

## Cultural Differences in Small Business Outsourcing can be overcome

In the current growing global economy world is becoming a global village where cultural differences are fading, as people move between continents. However there are many cultural differences do exist among the people living in different parts of the world. Knowing these differences and appreciating it, will make the small businesses to have deeper relationship with their outsource service providers. This ultimately helps both the small business and the outsource server provider to achieve success in the outsourced projects.

But more than 50% of businesses have reported that cultural differences arise when outsourcing their projects to offshore locations. Thus coupled with bad management, cultural differences can be a disaster for an outsourcing project; unless small businesses take concrete steps to overcome the cultural differences that exist.

Following are the general cultural issues small business may face while working with outsource service providers.

Communication gap increases the chance of Cultural difference.

This will be clear by an example - people in US and other western countries may say "yes" to confirm a contract whereas outsource providers from India may say "yes" to acknowledge that they had understood the client's point of view, even if they didn't agree with it. Studies have shown that inefficient communication result in almost 10% increase in project time. The development in Internet and other communication makes it possible for people across the globe to be in contact for most of their working day. Some BPO providers also work night shifts to ensure that they are working in real time with their clients across the continents & if required on site visits may be organized to facilitate better communication and interaction.

Service Provider communication

It is important to encourage the service provider to speak up freely and voice their opinions. BPO vendors from India for instance have a tendency of agreeing easily to the proposals made by the small businesses and may not give a realistic view of the situation and thus the small businesses may want to take this into consideration and ask for practical and realistic deadlines that can be met under normal circumstances.

Data security is indirectly related to culture

There is a strong connection between culture and data privacy. In India their history is not concerned with privacy laws and regulations. So what small businesses considered invasion of privacy may not even be an issue with the outsource service provider. It is the responsibility of small businesses to take this into consideration to make sure their business data is safe and secure with the outsource provider.

Employee training should be of good quality and high standard

In a typical BPO project, small businesses may need to change its internal working process to accommodate the external outsource service provider. It is utmost necessary for both small businesses and the outsource service provider to train their employees with latest tools and technologies to understand the changes in their business processes so that both teams can have a realistic expectation from each other.

Employee's relationship with their superior

Service provider's employees in India follow centralized decision structure as they typically follow the decisions made by their supervisors without raising any questions about the decision. Whereas employees in Western countries have more decentralized decision structure where each employee will question the decisions made by their managers. Small businesses should take this issue in to consideration while coordinating the project plan between its own employees and with offshore service provider's employees.

## About the Author

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