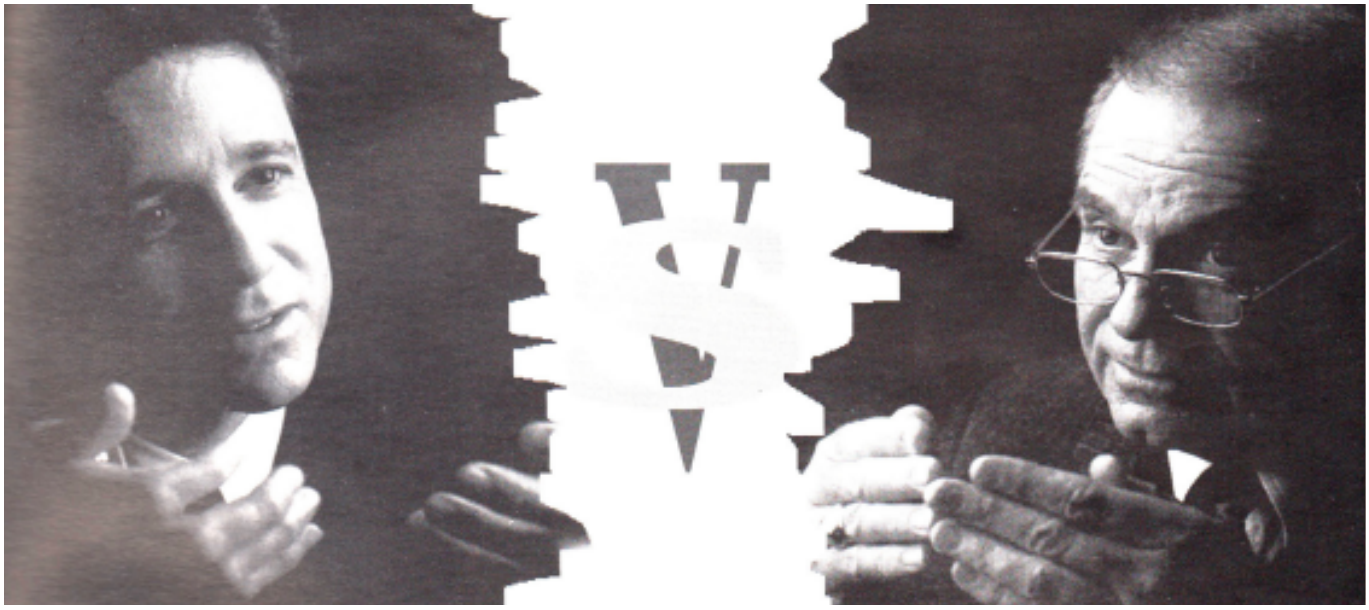
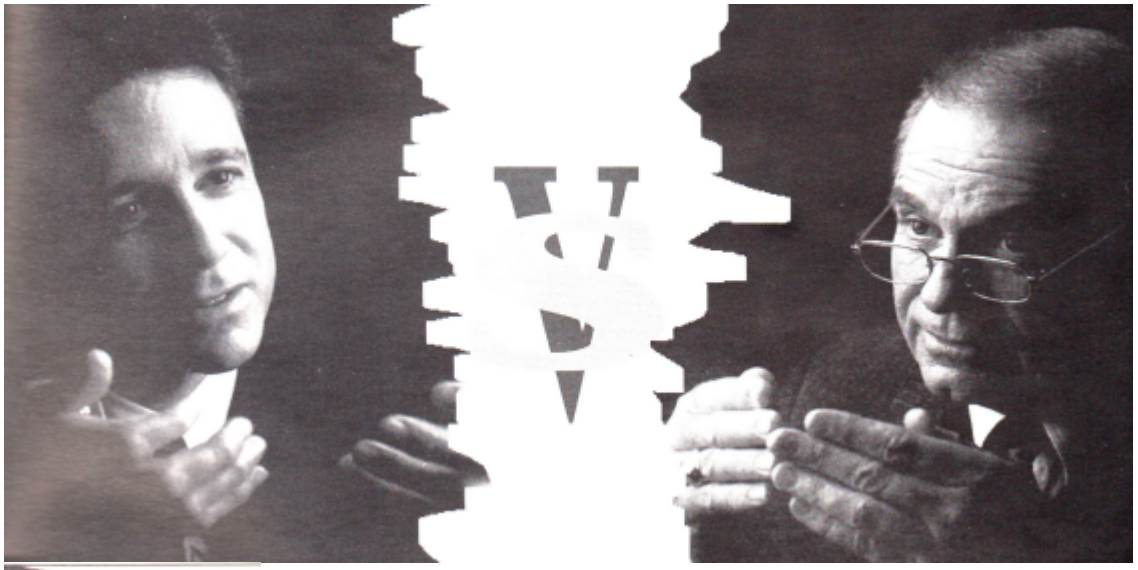


Insiders VS Outsiders





by Arthur Hadley

Big businesses, corporate offices, state and private sector. trading offices have all multiplied by the number over the past few decades in Sri Lanka. With them or within them. have spawned an innumerable number of Presidents, Vice Presidents, Chairmen and Vice Chairmen, Managers, SubManagers, Divisional and Section Heads and Supervisory cadres lower down the scale. All of them are caught up and keep swimming endlessly in the corporate web. Why?

From the point of view of the business leviathan, you could sum it up in one word- profits. All these cogs in the corporate machines have a crucial purpose and function to show results and that again means profits. As business and corporate organisations have grown and become increasingly more complex, they have given rise to a new breed of big- time advisors, consultants or as they are called in the booming business centres in the USA and Europe-'outsources'. These people who presume to be know-alls in their particular fields, confident, with an encyclopaedic knowledge of business methods, industrial practices and procedures, offer themselves to the industrial, business and corporate sector bosses as the only panacea for all the difficulties which their organisations face, and who can put the organisations back on the road to success.

In the big business centres of the world the battle lines have already been drawn between this motley predatory 'outsource' species and those within the 'insources'. If it is not already happening in Sri Lanka as pervasively as in the other business capitals of the world, there are signs of it catching on. So, look out! Let us try and discern the essential differences between these two species through the eyes of a very successful company CEO. We'll call him Varuna and our outsource Aruna.

Our CEO Varuna thinks of Aruna as a 'stink' who is trying to cut the ground from under the feet of an old friend who has been a luncheon and a drinking companion. They worked in the same corporation together, suffered through the faulty execution of countless meetings held in huge hotels, feared the same dinosaurs, loved the same company high- ups and generally did not get in each others' ways. Varuna thought of Aruna as a pal.

"So why is he trying to cut me down?", asks a shocked Varuna. Aruna has set himself up in a small out-house office made impressive with phone, fax machine, computers and all the paraphernalia a consultant is expected to have. Overheads don't worry him and he certainly of all people can therefore offer an excellent

service at a tenth of the cost, and in his own estimation more quickly than what the tested, old employees of the company can offer. But Varuna doesn't quite agree. He has a challenge to throw at Varuna.

Aruna, says Varuna, is perhaps right in claiming that he has gained an enormous amount of experience in business management since he left the old business organisation, and that he holds high esteem within business and industrial circles, former employers and a wide spectrum of clients. Yet, Varuna still thinks of his old friend as a worm for trying to get slyly into the confidence of the top brass in Varuna's office. And without not so much as a word to him, mind you. Varuna wouldn't have known a thing if not for another colleague in the company who got wind of Aruna's sneaky offer.

Varuna has had enough of all this. He will not take things lying down and has decided to deal with what he calls the 'philosophical threat' that people like Aruna pose to hardworking people like him who slave from within the organisation. All this has to change, he says. "We're tough. We're resilient. And if you want to get at our jobs, you will have to climb over us", he says in warning and lays down his reasons as to why:

Insources are on the scene all the time. Outsources are not. They are contacted or come around when there's work to do, but where are they when the informal chat with a company person on the superiority of one product over another is required? Where are they when it's time to getting down to the ground floor, stroll out, pick up a newspaper and sit at a familiar restaurant table with a packet of chips and a soft drink quietly discussing the budgetary affairs of the company for a while? This kind of camaraderie counts, he says. But people like Aruna are incorrectly positioned to perform all the indefinite, or trivially-seeming functions that make up the real job of middle management.

Outsources have an agenda. Insources don't. And you know what? People hate agendas. More than that. They hate agendas cooked up by those like Aruna, days ahead in what they imagine are responsible phone calls. When it comes around to the day of the meeting, there he is, all spruced up in casual wear and holding on to a hard-shelled bulgy briefcase hoping to throw in all he's go on high-flown inventories and management jargon.

And does the Sector Manage want to talk about all that? Of course not. He would rather discuss Sri Lanka's spectacular performance at the Singer World Cup series

for a couple of hours. This is very much up Varuna’s street, no Aruna’s. The outsources lose out again!

Aruna is too darned energetic. Varuna like most insources is not. Aruna feels he has to justify every minute of his time. But he (Varuna), is never under pressure since so much of the job simply gets done by him being there. He can get off doing the minimum and still appear to be smart Outsources are so teasingly technical. It’s all a question of meticulous preparation and on-time delivery.

Aruna believes in a great deal of visual backup with his presentations. Naturally, he works hard within the cosy comfort of his home or home-office. You should. see the multicoloured print-outs. yellows, blues and reds packed with figures on a dark blue background. Varuna has no use for those crutches because he doesn’t have to prove he’s doing anything substantial. Insources just have to have ideas when they are called upon to provide them at a moment’s notice.

When he goes to a meeting, the only preparation Varuna does is to check beforehand, in detail, exactly what the others at the event want to hear and then give it right back to them. Aruna is in no position to do that. Why? Well, Varuna says even though Aruna worked in the same company he doesn’t quite know what’s going on with the people there anymore. He may be briefed for all it’s worth on employee/gross revenue ratios, or the accounts payable/accounts receivable quotient but he doesn’t know



that Thilak’s wife has refused to send him lunch to the office from home and has asked him to fend for himself. Poor chap. Outsources lack the personal touch. They live in their own world and don’t know any other. They are outsourced!

Insources can be grossly political. Not so the outsources. Outsources have to identify with their client, the one who pays their invoices. Insources on the other hand can follow through the nuances of politics within their outfits. They can sit comfortably on both sides of the fence and their only priority is to get the job done. They are well placed to pass olive branches to guys they may have offended, stroke the unpalatable and simply ignore the inconsequential. All the time they are able to weave themselves into the essential fabric of the company’s operations. The outsources can’t do that. They have to work. Poor Chaps.

Insources are consumed with anxiety. Outsources are not. Oh, maybe they worry about a troublesome task here and there but insources are the ones who sit up late at night worrying about mutual stuff that makes them all go crazy. They are the ones who pace up and down the darkened bedroom at 2 a.m. worrying about how to make the numbers look better than they ought to be at next week’s budget presentation.

One advantage that outsources have over insources. Insources cost a lot. Outsources don’t. How come? Those permanently in the company receive salaries, not a fee. They get benefits that protect their families and themselves from all but the worst disasters. And very importantly, remember they are there all the time.

We get a pension or a gratuity when, after 20 or 30 years, we drag ourselves home either to die or perhaps become consultants like the outsources, says Varuna. After a while, we even win a little respect and standing within the corporate hierarchy, he adds. Price may be the one real advantage outsources may have over insources, but it’s no cause for worry, Varuna says.

On the whole however, it will not be an easy sell for outsources, Varuna thinks. This kind of fad has been around business centres in the world for a decade or more and is trying to creep in here into Sri Lanka too, but it is wearing thin elsewhere and will wear out here too, Varuna is sure. At any rate insources seem to rule around here. Aruna should come over and talk it all out with me, says Varuna invitingly!