

Outsourcing 101

Outsourcing 101 – What, When, How and WHO?

There is a lot of talk about outsourcing in this day and age. From complaints about businesses sending their labor offshore to accolades about the efficiency of the modern workplace through outsourcing, the discussion is rampant.

Clearly, there is a place for outsourcing certain tasks in your business but the question is



what tasks, when do you send it “off-site”, how do you actually do it and to whom do you outsource in the first place?

In this article, we’ll give you a basic overview of outsourcing and throughout this article series, we’ll give you all the ins and outs that will help you to make a solid decision about taking the first steps toward making your business processes more effective using an outsourcing model.

What is Outsourcing?

The term “outsourcing” is pretty broad, but in general it is used to define any task, duty, job, process or function that might typically be performed “in-house” but instead is assigned to an individual or firm outside your own office.

Outsourcing can take many forms, including:

- Hiring specialty independent contractors to perform tasks that are not covered effectively in your current staff
- Contracting with outsourcing firms that offer a broad range of services
- Working with agency to help you find the right outsource contractors
- Using virtual assistants and other “work-from-home” contractors
- Using online services to handle “one-off” tasks

What Can Be Outsourced?

Virtually any task that can be done in-house can also be outsourced. Most business owners choose outsourcing as a means to have a “virtual” employee available to handle jobs that do not yet warrant a full-time, or even part-time employee.

Depending upon the specific type of business, you might consider using an outsource contractor or company to handle tasks such as:

- Accounting and/or bookkeeping
- Human Resources (HR)
- Customer service
- Technical Support
- Design work
- Web development
- Social media marketing
- Writing for blogs or other content pieces
- Creating presentations (such as PowerPoint or Keynote)

Many companies even hire outsourced “C” level positions such as an interim CFO, particularly when the company is in an early stage of development.

There is virtually no limit to what is possible to outsource, as long as you keep an open mind and consider the pros and cons of your decision to outsource.

How Do You Determine Tasks to Outsource?

Take a look at your organization chart for your company. Are you finding that multiple responsibilities are being assigned to one or two individuals? This might be a signal to consider outsourcing some of those tasks.

A simple strategy for outsourcing is to create a list of the positions, and associated tasks for each position, and then determine where you currently have holes in your processes or systems, or where there are places that can be run more effectively, or efficiently. Those areas are generally the first and most ideal candidates for outsourcing.

Who Do You Use to Outsource?

There are plenty of options for outsourcing and where you send the work is going to be largely dependent upon several key factors, including:

- What is the task that requires outsourcing?

- Is there is specific language requirement for the task to be completed properly? (i.e., does the outsource contractor have to speak fluent and perfect English?)
- What is your turn-around requirement for the task?
- What level of skill is required to complete the task?
- Where in the world is your outsource “source?” Time zone differences definitely play into your decisions about what tasks can be outsourced and how you manage that process.

In this series of articles, we'll get more into detail about the various components of outsourcing so you can streamline your process and make good decisions about when to outsource, what to outsource and how to make the process efficient and effective for your business.