Outsourcing is a matter of trust

Services in EMS

An initiative of the PCB and Electronic Systems Division within ZVEI
Outside – Resources – Using

From us as EMS companies organised within ZVEI, the purpose of this flyer is to provide you with a decision-making tool for outsourcing in the geographic vicinity – from the view of German-speaking EMS providers.

Development and Trend – OEM/EMS – worldwide
2007 - 2011

Why Outsourcing?
A focus on advantages and benefits:

- Concentration and expansion of core competencies
- Optimising the supply chain
- Improving liquidity through saving on investments
- Unlocking liquidity through reducing capital commitment
- Access to the latest technology and know-how
- Increasing flexibility in short-term needs
- Covering peak capacity demands
- Purchasing benefits through material consolidation
- Strategic reduction of Total cost of Ownership (TcO)
- Reduction of entrepreneurial risks
- Price optimisation through more favourable wage cost structures
- Fixed costs become variable costs
### Stages of the Outsourcing Process

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<th>Stage</th>
<th>Tasks</th>
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| Analysis of current situation | - Creating transparency about the market and competitive position  
                          | - Defining core competencies                                       
                          | - Identifying outsourcing potential and projects                    |
| Make or buy            | - Assessing cost-efficiency                                          
                          | - Selecting services to assign an processes                         |
| Preselection EMS providers | - Compiling a service and objectives profile based on seven added value areas (services in EMS)  
                          | - Pre-selection of potential EMS providers                           |
| Decision EMS providers | - Assessing EMS providers by means of a decision matrix              
                          | - Final placing of order                                            |
| Contract               | - Written fixing of the framework parameters: Timeframes, scope, assignments and areas of responsibility |
| Implementation         | - Integrating into the existing processes of the EMS provider       
                          | - Implementing project plans agreed to                              
                          | - Project-related controlling                                       |
Definition Outsourcing

Outsourcing is the acquisition of services hitherto provided for internally, with the objective to focus on own core components.

ZVEI Members

The following ZVEI Members:

- Offer clients tailor-made services.
- Determine the expertise needed to effectively provide the services.
- Have made a commitment to quality and environmental management.
- Determine the required results and services feature with the client.