Fewer jobs being sent overseas

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U.S. companies that transplanted some operations overseas to reduce costs have since cut outsourcing by a quarter because it didn't save them enough, a new study shows.

Some 25 companies, with average revenue of \$50 billion, shifted course because of "hidden costs," according to a report released today by the consulting unit of New York-based Deloitte & Touche LLP, the largest U.S. accounting firm.

"Organizations have now begun to realize the real costs and inherent risks of outsourcing," the study said. "Contrary to the optimistic portrayal of outsourcing by vendors and the marketplace, outsourcing is an extraordinarily complex process and the anticipated benefits fail to materialize."

The study found that 70 percent of the companies had a negative experience outsourcing projects and 44 percent didn't cut costs.