

Outsourcing Web Design Guide

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Introduction	2
<i>What is Outsourcing</i>	2
<i>Problems Encountered During this Study</i>	2
Internet Presentation of Outsourcing Services	3
<i>Outsourcing page essentials</i>	3
Requirements	5
Public Area Requirements	5
<i>Separate Outsourcing Page</i>	5
<i>Outsourcing Definition and Claims for Outsourcing</i>	5
<i>Links towards External Outsourcing Documentation</i>	6
<i>List of Outsourcing Projects and Calls for Proposals</i>	6
<i>List of Outsourcing Suppliers</i>	6
<i>Case Studies</i>	6
Private (password protected) Area Requirements	6
<i>Detail Information on Calls for Proposals</i>	6
<i>Detailed List of Outsourcing Suppliers</i>	6
<i>Information on Outsourcing Contract</i>	7

Introduction

What is Outsourcing

Outsourcing is the practice of contracting job responsibilities or project work out to professionals who can focus on the work and get it done quickly, efficiently and accurately.

Outsourcing is quickly becoming a valuable and strategic corporate tool for redefining and re-energizing corporations. A growing number of corporations are forging mutually beneficial, strategic arrangements with their outsourcing vendors. The increasing trend to contract information technology related services, as well as business-process services, aims to make businesses run more effectively. The majority of outsourcing suppliers resides in the business and IT environment.

In this paper we will examine how the outsourcing services are presented on the Internet media and what the requirements would be to build an efficient outsourcing site.

Problems Encountered During this Study

CARIBCAD project aims at constructing a web site where CAD clients and suppliers could meet and struck a contract. However, in our scrutiny of the outsourcing web sites, we have only come across the outsourcing *suppliers* web sites. Therefore, we didn't see any example of a site in which a *client* would be trying to outsource some of his operations via the web.

Moreover, all the pages that we examined were mainly the reiteration of the ideas and concepts expressed in the other areas of the site. No specific information (i.e. outsourcing contract model samples, call for proposals, etc) was offered.

Therefore, while one part of this paper is based on the existing web sites, the other part is based on the general outsourcing requirements.

Internet Presentation of Outsourcing Services

Outsourcing page essentials

Scrutiny of web sites of principal suppliers of outsourcing services has revealed that not all the suppliers have a specific "outsourcing" page. Take Abis, offshore and onsite software development services. After the home page with the company presentation, one can read on services that Abis offers divided in three subsections. Outsourcing is here encompassed in the more general "services" category.

However, we do not believe this is a correct approach to the site presentation, as it has various drawbacks.

Outsourcing implies more than selling a service to a client. External "consultants", who are hired to transfer their skills and methods and improve company's effectiveness, should be managed differently from outsourcing "contractors" which enter in a more symbiotic relationship and should be considered as a part of an enterprise. On the management level, this approach has two important consequences.

First, it implies that the outsourcing company shares the same vested interest.

Second, all outsourcing vendors will automatically live within the structural model and its charters and domains. This insulates clients from the distinction between internal and external resources; and they need not worry about who is chosen to staff their projects.

Therefore, we consider that a web site of an outsourcing supplier should have a separate page about its outsourcing offer.

The majority of companies have a separate outsourcing page. Sometimes there is a link to this page directly from the home page (i.e. Outernet Connection Strategies Inc.). However, in order to access the outsourcing data on the majority of sites, one has to consult the page that gives general information on the services offered.

Each outsourcing page contains one of the following elements:

- Definition of outsourcing and the main claims for the outsourcing. In this section the enterprise gives a generic guidance of the process. As far as the definition is concerned, the majority of web sites quotes official sources like US Chamber of Commerce or OECD. Another neat way of giving a definition is quoting the managing director of the company (i.e. Global Data Systems).

The main claims for the outsourcing have to be created from the client's perspective. He will obviously be asking himself a set of questions about the key advantages and disadvantages of the outsourcing, as well as about the key business risks. Moreover, he will be wondering about the total cost of outsourcing and about the final benefits his company can have from such an operation.

- Services Offered for Outsourcing. In this section the provider should specify the outsourcing services (Selective IT Outsourcing, Corporate Development, Cash Flow, etc).

While creating this section, the supplier should bear in mind that he has to convince the client that the company will add efficiency and activity that can not be found in the current in-house service provision. Moreover, he has to present himself as a

"strategic partner" in the market place that offers a sustainable service delivery, not only now but also in the many years to come.

- List of clients/Case studies section
- Contact
- Library of documents and links on outsourcing

There are some other elements that we were expecting to find, but that we did not come across in our study. In particular, we were expecting to find information on *current opportunities*, *calls for proposals* and data on *online quality insurance process*. This is a result of the predominance of the outsourcing *suppliers* web presentations.

In the following table we have compared outsourcing presentations of 4 leader enterprises:

Andersen Consulting (www.ac.com/services/bpm/bpm_home.html);

PriceWaterhouseCoopers (www.pwcglobal.com/gx/eng/about/svcs/index.html),

IBM (www.ibm.com/services/stratout);

Hewlett-Packard (<http://www.hp.com/pso/frames/services/outsourcing/outsourcing.html>).

The first two offer Business Project Outsourcing, while the other two work in IT services outsourcing.

	AC	IBM	HP	PWC
Separate OS. Section	- (integrated in Business Process Management)	+ (accessible from "Services" Page)	+ (accessible from "Services" Page)	+ (accessible from "Services" Page)
Outsourcing Definition	-	-	+	+
List of Outsourcing Services	-	+ A minimal amount of extra information is offered on each service	+ Only two services can be clicked in order to access extra information	+ A minimal amount of extra information is offered on each service
Links towards external OS documentation	-	-	+ a broad selection of articles on OS and HP	+ "Outsourcing World", Emerging Trends in BPO
List of Clients/Case Studies	+	-	+	+
Contact	+	+	+	+

Requirements

CARIBCAD introduces some challenging and innovating aspects in the web-page design. Our scrutiny of existing outsourcing Internet presentations has revealed no site that offers direct partnering opportunities. Therefore, CARIBCAD section offering a meeting site for follow up commercial activities should add some new aspects and elements to standard outsourcing presentation. Therefore, we believe that outsourcing section should be divided in two sections: a *public* one and a *pass protected* one.

Public Area Requirements

Separate Outsourcing Page

Our position is that it is essential to create a separate page dedicated to outsourcing. Moreover, this page should take an important place in the web structure, even if accessible only with the password. As CARIBCAD aims to allow companies to actually mix, collocate, and redistribute their processes, resulting in strong partnership and synergies, outsourcing page should be accessible from the Home Page.

Outsourcing Definition and Claims for Outsourcing

We believe that it is necessary to give an overview of what is outsourcing, putting especially emphasis on the development aspects of the CARIBCAD project. Moreover, there should be a set of commercial arguments arguing explaining the outsourcing. This set of arguments should revolve around some of the following set of claims:

- Reduced costs: economies of scale will reduce costs.
- Increased flexibility: outsourcing converts fixed costs (or relatively fixed costs such as people) into variable costs, giving the firm greater financial flexibility.
- Downsizing: in organizations that must downsize, the outsourcing vendor will move surplus people to other jobs serving other companies. This appears more humanistic, since people may not be laid off.
- Better access to technology: equipment vendors suggest that outsourcing through them provides customers with better access to new technologies.
- Stick to the knitting: outsourcing leaves business managers more time to focus on the company's main lines of business.
- Less management distraction: outsourcing relieves top management of having to worry about managing another staff function.
- Greater competence: outsourcing vendors are more experienced and competent than internal staff.
- Cash flow: Outsourcing is a source of near-term cash, since assets may be sold to the outsourcing vendor.
- Pain killer: in some cases, outsourcing is simply a matter of paying someone else to experience the pain of managing a dysfunctional department rather than expending the energy to think through how to make that function healthy again.

The majority of web sites puts the price-cutting information on the prominent place.

Links towards External Outsourcing Documentation

Although not an immediate priority, we believe that a page with links pointing towards documents on outsourcing would be an important addition. This section should be divided in three sections:

- Links towards the underlying outsourcing philosophy
- Links towards the potential of outsourcing in the development
- Links towards the donors that have sponsored the project

List of Outsourcing Projects and Calls for Proposals

This section should offer a list of all the past and current CAD outsourcing projects. The list of past projects should offer information on the communication protocols and asynchronous and synchronous Internet communication facilities used in the project. The list of calls for proposals should offer the relevant requirements of the level of CAD experience, working styles, in-house practices, company flavors etc.

List of Outsourcing Suppliers

This list should contain names Caribbean CAD enterprises that participate in the CARIBCAD project.

Case Studies

This section should be part of the dissemination and exploitation of the CARIBCAD results. Therefore, it should give an opportunity to access final reports, demos, outsource scenarios, the pilot and benchmark, as well as surveys of business opportunities.

Private (password protected) Area Requirements

Detail Information on Calls for Proposals

In this section outsourcing suppliers should find detail information about the proposed project, as well as contact details and an application form.

Detailed List of Outsourcing Suppliers

This page would contain specify the level of CAD experience, working styles, in-house practices, company flavors etc of every operator. These data will be analyzed by outsourcing clients in order to model appropriate models for distant co-operation.

Information on Outsourcing Contract

This page should collect all the legal information implied in an outsourcing contract. It should also embrace all the information about the insurance and resolution of international dispute.