

Survey discussion board 4



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Survey Discussion Board 4: Outsourcing Outsourcing was simply defined as “the farming out of services to a third party” (Overby par. 1). In the given scenario, it was revealed that the new client apparently prefers outsourcing customer service call center to Asia. The proposed move would, however, result in displacing a total of 120 jobs at the organization’s South Carolina center. In view of these facts, the current discourse hereby aims to discuss the legal, moral and business implications of such a move, including the impact to workforces in both countries.

Legal Implications

From the article written by Kim, it was revealed that outsourcing is actually opted as a viable strategy to achieve the following benefits: “(1) lowering of costs for the outsourcing party, (2) compensation for lack of internal expertise, (3) freeing of managerial and governing personnel to focus on their core competencies and high level issues, and (4) availability of best-in-class practices and the latest technology” (Kim 1). However, the legal issues that need to be taken into account by the outsourcing organization include addressing the terms of the outsourcing agreement (which should clearly and explicitly stipulate the services that are to be provided, the warranties, any disclaimers, and addressing unforeseen events), ownership concerns, privacy and confidentiality issues, jurisdictional concerns particularly affecting the countries where the organization intends to outsource the identified tasks, termination concerns on the agreement, and finally, statutory concerns (Kim). From here, it could be deduced that the outsourcing organization need to prepare additional resources to cater to legal costs that require the preparation of legal documents, as well as the need to address any impending legal concerns that would results from

outsourcing.

Moral, Ethical and Business Implications

One of the ethical and moral concerns that face the outsourcing organization is addressing the 120 people in South Carolina center that would be displaced, retrenched or simply loses their jobs. As employer, the organization has ethical and moral obligations to ensure that appropriate labor laws are observed and applied to the best interests, not only of the new client, but more so, of the affected employees and the organization, as a whole.

Other moral and ethical implications include the need to ensure that the services to be provided are at par with those provided by the South Carolina center but was justified by the lower costs of labor; that the cultural disparities are appropriately addressed, including any language or communication barriers and conformity to standards; that there are no conflicts of interests among any of the stakeholders; and that all operations to ensure from outsourcing would remain transparent and duly reported to comply with regulations in both countries (Ethical Issues in Outsourcing Outbound Telemarketing Services).

Finally, the effect of the proposed outsourcing should be evaluated in terms of the overall impact to the current and potential outsourced workforce.

Management must be able to anticipate the effect on productivity, moral, job satisfaction and performance, and security of the current workforce in the light of the decision to outsource the customer care center in another country. The overall cost-benefit analysis must clearly generate a significant advantage to outsourcing in terms of corporate image, financial success on a long-term basis, and conformity to corporate social responsibility, before it

could be effectively implemented.

Works Cited

" Ethical Issues in Outsourcing Outbound Telemarketing Services." 2012.

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Overby, Stephanie. " What is outsourcing?" 2013. CIO. 31 January 2013 .