

Application & Analysis

Mini Cases

A8-62 Outsourcing Decision at a Real Company

Go to the *New York Times* website (www.nytimes.com/) or to *USA Today* (www.usatoday.com/) and search for the term *outsource*. Find an article about a company making a decision to outsource a part of its business operations.

REAL LIFE

Basic Discussion Questions

1. Describe the company that is making the decision to outsource. What area of the business is the company looking to outsource, or did it already outsource?
2. Why did the company decide to outsource (or is considering outsourcing)?
3. List the revenues and costs that might be impacted by this outsourcing decision. The article will not list many, if any, of these revenues and costs; you should make reasonable

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guesses about what revenues and/or costs would be associated with the business operation being outsourced.

4. List the qualitative factors that could influence the company's decision of whether or not to outsource this business operation. Again, you need to make reasonable guesses about the qualitative factors that might influence the company's decision to outsource or not to outsource.

A8-63 Ethics and outsourcing (*Learning Objectives 1, 2, 3, 4, 5, 6, & 7*)

Mrs. Yoder is a large family-style restaurant chain located throughout the Midwest in Amish communities. Currently, Mrs. Yoder makes its own biscuits. Customers love these biscuits; they are light, fluffy, and incredibly delicious.

People are not eating out at restaurants as much as they did before the recession.