

Outsourcing (Offshoring) provides significant cost savings compared to existing onshore operations

COST SAVINGS COMPARISON:ACCOUNTING PROCESS

All figures in USD

Bookkeeper/Jr. Accountant	US. Employee	Offshore Cost
Annual Salary	34000	16800
Payroll Taxes(8%)	2720	
Overhead Costs(10%)	3400	
Total Cost	40120	16800

Staff Accountant/Sr. Accountant	US. Employee	Offshore Cost
Annual Salary	52000	25000
Payroll Taxes(8%)	4160	
Overhead Costs(10%)	5200	
Total Cost	61360	25000

**Major
Costs Savings**

Note

1. Employee benefit costs in US not included in the comparison
2. Overhead cost includes cost of leasing computer hardware and maintenance related , software like accounting package licenses, training, floor space, and electricity among others
3. Offshore cost are only estimates; includes wages, infrastructure, training and technology cost
4. US Salary figures are average figures for New York