

Latham & Watkins is consistently acknowledged for its considerable experience advising clients on outsourcing transactions. Indeed, Chambers Global has ranked the firm in band 1 for Outsourcing every year since

In addition, three of the top 10 contractors, based on total payments received, in the supplemental analysis were construction firms: At bed Methodist Hospital System in Houston, all five of its largest independent contractors were related to construction. Still, he says that the system does only limited outsourcing of other functions, with one exception being installing new technology and teaching staff how to use it. Radisphere, a Beachwood, Ohio-based radiology outsourcing firm, says its niche is having local radiologists work alongside a network of offsite subspecialists who can offer around-the-clock consultations. Observers say reimbursement concerns as well as acquisitions and consolidation in the industry often drive growth or contraction of services in each specialty. Regional Medical Center, notes that by using an outside radiology firm, scans that used to take up to 24 hours to read can now be done in an average of 25 minutes. The bed hospital also works with a number of other medical services companies including TeamHealth for emergency medicine staffing, Quantum for hospitalists and Specialists on Call for neurology telemedicine. Medical services as a whole represented the second-largest category for outsourcing expenditures, following closely behind construction. Yet providers differed in which medical services they outsourced. Psychiatric services similarly saw a decline of 4. EmCare, Dallas, which provides outsourced physician management services in five specialties and witnessed a The publicly traded company grew its healthcare client list Wahl attributes the growth to a maturing middle management team that has been able to take on new clients. Yet he notes that cost pressures have created new opportunities for all outsourcing firmsâ€”adding that his company has a diverse list of clients that range from large national chains to small independent hospitals. Focus on the revenue cycle A tighter reimbursement environment has also spurred interest in technology that helps providers extract the most money for the care they deliver. That sector also has been boosted by high-profile account wins and partnerships. As part of the deal, CHI took a minority stake in Conifer. But Mooney notes that going forward it expects its capitation management businessâ€”which focuses on accountable care organizations and other risk-based payment modelsâ€”to be an increasingly important part of its bottom line. Other contractors similarly expect to see the most growth in areas that relate to healthcare reform, such as setting up ACOs. Our role going forward is more of a consulting role.

Chapter 2 : Outsourcing is the practice of obtaining from an independent supplier : Critical Reasoning (CR)

Members of the Outsourcing Practice serve a broad cross-section of industries, including consulting and professional services, energy, information services, traditional computer and network software, online retailing, telecom, network and personal computer equipment, components and accessories, interactive entertainment, insurance, learning and.

Management processes[edit] Globalization and complex supply chains , along with greater physical distance between higher management and the production-floor employees often requires a change in management methodologies, as inspection and feedback may not be as direct and frequent as in internal processes. This often requires the assimilation of new communication methods such as voice over IP , instant messaging , and Issue tracking systems, new time management methods such as time tracking software , and new cost- and schedule-assessment tools such as cost estimation software. This is exacerbated when outsourcing is combined with offshoring in regions where the first language and culture are different. The visual cues that are missing in a telephone call may lead to misunderstandings and difficulties. Williamson wrote that the governance structure is the "framework within which the integrity of a transaction is decided. Security[edit] Before outsourcing, an organization is responsible for the actions of their entire staff, sometimes a substantial liability. When these same people are transferred to an outsource service provider, they may not even change desks. But their legal status changes. They are no longer directly employed by and responsible to the organization. This creates legal, security and compliance issues that are often addressed through the contract between the client and the suppliers. This is one of the most complex areas of outsourcing and sometimes involves a specialist third-party adviser. Fraud is a specific security issue as well as criminal activity, whether it is by employees or the supplier staff. However, it can be disputed that fraud is more likely when outsourcing is involved. Citibank did not find out about the problem until the American customers noticed discrepancies with their accounts and notified the bank. Companies shifting to insourcing often cite the desire to increase control, compliance and to gain competitive differentiation through vertical integration or the development of shared services, commonly called a center of excellence. For example, global software development, which often involves people working in different countries, cannot simply be called outsourcing. The outsourcing-based market model fails to explain why these development projects are jointly developed, and not simply bought and sold in the marketplace. Recently, a study has identified an additional system of governance, termed algocracy, which appears to govern global software projects alongside bureaucratic and market-based mechanisms. The study [31] distinguishes code-based governance system from bureaucracy and the market, and underscores the prominent features of each organizational form in terms of its ruling mechanism: So, global software development projects, though not insourced, are not outsourced either. They are in-between, in a process that is sometimes termed "remote in-sourcing. Standpoint of labor[edit] From the standpoint of labor, outsourcing may represent a new threat, contributing to worker insecurity, and is reflective of the general process of globalization and economic polarization. In Europe, the Acquired Rights Directive attempts to address the issue. The Directive is implemented differently in different nations. In the United States, the Trade Adjustment Assistance Act is meant to provide compensation for workers directly affected by international trade agreements. Whether or not these policies provide the security and fair compensation they promise is debatable. Policy-making strategy[edit] A main feature of outsourcing influencing policy-making is the unpredictability it generates regarding the future of any particular sector or skill-group. The uncertainty of future conditions influences governance approaches to different aspects of long-term policies. Competitiveness strategy[edit] Economic growth requires change, therefore a governance disposed to helping social and economic structures adapt to the changing environment will facilitate growth and a stable transition to new economic structures [35] until the economic structures become detrimental to the social, political and cultural structures. In developing countries , policies that embrace the global phenomenon of outsourcing are a logical response to the ongoing movement towards "open markets" and "trade liberalization. As prices adjust to those in the global market they no longer reflect domestic productivity, driving lower-productivity firms in the previously protected sectors out of business. Nonetheless, rapid liberalization

of markets in developing countries has not maximized the productivity potential of the region. In the Global South, where technological development is drastically lower than in the North, the redeployment of human and capital resources into new export markets has not come at the cost of necessarily low-productivity sectors but rather underdeveloped ones. In other words, many of the previously protected sectors were not competitive yet on a global scale, not because they naturally lacked the comparative advantage, but because industry efficiency had not yet been reached. Outsourcing fills in the gap of receding protected national industries, improving employment and living standards. Among other economic externalities, outsourcing promotes capital inflows and infrastructure. In Mexico, wage convergence was faster in cities where outsourcing first took hold through maquiladoras, along the Mexico–United States border. Though the previous conclusion suggests production conditions in the region remained static, the situation in East Asia experienced rapid transformations. Not only were national educational rates raised drastically, but there was also an increase in patenting and research and development expenditures. Rising levels of education, urbanization and even of patenting illustrate the active role of the government in advancing education as well as encouraging research and development. To better prepare the domestic workforce to future industry demands, therefore, national education programs ought to focus on flexibility and diversity of skills rather than on any specific task-oriented skills. Emphasis should go on preparing students both to succeed in non-habitual tasks and to adapt to changes in labour demands in the market. This strategy would help students adapt to changing skill requirements in the future thus reducing friction from structural unemployment. The possibility of outsourcing has internationalized labour markets which used to be local, opening up jobs which were traditionally non-traded to international competition. Labour unions in the European Union have succeeded in pushing through protectionist policies in favour of lower-skilled groups throughout the 1980s and 1990s, including the Common Agricultural Policy on farming. There has been a wave of protectionism [when?]. Opponents of outsourcing have also denounced it as a threat to local cultural integrity. The argument on cultural disintegration points to the standardization of practices and norms as multinational corporations become involved with industries in regions culturally different from those in the country of origin. The alleged diffusion of culture has raised concern over the endurance of cultural norms and values, sociopolitical institutions and frameworks, or even cultural preferences and traditions in a context of increasing foreign presence. Because of overall unpredictability, governments will likely need to reassure civilians that the burden of employment jobs resulting from outsourcing will be shared among taxpayers. Domestic jobs become offshored or outsourced when lower productivity in other regions is compensated by lower wages, making outsourcing profitable even despite the added costs of transportation. The overall cost-effectiveness of the spatial unbundling of the industrial process thus depends on the cost of transporting specific services or ideas given the available technology. Because of these technological advancements such as the telecommunications revolution, air shipping or the Internet have deeply accelerated outsourcing and may continue to boost this process. The future results of technological ingenuity and innovation are unknown, as are its potential impacts employment levels on any given task or job across regions. Governments that pursue these policies facilitate welfare protection given the context of increased unemployment in industries which cannot compete with the international market due to trade liberalization policies. According to leading economist Greg Mankiw, the labour market functions under the same forces as the market of goods, with the underlying implication that the greater the number of tasks available to being moved, the better for efficiency under the gains from trade. With technological progress, more tasks can be offshored at different stages of the overall corporate process. Similar to lower wages, lower health and environmental regulations contribute to giving a country a comparative advantage over another due to lower production costs. The controversy this raises, however, is that unlike wages, lower health or environmental standards does benefit the new employees joining the workforce. As Mexico competes with China over Canadian and American markets, its national Commission for Environmental Cooperation has not been active in enacting or enforcing regulations to prevent environmental damage from increasingly industrialized Export Processing Zones. Similarly, since the signing of NAFTA heavy industries have increasingly moved to the US which has a comparative advantage due to its abundant presence of capital and well-developed technology. A further example of environmental

de-regulation with the objective of protecting trade incentives have been the numerous exemptions to carbon taxes in European countries during the s. The evidence suggests that even if outsourcing has promoted lower environmental protection, there are no intrinsic geographic implications that the Global South has been more negatively affected than the North.

Chapter 3 : Outsourcing continues to grow - Modern Healthcare

Outsourcing is the business practice of hiring a party outside a company to perform services and create goods that traditionally were performed in-house by the company's own employees and staff.

Where outsourcing was once just a cost-cutting measure, vendors today provide much more than just cheap labor. To get the best bang for your buck, here are ten best practices you should follow when outsourcing software projects. Outsourcing works best when your project has specific requirements, or is unrelated to your core business. For example, many companies turn to cloud services like Google Cloud and Amazon Web Services to host their websites. Instead, they hire cloud service providers to provide and maintain the infrastructure for them. They get the benefit of a professionally maintained environment without the cost of maintaining their own systems. Outsourcing should leave your team free to focus on what they do best, while also allowing you to deliver your project faster. Create clear, realistic objectives with well-defined timelines. This gives you more control over your project. It also allows vendors to create realistic, well-defined proposals. Have a project in mind? We are here to discuss Contact us The more information you have, the easier it is to estimate the size and cost of the project. And by creating a good plan at the start, you always have something to refer back to if the project goes off course. As a baseline, choose a provider that understands your industry. They should also fully aligned with your objectives and business culture. The more they understand your needs, the smoother the project will go. This lets you work together without putting your main project at risk. Get a Dedicated Team For large, long-term projects, having dedicated resources is important. This is great for the provider, but it means the team is constantly changing. Constantly bringing new developers up to speed is both time-consuming and expensive. While initially more expensive, you save money in training and onboarding costs. Developers only need to be introduced to the project once. The result is a team that understands your project from the very beginning. Go Agile Agile development is the leading method of software development. Agile development is done in multiple short iterations. Each iteration only lasts a few weeks and involves creating, testing, and releasing new versions. Compare this to traditional development, where a new release could take several months. Agile lets you implement new changes with greater flexibility and speed. Companies as big as Microsoft have found success with agile in everything from small projects to enterprise-level projects. And despite its flexibility, many vendors offer agile at a fixed cost. That can be a hard balance to find, but remember: A lot of experienced outsourcers recommend creating a list of bids, then throwing out the lowest priced and the highest priced. Then, choose from the remaining options according to your budget, requirements, and expectations. One popular option is Captive Units. Document Everything Documentation is key to tracking the state and progress of your project. Documentation starts at the very beginning from the initial project plan. Document each stage of your outsourcing venture including deliverables, revisions, changes to the project plan, and updates. This helps you track your progress and gives you the information needed to maintain the project after the end of the contract. It includes emails, meeting notes, manuals, bug tracker submissions, and even code comments. The important thing is to have a record of what was done on the project and when it was performed. Communicate Clearly Nothing is more disastrous to a collaborative effort than not communicating. Communication keeps both parties engaged and aware of updates to the project. This can be hard when outsourcing, especially if both teams are in different countries. Language, culture, and time differences all have an effect on communication. Roadblocks, development problems, and requirement changes can have devastating effects on a project if not communicated quickly and clearly. No matter how you do it, keep collaborating. Own Your Project Even though another company is working on it, this is still your project. Treat it as if it was being done in-house. Constantly follow your outsourcing team. However, you do need to keep them on the right track. Why Outsource to Ukraine? And while China and India lead in terms of outsourcing volume, Ukraine is home to some of the most skilled software outsourcing companies in the world.

Chapter 4 : IT Outsourcing Best Practices for - Ignite

DOWNLOAD PDF OUTSOURCING PRACTICE

Outsourcing is the practice of obtaining from an independent supplier a product or service that a company has previously provided for itself. Vernon, Inc, a small manufacturing company that has in recent years experienced a decline in its profits, plans to boost its profits by outsourcing those parts of its business that independent suppliers can provide at a lower cost than Vernon can itself.

Chapter 5 : Outsourcing - Wikipedia

Clinical and diagnostic equipment maintenance services was the third-largest outsourcing category based on this year's survey.

Chapter 6 : Nike Outsourcing by Chris Heywood on Prezi

Outsourcing can allow practice staff and physicians to focus on what they do best. But you have to make sure it's the best decision for your practice. VIEW NOW >>.

Chapter 7 : Best Practice Guides | Global Sourcing Association

Outsourcing can allow practice staff and physicians to focus on what they do best " and transfer other tasks to people who can do them better. But if you're considering outsourcing primarily to avoid the hassle or learning curve associated with a difficult job, it's possible to make a sub-optimal decision in haste.

Chapter 8 : HR Technology & Outsourcing | Lockton Companies

Outsourcing has become a major trend in human resources over the past decade. It's the practice of sending certain job functions outside a company instead of handling them in house.

Chapter 9 : OUTSOURCING OVERVIEW

Outsourcing is also the practice of handing over control of public services to private enterprise. [4] Outsourcing includes both foreign and domestic contracting, [5] and sometimes includes offshoring (relocating a business function to a distant country) [6] or nearshoring (transferring a business process to a nearby country).