**Key Concept Explanation:** Outsourcing is a significant topic in relation to operations management. Organizations typically utilize outsourcing for a variety of reasons. Outsourcing offers many benefits for not only an organization but for the economy as well. Outsourcing is a prevalent practice that organizations use involving contracting suppliers to execute a variety of tasks that often include information technology services, human resources, finance, production and customer service activities (Babin, Bates & Sohal, 2017). While outsourcing usually comes with many advantages, there are also some disadvantages that come along with its practice as well. However, I am interested in learning more about this topic because outsourcing is such as prevalent practice throughout many different industries and business fields.

**Comparison:** The text defines outsourcing as “the practice of contracting with external suppliers for goods and services that were formally provided internally” (Meredith & Shafer, 2017, p.175). Outsourcing plays a crucial role in effective supply chain management, as it can be utilized for a variety of different activities. For instance, Nike uses global outsourcing to take advantage of cheaper production costs for their shoes (Meredith & Shafer, 2017). Furthermore, for many organizations, the practice of outsourcing relevant value chain functions to specialized providers serves as a strategic tool in order to enhance current performance (Lahiri, 2016). As operating costs continue to change in the dynamic business environment of today, organizations continue to lean on both outsourcing and offshore outsourcing in order to sustain and ensure the viability of their business (Lahiri, 2016).

            There is always the potential for a certain amount of risk involved when making business related decisions. As mentioned previously, outsourcing has many benefits. However, for many organizations, their endeavors into outsourcing are not always successful. Unfortunately, a lot of outsourcing failure comes as a result of inappropriate decisions from the organization as well as misestimated risk levels by management (Chen, Yan, Liu & Xing, 2017). For instance, in many industries the market has a high degree of uncertainty associated with it, which increases risk levels. Furthermore, another concern of outsourcing comes from a debate on whether or not research and design innovation should be outsourced (Un & Rodriguez, 2018). Many argue that outsourcing research & development can have a negative impact on an organization’s innovation creation because it can hinder the ability of a business due to such a heavy reliance on others (Un & Rodriguez, 2018). Ultimately, it is up to an organization to make the right decisions when it comes to what activities should be outsourced within their business.

**Article Summary:** The article discussed the various effects that outsourcing strategies can have on the performance of both small and medium scale enterprises (Agburu, Anza & Iyortsuun, 2017). Today’s business environment is continuously changing and evolving for the better. For is reason, organizations often have to change the manner in which they do business in order to remain competitive and viable. Outsourcing is a strategic management tool that is used in order to move in house activities to subcontracting external agents (Agburu, Anza & Iyortsuun, 2017). Outsourcing is beneficial because it provides organizations the opportunity to concentrate on their core competencies and other significant activities that will help them to provide value for their consumers (Agburu, Anza & Iyortsuun, 2017).

            Traditionally, outsourcing was used for less important activities such as cleaning, catering and security activities. However, today, outsourcing is utilized in a variety of more important organizational areas such as manufacturing, various operations activities and research and development endeavors (Meredith & Shafer, 2017). Typically outsourcing activities are generally grouped into four areas which are back office activities, primary activities, accounting activities and support activities (Agburu, Anza & Iyortsuun, 2017). Furthermore, outsourcing can help an organization to increase the effectiveness and efficiency of their operations. Strategic outsourcing can also be used to reduce costs, reduce capital investments and improve the organizations responsiveness to changes occurring within the business environment (Agburu, Anza & Iyortsuun, 2017).

**Biblical Integration:** Outsourcing is a popular practice in business today. Outsourcing is used for a variety of reasons as it has many advantages.  The bible says “ask, and it will be given to you; seek, and you will find; knock, and it will be opened to you” (Matthew 7:7). For organizations seeking to utilize outsourcing, the potential benefits include cut costs, reduced turned around times and increased flexibility. Because there is often significant risk involved with outsourcing, organizations must outweigh the pros and cons of their decisions in order to create the most value for their consumers.  The bible says “serve wholeheartedly, as if you were serving the Lord, not people” (Ephesians 6:7). Furthermore, outsourcing is increasingly popular in today’s business environment as it can help organizations to obtain ultimate success. “All hard work brings a profit, but mere talk leads only to poverty” (Proverbs 14:23). In order to maintain success, organizations must be willing to take advantage of practices such as outsourcing that can help to create competitive advantage.

**Application:** Outsourcing is a very common practice in today’s business world. When applied in real world settings, outsourcing can be used for a variety of significant activities. It is up to the specific organization and its management to decide what activities should be outsourced and what should be kept in house. For instance, Nike one of the world’s largest brands, is known for utilizing outsourcing activities in order to produce their products overseas (Meredith & Shafer, 2017). This practice is advantageous for Nike because they can benefit from producing their products at lower costs. Outsourcing their production activities also provides the organization with more flexible operations that will allow them to better service the needs of their consumers.