

GET THE BEST FROM YOUR OUTSOURCING AGENCY

Outsourcing of routine functions has become a viable and an affordable option.

WITH INCREASING STANDARDIZATION of procedures and operations, outsourcing routine functions has become a viable and affordable option to using valuable in-house resources. More and more companies prefer to outsource their backend operations, communications, data processing, and other employee-intensive activities. Hence, their selection has become a crucial function.

However, finding the right outsourcing agency is not always easy. There must be a synergy of operations between a company and the outsourcing vendor, without which there could be needless repetition and lack of optimal use of the outsourced company's resources.

Companies that opt for outsourcing their operations must carefully weigh the advantages of maintaining in-house operations against the advantages of outsourcing them. The deciding factor should be the impact of this decision on the company's bottom line.

USE THIS CHECKLIST TO GET THE MAXIMUM OUTPUT FROM YOUR OUTSOURCING AGENCY:

1. Ensure the outsourcing agency has the credentials and resources to ensure speedy and efficient delivery of services. Make sure you each clarify your position at the onset of the vendor–client relationship. Devise back-up plans for technical snags before handing over operations.
2. Make sure you are getting your money's worth. Get all the costs, and work out the cost to benefit ratio before you proceed.
3. Invite proposals from several outsourcing agencies to discover what is available. Don't go with "low-cost, high-out" deals. Examine such qualifications as resources, agency service experience, market reputation, and the profile of the management. Thoroughly research the profile of the agency and its market reputation before signing up.
4. Having made your final selection, let the agency know that building and maintaining the relationship will be a two-way process. Both companies have to work in sync to make the relationship work. In the

initial stages, the outsourcing agency may seek your intervention. You must extend assistance to help the outsourcing agency streamline all the processes. Once the activities take off, periodically review using appropriate assessment tools to ensure that your company is working with a good outsourcing agency.

5. If the services do not live up to your expectations, don't be in a hurry to terminate the contract. Very often, the problem lies on both ends. Make sure that nothing on your end caused the breakdown of the services. Was your assistance timely? Did you do the necessary routine check to ensure smooth functioning? Was the breakdown of services a freak case of bad coincidence? If there is room to revive the relationship, do all that it takes to restructure the processes.

With these recommendations, managers can get better yield from their outsourcing vendors and maintain a healthier client-vendor relationship.

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