



Marketing Mindset

Today's Trends With Analysis

A Kore Access Publication

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Print this
E-zine and use
the checklist
questions
as points of
discussion
and as tools
for your
marketing
planning.

In This Issue

Dear **Marketing Mindset** Reader,

If you are looking for ways to realize cost savings, to perform tasks more effectively or efficiently, or to create the opportunity for your employees to focus on organizational core competencies, you may want to consider outsourcing.

In today's fast-paced and competitive environment, outsourcing can provide a unique competitive advantage. If you approach outsourcing with clearly defined objectives, your company can realize benefits such as cost savings, improved service and quality, achievement of its growth goals, and increased flexibility in the management of key resources. Also, if you focus on the creation of a partnership with your supplier, you can do more than just accomplish your business goals.

Read this issue of **Marketing Mindset**, as well as the recommended article and white paper, in order to explore the most effective outsourcing strategy for your organization.

Wishing You Marketing Success,

Maria Pinochet, Publisher and Author
Contact Us



Today's Trend – Outsourcing of Noncore Operations

For DuPont, a global chemical company, the outsourcing of noncore Human Resource (HR) operations was the best-choice solution to refocus the efforts of its HR staff from transactional work to strategic planning, training and development initiatives. In 2005, DuPont signed a 13-year, \$1.1 billion dollar contract with Convergys Corporation, a global company to provide HR and billing services to employees at DuPont centers in 70 countries. Convergys collaborates with Deloitte Consulting, LLP in order to seamlessly and quickly deliver services to DuPont's 60,000 employees and 102,000 retirees. With this newfound ability both to reduce administrative costs and to better utilize strategic workforce information, DuPont expects, once the system is fully integrated, to realize a 20 percent productivity improvement, and that percentage is expected to increase to 30 percent after the first 5 years.



Outsourcing agreements provide your company the ability to focus on its mission-critical tasks.



Qualifying Question

Can outsourcing achieve significant financial and efficiency results for your organization? Yes No

If Yes,

Relevance to Your Marketing Strategy: High Medium Low

Priority for Your Planning: Short-Term Mid-Term Long-Term

Define the strategy and the scope of the outsourcing project. Have you defined, in detail, the project scope and the overall direction of your outsourcing strategy? Are you using the details to clearly define your expectations and to communicate them to your outsourcing service provider?



Evaluate and select the best-fit outsourcing company. Have you determined enough about your outsourcing strategy that your search for providers, and the evaluation of the options they provide, will be efficient and productive? Have you, no matter which service you seek, considered all the following in your search for a provider: a) culture and fit, b) customer service and responsiveness and c) experience and scope?



Develop and define the contract. Do you have a good understanding of your business needs so that you can negotiate terms that lead to both a professional and a mutually beneficial relationship with your supplier? Have you considered how each component will affect your business and how it will lead to a successful partnership with your supplier?



Manage the relationship. Have both parties emphasized open communication, the establishment of guidelines and the commitment to achieve common goals? Are you determined, through the proper management of the relationship, not only to achieve your goals, but also to exceed them?



Checklist



Recommended Resource

Outsourcing: Best Practices in Four Simple Steps

The practice of business outsourcing—the use of an individual or an organization to perform a function, process or service on your behalf—began about 50 years ago in the manufacturing industry as a means to reduce costs and, therefore, to improve profit margins.

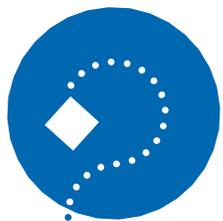
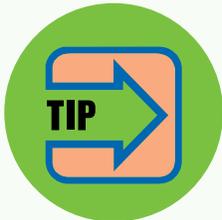
The trend toward outsourcing has expanded to include entire business processes. Over the years, companies have developed, tried and tested numerous best practices to ensure the success of their outsourcing efforts. To learn more about the four simple steps of outsourcing, read **“Four Simple Steps to Successful Outsourcing,”** a Kore Access article.



* Are You on the Path to Successful Outsourcing?

Managers have begun to realize that they can achieve far more with an outsourcing partnership than they can on their own. Successful outsourcing initiatives allow companies to access talent, to take advantage of economies of scale, to accomplish growth goals, or to achieve a myriad of other objectives. In addition, managers are more able to focus on their core competencies and to provide excellent customer service.

To learn more about how to create a successful outsourcing plan, and about how to achieve a sustainable competitive advantage not easily duplicated by others, read **“Outsourcing to Succeed in Any Economy,”** a Kore Access white paper.



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