Your Name

Instructor Name

Course Number

Date

Title: Case Study

**Response 1**

Table 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Sr. No | Description | Risk occurring likelihood | Risk Impact: if occurs | Severity | Mitigation |
| 1 | Decrease in profit due to lack of knowledge of TIS regarding business processes. | Low | High | Medium | Proper training of the staff of TIS to ensure proper transition |
| 2 | Overall cost of transition outweighs the OSI's capacity | Low | Medium | Low | All the numbers are calculated in advance so that OSI management can properly decide the course of action |
| 3 | Decrease in overall profit of the company | Low | High | Medium | Sufficient study is conducted prior to the transition so that no hidden cost is incurred |
| 4 | Infrastructure damage while transitioning | Medium | High | High | Transporting from a reliable source and insurance are necessary |

Table 2

|  |  |  |  |
| --- | --- | --- | --- |
| **Risk occurring likelihood/Risk Impact** | **Low** | **Medium** | **High** |
| **Low** | Low | Low | Medium |
| **Medium** | Low | Medium | High |
| **High** | Medium | High | High |

Risk occurring likelihood\*Risk impact= severity

**Response 2**

The main criteria points that I would use to decide are:

*Current Financial Situation*

The foremost necessity for any business is to be making profits. If a company is not making profits, then such a company would ultimately close down. Proper planning in advance is necessary to decide what goals of the company are at every interval. If the company fails to meet the mark, then that is the right time to decide to outsource. From the case study, OSI has been facing immense issues due to its cost in the IT related field, and thus, its stock price has been decreasing. That is enough to raise the alarm, to do something to turn the situation around.

*Experience*

Experience of TIS in the field of outsourced projects is the key point that would attract me. If the company has sufficient experience in the field and has developed trusty clients through the years with overall satisfaction, then that is the most vital proof that the company is reliable and result oriented. Since the case study shows as well that TIS has 10 years of experience in the field of outsourcing, so that would be my main point of agreement.

*Cost-Benefit Analysis*

If the correctly conducted cost-benefit analysis results show an inclination towards outsourcing, then this would play a major role in my decision. There is no company that can continue to work if its profits are not keeping up with the expenses. Since OSI has been losing money overall and profits are declining, then the assurance of a positive change from the TIS would be a major decision changer.

*A Good Offer*

If a company provides me with an offer that would show that my business will gradually grow, then that is another aspect to think about. There is no doubt that initially, finances would be spent more as compared to the profit. But such costs are just initial ones and later on change due to the experience of the company to which the work is outsourced.

**Response 3**

Choosing a company to outsource to is a daunting task, but when a business is facing a financial crisis, there comes a time when tough decisions have to be made. Selecting a relevant company to outsource the business activities is based on multiple points, which would either reflect positive outcomes or negative. A company with expertise in the related fields for which it is selected is of utmost importance as such a company would know how to handle the case in every situation. Hiring a company with a reliable name is likely to produce better results. On the other hand, it is also necessary that the company hired should be presenting favorable numbers, as numbers are the most crucial for any business. If the final deal ends up costing more than the profits made, then such a deal would cause serious harm to the image of an organization, which in turn would reduce client-base.

From the case study, OSI has faced financial issues due to its investment in its IT infrastructure. Since TIS has the necessary expertise in the same field for a decade, then that is the prime decision-making point to contact TIS. Secondly, TIS conducted proper research and displayed signs of improvement for OSI through statistics, so that is why choosing TIS could result in a win for OSI (Jeffery) .

# Works Cited

Jeffery, Mark, James Anfield, and Subhankar Bhowmick. "Outsourching at Offcice Supply Inc." *Kellog School of Management* 2017: 1-19.