Outsourcing vs. off shoring

[Technology](#), [Information Technology](#)

Outsourcing versus off shoring of the of the Introduction This present essay basically focus on outsourcing and offshoring and it looks at these two options in relation to various issues and aspects.

Outsourcing versus off shoring

According to Ducker (2012), outsourcing simple refers to the act whereby a company contracts another external company within the country to perform some of its business processes or functions such as customer relationship management, legal functions, or marketing, among others. On the other hand Oshri et al. (2009), defined off shoring as the act whereby a company delegates or contracts another external company in a foreign country to perform some of its business functions or process, this functions or process might be the same as those that have been outsourced.

One of the criticisms of off shoring is that it denies the local community employment opportunities as it transfers jobs to foreign countries, and therefore companies that participate in off shoring do not directly contribute to the economic development of the local community. As for outsourcing companies, they are mainly criticised for relying on third parties to perform some of their core functions thereby failing to develop in-house knowledge of the outsource functions. Secondly, outsourcing has the potential of misaligning customers' interest since some core functions of the business are not performed by the company originally contracted (Oshri et al. 2009). Outsourcing and off shoring have similarities in advantages they offer that include reduced cost of operations, sub-contracting of work to equally qualified external workforce, and labour flexibilities.

Managing the five stages of teaming

According to the studies conducted by Tuckman (1965), he stated that high performance teams usually follow five common stages or phases that include the forming, the storming, the norming, the performing, and the adjoining stage.

For teams that perform either outsourced or off shored tasks, a team leader in the forming stage which is the first stage will bring together different members so as to form the team, at this stage the team leader may just introduce members and then proceed to the next stage, which is the storming stage. Under the storming stage, the team leader will exercise his or her authority by delegating tasks to team members and clearly define the team's objectives and goals. Under the norming stage, team leaders usually try to control the fallouts witnessed in the storming stage and a well-structured hierarchy is usually established. Under the fourth stage, the team leader usually engage in developing team members as they work towards achieved the objectives and goals that were delegated to the team. The last stage of managing of team is the adjourning stage whereby team leaders are supposed to wind up teams in a fashionable manner whilst ensuring that the teams as well as objectives of members have been achieved.

Examples of outsources and off shoring

An example of an American company that has outsourced a part of its business functions includes the Dow Chemical Company, which has outsourced to Tata Consultancy Services Limited that is based in Midland, Michigan, which is the same neighborhood as the headquarters of Dow Chemical Company.

The most notable company that is known to have off shored its customer

care business functions, among others is Accenture, which has off shored these function to Indian business process outsourcing centers in India (Oshri et al. 2009).

References

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