

Near- or Off shoring ?

Off shoring, a hot strategic topic we'll talk more about within the coming weeks, has a challenger : the **near shoring** ! And that isn't the only one ...

Near means neighboring or proximate.

The point is ... instead of going far away, why don't you look at a (much) closer place to locate some of your activities in the future ?

Considering the structure, business environment, people skills and availability as solid motivating attractive elements, A. T. Kearney has recently listed the best offshore locations (1).

India comes first, China follows, Malaysia has the third position, Czech Republic shows up at the fourth place and ... that isn't far away from our European enterprises.

Czech Republic financial structure has been moderately appreciated but it has one of the best environment (economic and political aspects, main infrastructures, culture, flexibility, security) as stated by A. T. Kearney, a well known global strategic management consulting firm.

However, off shoring isn't that simple and may not be implemented too quickly. We recommend a very serious audit of the core activity before any move into that direction.

Distance is one of the aspects but that isn't the main point.

Remote communication tools provide efficient solutions but don't "translate" the collaborating parties' cultural points of views. Just to say a little ...

Other questions :

- do you produce large quantities of low featured articles that do not require any assistance? OK .. but pay attention to the quality, the reliability, the parts availability, the "abandoned" knowledge and expertise, etc.
- do you conduct a customer-centered enterprise delivering high-tech products to some sensitive niches ? Reconsider your first attitude and make the choice of an eventual other "partnership" that could support AND secure your development strategy. Why not looking at the onshore ? Let some offshore countries people coming on the market and work at your clients' office or assembly line ...

Many alternative solutions do exist. Start auditing your business and get advices.

We are available for a free discussion ...

(1) Information provided in "*The changing face of China*", A. T. Kearney, 2004