

**Outsourcing** - is the operational transfer of one or more business processes from an origin company to an external provider who will then become accountable for the outcome of the agreed tasks (Lereuth, 2007).

The decision to outsource is often made in the interest of **lowering costs** or to employ specialist expertise, not already available within the company.

## Outsourcing-Why isn't everyone doing it?

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In today's market where every penny counts - not only because the market is in a recession but because the global economy is coming closer & closer to a truly 'single market place'- why are there not more companies seeking to outsource?

Or are they?

### KEY FACTS

- 54% of companies in the US & UK ordering IT services in 2007, outsourced their orders.
- Offshore IT companies have grown by 45% globally from April 2007- April 2008.
- Annual spend on off-shoring by UK and US companies increased by 71% in the financial year, April 2007 and March 2008.

So now we know that companies are outsourcing, let's look at the problems they deal with...

***“There is a clear language barrier!”***

Faced with tight deadlines, every minute of your time is important, so you want to speak with someone that understands you.

It's important then, to look for a company who has a local presence; a person to talk to in your language and a company who can be held accountable for their actions.

***“I just can't seem to contact them when I need to!”***

As for contacting a company, you don't want the extra cost of dialling international numbers when trying to contact someone or worse still, calling troublesome Skype numbers.

Look for a company who gives you a local number which is answered by a reception and backed up by a clear infrastructure to deal with your call.

***“The time difference is too hard to deal with!”***

Now you’re working an 18hr day to deliver your project to the client and your development team is asleep on the other side of the world! That’s an issue.

People will always need to sleep, but you can still make sure that when it comes to the crunch, that your team are available when you need them.

Your team leader needs to accommodate *your* schedule so that when needed, you can speak with them. More importantly, make sure that they have the right technology to keep you in the picture.

Assess the company’s infrastructure; you can never have enough support tools to help you get the job done.

Right, now we’ve covered all of that, let’s look at **accountability** again. One of the most important things when outsourcing to a company is knowing that *they* are responsible for a project.

To have accountability they have to have a presence in your local country, a registered entity that cannot be folded over night.

***“Can I really trust them”***

Be sure to run a complete background check on whom ever you’re planning on working with before starting a project with them.

Finally, it comes down to how you feel about the company. People buy from people not companies. So consider all the options, look at the facts and then make a decision based on your personal judgement.

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