



10 Critical Success Factors.



Offshore Outsourcing Critical Success Factors

We conducted a survey among firms who are successful in offshoring to find out what factors they associate with their positive offshore experiences. These companies identified the following ten critical success factors that you should keep in mind when considering offshoring as a solution for your business.

1 Selecting the right offshore provider

2 Hiring staff offshore staff

3 Start by hiring senior staff

4 Handover, training, and open communication

5 Integrating offshore staff

6 Manager to manage teams

7 Getting the onshore team comfortable with offshoring

8 Having the right technology setup and skills

9 Formalising business processes

10 Using a staged approach



1

Selecting the right offshore outsourcing provider

The right offshore provider will ensure that you follow industry best practices. Talk to multiple providers so you can establish benchmarks for judging which provider is right for your business. You should also consider visiting the offshore office to get comfortable with the site and the provider process, meet the staff, and start building your relationship. Look for excellent communication, customer testimonials, ability to contact existing customers, and transparency of offshore staff working conditions. Remember to go for value instead of simply choosing the cheapest offshore staffing provider.



2

Hiring the offshore staff

Offshore providers work under a range of different models that include taking your work and putting it through their team and system, to managing the back office for your handpicked team. As your company grows—and with it, the volume of work—you will end up hiring dedicated staff in the offshore location. Get involved in the recruitment process. Be involved in the interview process to ensure that the staff hired is a good fit with your onshore team.



3

Start by hiring senior staff

One successful hiring strategy is to hire senior staff initially. This allows you to focus on training and developing a small leadership group, building your working relationship with the one or two initial senior staff. The senior staff can then hire and train junior staff on the firm's expectations, processes and culture. Hire at least two senior staff initially. Hiring two insures you against the situation where either one leaves.



4

Handover, training and open communication

Offshoring is in many ways similar to opening a new office, no matter where it is located. Consequently, successful firms tend to follow best practices and apply the same principles for establishing an offshore location. Have an appropriate handover of tasks and processes for your offshore staff. Hiring senior staff first to train junior staff helps. Formalise your training process with induction manuals and interactive technology-enhanced solutions. Finally, create a culture of open communication and regular check-ins with team members—this is key to a successful offshoring relationship.



5

Integrating offshore staff

We found that those firms who are the most successful are the ones that integrate their offshore staff with their onshore operations. This includes traditional work-related processes such as inviting the offshore team to meetings and including them in company-wide emails and other communication platforms. It's equally important to establish familiarity and trust by getting to know each staff member and their families.



6

Manager to manage teams

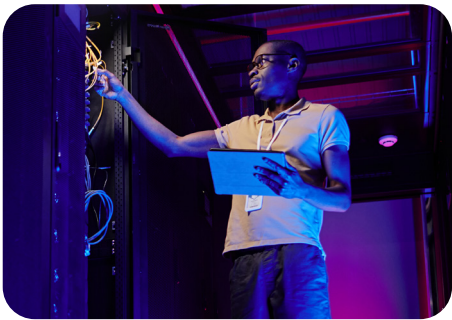
Just as you would assign someone the role in the onshore team to manage the workflows and the staff, the offshore team also needs to be managed. Successful firms have a manager who manages both onshore and offshore workflows, training and development, and all the processes that make the practice efficient. The manager needs to have a good working relationship with onshore and offshore parties and run regular meetings to discuss issues and communicate with the staff. Successful firms stressed the importance of managers traveling to the offshore location to meet the team face-to-face to establish and build a stronger bond between the two.



7

Getting the onshore team comfortable with offshoring

Offshoring is a change management exercise with respect to the onshore team. The fear for onshore staff will be 'what about my job?' Partners and senior staff will have to communicate with onshore staff that they are valuable. Let them know that this is about freeing them up for more time working with clients rather than handling mundane data entry and compliance work. Regular contact between onshore and offshore teams will help build rapport, reduce barriers, and reduce the potential for cross-cultural issues.



8

Having the right technology setup and skills

Majority of firms that participated in the survey let their offshore provider guide them through the technological requirements for their offshore operations. This helps ensure that the technological setup is secure, keeping your client data protected even as you exchange information across borders. Your offshore provider will identify if any of your technological infrastructure needs to be updated or set up before offshoring.



9

Formalising business processes

Firms that have successfully offshored emphasize the importance of formalizing business processes before attempting to offshore them. Small firms have traditionally relied on tacit knowledge and often make decisions on an ad-hoc basis; however this approach is a recipe for disaster when attempting to offshore tasks. While formalising business processes initially takes time, it improves efficiency in the long run by giving offshore staff a clear understanding of your expectations for tasks and how they should be done. This will save time, improve quality and consistency, and increase your returns.



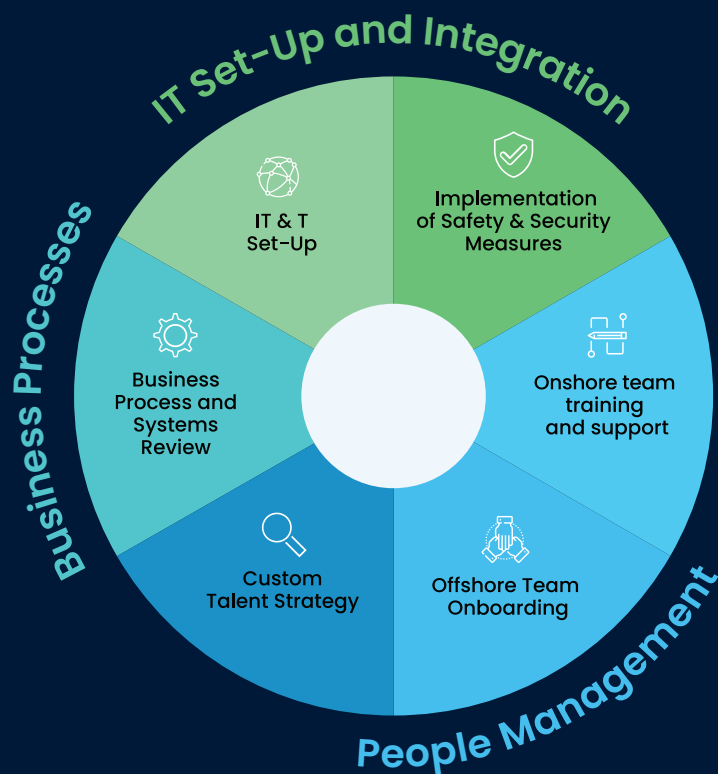
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Using a staged approach

Firms with offshoring experience recommend using a staged approach to offshoring. This means starting with a small offshore team and learning from the experience, adjusting your processes and behavior before increasing your offshoring investment. A more staged approach also plays into the other key success factors, especially ones involving people. It takes time to hire and train the right staff, and to build relationships between the onshore and offshore teams.

Take the proven path to offshoring success.

Our methodology is backed by the 10 critical success factors for offshoring, so you can be confident you're on the proven path to success. Our methodology is built around the 10 critical success factors for offshoring, so you can be confident you're on the proven path to success.



Interested in growing your business with offshoring?

Book in for an obligation free consultation with us and receive a custom growth pack for your business. It maps out the best offshore outsourcing approach for your business, including roles, full pricing, business requirements and more.

You've got everything to gain, and nothing to lose.



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