
Outsourcing during Recession- A White Paper by IT PLUS Technologies

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Outsourcing vs. Insourcing

Outsourcing is one of the most discussed topics across the industries; especially in Information technology, Accounting services, Legal, Documentation, Logistics etc. There has been a debate going on, whether to outsource or insource projects. There are many advantages and disadvantages in doing both insourcing and outsourcing.

Insourcing is beneficial when a company wants to offer its works to other internal party yet not a part of the organization by keeping close contact and to maintain excellent working atmosphere. The negative aspect of insourcing is the availability of necessary resources at competitive prices. Here time and availability becomes major factors. Whereas, outsourcing happens when a company (Outsourcer) hires the services and infrastructure of another company (Outsourcee) that would otherwise be done by in-house staffs

Outsourcing offers many advantages to businesses. Cost savings and flexibility are the main two quoted advantages of outsourcing. Most of the outsourcees work from countries having infrastructures and human resources at low cost compared to other countries. So this would definitely bring huge savings on project cost or cost related to the services. Flexibility as said before is another advantage of outsourcing. The outsourcer company can use their resources on a better way and more time could be allocated for strategizing, planning and marketing. It also helps to reduce overheads of Outsourcer Company. Here the Outsourcer Company will only be paying Outsourcee Company for what they have actually produced. As outsourcing can be advantageous most of the times, there are also few disadvantages of outsourcing which includes lack of direct managerial control, unfavorable contract lengths etc. But this could be managed if the Outsourcee Company has more focused project management teams who could deliver expected results on time. Most of the outsourcing companies are offering quality workforce to meet the precise demands of their clients and to develop a rapport in the industry.

Outsourcing during recession – Is it beneficial?

Recession is often said to be a period of an economy where there has been a negative growth in the Gross Domestic Product for more than two quarters. During this stage people and companies usually takes steps to reduce the outflow of money. Here the success factor depends on how to create more margins from low investments and spending.

There have been many researches and surveys conducted related to the spending of companies on products and services during recession. Most of the surveys and researches concluded that enhancing efficiency and improve productivity by spending less is the key. These studies prove that opting to outsource and improve the product and service margins would create more liquidity and feasibility in the company.

Most of the companies in countries like India have taken steps to provide quality services at low cost and bring more flexibility to Outsourcer Companies. Most of the Outsourcee companies have project management softwares and teams to analyze the cost of a project.

Thus, it is always sensible for businesses to outsource its services and beat the recession slumps.

How IT PLUS Technologies can help companies through Outsourcing

IT PLUS Technologies (www.itplus.in) is an IT outsourcing company based in India, focused on serving the needs of small and medium size businesses in Austria, UK, Germany & other European countries. The list of provided services covers all aspects of back office and software product engineering for a broad range of verticals from VoIP and Telecom support to Health care and Media. IT PLUS Technologies has an expert team of professionals that can provide you any type of outsourcing services at unbeatable price. Our core team consists of people with rich experience in their respective fields of specialization, who hold a firm belief that there is always a scope for improvement in the services we render.

Founded in 2005, IT PLUS Technologies was one of the foremost South Indian companies to provide offshore/outsource services to Central/Western customers. Our client list combines industry majors, leaders in their segments, and innovative start-ups, including MITACS, HCCT, EURMPA and many others.

Our Combine, Collaborate and Partner strategy

We at IT PLUS Technologies **combine** the best of our strategists with the best of the technologists. We understand that every business prospect has technology implications, and these implications should be driven by strategy.

IT PLUS Technologies **collaborates** because we know that today's problems are too global, and too complicated. So it's always better to bring all the expertise together from different sources. We hire people who think collaboratively and work towards set goals.

And finally, we at IT PLUS Technologies believe that **partnerships** and long run relationships will help in growing client relations. We have dealt with a mix of local and global firms which help us to achieve this target.

Anatomy of our Clients

Clients who use IT PLUS Technologies for ongoing outsourcing typically have these attributes in common:

- Small to medium size company
- Save money and time
- Limited IT resources
- Progressive view of information management
- Consider information technology as a strategic competitive resource

Conclusion

Outsourcing makes great benefits to companies whether, small or big around the world during a period like recession. But the key point is to find the right partner for your outsourcing needs.

If you are interested in using IT PLUS Technologies outsourcing or technical support services, Contact our development center in India for more details.

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