

Digital Transformation Strategies in Knowledge Process Outsourcing (KPO): A Case Study of the Innodata Annotation Platform at Innodata Knowledge Services, Inc. (IKSI) towards Production Efficiency

Lourdes Corazon L. Santos, MPA
<https://orcid.org/0009-0002-3777-1522>
lourdescorazonsantos@gmail.com
Innodata Knowledge Services, Inc.
Mandaue City, Cebu, Philippines

Abstract

This study explores the role of the Innodata Annotation Platform as a digital transformation strategy to enhance production efficiency in Knowledge Process Outsourcing (KPO), specifically within Innodata Knowledge Services, Inc. (IKSI). The primary objectives were to assess the platform's effects on task completion time, error rates, and overall productivity among annotation and quality assurance staff. Utilizing a descriptive-correlational research design, data were collected via a validated questionnaire from 300 purposively selected employees involved in annotation and QA. Analyses were conducted using descriptive statistics to outline performance changes and multiple regression to test predictors of efficiency. The results showed that the platform significantly reduced error rates and raised daily output; gains in task completion time were also observed, though less pronounced. Regression results indicate that platform adoption, when reinforced by organizational support and high employee motivation, strongly predicts improvements in production efficiency. Benchmarks comparing pre- and post-platform adoption show clear enhancements in accuracy and volume of output. The conclusion emphasizes that well-designed digital platforms can streamline workflows, optimize resource use, and bolster competitive advantage in the KPO sector. To sustain these gains, recommendations include targeted training, continuous feature enhancement, and systematic user feedback mechanisms.

Keywords: Business Management; digital transformation, production efficiency, descriptive-correlational design; Philippines