

OUTSOURCING IS AS SIMPLE AS



BY RONALD M. MOEN

Raise your hand if you like Dr. Seuss books. Now ... keep your hand up if you like Dr. Seuss books, and you have no kids younger than kindergarten age. Now ... keep that hand up if you can recite the opening page of your favorite Dr. Seuss book.

AM I THE ONLY ONE WITH MY HAND STILL UP?

In my opinion, Dr. Seuss did many things right in his books. As an educator, he knew that simple concepts and repeatable phrases would give a student the affirmation and confidence necessary to lay the foundation of becoming a strong reader.

So what does Dr. Seuss have to do with outsourcing? Everything.

Dr. Seuss' commitment to simple and repeatable is a good lesson for us in the association economy. I'm not here to suggest our work in associations is overly simple, but I do believe we all need to invest more time to de-complicate our collective expectations, goals and tasks. Outsourcing mandates clear expectations, measurable goals and definable tasks. Just because our work is not simple is no excuse for all the manual, redundant and disconnected workflows we ignore in our organizations. Outsourcing provides a ready-to-use catalyst for evaluating those workflows.

So in the spirit of Aunt Annie and her Alligator, here are my Outsourcing ABCs:

A ASSESS. The first step in any outsourcing initiative is to assess where you are. A useful assessment gives you data on why you are where you are, and focuses your energies on where to go next.

B BREAKTHROUGH. Ask your team how they can break through to the next level. Challenge them to be resource managers, instead of task workers. What additional unique products and services could they deliver if you outsourced their task work?

C COMPETE. How does your role help your organization compete in the marketplace? What one additional capability would increase your contribution? Can it be outsourced?

D DIFFERENTIATE. You have a unique ability that adds

value to your organization. Can you calculate the return to your organization if you outsourced the work you do that is outside your unique ability?

E ENTREPRENEURS. Most outsourcing organizations are led by entrepreneurs, and they continually challenge the status quo. Whether you are adding capacity or replacing departed resources, their willingness to do it differently is a major contributor to improved results.

F FINANCING. Involve your HR director and your CFO in outsourcing dialogue. Outsourcing often allows you to avoid long-term obligations to staff and capital.

G GRID. Stephen Covey, Ph.D., diagrammed a simple grid of four quadrants — Urgent vs. Important. The priority is to spend time in Quadrant No. 2 / Not Urgent & Important. Can outsourcing help you?

H HEDGEHOG. Outsourcing is a useful antidote when resources are constrained or the near term is uncertain. Recreate Jim Collins' hedgehog exercise for your team as a way to re-affirm or re-focus your priorities. That clarity can reveal areas that will benefit from outsourcing.

I INNOVATE. Frans Johansson's book, *The Medici Effect*, is a captivating journey about fostering innovation through unusual combinations of ideas and expertise. The intersection of your team's ideas with outsourced vendor's expertise can be a catalyst for innovation.

J JUSTIFY. Outsourcing forces you to evaluate the way you use your existing resources, and how they can be re-deployed. Beyond the financial ROI, this re-deployment is critical to justification.

K KEY PERFORMANCE INDICATORS. Why do we often have better defined expectations for delivery and metrics



in outsourced relationships than we do for internal departments? Outsourcing may provide you the opportunity you need to create KPIs for key lines of business in your organization.

L LEARN. How often do you facilitate “lessons learned” with an internal initiative, project or department? In an outsourced relationship, “lessons learned” and making subtle mid-course corrections is a normal part of the cycle of improving service delivery and sustainability.

M MARTHA CRAUMER. Her May 2002 article from *Harvard Management Update*, “How to Think Strategically about Outsourcing,” reset the way I approached outsourcing. She gets credit for challenging me to begin with outsourcing’s linkage to organization strategy, instead of its role in cost savings.

N NICSCA. If you are in a rut, an external force is often required to jump out. Outsourcing is often the fastest, most cost-effective way to implement NICSCAs (New Ideas, Creative Solutions and Collaborative Approaches).

O OBSERVE. As you begin your outsourcing scope of work or RFP, visit your peers in other organizations and observe their methods and metrics. Those observations should help you ask better questions and set clearer expectations.

P PINK, as in Daniel Pink. In 2002, Pink’s *Wired* magazine article challenged readers to “supplement our well-developed high-tech abilities with aptitudes that are high concept and high touch.” Outsourcing can free up internal resources for the organization’s unique “high concept” and “high touch” deliverables.

Q QUESTION. Why are you doing it this way? Is this the best way? Consider outsourcing, and it will challenge you to evaluate your current investments, processes and results.

R REHEARSE. Whether you are outsourcing an entire

department, short-term initiative or single project, rehearse the workflow between your organization and the outsourcing vendor. This practice will reveal unclear assumptions, useful checkpoints and realistic expectations.

S SEEDS. What seeds are you planting today that will yield crops next harvest? Outsourcing can handle some of your short-term initiatives, and allow you to plan for the longer term.

T TRANSFORM INSTEAD OF TRANSPLANT. Don’t transplant a problem process to the outsourced vendor. Allow them to transform it. Mandate the results, not the process.

U UNLEASH. The December/January issue of *Fast Company* delivered an article about Toyota’s institutional obsession with improvement — improvements that resulted in fewer engineering hours, but not fewer engineers. The engineers’ efforts were unleashed into other areas of the plant, seeking other improvements. Will outsourcing allow you to liberate key staff to seek mission critical activities?

V VISUALIZE. In your weekly routine, do you pause long enough to paint the big picture for your role and your team? Can you imagine the possibilities with a few subtle changes? Outsourcing can provide the vehicle for those changes.

W WHAT IF ...? This is a great conversation prompt when brainstorming the impact of outsourcing in your organization. In addition, I use three other starters: (1) It would be great if ... ; (2) There must be a better way to ... ; and (3) I would be more productive if ...

X X-RAY. Take a look at the skeletal infrastructure of your organization. Does your staff have the right tools for their mission? If you don’t have the right infrastructure, could you arrive at the same destination by skipping the capital investments and outsourcing?

Y YOU CAN’T DO IT ALL. Are you fully staffed to meet your organization’s priorities? Or are you prioritizing your organization in order to meet staff capacity? Outsourcing can be a cost-effective way to extend capacity to meet your priorities.

Z ZYDECO. From Creole music of Louisiana in the early 1900s, to its own category at the Grammy Awards in 2007, Zydeco continues to integrate a disparate variety of musical instruments and traditions into its own distinct sound. Outsourcing travels a similar journey, from tactical cost-saving projects to strategic mission-critical partnerships, continuing to benefit a wide audience of teams and organizations. ■

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