

Some DATA

(facts or figures from which conclusions can be inferred; "information")

Outsourcing arrangements should involve partners that give companies the flexibility to follow the evolution of the outsourcing marketplace

- 1) Hire a Partner, Not Just a Provider !
- 2) It's More Than a Contract, It's a Business Relationship!
- 3) Assign a Dedicated Executive! Understanding the "Culture Relationship"
- 4) If you are looking for a partnership, you are not going to nickel and dime someone.



Outsourcing is a fairly powerful and effective management tool; it's not just a fad which really requires a nuanced approach to setting up and managing the deals and making them work."

Maximize business performance.

Companies have a variety of requirements for their **outsourcing partners**, including process expertise, industry knowledge and many other factors, in addition to attractive pricing.

Many companies look for continuous cost reduction, which implies continuous process improvement. As one experienced outsourcer at a global consumer expressed it:

"When I tell my superiors that our benchmarks showed that we are in the top 20 percent in our industry, they just tell me, 'Good job, now take your benchmarks and go back to your desk and do better next year.'"

While most are looking for upfront cost savings, what companies really expect are continuously declining costs. This simply cannot be achieved by doing today's process the way it is done today. Inevitably, companies are driven to look beyond cost toward deeper process improvements and business transformation.

When a company approaches outsourcing for the first time.

A snapshot of the choices and challenges facing newcomers to outsourcing:

- "What timeline can we expect, and what kind of partner do we need?"

- “Which processes should we outsource, and which should we keep?”
- “How do you structure the deal to allow for changes in the business environment over the course of the arrangement?”
- “Can you outsource a business function whose processes are broken, or do you need to fix it first and then outsource?”
- “How does an outsourcing arrangement impact our relationship with unions?”
- “We have projects going all the time; how do you cope with all those projects and introduce outsourcing without the disruption?”

One way is building broad business outcomes into a performance measurements (performance standards)from the very beginning, even though **cost reductions and service level agreements always remain a high priority.**

Experienced practitioners demonstrate that when outsourcing is done well, benefits and satisfaction actually increase rather than fade over time.



Methodology

Where do we begin?

At the query, which precise tools are required, and how does one acquire them, in order to deal with foreseeable partners companies ?

One may suggest that an executive working in a company that has had a minimum of two years of outsourcing experience with a business-critical function

Key Findings

The first finding from a survey is that “the longer a company engages in outsourcing, the better it becomes at the actual managing of outsourcing.”

This may stand to reason; companies get better at things when they have time to refine their techniques.

The second finding is “The rewards from outsourcing are NOT ONLY front-loaded in “Year One” cost savings, it declines over time. Outsourcing helps companies perform better, with their outsourcing experience. In fact, performance and satisfaction tend to increase over the long term.

What Is a Business Outcome?

What does “good” look like to your company? Establishing business outcomes is all about the outsourcing company answering a few critical questions, beginning with “What do I want the provider to optimize?”

Is it price or speed or quality or a combination of these? With all the attention in the media devoted to outsourcing in general and offshore outsourcing in particular, many outsourcers acknowledge that the two terms were not synonymous, and that geography should never be the fundamental issue. As one said, “We should not be asking, ‘Should I go to India, or South America?’”

The real question is ‘Where do I want my asset capability model to be in a few years?’”

If companies want a range of services today, and also want an annually reduced cost of service, the only way to do that is to take advantage of increasing scale, wherever this can be found.

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Work Not finished ! to be continue !,thanks



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