

## Optimal evaluation metrics to select the best offers on an outsourced basis

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### Abstract

The study examined the impact of the problems associated with the dynamics and diversity of the economic environment, requiring the continued development of the project a complex and multifaceted phenomenon, which encourages competition between companies operating in the agricultural sector in the Republic of Iraq. This study aims to propose and apply implement a strategy method for evaluating and selecting the best offers for the third party company from three levels. The research proposes a way to implement the outsourcing management mechanism of the company under study. The method takes into account the following areas: analysis of the potential of the outsourcing services market; analysis of the possibility of forming a competitive market for outsourcing services; clarification of the market value of the functions outsourced; outsourcing services market development forecast. As a result, showed the research through a full evaluation according to (9) criteria that have been applied in the company under study, estimates achieved according to the criteria on the basis of differentiation, and therefore the best model was estimated according to the differential ratios of all evaluation criteria on the basis of which the best option for outsourcing where it received (6,3) points out of (10) points in the research model.

**Keywords:** Outsourcer. Full evaluation. Changes.

### 1. Introduction

The current stage of economic development is characterized by a constant increase in competition and the instability of all areas of activity. Enterprises, desiring to optimize their activities, reduce the number of functions performed in companies operating in the agricultural sector. It is also necessary to observe the evolution of processes, the growing development of new technologies, the constant improvement of products and, in addition, the constant changes in the world scenario with increasingly fierce competition, in which companies seek the best alternatives to evolve and guarantee the attention of customers (Bertaglia, 2009; Yaghoui, Moradi, & Tajmohammadi, 2011). This requires gathering information about economic activity is a direct result of the intellectual activity of the reflection process, in itself it is poorly perceived without its carrier - the form of the result of reflection. Therefore, the administrative and accounting system should prepare not only the

information provided by its tasks, formed on the basis of the purpose of the enterprise, but also present business operations for the purpose of evaluating them and determining the most important ones through production processes and sorting the main business processes and assistance in favor of improving the competitiveness of the company.

These features have identified the need to develop new approaches to effective quality management of companies operating in the agricultural sector by ensuring the clear functioning of the internal structure of enterprises and organizational changes aimed at adapting the enterprise to the effects of the external environment. Outsourcing has become one of these forms, the economic essence of which is the system of relations arising from the transfer by the client company of certain types of its activities to specialized firms because of long-term contracts. Obaidullah, (2015) reports that the demand for maximum required credentials can only be obtained with the help of techniques, methods and techniques in performing the principal and auxiliary activities is stipulated by the type of product. Accordingly, this opinion agrees with the opinion of transferring part of the companies' operations to the other party, which requires large companies to search for specialized companies working in this field to implement part of their process.

This is the objective reasons why a company seeks to outsource processes are numerous: cost reduction, increase or decrease in demand (Al-Battatouni, 2014; Baba, 2019). Thus, when demand decreases, the company suffers momentary supply interruptions.

Mukhina, & Safonova (2014), says that it is through this perspective that outsourcing outsourcing of business processes is divided into outsourcing of the main business processes and outsourcing of the auxiliary business processes. Which allow more specifically representing and more accurately highlighting business processes in general.

## **2. Literature Review**

### **2.1. Cost evaluation of business processes**

According to Mukhina, & Safonova (2014) calculates the predicted economic effect and the actual economic effect of the implementation of business process outsourcing based on an assessment of the cost of performing the business process on its own, taking into account possible growth due to various factors, the fixed cost of outsourcing the business process and the result is the savings from the implementation of outsourcing to customers for a certain period of time (1 year). In the case of the implementation of the process on its own and in the case of transferring the implementation of the process to a third-party enterprise,

various authors include different types and cost items, affects the formation of an effective indicator; only a quantitative indicator of performance evaluation is taken into account (Mukhina, & Safonova, 2014).

## 2.2. Evaluate the outsourcing decision

The growing number of outsourcing partnerships around the world leads to the development of more flexible organizations based on key competencies and mutually beneficial long-term business relationships with partners (Neurov, 2009; Hossain, 2017). The decision to use outsourcing is strategic decision, as it is one of the important administrative decisions that are in the interest of the company or institution and requires detailed preparation and justification. Unfortunately, the modern scientific and business literature does not describe the methods of determining the functions and business processes that the company can outsource, as would take into account all aspects of the enterprise in terms of administrative and accounting decisions, that main focus is on choosing a contractor - a potential provider of outsourcing services. This approach may be partially justified if the company adheres to the principles of modern management and carries out strategic and operational planning on a regular basis. However, for most domestic public companies in the agricultural sector, the practice of using the latest methods of management and accounting is the exception rather than the rule and requires a review of both the methods of management and accounting is themselves an understanding of the economic nature of outsourcing to clearly identify all the benefits and risks of transition to external supply.

The essence of the concept of outsourcing is to transfer the implementation of enterprise processes to specialized executors to provide strategic advantages, according to the above *describes the literature* that has been circulated related to outsourcing, which are in favor of improving the administrative and accounting decision is limited. However, specific studies such as Arroyo, Gaytán and Sierra (2007) describe the management decision-making process of companies when they choose to outsource their processes. An identification of some not recommended practices in order to propose alternatives, methods and management actions that contribute to improved administrative decision making according to business policies and according to the conditions of the business environment (Dinero, 2016).

However, outsourcing some business processes requires well-considered management decisions from companies, which should be based on a detailed and comprehensive analysis of outsourcing company's efficiency in this area.

Accordingly, the market of outsourcing services is only gaining dynamic development, the need for scientific research aimed at creating the theoretical and applied foundations for organizing outsourcing of business processes at industrial enterprises is becoming more acute. In addition, the lack of theoretical and practical developments in this area, the impossibility of the practical use of many of them led and a lot of work has been devoted to the development and management of an industrial enterprise and the problems of using outsourcing .

### **2.3. Administrative support**

It should be noted that the development of systematic management support for assessing and selecting the best offers for the external contractor to the use of outsourcing services at the enterprise is not given due attention, which justifies the relevance and choice of this topic. This article has dealt with methods of assessing and selecting an external source in companies and the decision to use outsourcing should be based on quantitative criteria and we are looking at how to evaluate outsourcing for companies.

### **2.4. Sample selection**

Within this context, according to the management planning for market research and commercial proposals, the proposal was applied in the Iraqi Company for the Production and Marketing of Agricultural Products in the Republic of Iraq, it is active in the agricultural sector in marketing agricultural products.

However, its profitability has been declining over the past few years, due to the loss of elements that make it agile. The accommodation on the part of the collaborators, the lack of interest and the lack of incentive for learning, as well as information transmitted in a hasty manner, contribute so that the company does not reach the production goal and increases the rework.

Through the contracts of the institutions provided are found that can act as outsourcers for the Iraqi Company for the Production and Marketing of Agricultural Products, for evaluating and selecting the best offers for the third party company. Based on previous researches related to the theme evaluating and selecting the best offers for the third party company.

Thus, we sought to:

- propose a mechanism method to outsource the management of applications in the companies

- developing the proposed method according of to certain (9) criteria;
- apply the method, based on the case study;
- evaluate the performance of the method and the results obtained.

This research is organized as follows: theoretical review, research methodology, results, analysis and discussion of results and in the end theoretical and scientific conclusions on the research.

## **2.5. Purpose and strategy of outsourcing**

The purpose of outsourcing is to transform the most important processes from inefficient, limiting competitiveness, to those that allow the company to gain significant competitive advantages.

According to Brasil & Rocha (2011); Ovalle & Forero (2012); Wagner et al. (2015) outsourcing strategies are one of the actions focused on the efficiency of processes, which provide an increasing level of competitiveness in markets in general and it is also the starting point to improve and make their activities faster and more efficient within the quality specifications and expectations of customers. In the meantime, the actions also aim to assist of the administrative process, transferring information and sharing the responsibilities of management planning.

Strategic advantages may include the ability to focus on key competencies, the most rational distribution of fixed assets, saving current resources, access to the latest technologies, the ability to attract highly qualified specialists, increasing the speed of entry into new markets, etc. In a strategic perspective, the application of outsourcing is aimed at gaining a strong position in the market, which, in particular, is expressed in creating a positive image of the enterprise, expanding the circle of consumers, and supporting long-term business relations with counterparties (Alkarawy, 2018; Michela, 2018).

The goal of outsourcing is the transformation of critical processes from inefficient, limiting competitiveness, to those that allow the company to obtain significant competitive advantages. Outsourcing is divided from the administrative point of view by type is divided into outsourcing of primary production and outsourcing of auxiliary production (Sayfieva, 2006).

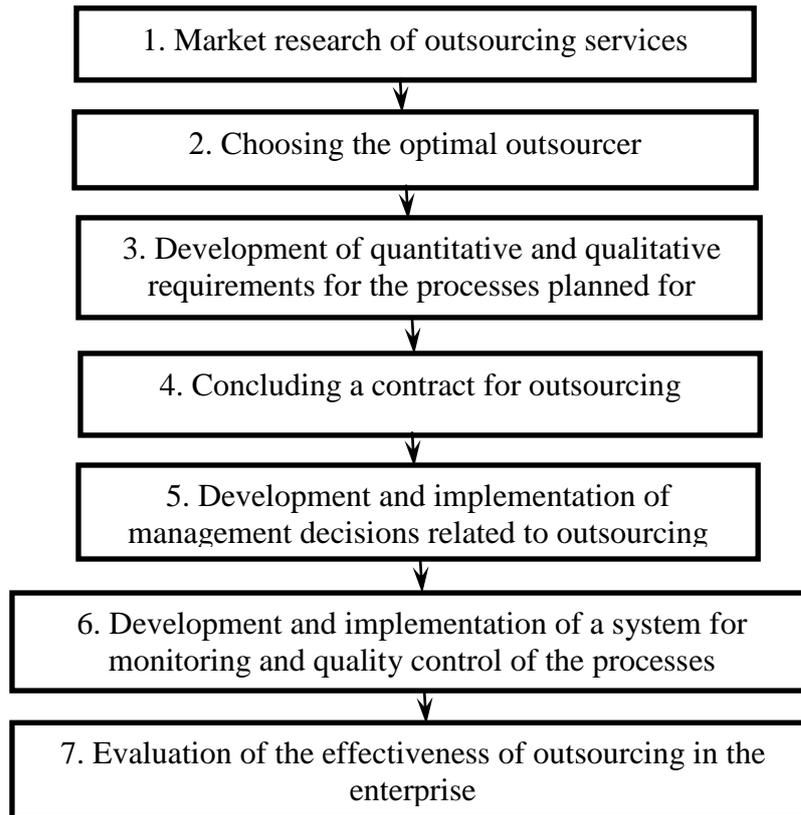
## 2.6. Costs and economic viability

When deciding on the use of outsourcing, the company sets itself goals such as improving quality with constant production costs; price reduction while maintaining the current level of quality by reducing production costs; increasing the financial stability of the enterprise by minimizing costs while maintaining the current level of quality. However, the value of outsourcing is to strengthen the position of the enterprise in the competitive market (Edwina, 2018; Gao, & Driouchi, 2018).

The transfer of functions makes sense if the difference between the costs of independent implementation of the functions and the cost of the supplier's services exceeds the planned costs of non-core business processes (Asunur, Huseyin, & Srinivasan, 2014).

Among the success factors that reflect production efficiency, key indicators are the use of capacities (determines the economies of scale and leads to a strong dependence of the economic indicators of the enterprise on production volumes), (Malyutin, 2008; Nosachev, 2009; Yaghoubi, 2011).

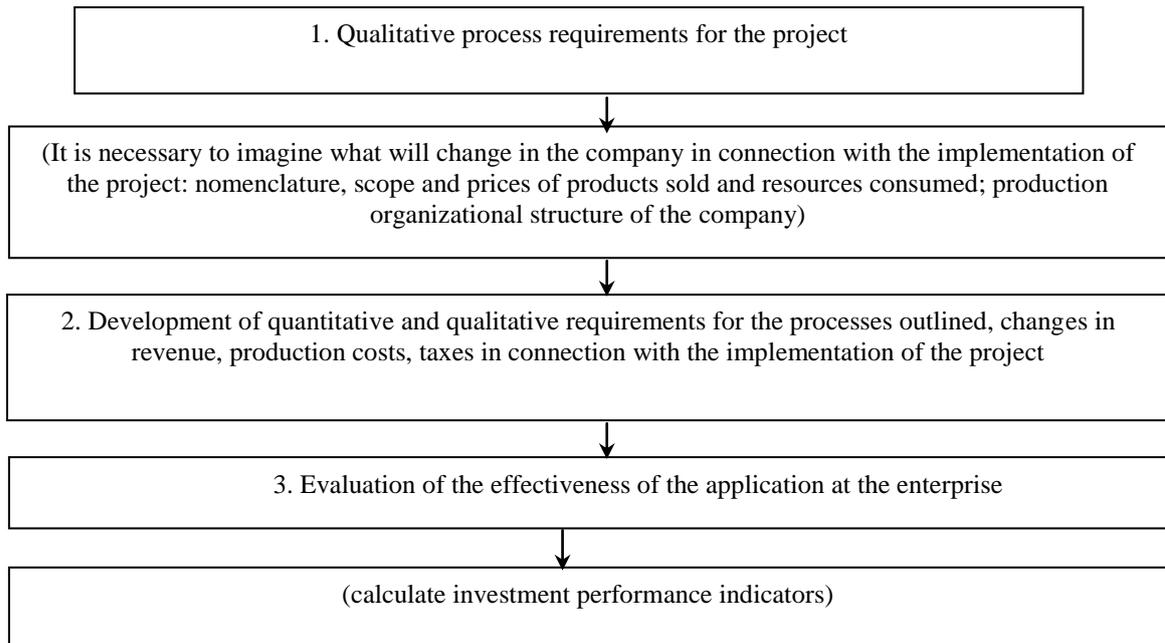
In this research, from the standpoint of work and management planning, the production outsourcing is considered - transfer to the third-party enterprise completely of production functions or a part of the tasks connected with production. Production outsourcing by types is divided into outsourcing in a specific type of activity (Mahfoud, 2014). Outsourcing can be divided into outsourcing of blanks and components and outsourcing of functions and operations to ensure production and marketing of agricultural products. In the first case it is a share and degree of readiness of the bought knots and accessories. In the second case it is a question of transfer to the party of function of transportation, repair of the equipment, preparation of production, the production process, marketing of agricultural products (Chukhray, 2011). However, the true value of outsourcing is revealed when these new opportunities strengthen the company's position in competition. The real value of the outsourcer, shown in Figure 1, was proposed by Chukhray (2011), where the implementation of the outsourcing, process at the enterprise involves the following in Figure 1.



**Figure 1: The real value of the outsourcer. Adapted from Chukhray (2011).**

Thus, to respond quickly to the market and customers, there must be coordination in order to achieve the intended goals and methods, and it is expressed in creating a positive image of the enterprise.

According to Gusev, & Sokolova (2012), production outsourcing by type is divided into outsourcing of primary production and outsourcing of auxiliary production. On this basis, the researchers presented their own method of how to implement the optimum mechanism for implementing outsourcing in enterprises where the implementation of the outsourcing process at the enterprise provides for such a sequence of steps by Gusev, & Sokolova (2012) as shown in Figure 2.



**Figure 2: The sequence of stages of the outsourcing process. Adapted from Gusev, & Sokolova (2012).**

Figure 2 shows some techniques, tools and elements that served as a guide for the application of the method. Among some, the following stand out:

1. Qualitative requirements for the processes for the project, (it is necessary to imagine what changes in the company in connection with the implementation of the project: nomenclature, volumes and prices of products sold and resources consumed; production organizational structure of the company).

2. Development of quantitative and qualitative requirements for the processes outlined, changes in revenue, production costs, taxes in connection with the implementation of the project.

3. Evaluation of the effectiveness of the application at the enterprise, (calculate investment performance indicators).

This sequence of stages describe the process of identifying key, used in various the agricultural segments to implement these methodologies practices help these research questions are implemented in obtaining the quick and efficient response to the introduction of a new product, is a general model for choosing the optimal outsourcer, as well as in the allocation of capacity to requirements how to implement the optimum mechanism for implementing outsourcing in agricultural enterprises.

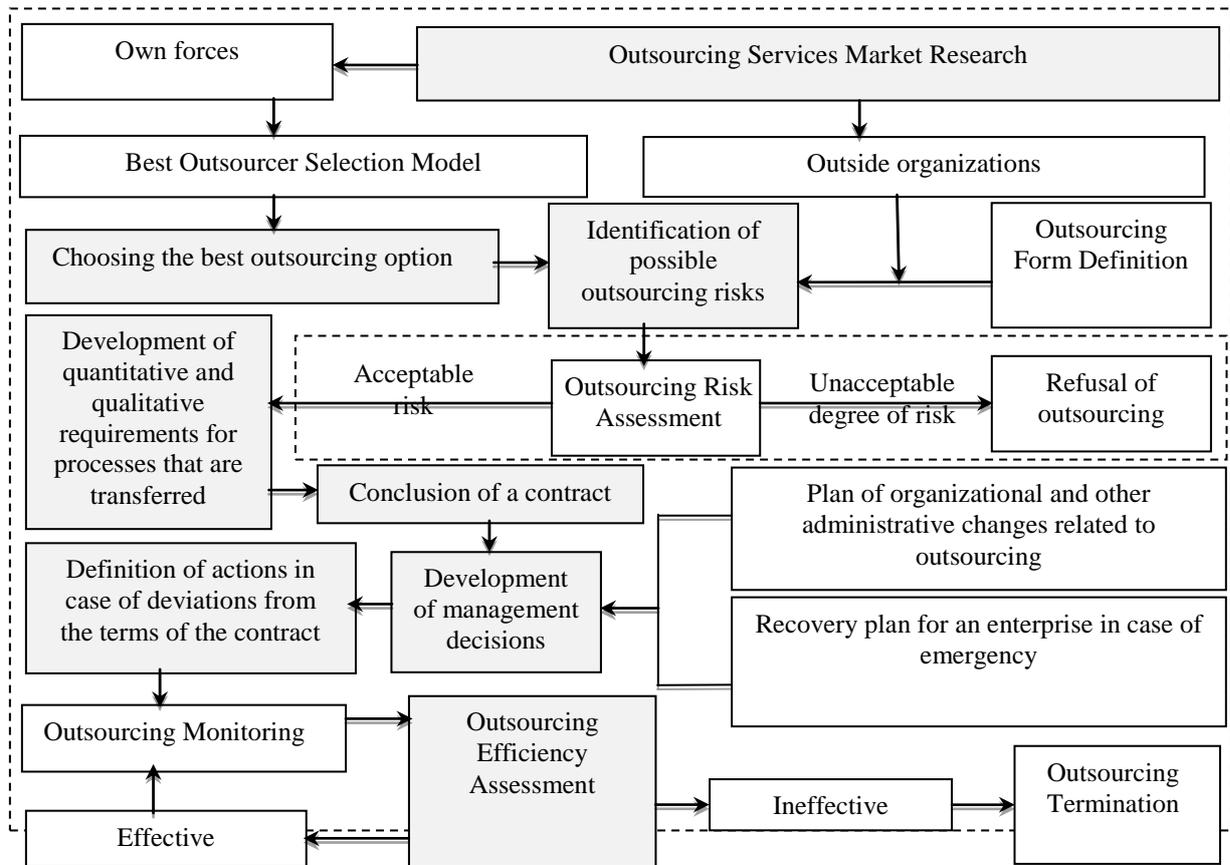
### 3. Methodology

This research approved the practical study for comprehensive purposes, based on methods of collection and analysis of data related to the evaluation, for evaluation according to the proposed criteria. For the construction of the to the procedure for implementing the outsourcing management mechanism at an enterprise steps proposed by Hasliza, Noor, Theresa, & Ramayah, (2017). As noted Hasliza, Noor, Teresa and Ramia (2017), any increasing the efficiency of implementing an outsourced management mechanism to develop agricultural projects using benchmarking will increase your competitive advantage in the market and create a solid foundation for successful work in a globalized agricultural economy, with a focus on development strategy of projects.

In this regard, there is a need to search for and use new opportunities and new competencies in enterprises, based on the introduction of the latest methods and procedures for finding key success factors using benchmarking in the quality management process of agricultural enterprises. In general terms, the proposed working method aims to the procedure for implementing the outsourcing management mechanism at an enterprise operating in the agricultural sector is as follows in Figure 3.

In terms of practical use of the offered mechanism the reasons in case of deviations from the terms of the contract of failure to which it is necessary to pay special attention in the course of contours of management of the agricultural enterprise are revealed. The awareness of the problem by the top management occurred with the evaluation of the undesirable effects of outsourcing monitoring:

- Outsourcing Services Market Research.
- Choosing the best outsourcing option.
- Identification of possible outsourcing risks.
- Development of quantitative and qualitative requirements for processes that are transferred.
- Conclusion of a contract.
- Development of management decisions.
- Definition of actions in case of deviations from the terms of the contract.
- Outsourcing Efficiency Assessment.



**Figure 3: Model of the mechanism of application management outsourcing in the company.**

Source: The author's elaboration

The last stage determines outsourcing as being effective for the benefit of the institution or ineffective leads to the outsourcing Termination.

According to what was presented from developing the proposed method , it was implemented according to required standards for the institution, as it prioritizes the strategic objectives defended by the organization. In the later phase of the work method, the required standards method was applied based on a case study.

The standards set out the key elements the company needs. He is evaluated of the work of degree Strategic outsourcing on the efficiency of processes, this demonstrates the consistency of the model to evaluate the strategic factors before an the efficiency of processes. The results obtained with the alignment of the standards allow establishing a process of improvement to the Model in the short or medium term (Victor, & Alexander, 2012; María, et al., 2015; Ali, & Kanaan, 2019).

In the next step, method for evaluating and selecting an external source based on such characteristics as the possibility of diagnosis, and the decision to use outsourcing should be based on *quantitative criteria* that allow for a comparative assessment of various alternative strategies (Borodulina, & Shimokhin, 2015).

Borodulina, & Shimokhin (2015) are proposing introducing an indicator called "*as the level of reliability of external services*" to quantify the feasibility of performing a separate function on its own (insourcing) or transferring it to outsourcing.

The ranges of values (N) and the description of this method are explained taking into account the characteristics of the agricultural service:

$$N = \frac{\sum_{i=1}^k w_i * R_i}{\sum_{i=1}^k w_i} \quad (2)$$

where ( $w_i$ ) is the weight of the (*i-th*) criterion;

( $R_i$ ) -value of the (*i-th*) criterion;

(*k*) is the number of criteria.

In fact, this approach proposes normalization of the current indicator, which allows you to meet the standards that make a distinction in a timely manner, and also to comply with the technology and schedule (schedule) of reforms, which indicates the existence of objective problems affecting the quality and timeliness of meeting the organization's needs in work (services). The value of the feasibility index of outsourcing / insourcing, means that the performance of individual functions on their own with characteristics worse than the established indicators(Borodulina, & Shimokhin, 2015).

Based on the practical use of the proposed mechanism, preliminary requirements are formulated to a potential outsourcer for managing the quality of development of an enterprise: when evaluating an outsourcer, it is necessary to take into account both the cost of services declared by the supplier and the planned amount of business processes; substantiation and use of methods that ensure the selection of the optimal set of significant parameters for implementing the outsourcing management mechanism at the enterprise; assessing the effectiveness of the chosen and implemented strategy. Tracking changes and adjusting managerial decisions taking into account the experience gained, changed conditions, new ideas and opportunities (Voronin, 2011).

The existence of numerous methods for evaluating the effectiveness of outsourcing makes it difficult to find methodological solutions acceptable for practice (Galyna, Mykola, Irina, & Oksana, 2020). To select the optimal external source (outsourcer) for the implementation of production processes according to administrative planning of the

agricultural establishment, a scientific and methodological approach based on the model for determining the optimal outsourcer based on a normative assessment is proposed. In this perspective, the considered procedure to the administrative planning for implementing the stages of business processes include determining key competencies and bottlenecks setup, among others, were collected for evaluation, explanation of results, conclusions and generalization.

#### 4. Results and Discussion

To justify the choice of an outsourcer, a system of criteria has been developed that includes three groups: performance indicators; financial and economic indicators; competitive performance from (10) points and from (4) levels.

A full assessment is carried out according to (9) criteria, for each of which scales are developed that allow them to *be quantified*.

In this case, the weight of each group of indicators in the selected areas of assessment is determined in Table 1.

For each group of indicators, the total arithmetic average estimates are calculated, which are reduced to a single indicator.

The final assessment of the potential outsourcer is proposed to calculate by the formula:

$$PD_{ayr} = fe_1 \cdot P_{out} + fe_2 \cdot Fe_{out} + fe_3 \cdot M_{out} \quad (3)$$

where  $PD_{ayr}$ - the final assessment of the potential outsourcer;

$P_{out}$  - Arithmetic mean value to points of agricultural production indicators for a potential outsourcer.

$Fe_{out}$ - Arithmetic mean value to points of financial and economic indicators of a potential outsourcer.

$M_{out}$  - Arithmetic mean value to points of competitive indicators of a potential outsourcer.

$fe_1, fe_2, fe_3$  - weighted values of the corresponding groups of indicators of the potential outsourcer (determined by the expert method).

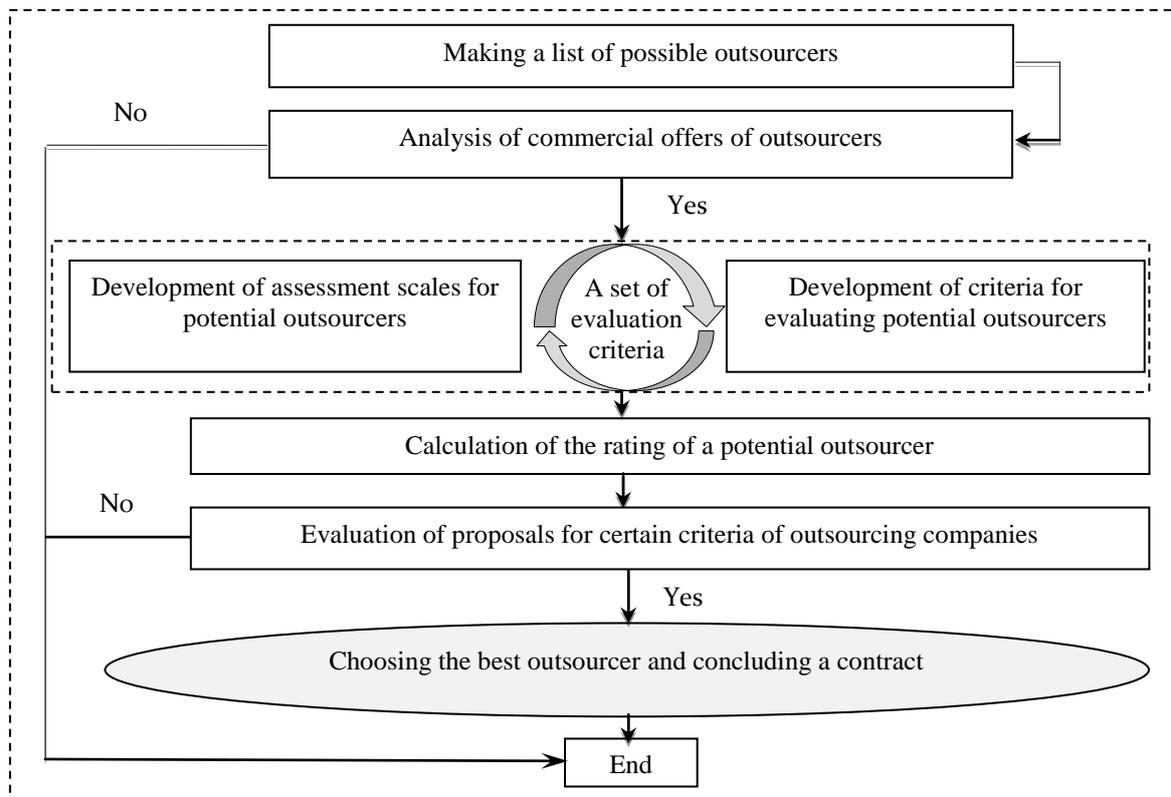
Based on the final rating  $PD_{ayr}$ , the ranking of potential outsourcers is determined in descending order.

**Table 1: Evaluation scales for determining the integrated rating of outsourcing opportunities**

Criterion Evaluation			
1,0	4,0	7,0	10
1	2	3	4
Performance indicators			
1. The state of the technological base			
Poor - 80% of morally and physically obsolete equipment	Satisfactory - 50-80% morally and physically obsolete equipment	Good - 30-50% of morally and physically obsolete equipment	Excellent - 30% morally and physically obsolete equipment
2. The duration of the agricultural production cycle			
The highest in the agriculture	The highest among competitors	Average among agricultural competitors	The lowest among competitors
3. Product quality			
More than 5% of product specifications do not meet agricultural requirements	3-5% of product characteristics do not meet agricultural requirements	1-3% non-product specifications meet agricultural requirements	Specifications are fully compliant with agricultural requirements
Financial and economic indicators			
1. The cost of production			
The highest in agriculture	The highest among direct competitors	Average among agricultural competitors	The lowest among agricultural competitors
2. The average wage			
The highest in agriculture	The highest among direct competitors	Average among agricultural competitors	The lowest among agricultural competitors
3. The level of profitability of production			
Agricultural production is unprofitable	The lowest among competitors	Average among agricultural competitors	Highly profitable production
4. The level of personnel potential in production			
Inadequate skill level in more than 80% of production personnel	Inadequate skill level in more than 50% of production personnel	Inadequate skill level in more than 30% of production personnel	Full staffing with employees of relevant qualifications
Competitive indicators			
1. Competitive position of the enterprise			
Strange about the market	Relatively weak competitive position	Relatively strong competitive position	Market leading company
2. Flexibility of terms of cooperation			
Tough contract conditions, the impossibility of changing the scale of activities	Rigid contract conditions, minimum possibility of changing the scale of activity	Moderately flexible terms of the contract, the possibility of moderate changes in the scope of activities	Flexible contract terms, free opportunity to change the scale of activity

Source: The author's elaboration

The sequence of implementation of the proposed method (Figure 4) in case of independent research by the enterprise, it should be carried out in the following areas: analysis of the potential of the outsourcing services market to meet the demand for the performance of the function in the required volume; analysis of the possibility of forming a competitive market for outsourcing services for the implementation of the function; clarification of the market value of the functions outsourced; outsourcing services market development forecast. Accordingly, implementation of the proposed model for choosing the optimal outsourcer to work in agricultural establishments is as follows in Figure 4.



**Figure 4: The optimal model for selecting the outsourcer.**

Source: The author elaboration

According to the management planning for market research and commercial proposals, the proposal was applied in the *Iraqi Company for the Production and Marketing of Agricultural Products in the Republic of Iraq*, where found institutions in the agricultural field that work as external contractors according to the following:

- i- Farah Land Company.
- ii Alkawada Company.
- i- Agricultural Industries Factory.
- iv- Crescent Factory.

To select the optimal outsourcing company that can work in the Iraqi Company for the Production and Marketing of Agricultural Products in Iraq, it is necessary to evaluate potential outsourcers according to certain (9) criteria proposed from (10) points and from (4) levels. By completing the planning requirements of the strategic management, a committee of experts has been formed from within the company and it is composed (Director of Finance; Director of Audit and Control; Director of Administrative Planning and Chief Engineer), on this purpose, they are evaluated for the outsourcers, the results of which are given in Table 2.

**Table 2: Sources of values on indicators of the outsourcer**

Criteria for evaluation	Potential outsourcing			
	Farah Land Company	Affection Company	Agricultural Industries Factory	Crescent Factory
<b>Performance indicators <math>fe_1 = 5,0</math></b>				
1. The state of the technological base	3,0	3,5	2,0	3,0
2. The duration of the production cycle	4,0	3,5	2,0	3,0
3. Product quality final grade	1,0 2,7	4,0 3,7	3,0 2,3	4,0 3,3
<b>Financial and economic indicators <math>fe_2 = 3,0</math></b>				
1. The cost of production	1,0	2,0	1,5	2,0
2. The average wage	1,0	2,5	2,0	1,5
3. The level of profitability of production	1,5	2,5	1,0	2,5
4. The level of human potential in production final grade	2,0 1,4	3,0 2,5	2,5 1,75	1,5 1,9
<b>Competitive indicators <math>fe_1 = 2,0</math></b>				
1. Competitive position of the enterprise	1,0	1,9	1,6	1,4
2. Flexibility of terms of cooperation final grade	1,7 1,35	1,8 1,85	1,7 1,65	1,8 1,6
Weighted average rating	5,45	8,05	5,7	6,8
Classification	4	1	3	2

Source: own elaboration.

Through the results obtained in Table 2 through the full evaluation of the external contractor, estimates achieved according to the criteria on the basis of differentiation, and therefore the best model was estimated according to the differential ratios of all evaluation criteria on the basis of which the best option for outsourcing was chosen which is the *Almawada Company*, where he received almost (8,05) points from (10) points, which is

higher than the other competing company according to this evaluation, to do the work in favor of the Iraqi Company for the Production and Marketing of Agricultural Products.

In this case, from the management point of view the following principles for evaluating an outsourcer can be distinguished:

a) When evaluating an outsourcer, it is necessary to take into account both the cost of services declared by the supplier and the planned amount of transaction costs.

b) Calculation of the planned total costs, changes in the cost structure of the enterprise (reduction or complete exclusion of costs associated with transportation, security, operation of vehicles, maintenance and training of personnel, information services, etc.).

c) Based on the supplier's assessment, the transfer of functions makes sense if the difference between the costs of independent performance of functions and the cost of the supplier's services exceeds the planned transaction costs.

As part of the work at this stage, it is necessary to develop a plan of organizational, structural and other administrative changes related to the transfer of activities to outsourcing, and to appoint responsible persons for solving technological issues within the framework of the implementation of the outsourcing contract, to interact with the outsourcer.

The results of the study showed the need to use this tool according to sound strategic management planning to overcome a number of problems inherent in these enterprises, for example: passive management planning, ineffective administrative methods for selecting outside contractors, lack of adequate programs. In this situation, outsourcing allows you to abandon up this business and focus on priority areas, which will largely overcome certain problems.

However, the company became more agile internally, will be a decision on the implementation of changes related to the transfer of functions to outsourcing maintaining an expressive performance.

In this way, the strategic objectives of the company have been achieved according to sound management planning, were achieved and at the same time, depending on the results of the assessment, when making a positive decision on the transfer of a function to outsourcing, it is important to remember the need for ongoing monitoring of the effectiveness of outsourcing.

## 5. Conclusion

This paper allowed to provide a model developed according to the studies and analyzes that have been discussed in this paper on outsourcing agreements in companies operating in the agricultural sector. With the results obtained in the research, it was possible to indicate that the method of an outsourced mechanism for managing applications in the company by determines outsourcing as being effective for the benefit of the institution or ineffective and will lead to the outsourcing termination, it also enabled the company to select the best outside contractors for its benefit.

In general, the given model for evaluating the effectiveness can be used for a wide range of outsourcing agreements based on the possibility of modifying and distributing it and adjusting it to evaluate the effects of outsourcing agreements of any type of service, through the implementation of successive stages: analysis of factors of the external development of an enterprise; search for a reference enterprise; Evaluation of options for improving production processes in terms of quality, effectiveness and efficiency were achieved according to sound administrative and financial planning.

Despite the obvious limitations, this paper expanded understanding of external phenomena in within companies and methods of evaluation by shedding more light on the paths suggested by the studies discussed in this paper.

As the analyzed company did not have mechanism to detect the reasons in the event of deviation from the terms of the outsourcing contract. Based on theoretical references it was developed the sequence model (Figure 4) in case of independent research by the enterprise: Analysis of commercial offers of outsourcers; a set of evaluation criteria; calculation of the rating of a potential outsourcer; evaluation of proposals for certain criteria of outsourcing companies; choosing the best outsourcer and concluding a contract. The answers were interpreted and, thus, the method was elaborated, in order to meet the strategic objectives of the company.

Among the interventions performed by the method, some can be highlighted based on the results achieved:

- analysis of commercial offers of outsourcers to select the optimal outsourcer;
- determination of the optimal outsourcer on the basis of criterion;
- developed a system of criteria, which includes three groups: performance indicators, financial and economic indicators and competitive indicators;
- the choice of outsourcing company evaluation where he received almost (8,05) points from (10) points.

Therefore, the developed method obtained satisfactory results, where the company helped with this evaluation, as the artifact takes new paths in the relentless search for about the full flexibility in this area for the company.

Through the ideal model is one in which the estimates achieved according to the criteria on the basis of differentiation, and therefore the best model was estimated according to the differential ratios of all evaluation criteria, and values on indicators of the outsourcer and determine the best option for outsourcing, the Company itself.

The paper reflects on the implications of work organization were achieved according to sound administrative and financial planning on the evaluation and selection of the best offers outsource to companies, in a competitive environment in order to provide the service. Therefore, the basis of business processes in an outsourcing environment is the implementation of the business processes of the customer company in a more efficient way (better, in less time, using fewer resources, etc.). Outsourcing is used to assist enterprise operations to improve key manufacturing capabilities, through an effective management program in this area. This allows the company due to new abilities to strengthen its own competitive position of the enterprise. Further scientific intelligence requires questions regarding the evaluation of the effectiveness of the implementation of outsourcing business processes operations for the benefit of the company operating in the agricultural field.

To finish off, and as a final point to this work, it is worth highlighting the fact that the objectives set at the beginning of the project have been met within the limitations imposed by the entities studied.

#### Disclosures

Authors declare no conflict of interest.

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