

Business change or outsource?

Outsourcing core business processes may not be the best course of action for your organisation. Do an internal review first



By Marcel Horst

Many companies approaching outsourcing do so from the wrong direction. Before embarking on such a risk-prone journey, business leaders need to consider whether outsourcing is what they really need.

If you are new to outsourcing and off-shoring, don't jump into a project

that will affect your core business until you have examined support functions such as finance, IT, human resources, or facilities first. At ExcelSource, we start with a preliminary assessment of each area. Improving these functions presents a lower risk to your business and they are better understood by third parties who can add real value with their specific expertise and economies of scale.

If your preliminary assessments reveals opportunities for outsourcing to improve service or save cost, create a business case and assess your options. Remember, though, that

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keeping the "status quo" should never be ignored as it provides your base line. Often you will see "internal change", partial outsource, full outsource to multiple vendors, and full outsource to a single vendor as suitable options, but the pros and cons of each approach need to be set out, including a business risk assessment. Then you will be able to judge which project maximises the opportunities for your business.

The review needs to be carried out before engaging an outsourcing vendor. A tender process will help to refine your business case and test your assumptions.

Our established processes will quickly quantify opportunities for successful business change. Call us now for a complimentary 2-hour assessment.

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