

Outsourced Arrangements

A business or entity might determine to outsource activities for a variety of reasons. It might be that they are looking for economies of scale; it might be that it is not a core area and they do not wish to manage that activity, or it may be that the activity requires specialist skills. In whatever walk of life there are two important maxims to remember when outsourcing:

- You can outsource the activity but not the responsibility.
- If you outsource a problem, it will almost certainly remain a problem.

It is therefore imperative that you understand in detail what you are outsourcing and how you are outsourcing.

There are five distinct stages to an outsourced arrangement:

1. **Analysis and Planning:** Strategy and risk assessment; outsourcing model design;
2. **Supplier Selection:** Evaluation of the selection process;
3. **Transition: Contract** negotiation and transition management;
4. **Delivery of Services:** Performance management; governance and controls and relationship management;
5. **Decommission:** Termination of contract and exit strategy.

CGAS can provide you with support through all of these stages. With its background in risk management and governance, CGAS understands the requirements of each of these stages – either individually or through the entire life cycle.

With experience of outsourced activities, CGAS will provide pragmatic support or training and ensure that you maximise the benefits of your outsourced arrangements.

We can help you evaluate your current business activities and we can audit your existing relationships.

Please contact CGAS for a free introductory discussion or visit our website.

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