

## Four Quick Tips for Successful Association Outsourcing

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I've successfully managed the outsourcing of more than 40 different projects, for over 14 different clients, across 8 different functional areas. And while each situation is unique, there's a common thread among all of these that can be shared with you.

These steps are:

### **Precise Definition of Project Objectives/Goals Between the Client and Service Provider**

The need for this can't be understated. Unless there are mutually agreed on end results, stated in both quantitative and qualitative terms -- specifically the who, what, when, where, why and how to be delivered -- one or both of the parties will be disappointed in the outcome. Leave no stone unturned in this phase or both client and provider will suffer.

### **Assign the 'Right' People, with the 'Right' Skills and Chemistry**

Sounds easy. But it's not. Based on the previous point, it's important that an advisor, with extensive client experience be assigned to oversee the project work that will be handled by the functional (i.e., accounting, IS, marketing, etc.) manager, so that the 'big picture' doesn't get lost in the details. Both should have extensive experience in the given functional subject. And both should have a ready rapport with the client, to maximize the time spent together. Nothing facilitates communication and productivity like mutual respect and trust.

### **Full Budgetary Disclosure of Project Prices and Costs**

One of the problem areas in outsourcing services is a misunderstanding of pricing and costs. It's the responsibility of the provider to educate the client on the resources required to accomplish a given task. When a service gets farmed out, many clients are unaware of the 'hidden' costs that go into successful project completion. Not only does this involve salary expenditure, but other issues, such as administrative overhead, the impact of 'freeing up' resources, the alternative cost of capital -- all need to be addressed and understood by both parties. A full understanding of project pricing and costs will lead to better communication, better awareness and, most importantly, greater trust.

### **'No Surprises' Management**

Once a project comes to the provider, I can't state enough that open communication, frequent contact, and an overall 'no surprises' approach is necessary, from both sides. In order for providers to make the client look good, they must be fully aware of the project's scope. Failure to relate a growing issue, or glossing over emerging problems, on both sides of the project table, throughout the project's life, will ultimately undermine the work. We strongly suggest weekly, monthly and quarterly communications of all ongoing issues, to ensure a successfully outsourced project.

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