"Is Outsourcing a Good U.S. Business Strategy?"

Outsourcing is the practice of having certain job functions done outside a company instead of having an in-house department or employee handle them; functions can be outsourced to either a company or an individual. 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. More and more companies, large and small, are turning to outsourcing as a way to grow while restraining payroll and overhead costs. Because of the latest technologies, it became easy to organizations to have the option of not hiring someone full-time or even part-time to stay in your office and handle a specific task. Instead, an organization can use a reliable outsource company to do this part of the work for them.

Different professors from two different schools debate whether it is good strategy for U.S. business or bad. A Professor from the University of Memphis that outsourcing is good business strategy because it creates higher profits, delivers cheaper products, and enhances response time. On the other hand, another professor from Washington University suggests that there are several barriers to smooth outsourcing process such as language barriers, technology glitches, and intellectual rights.

One of the biggest advantages can be lower personnel costs. By outsourcing job duties to non-employees, a business does not have to pay consistent wages or offer additional employee benefits. The company may pay lower taxes because independent contractors, the people who complete the outsourced projects, pay their own withholding, social security, and other taxes. This can add up to substantial savings. Also International outsourcing is driven by the business

demand for wanting to provide a 24/7 customer service culture which benefit and satisfies local consumers.

On the other hand, one of the biggest disadvantages of outsourcing is undesirable results. This is especially true when a company hires a third-party vendor to mass produce a product. In the event that the finished products do not meet quality standards, the manufacturing process must be repeated by a different vendor. Also local people are increasingly losing their jobs due to international outsourcing Which is American government's primary concern towered their business strategy towered job opportunities for citizens to motivate the notional economy.

During my co-op, I was part of a team in a project to install new ERP software for the factory. We outsourced an outer company to do the installation. It was very convenient not to have to hire full time professionals since we are a factory and there is no need to have more employees in the IT department especially after the execution of the project. Since we don't need more employees we then don't need to pay consistent wages or cost of additional employee benefits. Also came to our advantage, a less capital expenditure, less management headache, and it was easier to focus on core competencies. However, there were few disadvantages such as we had less managerial control. Overall it was satisfying to the company outsourcing the right people for that task.

I think Outsourcing is a good business strategy. Apart from the cost reduction factor, other benefits utilize a company's resources focusing on management efforts and helping to save time. The outsourcing of IT jobs would benefits the U.S. economy therefore; it is a good business strategy. As well as it helps nations mired in poverty by lifting the economy, but whether it does so in the best possible way is questionable. Meanwhile, in the U.S. consumers

benefit from low costs, higher standards and timeliness at a developing economy's expense. It creates higher profits, delivers cheaper products, and enhances response time. Although there is a high amount of jobs will be lost. New jobs are expected to be added. Outsourcing would affect less than 0.2 percent of employed American which it would be the cost of improving productivity.