

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

FACULTY OF APPLIED SCIENCE

DEPARTMENT OF COMPUTER SCIENCE



**The Impact of Information Technology Outsourcing on Small to Medium
Enterprises:**

A Case Study of Small to Medium Enterprises in Hwange

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ABSTRACT

In Zimbabwe, small to medium enterprises (SMEs) play a very important role in the growth of the economy by their massive contribution to both employment and to gross domestic product (GDP). These SMEs have not been spared by dynamics of information technology, outsourcing in particular, hence this study is an exploration of information technology outsourcing and its impact on SMEs in various sectors of the economy in Hwange, Zimbabwe. SMEs outsource information technology function to their advantage and it has influenced their operations and competitiveness in return. Through interviews and questionnaires the researcher gathered relevant data from SMEs. Outsourcing is the way forward for small to medium sized enterprise because it enables them to access state of the art information technology infrastructure as it is one of aims of the National ICT Policy. The successful implementation of IT through outsourcing requires effective relationship management from all the parties involved. Information technology outsourcing arrangements though advantageous might be risky at times, this study also included a lot of literature of the risks associated with information technology outsourcing and how they can be mitigated. Conclusively information technology outsourcing has an impact on the operations of small to medium enterprises, it was discovered that most outsourcing positively affects profitability, business efficiency, customer satisfaction and information security

Key words:

Information Technology Outsourcing, Small and Medium Enterprises,