical Billing	\$3,500– \$4,800/mo	\$500– \$800/mo	\$650– \$950/mo	\$1,800– \$2,500/mo	DSO (Days Sales Outstanding) ↓ 5–10 days
Denial Management	\$4,500– \$6,000/mo	\$800– \$1,200/mo	\$950– \$1,400/mo	\$2,500– \$3,500/mo	Recovery rate ↑ 8–12%
RCM (Full-stack)	\$5,500– \$7,500/mo	\$1,200– \$1,800/mo	\$1,500– \$2,100/mo	\$3,000– \$4,500/mo	Net collections ↑ 12–18%

Medical BPO yields measurable revenue impact. India offshore standard for US healthcare providers (50–65% cost savings with proper QA). Hybrid model increasingly popular.



LEGAL PROCESS OUTSOURCING (LPO) COST

Service	US Cost	India Cost	E. Europe Cost	Complexity Level
Document Review (per GB)	\$800–\$1,500	\$150–\$350	\$400–\$700	Low–Med
Legal Research	\$150–\$250/hr	\$30–\$60/hr	\$80–\$120/hr	Med–High
Contract Analysis	\$200–\$350/hr	\$50–\$100/hr	\$120–\$180/hr	Med–High
Litigation Support	\$250–\$400/hr	\$75–\$150/hr	\$150–\$250/hr	High
Due Diligence	\$200–\$350/hr	\$50–\$100/hr	\$120–\$200/hr	Med–High

LPO is highly specialized; India attracts law grads from top schools. Language and cultural fit critical. US law firms increasingly partner with India for large-scale discovery and due diligence.



CONTENT MODERATION COST BY REGION (\$/FTE/Month)

Moderation Type	US Cost	India Cost	Philippines	E. Europe	Accuracy Target
Social Media (general)	\$2,200–\$3,000	\$280–\$450	\$350–\$550	\$600–\$950	95%
Marketplace Listings (complex)	\$2,800–\$3,800	\$400–\$650	\$500–\$800	\$850–\$1,300	96–97%
Video Moderation (NSFW)	\$2,500–\$3,500	\$350–\$550	\$450–\$700	\$700–\$1,100	97%
AI-assisted (human-in-loop)	\$3,200–\$4,500	\$600–\$950	\$750–\$1,200	\$1,200–\$1,800	98–99%

Content moderation heavily outsourced offshore due to volume and cost sensitivity. India dominates; cultural literacy varies. Mental health support critical (burnout high).



INDIA BPO COST BREAKDOWN (Annual FTE)

Cost Component	Customer Support	Data Entry	Finance/Accounting	Medical Coding	IT Helpdesk Tier 2
Base Salary (INR)	₹240K–₹380K	₹180K–₹300K	₹360K–₹600K	₹480K–₹720K	₹480K–₹720K
Benefits & Compliance (8%)	₹19K–₹30K	₹14K–₹24K	₹29K–₹48K	₹38K–₹58K	₹38K–₹58K
Infrastructure & Tools (12%)	₹29K–₹46K	₹22K–₹36K	₹43K–₹72K	₹58K–₹86K	₹58K–₹86K
Management/QA Overhead (15%)	₹36K–₹57K	₹27K–₹45K	₹54K–₹90K	₹72K–₹108K	₹72K–₹108K
Platform/Vendor Fee (20%)	₹48K–₹76K	₹36K–₹60K	₹72K–₹120K	₹96K–₹144K	₹96K–₹144K
Bench/Attrition Buffer (5%)	₹12K–₹19K	₹9K–₹15K	₹18K–₹30K	₹24K–₹36K	₹24K–₹36K
Total Annual Cost (INR)	₹384K–₹608K	₹288K–₹480K	₹576K–₹960K	₹768K–₹1,152K	₹768K–₹1,152K
Total Annual (USD equiv)	\$4,608–\$7,296	\$3,456–\$5,760	\$6,912–\$11,520	\$9,216–\$13,824	\$9,216–\$13,824

India FTE all-in cost includes salary, benefits, infrastructure, management, platform overhead. USD conversion at ₹83/USD (Q1 2026). Actual costs vary by vendor, specialization, and SLA requirements.



PHILIPPINES vs INDIA vs EASTERN EUROPE COMPARISON

Factor	Philippines	India	Eastern Europe	Winner
Cost (Annual FTE)	\$5K–\$8K	\$4.6K–\$7.3K	\$9K–\$14K	India
English Proficiency	Excellent	Good–Excellent	Good	Philippines
Time Zone Overlap (US)	14–18 hrs	10–13 hrs	6–9 hrs	Philippines
GDPR/Data Residency	Limited	Limited	Native	E. Europe
Attrition Rate	25–35%/yr	20–28%/yr	12–18%/yr	E. Europe
Quality (BPO standard)	90–95%	92–97%	95–98%	E. Europe
Talent Pool (millions)	2.1M	8.2M	1.8M	India
Voice/Communication Skills	Superior	Good	Good	Philippines

Philippines best for voice-heavy roles and US time zone overlap. India best for cost and talent depth. Eastern Europe best for EU compliance and quality-sensitive work.



TOTAL COST OF OWNERSHIP (TCO) TEMPLATE

Cost Component	US In-House	India Offshore	Philippines	Nearshore (E. EU)
Personnel (salary + benefits)	100%	8–12%	10–15%	18–25%
Infrastructure/Office	100%	3–5%	4–6%	5–8%
Training/Onboarding	100%	15–20%	15–20%	10–15%
Quality Assurance	100%	20–25%	18–22%	15–20%
Management/Overhead	100%	25–30%	20–28%	20–25%
Compliance/Reporting	100%	10–15%	8–12%	15–20%
Contingency/Buffer	100%	8–12%	10–15%	8–12%
Total TCO Index	100%	25–35%	30–42%	45–60%

Use this index to model your total cost. Example: \$100K US in-house role = \$25K–\$35K offshore India total cost (including overhead). Adjust percentages by function complexity.



Hidden Costs Checklist

1. Recruitment & hiring (3–6 months to fill)
2. Training & ramp-up (4–8 weeks for new hire productivity)
3. Quality assurance & rework (5–15% of output volume)
4. Management overhead (1 manager : 8–12 offshore staff)
5. Attrition buffer (turnover replacement costs)
6. Infrastructure (VPN, security, tools, licenses)
7. Communication delays (timezone, language barriers)
8. Compliance & certifications (audits, training)
9. Data security & backup systems
10. Travel for key team onsite meetings (annual)
11. Transition/exit costs (knowledge loss, documentation)
12. SLA penalties and service credits

QUALITY vs COST MATRIX

Quality Target	Cost Index	Best Geography	SLA Difficulty	Use Case
90–93% accuracy	1.0x (baseline)	Philippines/India	Easy	High-volume, low-risk
94–96% accuracy	1.25–1.5x	India/Philippines	Standard	Standard BPO, data entry
97–98% accuracy	1.8–2.2x	E. Europe/India select	Challenging	Finance, healthcare, legal
99%+ accuracy	2.5–3.5x	E. Europe/nearshore	Very difficult	Compliance, medical coding, regulated

Quality premiums compound with offshore costs. For 99%+ accuracy, nearshore often cheaper than offshore + heavy QA.



ROI Calculation Example

Scenario: Customer Support Outsourcing

Your US team: 4 agents @ \$50K salary + 25% benefits = \$250K annual cost

Offshore equivalent: India team of 6 agents (higher density due to lower cost) @ \$8K FTE all-in = \$48K annual cost

Cost savings: $\$250K - \$48K = \$202K$ (81% reduction)

Investment required: Transition costs (\$15K), training (\$8K), SLAs/penalties (assume \$10K/yr) = \$33K first year

Net savings Year 1: $\$202K - \$33K = \$169K$

Break-even: 1.2 months

Ready to Outsource?

AB7 Solutions designs, staffs, and manages BPO operations across 8+ functions globally. We optimize cost, quality, and compliance for your business.