



Are you ready to outsource?

For outsourcing to succeed, there must be consensus among the nonprofit organization's senior staff and board members on a number of critical issues. Use the following questions to open a dialogue on these key considerations and others:

Purpose

| Question | Absolutely Yes | Not a Chance | Don't Know |
|---|--------------------------|--------------------------|--------------------------|
| 1. Are the major goals of our organization clear to our senior leaders and board? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Could outsourcing help our organization achieve its strategic plan? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Are we positioned well with the most senior leadership in our organization? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Principles

| Question | Absolutely Yes | Not a Chance | Don't Know |
|--|--------------------------|--------------------------|--------------------------|
| 1. Will outsourcing increase the trust that constituents place in our organization? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Have we clearly defined our strengths, weaknesses and opportunities in our marketplace? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Are we willing to take the reasonable risks associated with outsourcing? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Are we willing to give up control over the outsourced process(es) as long as satisfactory results are achieved? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Have we considered the political and institutional consequences of outsourcing? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

People

| Question | Absolutely Yes | Not a Chance | Don't Know |
|--|--------------------------|--------------------------|--------------------------|
| 1. Do the CEO and key staff lack in-depth knowledge of the function(s) to be outsourced? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Will outsourcing add value to the service we provide? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Is this the right time to consider outsourcing? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Does the board understand the benefits of outsourcing? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Priorities

| Question | Absolutely Yes | Not a Chance | Don't Know |
|--|--------------------------|--------------------------|--------------------------|
| 1. Have we identified what is absolutely necessary to achieving our organization's mission? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Is it common for organizations to outsource the function(s) that we're considering outsourcing? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Can we devote the time necessary to bring our outsourcing provider up to speed? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Can we maintain our independence while outsourcing? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Can we deliver our mission more effectively by outsourcing? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Can we account for the direct and indirect costs of outsourcing? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Will outsourcing give us additional flexibility in serving our constituents? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Priorities, cont'd.

| Question | Absolutely Yes | Not a Chance | Don't Know |
|--|---------------------------|--------------------------|--------------------------|
| 8. Will outsourcing improve the performance and involvement of our board? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Will outsourcing permit the reassignment of key staff to activities more closely related to our core mission? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Will monitoring our outsourcing provider require less time than supervising an internal staff member? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Is there long-term growth potential as a result of outsourcing? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. When direct and indirect costs are considered, is outsourcing a good long-term value? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. Have we agreed upon expected outcomes with our outsourcing provider? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. Do we consider our outsourcing provider to be a professional organization whose values are consistent with our organization's? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. Have we agreed upon terms of evaluation with our outsourcing provider? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Score your results

>15 Yes's = You are well on your way to considering outsourcing as a solution

<15 Yes's = You are ready for a discussion about how The Legacy Group might help you prepare for an outsourcing solution

If you're ready to outsource, here's how

“First who, then what,” is Jim Collin’s recommendation in his book “Good to Great.” This sage advice certainly applies to outsourcing. While the technical skills of an outsourcing provider are important, good chemistry between your organization and theirs is critical to a successful long-term relationship. In particular, look for a good fit between the person in your organization who will be monitoring the outsource provider, and the person who will be leading their team.

Take the time to develop clear and detailed expectations and outcomes. Make sure everyone understands the terms of your agreement – as it relates to both the quality and the quantity of services that will be provided. Put it in writing.