

# **Successful Outsourcing: When to Do It & How to Manage It**

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# Administration

- **Slides:** The presentation slide link was provided the day before the webinar; our follow-up email will provide the link to both presentation slides and a video recording of the webinar for your reference or to share with others.
- **Sound:** For best quality, **call in by phone** instead of using your computer speakers. The number is listed in your email confirmation.
- **HRCI and CPE:** **If you need HRCI and CPE, please participate in all polls** throughout the presentation to receive credit for the seminar. The HRCI number will be provided at the end of the webinar. **If you need CPE, please use the question box to let us know you want a CPE certificate.**
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- **Questions:** To ask questions during the presentation, type them into the “Questions” box on the right side of your screen.

# About the Speakers



Cynthia McSwain leads Allen, Gibbs & Houlik, L.C.'s (AGH) outsourcing services group. Her team provides payroll, accounting, funds disbursement, controller, and other financial outsourcing services to numerous clients throughout the Midwest.



Jandrea Blumanhourst serves as a financial and accounting consultant for AGH's outsourcing services group. She helps clients with a broad range of accounting and consulting services including monthly financial close-out, assistance during peak workloads or special projects, training new accounting personnel, and other services.



# Polling Question #1





**OUTSOURCING**

**NEXT EXIT ↗**

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EMPLOYER SOLUTIONS

# Objectives



- What is outsourcing?
- Why outsource?
- When to outsource?
- What to outsource?
- How to choose a provider?

# Objectives

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- What is outsourcing?
- Why outsource?
- When to outsource?
- What to outsource?
- How to choose a provider?

# What is Outsourcing?

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# What is Outsourcing?



# What is Outsourcing?

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# What is Outsourcing?

**Obtaining goods or services  
from an outside supplier  
(instead of using internal resources)**



**You do NOT outsource  
the ultimate responsibility!**

# What is Outsourcing?



# What are You Currently Outsourcing?

## PERSONAL

Child care

Education of children

Housekeeping

Hair and other grooming

Lawn maintenance

Personal shoppers

## BUSINESS

Janitorial / maintenance

Information technology

Marketing

Legal services

Payroll / accounting / tax

Employee benefits



# Acknowledge your weaknesses — and don't be afraid to outsource



# An Industry of Its Own



## The 2014 Global Outsourcing 100<sup>©</sup>

| Rank | Company                              | Services   | Revenue            | EEs     |
|------|--------------------------------------|--|--------------------|---------|
| 1    | ISS                                  | Facility services  | DKK 78.5 billion   | 530,000 |
| 2    | Accenture                            | Management consulting, technology services and outsourcing | USD \$28.6 billion | 293,000 |
| 3    | CBRE                                 | Real estate services                                       | USD \$7.2 billion  | 44,000  |
| 4    | Kelly Outsourcing & Consulting Group | Talent management  | USD \$5.4 billion  | 540,000 |
| 5    | Colliers International               | Real estate services                                       | USD \$2.1 billion  | 15,800  |
| 6    | HCL Technologies                     | IT and engineering services                                | USD \$5.2 billion  | 85,500  |
| 7    | NCR Services                         | Consumer transaction technologies                          | USD \$6.1 billion  | 29,300  |

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# Polling Question #2



# Objectives

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- What is outsourcing?
- **Why outsource?**
- When to outsource?
- What to outsource?
- How to choose a provider?

# Why Outsource - Advantages





# Why Outsource - Disadvantages



# Objectives

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- What is outsourcing?
- Why outsource?
- **When to outsource?**
- What to outsource?
- How to choose a provider?

# When to Outsource?



# When to Outsource

- Time “suckers”
- Frustrations
- Unnecessary costs
- Turnover



# Objectives

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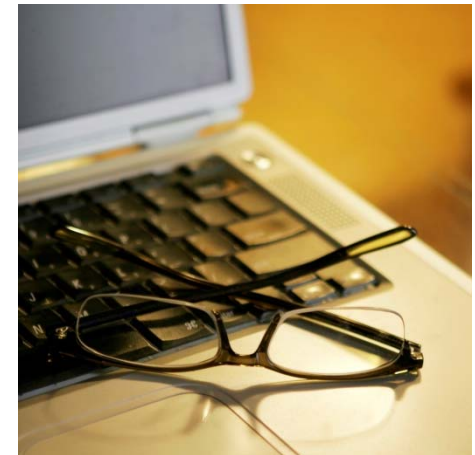
- What is outsourcing?
- Why outsource?
- When to outsource?
- **What to outsource?**
- How to choose a provider?



# What to Outsource

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1. Routine accounting services
2. Upper-level finance services
3. Other professional services



# What to Outsource

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1. Routine accounting services
2. Upper-level finance services
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# What to Outsource

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1. Routine accounting services
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3. Other professional services



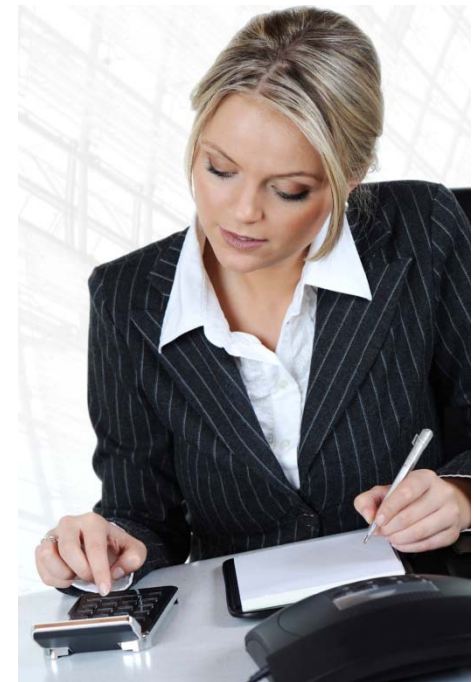
# What to Outsource

1. Routine accounting services

2. Upper-level finance services

## 3. Other professional services

- Technology
- Marketing
- Human resources
- Legal
- Education
- Other



# What to Outsource

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1. Routine accounting services
2. Upper-level finance services
3. Other professional services







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caglecartoons.com

# Polling Question #3



# Objectives



- What is outsourcing?
- Why outsource?
- When to outsource?
- What to outsource?
- How to choose a provider?

# Choosing a Provider



Analyze  
needs &  
desired  
outcomes

Identify  
potential  
vendors

Initial  
interviews

Secondary  
interviews

Final  
selection

Negotiate  
contract

# Step 1: Analyze Needs / Desired Outcomes



Analyze  
needs &  
desired  
outcomes

Identify  
potential  
vendors

Initial  
interviews

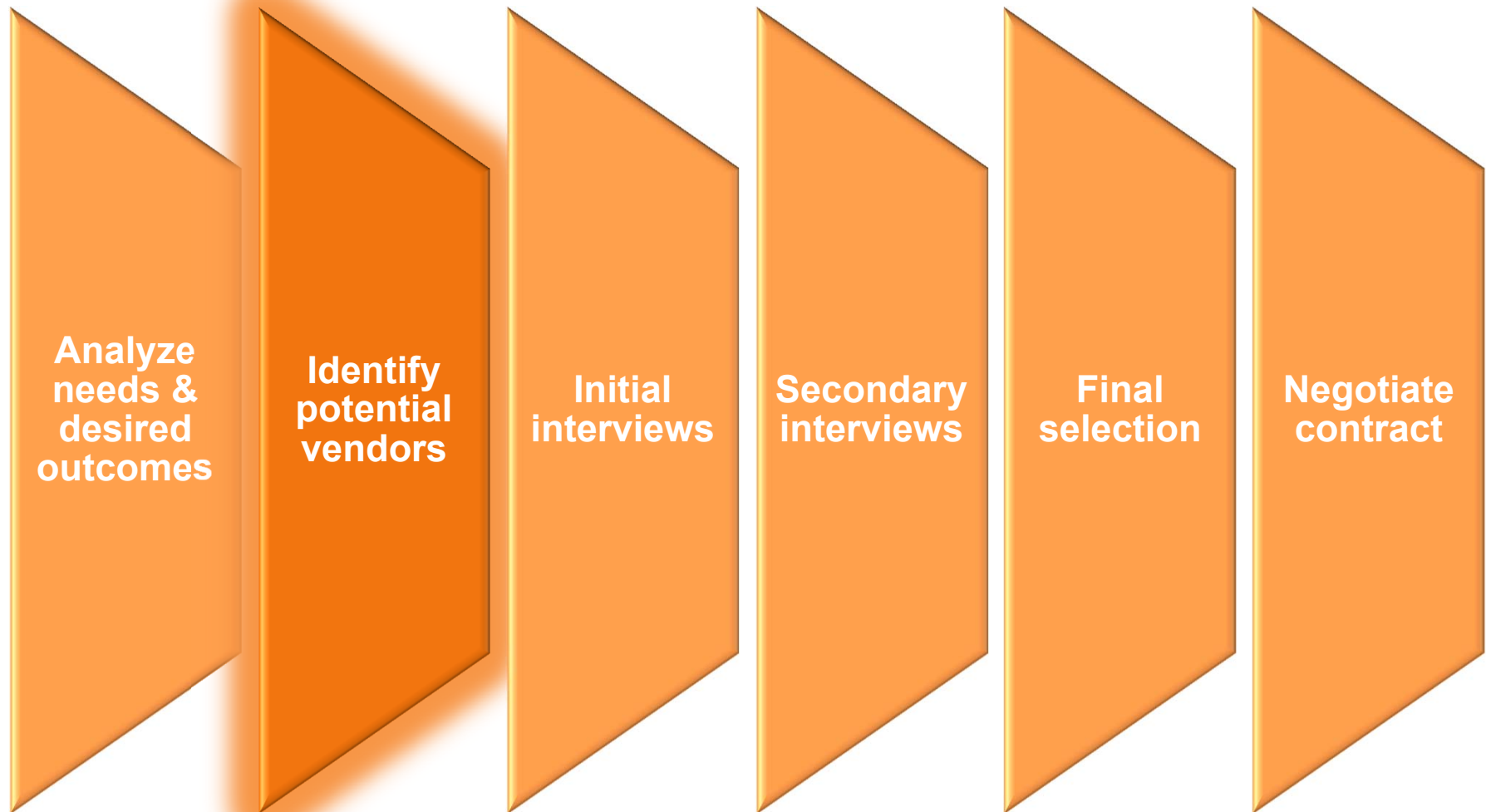
Secondary  
interviews

Final  
selection

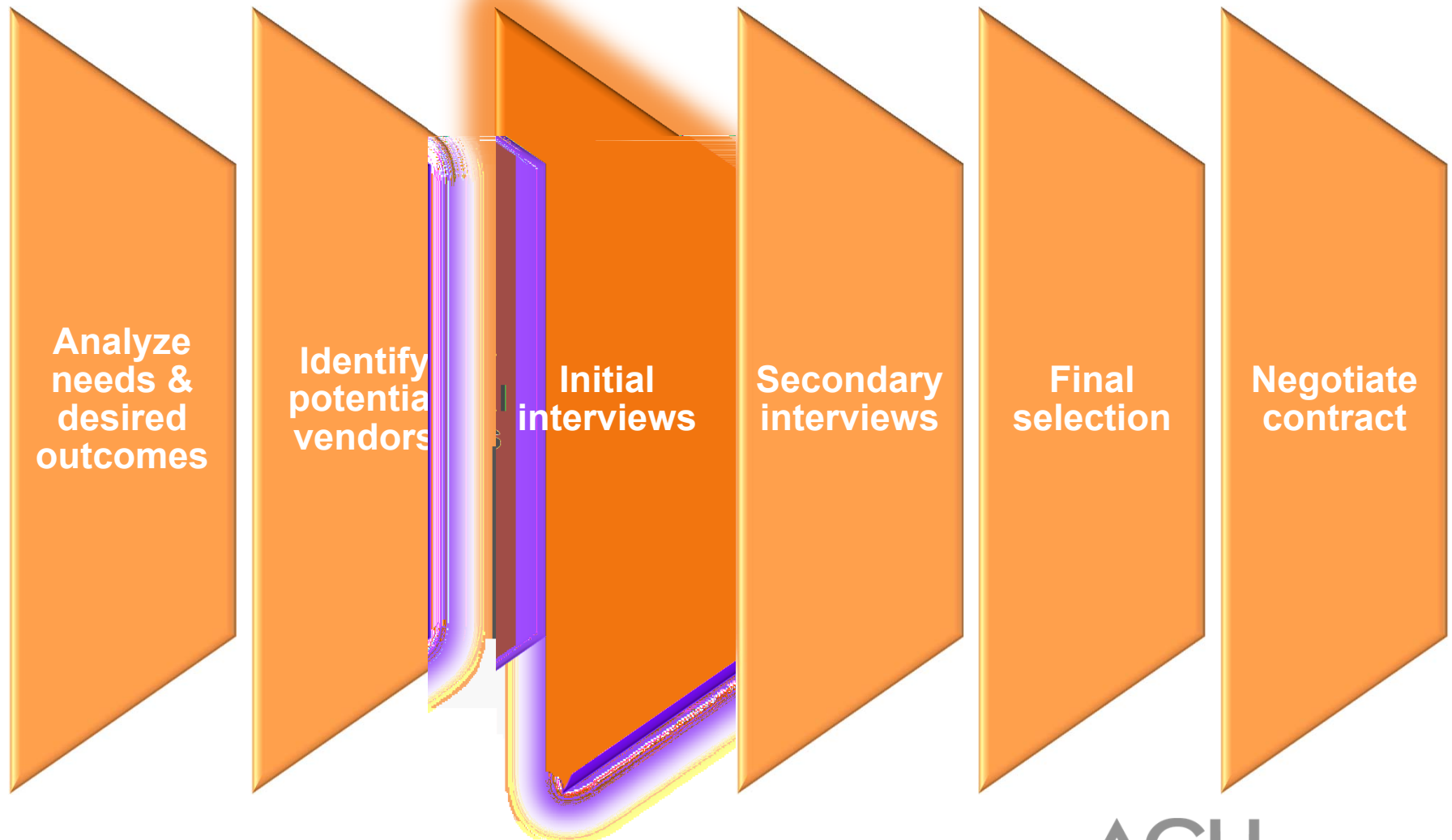
Negotiate  
contract



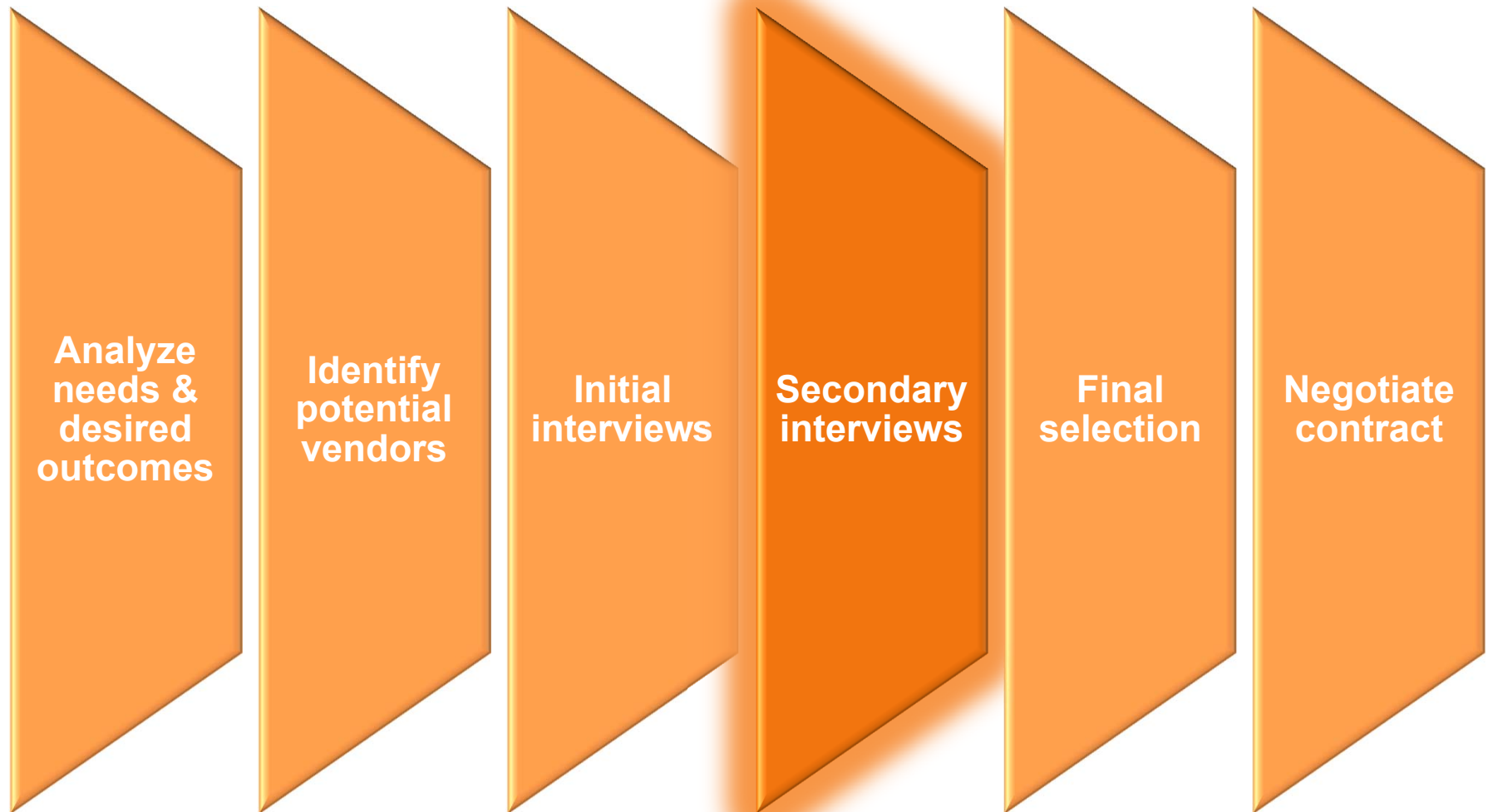
## Step 2: Identify Potential Vendors



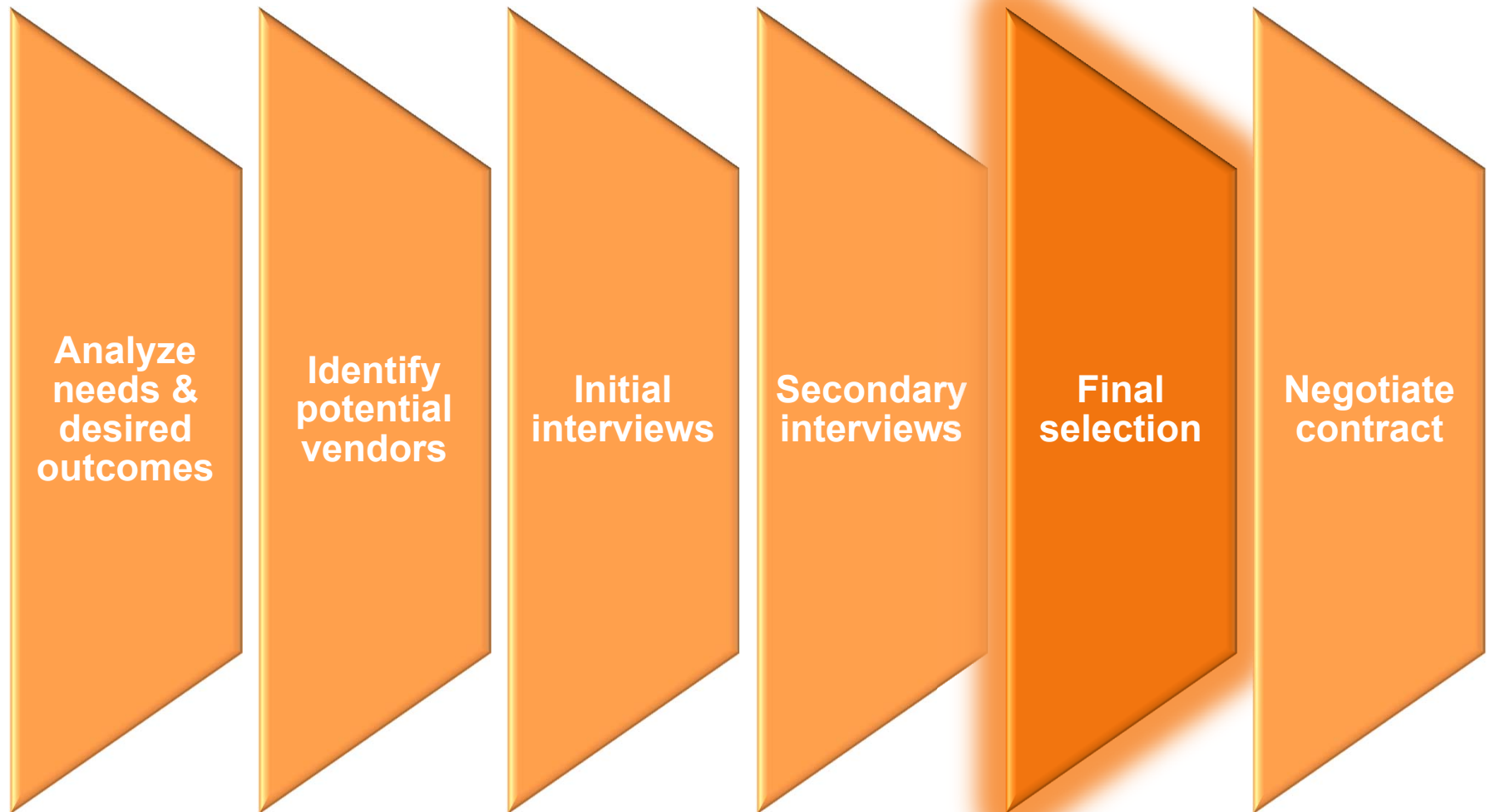
# Step 3: Initial Interviews



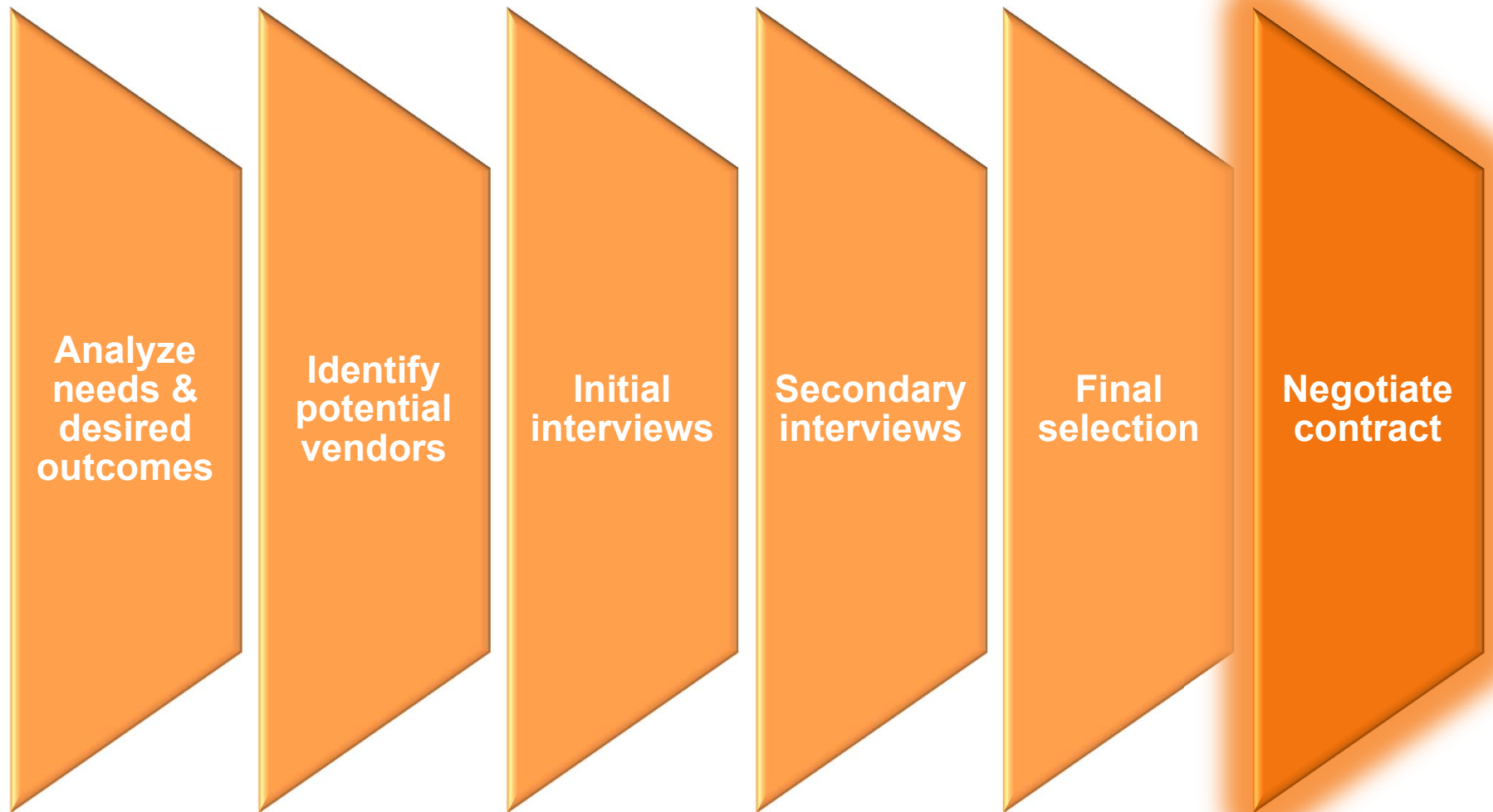
# Step 4: Secondary Interviews



# Step 5: Final Selection



# Step 6: Negotiate a Contract





**suc•cess**

(sək-sēs') *n.*

**1. The achievement  
of something  
desired.**

# Polling Question #4







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# HRCI Credit



**HRCI pre-approved for 1 hour HR  
(general) recertification credit**

**PROGRAM ID:**

# Thank you!

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