

## **Fighting “Recession” with “Offshoring”**

Whenever there is a worldwide economic recession, it is but natural for businesses to show a kind of downward spiral that indicates poor prospects for the future of the concerned country. But, on the other hand, when you look at it from a different angle – a period of economic recession can also be a golden opportunity for many a business, provided you fully utilize resources and convert them into above average outcomes.

When you take a look at the IT industry, the recession is not what you would necessarily call a bad phase for this industry, as this period brings along with it a definite positive change in terms of better business prospects and cost reduction. One such business prospect is indeed offshoring. Whether it is the offshoring of products and services, or whether it is the outsourcing of human resources to provide skilled labor force for the outsourcer – the dynamics of offshoring, especially IT offshoring, is definitely taking a turn for the best. IT companies that operate on one or more models of offshoring generally do so as per the requirements of their respective clients.

Most companies start by evaluating their clients’ needs and requirements, and then they move on to setting the wheel for offshore services in motion. Location is one of the most important criteria when it comes to offshoring services and cutting costs. Many organizations undergo major makeovers as they set out looking to revive and transform their businesses. When choosing a location that is ideal for your business, the offshore location offers many advantages that are based on specific attributes like language, skills, culture, socio-political system, and so on.

Many of the Indian IT companies like TCS and Infosys have established permanent bases in the United States and Canada so as to offer the best in terms of services. Undoubtedly, India has emerged as one of the top hottest IT destinations for offshore outsourcing.

1. Study the location – Whenever a client is in need of your offshoring services, it is very important to do some research before you offer your services. Understand the organization right from its management to its complete structure, and make it a point to find out about the assets and how you could benefit from them.
2. Offer reduced prices – Being an offshore outsourcer, this would be a customary approach. Only if you offer valued services at reasonable costs will you be able to achieve success.
3. Emphasize on efficient services and quality delivery – Delivering quality services at reduced costs is the solution to your problem. Always offer the best in terms of services and quality, and you will experience success in the long run.
4. Build your own HR capital – By including the best in terms of brains and hiring the best foreign nationals, the chances of enticing offshore location organizations are stronger.

While the financial and banking sectors were probably the worst hit during the period of recessions, the IT industry on the other hand had a very good start in the past and still maintains a good growth rate. On very occasions has the IT industry witnessed a cut in the budget where offshoring is concerned. India has emerged as the leader in terms of organization culture and talented resources, while other countries like Japan have just begun to explore the option of offshoring.