

NO.1 MISTAKE
COMPANIES MAKE
WHEN **OUTSOURCING**
AND **OFFSHORING**

FOCUSING
SOLELY ON
HOW MUCH
MONEY
IN LABOUR COSTS
THEY WANT TO SAVE



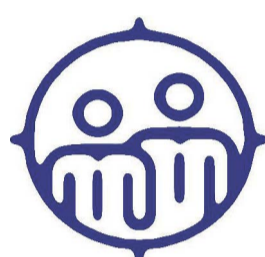
THAT'S A SURE WAY TO FALL INTO

THE 3 OFFSHORING & OUTSOURCING TRAPS



01 THE HIDDEN & IMPLICIT COSTS

The cost of labour is never the full cost of offshoring. Potential money and productivity pits wait at every turn: Fixing mistakes; addressing queries spread out through multiple time zones; travel time and costs for staff to support the remote team; training, re-training and encouraging the Right Behaviours all add up rapidly. Include these costs for a true ROI picture!



02 EMOTIONAL SAFETY OF THE SURVIVORS

You don't need to be an HR guru to know about Maslow's hierarchy of needs. Security and safety rank just above food, water and sleep. Sense of belonging is just above safety. Without security and safety being met, your team starts to feel dispensable... survivor guilt and fear of being next kick in. Once that happens, nobody is working anywhere near their potential, engagement drops and turnover rises. These are the people you have retained for a reason - make sure they know how valued they are!

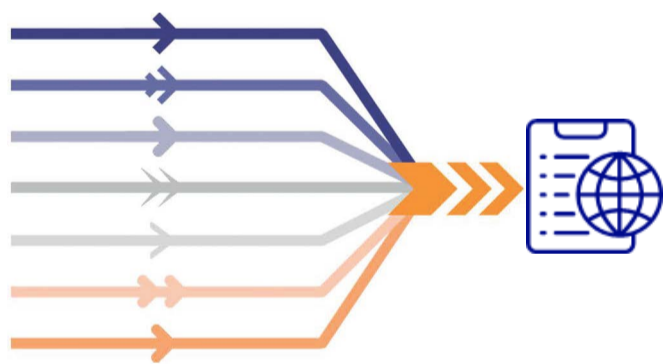


03 ORGANISATIONAL KNOWLEDGE LOSS

Every business needs navigators and connectors who know how the company works, not just how a task is done. They understand the big picture and are quicker to see the solutions, or quicker to find the people who can see the solutions! Transferring this knowledge to an offshore or outsourced team can be very difficult. It takes (usually underestimated) time and effort and is a major source of frustration on all sides. Productivity stalls, speed-to-market reduces and engagement drops.

**IF YOU'RE CONSIDERING
A STRAIGHT "LIFT&SHIFT"**

STOP!



**SIMPLIFY
& STANDARDISE
FIRST!**

**POOR
PROCESSES
ONSHORE OR
INHOUSE**



**POOR
PROCESSES
OFFSHORE OR
OUTSOURCED**

Be very selective in what work is identified to outsource or offshore. Understand the work in minute detail before you decide who will undertake it and where. Don't give away your competitive advantage for an uncertain short-term gain. You may end up with a much bigger long-term cost and a need for reintegration.

Not simplifying your processes and expecting a new offshore / outsourced team to know how to undertake the same process as your existing team is, simply put, a ticking timebomb!

Get expert advice before you start moving work!



**OPTIMAL
RESOURCING**

RIGHT WORK - RIGHT PEOPLE - RIGHT BEHAVIOURS



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