

## Case Study – Outsourcing Offshore

### Problem

The challenge was to achieve further cost and service improvements from what was already a lean business given the numerous old systems and the organisation structure.

The business had previously made a strategic decision to outsource as many processes and procedures it could successfully offshore. Outsourcing offshore transferred responsibility for system upgrades, people management and service delivery. It did mean new process & procedures would have to be adopted by all people in the business.

Issues with trying to streamline the work in-house were; people spread over 5 UK sites, all using different systems. If activity stayed in house, significant investment would be required to buy and maintain a new system.

The outsourcing offshore would mean people being redeployed (where possible) or made redundant in a business which was heavily unionised.

### Solution/Process

Key suppliers and the existing internal team(s) who all had the right strengths and capabilities were assessed. One external supplier stood out because of the quality of their team offshore and their desire to work with the business. They had a track record in delivering the services and matched the business commitment to good service delivery.

Ongoing communication on rationale, progress, high-level process, commercial drivers, etc to build understanding and confidence at all levels of the business was key. Detailed communication on practical implications and changes to people and service transfers were shared with relevant people throughout the business.

Leaders/managers at all levels were actively involved in the change. Immediate Line Managers of the people directly impacted were confident that senior management would provide the help and encouragement that people needed. Some People from the in-house team worked offshore to champion the changes and handover the processes and procedures with pride.

People were trained to the appropriate level, via various methods and demonstrated understanding. Support plans were put in place and communicated to people directly impacted by the change (e.g. those with disabilities, requiring assistance with the new system/procedure or those threatened with redeployment/ redundancy).

### Outcome/Benefit Delivery

The programme was cost effective but, more importantly, allowed the business to focus on the most critical priorities and in adding value. The outsource providers significant know-how in systems and processes enabled the business to focus on future growth, rather than managing people or investing significant time and cost on new technology etc.

#### Overall

- Business leaders understood the rationale for off shoring, could see how it fits with the wider business strategy and believed was the right approach.
- People at all levels felt confident about the off-shoring process and were willing and able to actively support and champion it.
- People's expectations were managed effectively so that everyone was clear on what off-shoring meant for them (e.g. what stayed the same, what changed, benefits of new approach, adjusting to new ways of doing things)
- People directly impacted were either successfully redeployed in the business or helped to find alternative employment.