



*Gene Delaney,  
Motorola Executive Vice President*

# The Best Option

outsourcing  
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*Offshore business process outsourcing (BPO)  
is expected to increase in the near future,  
said Motorola executive vice president Gene Delaney.*

In his paper 'Innovation-Increasing Malaysia's Intellectual Property', Delaney said, "According to the US Department of Commerce, the value of US exports of legal work, computer programming, telecommunications, engineering, management consulting and other private services jumped to US\$131 billion in 2003, up US\$8.42 billion from 2002. Imports of services a category that encompasses US outsourcing of call centres and data entry hit US\$77.38 billion for the year up US\$7.94 billion from 2002".

In fact, offshore BPO is expected to reach US\$3 billion in 2004, a 65 per cent increase from the 2003 total of US\$1.3 billion.

Delaney, who is the president of Global Relations and Resources Organization (GRRO) headquartered in Schaumburg, Illinois, added that companies now have the options to discontinue certain function, source out to lower cost locations (offshoring) or selectively source a portion of the functions.

They would have to focus on selecting the best option to obtain additional cost savings and leverage stranded assets.

Among countries that are known as a good place for outsourcing are India, China, Malaysia, Russia, Philippines, Poland, Ireland and Israel, said Delaney.

Offshoring lower costs, identify talents, promotes host nation's infrastructure and provides financial incentives that are favourable to companies, he added.

Motorola, for instance, has a successful offshoring implementation programme which involves over 3,500 engineers in 15 countries worldwide. Its Global Software

Operation designs and delivers leading software products and services and by strategically aligning its functional divisions with Motorola's product sectors, the outfit develops software solutions and services for many of its products.

Malaysia was chosen as one of its outsourcing locations due to its many attractions. The people, said Gene, are multi-lingual, experienced and qualified. It also has world-class infrastructure with guaranteed service levels. One hundred per cent of the engineers at Motorola are Malaysians.

"Local engineers in Malaysia have demonstrated through innovations to have world-class talents. The partnering and alliances with similar knowledge-base companies in the Multimedia Super Corridor will also further stimulate growth and innovation cycle, which would lay foundation for Malaysia to create world class companies, as demonstrated in Silicon Valley, for example," said Delaney.

*About the speaker: Gene Delaney, who joined Motorola in June of 1978 as a financial analyst in the Communications Sector, came to the cellular business in 1986 as controller of the Motorola Credit Corporation. In 1989 he was promoted to Area Operations Manager for the Central Region. In 1994, he was promoted to vice president and director of operations for the Central and Northeast Region of the Pan America Wireless Infrastructure Group.*

*In June of 1995, Delaney was promoted to Vice President and General Manager-Japan Cellular Infrastructure Division, and in 1997 promoted to Corporate Vice President of Cellular Infrastructure Group. He was promoted to Senior Vice President in 1998 and Executive Vice President in 2002.*

*By: Misha Mohamed*