Solving the Offshoring Dilemma

Overseas content management can be a positive experience.

By Richard G. Klingshirn
and Brenda Wisniewski

THE DEBATE over the best way to benefit from offshoring corporate functions continues to rage.

Despite the complexities, industry experts believe that outsourcing selected functions—particularly content development and delivery—is the most popular. Most organizations choose to contract with content providers to reduce costs, improve time-to-market, and reduce staff workload. If the vendor is housed outside an organization's headquarters, companies are finding it more challenging than ever to achieve these goals.

There are three basic questions that must be addressed when evaluating an offshoring relationship. What learning functions or activities should you outsource? Who is the right service provider? How do you develop an effective relationship? The process approach described here permitted us to effectively provide training to hundreds of thousands of employees internally and at several other large global organizations.

Intellinex determined that outsourcing content development overseas was a necessity to achieve its strategic business objectives. The goal was to accomplish this without compromising quality, timing, performance, and customer satisfaction. Intellinex selected a contractor based on its available re-sources, business experience, and financial stability.

It created a content development model that takes advantage of consistent processes and instituted procedures that created a true partnership. The offshore vendor team became an extension of the domestic team, instead of the more traditional customer and vendor relationship that takes place when you outsource jobsto a vendor. Achieving these results did not come easily. Leadership and team members put in significant time and resources to apply proven practices.

A process model

The two basic ways you can outsource your content development are by project or by processes that cut across projects.

A study by Bersin & Associates reported that the content development decision is generally based on the project model. According to the report, the most common project characteristics that call for utilizing a partner include ones that are labor intensive, require minimum collaboration, permit flexible deadlines, target nonstrategic functions, and are large enough to justify the cost and time of project management.

Determining offshore suitability based on common processes is not a new idea. You simply apply the same outsourcing decision model that has proven effective for other parts of the organiza-tion. In essence, contract for the non-strategic processes and keep core functions in-house. To accomplish this, an organization must define the key processes that make up content delivery, and then identify the tasks that can be efficiently completed by a contractor and those that are handled best by the in-house team.

Research by Guarav Chadha and Nafay Kumail, the authors of *E-Learning*, shows that to establish an effective learning outsource program, you must have well-aligned processes. When a well-defined methodology is followed by both the home office and offshore teams, the home office benefits on a number of levels. Learning principles will be consistently applied. Cost and delivery requirements will be met. Content, technology, and business processes will be consistent, and learning solutions will yield the required business performance.

According to M. Ray McGowen, chief learning officer at Ernst & Young, the offshore partner should be invisible to the customer. "Our offshore partner uses the same methodology with all its tools, templates, and applications that our own team uses," he explains. "This approach has allowed our partner team to truly become an extension of our own content development team."

The offshore partner shows value by applying consistent processes that demonstrate cost and time savings.

The process model can be used for all forms of content development, regardless of delivery method. It takes the guesswork out of the "what to offshore" decision because the same rules apply whether you need to develop new content, update existing web content, increase interactivity without modifying the web content, or localize existing content.

A true partnership

The most important aspect of any effective offshore relationship is to treat the vendor as a true partner, rather than an independent contractor. Never forget that you own the entire content development process, and the offshore vendor is an extension of your team. As

Is Offshoring Right for Your Organization?

How can you determine whether the offshore content development process model is right for your organization? Consider the following factors:

● Customize the content development process model presented here to reflect your methodology. Don't consider the implications of an offshore partner yet. It may be easier to map processes for one delivery form first, then integrate others. For example, you might start with web-based content as this would most likely be the first type to be developed with an offshore partner.

● Determine which processes you would retain and which you would assign to an offshore partner.

● Identify the value of the first assignment and of having the same partner providing consistent processes as an extension of your own team.

You'll discover increased value from applying the process model in lieu of a project approach to outsourcing content development. When you add the value from integrating a partner's resources with your own team's expertise, you should expect to see overall performance improvement.

the process owner, you are responsible for establishing the project management methodology that will be used by both teams and for encouraging the partner to bring new ideas and concepts to the table. While this point may seem obvious, cultural differences can delay a smooth implementation. What may seem sensible to one cultural group may be offensive to the other.

Managing the offshore relationship is like negotiating an obstacle course in a heavy fog. It is important to plan for the known and be prepared for the unexpected. A good starting point is to establish an offshore management team at the beginning of the outsourcing process. Appoint a senior manager, experienced with the project management process, as the primary point of contact.

A common mistake is to underestimate the time required to manage the relationship. For example, the scenario learning team leader dedicates 60 percent of her time to manage one offshore partner relationship. She also is supported by a number of team members experienced in their content development methodology to ensure adequate knowledge sharing and project delivery. Is this manager spending too much time managing the contract relationship?

Effective training

The time and resources invested in cross training the integrated team on all aspects of the methodologies, processes, tools, and protocols will be returned in many ways. A client should expect an overall improvement in the quality of content but otherwise the transition to an offshore partnership should be invisible to an outsider.

The most effective training method is to send key personnel with the content development and project management skills to the offshore partner's office. This internal team delivers the training and works side-by-side with the partner for several months. When one or two projects have been through the entire content development process model, bring the partner's key personnel to the home office to train in the same fashion. The benefit of this exchange pro-

gram is to create communication channels and share experiences. Equally important is the cultural immersion that gives both teams the opportunity to grow, learn, and communicate in ways that cannot be achieved through telephone or email.

Supplement your exchange program with a virtual training program to ensure that both teams stay current with new processes, new tools, changing technologies, and conflict resolution.

Communication

Since much of the offshore partner relationships produce web-based content, a technology-based communications approach may seem logical. However, when it comes to communications, there is no substitute for one-on-one discussion.

Only voice-to-voice communications allow you to hear how well a colleague understands, how the colloquialisms are interpreted, or whether a question remains unanswered. Direct communication also helps uncover cultural differences that can be addressed early. The communications protocol includes a weekly conference call between the home office and the contract team manager to review work performed, confirm expectations, and resolve issues. Email should be used only to supplement direct communications, such as confirming discussions, sharing data, and scheduling activities.

Another critical communications element is the secure program web page, which provides a site for both teams to share work, post all information related to the project, and maintain awareness of the project's status. The website also shortens the content development timeframe by avoiding time zone delays when sharing work product. The home office can post its instructions and feedback at the end of each day, thereby allowing the offshore team to post its work for review by the home office the next morning. By establishing a protocol for time-zone overlap, the content development team can be available during normal business hours.

Cultural differences

Even a well-managed offshore partner relationship will encounter difficulties. The exchange program enabled both teams to share experiences and build a rapport necessary for working as a team.

One unexpected benefit arose from the buddy system, which gave each individual a counterpart who could answer questions, provide guidance, and offer support. By using internal learning customers as buddies, Intellinex customers have a greater appreciation of the content development process, and there is greater acceptance of offshore partners.

Performance evaluation

When you have a win-win relationship, the offshore vendor is a partner, the team is integrated, and common goals and performance measures are established upfront. The senior managers will agree to a reciprocal process, including what evaluation criteria and instruments will be used. Also, both teams will know that once the evaluation is conducted, results will be shared, and improvement opportunities and action steps will be expected.

Most companies that outsource services acknowledge that it takes time to develop the relationship, but with aligned processes, a partnership mentality, and sound management, the investment pays off. The partnership members know from customer feedback that their investment is paying dividends because the content appears just as it would if it was handled by in-house staff.

Another advantage of the outsource model is the ability to meet multiple customer demands annually. "By having access to our offshore partner's flexible workforce, we were able to double the number of people dedicated to our customers' needs literally overnight without sacrificing quality," says Roy Brown, president and CEO of Intellinex. "Our investment in processes, tools, and the relationship clearly paid off." **TD**

Richard G. Klingshirn is senior vice president of learning services at Intellinex; richard.klingshirn@intellinex.com. **Brenda Wisniewski** provides consulting services to businesses and higher education; brendawis@bellsouth.net.