

# 3 Supply chain

► lift-out

► outsourcing in India



## Glossary PAGE 154

data crunching  
in silico  
knowledge drain  
lift-out  
roll out

## Internet research

Search for the keywords *benefits of outsourcing* and *outsourcing backlash*. Make a list of arguments for and against outsourcing.

## 3.1 About business Outsourcing

### Discussion

**1** You have a weekend job serving drinks in a local café. The owner decides to outsource the staff to an employment agency: your job doesn't change, but now you work for Manpower instead of for the café owner.

In small groups, discuss whether your situation is better or worse than before, and why. Think about job security, working conditions, payment, training, opportunities, etc.

### Listening

**2** 1:38 Listen to part of a presentation about lift-out to a group of HR managers, and answer the questions.

- 1 How and why does the speaker deliberately shock the audience at the beginning of the talk?
- 2 What is lift-out?
- 3 How has lift-out changed HR at BT?
- 4 What is the first change experienced by staff who are lifted out, and how is it explained?
- 5 What two advantages mean most people are happier?
- 6 Which risk of lift-out does the speaker describe, and how can it be reduced?

### Reading

**2** Read *The Indian Machine* and number the paragraph summaries in the order in which they appear in the article.

- a) America is *about to* turn outsourcing to its advantage by freeing more people to invent new *miracle technologies*.
- b) America's *online service jobs* are threatened by *inexpensive* Indian *knowledge workers*.
- c) The computer *never became intelligent*: India is more frightening because the 'monster' is learning *incredibly fast*.
- d) Movies reflect how attitudes have *relaxed* as the *monster* that was the computer has become an everyday piece of office equipment.
- e) IT has transformed the *repetitive jobs* of the past with *the overall result* that today they are more strategic and more satisfying.
- f) Historical precedent is *reassuring*: lost jobs are disturbing but are eventually replaced by new ones.
- g) The shift from *products to data* has made India a key player on the global employment market.
- h) When computers promised productivity by *adding up numbers, printing documents* and *handling phone calls*, managers began to fear for their jobs.

**4** Find expressions in the article which correspond to the words in *italics* in the paragraph summaries.

**5** Explain what the author means in these sentences from the article.

- 1 *The American cubicle farm is the new textile mill, just another sunset industry.* (lines 7–8)
- 2 *It's not a matter of blue collar versus white collar; the collar to wear is Nehru.* (lines 20–21)
- 3 *Then, as now, the potential for disruption seemed infinite.* (lines 29–30)
- 4 *We are now in the Desk Set period with India.* (line 58)
- 5 *... the next great era in American enterprise.* (line 73)

### Discussion

**6** In small groups, discuss the questions.

- 1 Would you rather be one of the 500 people left in BT's HR department, or one of the 1,100 consultants working for Accenture? Why?
- 2 Do you agree with Chris Anderson that computers have made us stronger? What about outsourcing?
- 3 Some countries have considered legislation to limit offshoring, supposedly to protect personal data: India has reacted angrily. Who is right?
- 4 Many companies hoped to cut costs by offshoring but have experienced negative reactions from customers. In your view, do the benefits of outsourcing outweigh the disadvantages?