



## **UNDERSTAND CULTURE AND AVOID CONFLICT**

**To make a success out of an offshore operation, do not see it as a 'fit and forget' low-cost solution. It will demand time, effort, planning. It will mean understanding a different culture, and it will demand getting involved.**

PMC's India-based subsidiary PMC India (PMC-I) offers UK retailers an offshore service with a difference. Designed to drive out the problems and inefficiencies of traditional offshore solutions, PMC-I adds retail industry specialisation to provide medium-sized UK retailers with a practical offshore proposition.

Paul Mason, CEO of PMC offers some sound advice on setting up a successful offshoring relationship: "The best way to assess a new relationship, especially one as strategic as offshoring is to go and look at what you're buying. For example, if you decide to work with a provider in Bangalore and choose one located in the 'wrong' part of Bangalore you could face a gruelling two-hour journey from airport to office. They may well offer you a serviced flat – but how attractive is a flat in the 'wrong' part of a strange town? This may seem trivial at first but after a short while it will strain the relationship."

### **The rule is go and meet the people – don't rely on a salesperson**

"The advice is always 'get behind the sales pitch'. Find out what's really on offer. Few retailers would buy a new EPOS system without seeing how it works, so treat an offshore or outsourced service the same way. See how it works. Don't go into an offshore relationship based on a sales pitch in your own office. Of course, it's tempting to have the salesperson come to you after all, you're the customer."

"The reality is that with any outsourced relationship the provider is one step removed from your organisation, activities happen in the care of people that are not your employees. They have not grown up with the systems of your company and may not know how they work. And importantly, they are taking the processes away from you to make them repeatable in the place where they can operate them cost-effectively and therefore make profit. That means you must understand in detail what's going on." Mason continues.

Usually, 'offshore' means dealing with a different culture. Your offshore partner will 'natively' think differently to you. And their people will have different ambitions. For example, systems professionals in India have different ambitions from those in the UK. Expectations of employees and clients are different. To get the most out of the relationship you must appreciate those differences, make sure you understand your side of the 'bargain' and know what's expected of you.

Mason explains: "When an offshore provider tells you they know retail, take the time to visit their offices and walk round the floor. Leave the meeting room and talk to the people that do the work. Find out how much they really know about retail and how much retail-based work they've done. Break away from the structured sales approach they might like you to follow and dig around. It will be worth the effort."

### **Ensure they understand retail**

"The provider may say you can't meet their people because they don't speak English too well – if they do be wary, be very wary. Anything to do with IT comes down to having the right person doing the right thing, at the right time. Someone has to make the right decision and sometimes they need to liaise with other people about the right course of action. If a potential offshore provider can't offer you people that you can talk to, people that can understand you well and people that you can understand - then you're heading for trouble."

That does not mean these problems are insurmountable. Neither does it mean that all offshore partners haven't solved the issues, it just means you must ensure the people you're going to work with can do the job you want them to do.

You need to put in the effort. It will not just happen on its own. You have to recognise that this third-party organisation may eventually be an intrinsic, important part of your business. Think of their people as an extended part of your team. They have to understand what you're trying to achieve as a business and how they fit into that.

Mason closes: "Part of the Indian culture mindset is to want to understand how they can make a difference to your company. It will matter to them. So if you don't tell them your plans, where they fit in and how they will add value, they won't feel engaged with what you do. The way to create advantage in performance is to work within the Indian culture."

**To find out more about PMC's Offshore Solutions and Services please visit [www.paulmasonconsulting.co.uk](http://www.paulmasonconsulting.co.uk) or contact PMC on 01235 521900**