

**TOP
5
CONSIDERATIONS**
for CIOs

The pro's and con's of offshore capabilities

Cost Savings

It'll save you money

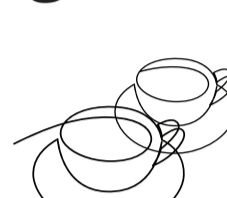
if you understand what is being 'offshored'

Or cost you the earth

to find out!

Offshore outsourcing offers cost savings opportunities due to lower labour costs, favourable exchange rates and economies of scale in overseas locations. CIOs can leverage their resources to reduce operational expenses, achieve budget predictability and reallocate savings to strategic initiatives or investments.

Bottom line: Savings may be offset by factors including hidden costs, currency fluctuations and additional management overhead due to offshore engagements. And if not managed effectively, this outsourcing may lead to lower quality or productivity resulting in reworking, delays and dissatisfaction among stakeholders.



Access to Skilled Talent

Top talent

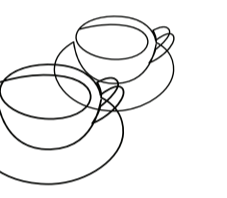
won't leap

When their

programs run deep

Offshore outsourcing accesses a global talent pool of IT professionals with diverse expertise, technical faculty and domain knowledge. CIOs can tap into specialisations not available locally, accelerate project delivery and fill skill gaps to support strategic initiatives or technology initiatives.

Bottom line: Finding and retaining top talent in other locations may be challenging due to competition, cultural differences, language barriers and turnover rates. Quality and consistency of talent varies amongst vendors, requiring careful evaluation, selection and ongoing management to ensure alignment with business needs.



Time Zones and Communication Demands

Time zone reach

keeps wheels in motion

Lack of communication

stops the locomotion

Offshore outsourcing can provide extended coverage and support for IT operations, development and customer service by leveraging time zone differences. CIOs can establish follow-the-sun support models, improve responsiveness and accelerate project timelines by leveraging teams in other time zones.

Bottom line: Time zone differences may lead to communication challenges, coordination issues, and collaboration delays between on- and off-shore teams. Cultural differences, language barriers, and communication styles may hinder effective communication, alignment, and understanding among distributed teams, impacting productivity and project outcomes.



After 30+ years of experience...

“ Offshoring makes the global wheels go round and is best summed up by Larry Elder: “Outsourcing is another form of trade that benefits the global economy and opens up avenues of growth and opportunity for countries and companies alike.”

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Risk Management and Compliance

Spread the risk

from here to there

But watch your step,

be aware

Offshoring can mitigate business risks and enhance resilience by diversifying geographical dependencies and reducing single points of failure. CIOs can leverage other locations to establish redundant systems, disaster recovery capabilities, and business continuity plans to ensure uninterrupted IT operations.

Bottom line: It has risks with data security, intellectual property protection, regulatory compliance and legal needs in other jurisdictions. Compliance with data privacy laws, industry standards and contractual obligations may require robust risk management processes, due diligence and oversight.



Cultural Fit & Organisational Alignment

Different views

make problems light

Cultural fit

makes it right

Offshore outsourcing offers opportunities to build diversity and global collaboration within the organisation, promoting innovation and cross-cultural learning. CIOs can create strong relationships, trust and alignment with offshore teams by fostering inclusion, transparency and shared goals across geographical boundaries.

Bottom line: Cultural differences, alignment and communication barriers may impede integration, collaboration and teamwork between on- and off-shore teams. *Getting the right fit* with vendors may need investment in relationship building and change management efforts to overcome biases, stereotypes and misconstruings.



Like to delve into, dissect or draw on my experience over a coffee —let's set up a time...

