Functional Area: Product & Service Life Cycle (Product Strategy Formulation)

1.	Title	Formulate outsourcing strategy
2.	Code	ITCSPL507A
3.	Range	This UoC applies to the considerations, policies and activities involved in establishing and fixing the situations, terms, procedures and financial issues for outsourcing all or part of the processes in product development. Establishment of the outsourcing strategy will have profound influences to the relationship with vendors and even customers.
4.	Level	5
5.	Credit	3
6.	Competency	Performance Requirement

6.	Competency		
		6.1 Possess the knowledge in the subject area	**Performance Requirement** • Fully understand the benefits of making use of the services of outside organisations at different stages of the product service life cycle • Grasp the importance of tight co-ordination with outsourcers in order to bring maximum Return on Investment (ROI) to the company as a whole • Fully aware of the necessity in establishing comprehensive set of criteria for choosing partners in the process of outsourcing • Be aware of the significance in ensuring consistency of outsourcing partners' attitude towards the company objectives • Be aware of the necessity in managing third party staff as own staff members
		6.2 Formulate outsourcing strategy	Be able to: • Establish appropriate and feasible guidelines / standards in choosing partners for outsourced tasks • Ensure the following of established standards and guidelines strictly while interfacing with outsourcers at different stages of the product life cycle • Effectively disseminate the established outsourcer standards to all levels of own staff members and ensure they stick to them when dealing with outsourcing parties • Liaise and communicate closely and regularly with outsourcers to obtain their latest progress in a timely manner • Integrate outsourcers' work with own staff members to ensure maximum return from their combined efforts • Establish clear and unambiguous performance indicators for outsourcers and exercise those reward and / or penalty procedures accordingly
		6.3 Exhibit professionalism	• Work with full capacity and ability in the process of establishing the outsourcing strategies to ensure its long term stability and usability • Always maintain a proper balance of interests among own company, vendors and customers at all time • Always take into consideration and strike a proper balance among all related technological, political, social and legal factors

7.	Assessment Criteria	The integrated outcome requirements of this UoC are the abilities to: i. propose an appropriate set of outsourcing strategy incorporating considerations of all related factors ii. further propose the follow up activities for subsequent implementation of the outsourcing strategies
	Remark	