



# Outsourcing Strategy Template

**Document Title:** Outsourcing Strategy

**Document Version:** [Version Number]

**Date:** [Date]

**Prepared By:** [Your Name/Role]

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## 1. Introduction

### 1.1 Purpose

- Describe the purpose of the outsourcing strategy document, including its role in guiding the organization's outsourcing decisions and practices.

### 1.2 Scope

- Define the scope of the outsourcing strategy, including the business units, functions, or processes covered by the strategy.

### 1.3 Definitions

- Provide definitions for key terms related to outsourcing used in the document.

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## 2. Outsourcing Objectives

### 2.1 Strategic Objectives

- Outline the strategic goals the organization aims to achieve through outsourcing, such as cost reduction, access to expertise, or improved service quality.

### 2.2 Business Goals

- Describe how the outsourcing strategy aligns with the overall business goals and objectives of the organization.

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## 3. Outsourcing Scope

### 3.1 Services and Functions



- Detail the specific services or functions that are considered for outsourcing.

### **3.2 Boundaries**

- Define any boundaries or limitations regarding the scope of outsourcing, including excluded services or functions.
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## **4. Outsourcing Model**

### **4.1 Types of Outsourcing**

- Describe the types of outsourcing models being considered, such as offshoring, nearshoring, or onshoring.

### **4.2 Contractual Arrangements**

- Outline the potential contractual arrangements for outsourcing, including service level agreements (SLAs) and performance metrics.
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## **5. Risk Management**

### **5.1 Risk Identification**

- Identify potential risks associated with outsourcing, such as operational, financial, legal, and reputational risks.

### **5.2 Risk Assessment**

- Assess the likelihood and impact of identified risks and prioritize them accordingly.

### **5.3 Risk Mitigation**

- Develop strategies for mitigating identified risks, including contingency plans and risk management processes.
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## **6. Vendor Selection and Management**

### **6.1 Vendor Selection Criteria**

- Define the criteria for selecting outsourcing vendors, such as experience, capabilities, financial stability, and compliance with relevant regulations.



## **6.2 Vendor Evaluation Process**

- Describe the process for evaluating and selecting vendors, including any required assessments, interviews, or site visits.

## **6.3 Vendor Management**

- Outline the approach for managing vendor relationships, including performance monitoring, issue resolution, and contract management.
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# **7. Performance Monitoring and Review**

## **7.1 Performance Metrics**

- Specify the performance metrics and key performance indicators (KPIs) used to evaluate the success of the outsourcing arrangement.

## **7.2 Monitoring Processes**

- Describe the processes for monitoring vendor performance and compliance with outsourcing agreements.

## **7.3 Review Procedures**

- Outline the procedures for regular reviews of outsourcing arrangements, including periodic evaluations and feedback mechanisms.
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# **8. Transition Plan**

## **8.1 Transition Phases**

- Detail the phases of the transition process from in-house to outsourced services, including key milestones and timelines.

## **8.2 Resource Allocation**

- Identify the resources required for the transition, including personnel, technology, and financial resources.

## **8.3 Communication Plan**

- Develop a communication plan for informing stakeholders about the transition process and managing expectations.



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## **9. Governance and Compliance**

### **9.1 Governance Structure**

- Define the governance structure for overseeing the outsourcing strategy, including roles, responsibilities, and decision-making processes.

### **9.2 Compliance Requirements**

- Outline the compliance requirements related to outsourcing, including legal, regulatory, and contractual obligations.

### **9.3 Documentation and Reporting**

- Describe the documentation and reporting requirements for tracking and managing outsourcing activities.

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## **10. Review and Update**

### **10.1 Review Schedule**

- Define the schedule for reviewing and updating the outsourcing strategy to ensure it remains relevant and effective.

### **10.2 Continuous Improvement**

- Describe the process for incorporating feedback and lessons learned into the outsourcing strategy to drive continuous improvement.

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#### **Document Control:**

- Version History



- Distribution List

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This template provides a comprehensive framework for developing an outsourcing strategy in alignment with ISO 37500:2014, ensuring that all key aspects of outsourcing are considered and managed effectively.