



# The End of Employees Rise of Outsourced Project Management

Steve Chu Treehouse Strategy Pre-COVID-19, businesses around the world are moving towards a virtual model that uses more contractors.

COVID-19 has accelerated that trend.

Accenture predicts that by 2026, a large company in the world will have no employees at all outside of the C-suite.

#### We architect the future

# What is the difference? Offsite, onsite outsourcing, and offshoring

- What is the difference? Offsite, onsite, remote work, outsourcing, and offshoring
- Onsite working inside a company's physical location such as company headquarter
- Offsite working away from physical location
- Outsourcing Hiring an outside company to perform the work or tasks that would otherwise be performed internally

### What is the difference?

 Offshoring – Companies shift knowledge-based or manufacturing functions to other firms in another nation, usually to take advantage of lower wages and manufacturing costs



# Trends in outsourcing/offshoring

- From big corporations to small companies to solepreneur
- From low level > sophisticated and specialized
- From low skilled > knowledge-based
- From large-scale (based on economy of scale) to long-tail
- Technology has enabled the transformation

### What can be outsourced?

- Outsourcing began with big corporations but has moved to mid-size companies to small business
  - With gig economy, companies that outsource are getting smaller
- What is outsourced?
- Began with low-level, administrative work
  - Mailroom
  - Office cleaning
  - Cafeteria
- Manufacturing
- Human resource
- Information technology (IT)
- Accounting and billing

#### We architect the future

# Specialized functions are now outsourced and offshored

- Marketing
- Sales
- Operations/productions/Project management

# Advantages of outsourced project management

- 30-50% cost savings
- Flexibility
- Access to greater talent pool
- Time-zone coverage
- Offshore, outsourced project managers are deployed even in clientfacing capacities
- Some even serving in account management and program management capacities

## How do you do it?

- Hire overseas directly check with lawyers and experts familiar with labor laws, both in your own country and in the target country
- Engage a professional employer organization (PEO) or an offshore outsourcing firm
- Partner with a similar company in another country

### **CONTACTS**



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