



The Product Marketing & Product Management Experts™

Secrets of Outsourcing Successfully

by Greg Cohen

Principal Consultant, [280 Group](#)

Outsourcers* comes in many shapes and size. I have worked with strategic vendors (aka partners) for managing public relations, telesales, naming firms, and website development and management. I have also used project specific vendors for graphic design, writing, transcription, and a variety of other tasks. I have learned a lot from these experiences and have had a lot of fun collaborating with some of the world's most talented people from San Francisco, California to Bodrum, Turkey. On the way, I've seen the pros and cons and developed some guiding principles to keep my projects running smoothly.

On the plus side, outsourcing lets you scale and accelerate projects. You are able to tap a global talent pool with specialized expertise. Your vendor can provide an outsider's view and can bring fresh ideas to problems. Further, they can ground you when everyone at your company is "drinking the Kool-Aid." Additionally, costs are easily managed and limited to the engagement.

On the negative side, vendors do not have the collective knowledge that employees naturally absorb regarding the company's history, culture, and priorities. Further, your vendor usually works offsite and often in a different time zone. This creates unique communication challenges as they are cut off from the unofficial flow of information that makes its way through an office. Lastly, depending on the type of engagement, vendors juggle projects for multiple clients, so you cannot always demand that they drop what they are doing to address your urgent issue.

Still, the positives far outweigh the negatives and you can bring projects in on-time and on-target by following some simple guidelines:

1. **Define the deliverable** – Clearly define the end product. This is important to in order to determine when the project is done and avoid misunderstanding. On phased projects, go the extra step to define who owns the interim deliverables and when they are due.
2. **Be explicit** – take the extra time to communicate instructions in as much detail as possible. Remember, you will not be able to walk by their desk later to talk through your email and clarify your comments. Secondly, reread everything you write to ensure that there is only one way it can be interpreted.
3. **Insist on seeing drafts** – Always provide interim milestones so you can measure the direction of progress. This might be reading a rough draft of a press release, reviewing wireframes, or commenting on multiple concepts of a design. This allows

you to measure the vendor's understanding of the project and uncover issues you failed to articulate. It also lets you provide mid-course corrections before too much time and energy is wasted.

4. **Use pictures** – never use words when you can use a picture. For years I have used an inexpensive product called Snag-it to capture and annotate screen shots. My vendors always thank me. My feedback is quick and easy to understand and unambiguous, which eliminates unnecessary rounds of revisions.
5. **Create reasons to check in often** – you should assume your vendors are just as stretched as you are. Therefore, it is important to check in often to ensure your project is staying top of mind. Even if you fail to check in often, you should always check in a few days before the due date. This gives the vendor time to gracefully recover if they had been focusing on other projects.
6. **Create one source of truth** – If your vendor has an issue management system, resist the urge to provide feedback in email because it is marginally more expedient. If your vendor does not have such a system in place, create a single master list with version tracking for feedback. If you start separating issues over multiple emails and documents, some will get lost, and you will have a hard time ensuring all feedback was addressed.
7. **Pick-up the phone** – It's easy to get in the habit of shooting emails back and forth. But if time zones permit, pick-up the phone. In 10 minutes, you can have a rich conversation and work through what would have taken a long string of emails and possibly days to resolve.
8. **Build in a buffer** – Recognize that emergencies happen and on occasion your vendor may need an extra day. Secondly, even though you've followed all the advice above on being explicit, sometimes the final deliverable still needs one more tweak. Based on the complexity of the project, assume you will need one or more extra revision cycles and build that into the schedule from the beginning.

Outsourcing should be used to tap expertise, to scale, and to shed non-core activities, but it is no panacea. Just like an employee, vendors need to be managed. If you don't devote the time to guide your vendors, you may be disappointed. However, you will be delighted if you do take the time to do it right.

*It should be noted that although the same principles apply to managing outsourced development teams, there are additional challenges that are beyond the scope of this article.

Greg Cohen is a principal consultant at the [280 Group](#) and on the board of the Silicon Valley Product Management Association. He has over a decade of product management and marketing experience, including Software-as-a-Service, channel sales, open source software, and agile development.