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THE ROLE OF OUTSOURCING IN MODERN BUSINESS PRACTICES

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The growing aspect of outsourcing in businesses all around the globe. In this modern era, Outsourcing plays a significant role in the development of business organizations. As we are living in a modern age of technology, every business organization is now interested in minimizing their cost of expenditure on production in order to increase the certainty of profit as much as it can. Therefore, we can see different examples of outsourcing in our daily life. Many huge multinational companies are focusing on outsourcing their non-core business activities to other suitable organizations in order to minimize the burden on the business, also for the sake of quality approach in the production and as well as to reduce the cost and to increase the profit.

Essential strategies of outsourcing unnecessary activities of business. The word outsourcing is not limited to the purchase of raw material or any standardized intermediate goods and services, in fact, it refers to the finding of an appropriate and efficient worker or partner which helps to achieve desired goals by mutually contributing and working together in each other's assigned tasks. Thus, a proper strategy should be adopted in order to obtain qualitative results. These strategies include searching of suitable partners, to provide desired Wishlist of customized products to the potential suppliers, finally to ensure about the specific investment in an appropriate environment for betterment of business. By adopting these strategies, a business organization could be able to perform quite better in lasts for a long-time period.

Determination and outsourcing of non-core business activities. It is quite important for a business organization to first analyze its noncore business activities in order to outsource them to other enterprises. These activities could be anyone from product design to assembly, from research and development to marketing, from management to accounts, from technology to the customer services. After realizing those activities, a firm needs to find a best approach in order to outsource them to the right carrier for the betterment of the future of a business. in the north we can receive the best quality of technology and from the south we can acquire the reasonable quality of labour services.

Now a day many firms and huge companies are outsourcing their different activities according to there needs of their business by using both ends of the World





i.e. north and south. An American based firm named as Worldwide business research organizes their customer services section in the southern part of Asia, which includes Pakistan and India. They have a sub office in these regions because of the availability of cheap labour cost and the time difference. And they have analyzed good results from outsourcing their noncore activities to another firms.

Some firms in U.A.E like world auto corporation use to buy cars from America and import them to U.A.E which leads to leave huge profit to the firm.

Reasons for outsourcing business activities. This is quite important discussion as this question have different dimensions. There are many reasons of outsourcing. This a Modern Era and every business organization wants to acquire maximum profit and to survive along time in the market. By outsourcing unnecessary activities, a firm could be able to focus on other essential core activities efficiently in order to increase their productivity and services to gain more profit. Another reason to outsource is that many other global factors could be able to enhance the efficiency of business capability in order to gain maximum profit. Third reason but not least is that outsourcing helps to reduce cost and expenses of the business mainly focused on outsourcing these heads of the business: labour cost, raw material, goods and services, customer care centers, management and accounts are widely prominent. other reasons also include that if some functions are being outsourced it could be beneficial because if you find the right partner to do that task efficiently and perfectly then it is really a great achievement of any business organization.

Benefits of outsourcing: outsourcing have many benefits, it reduces the unemployment rate. It also helps to trade globally. It helps to acquire maximum quality of goods and services in order to maintain along term position in the market. Different time zones help to continual of work 24/7, which is a quite good approach for any company to be successful. outsourcing helps to improve services and delight the customers. Outsourcing also helps different organizations to share the risk of loss, and this sort of approach is quite meaningful for any business organization. outsourcing helps an organization to focus on their basic activities more concentratedly in order to gain accuracy and allows it to organize different new projects and side-businesses.

Conclusion: In this Modern World of competitive era, Outsourcing has become an essential part of every business organization for the betterment and the survival of the business. It helps businesses to grow and to expand in any direction according to their wants and needs and playing a magnificent role for the betterment and prosperity for both countries and business organization. Outsourcing will become more popular in the future probably due to the expanding and evolving globalization of business happening in every possible domain of human life.