

The **Three Steps To Identify Which Business Processes You Need To Offshore To Maximise Growth**



This is article 1 of Beepo's 5 part **Education Series**

We've all been asked the question: "what does your business do?" And like the rest of us, you probably responded with your very well practised, 30 second elevator pitch. This is actually a perfect response to a question from a potential prospect, supplier or strategic partner. However, the real question is: can you articulate exactly what your business does in terms of its business processes?

In other words: the nuts and bolts of your organisation. It's all well and good to have the mission statement memorised, but in order to make the right strategic decisions for success, it's equally as important to understand the inner workings too.

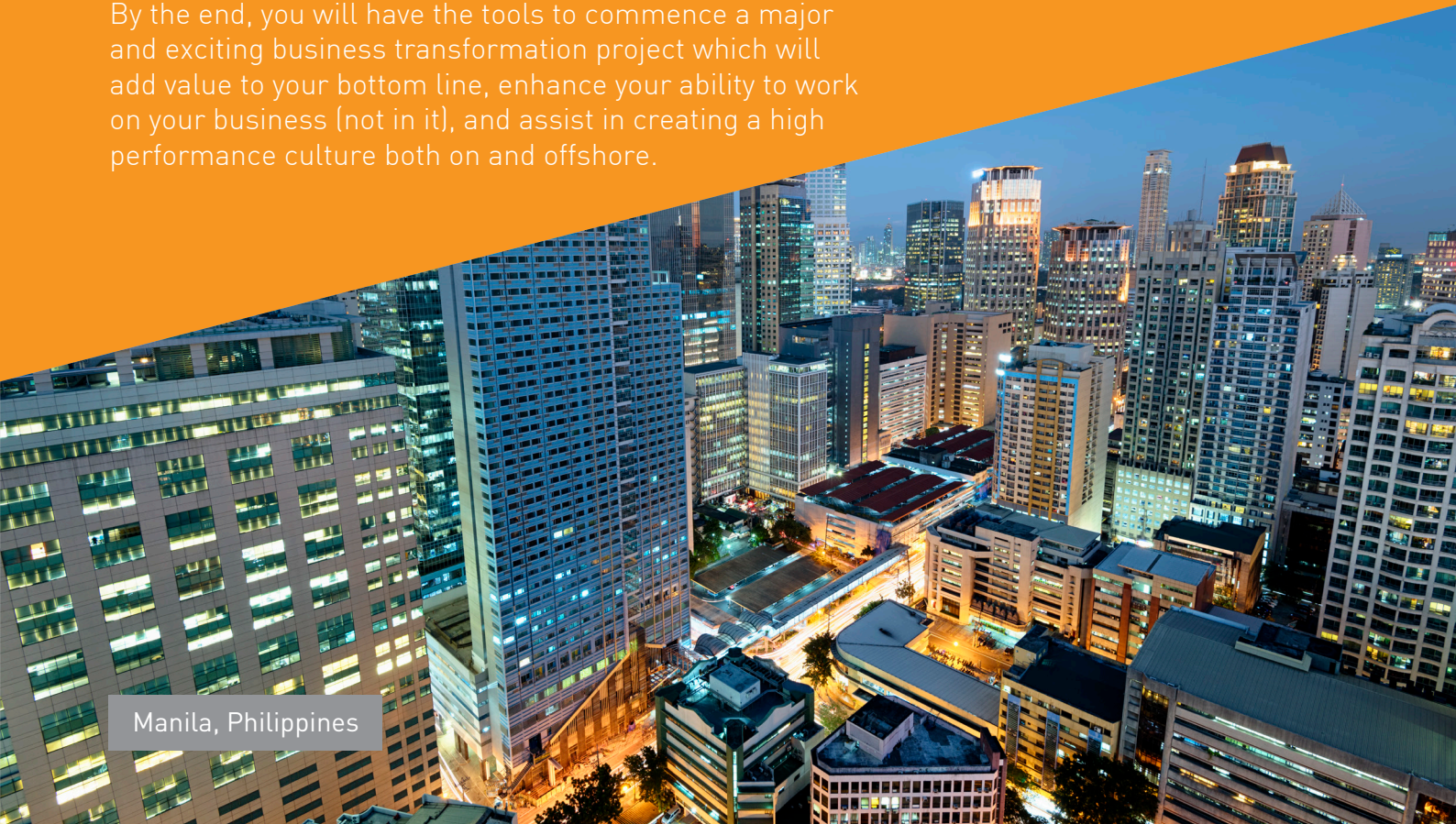
Businesses that offshore successfully understand how their business works at the process level.

The purpose of this article is to:

1. Explain what a process is and how it is different to a job role
2. Provide you with proven methodologies to identify the processes within your business that should be offshored

By the end, you will have the tools to commence a major and exciting business transformation project which will add value to your bottom line, enhance your ability to work on your business (not in it), and assist in creating a high performance culture both on and offshore.

Offshoring can revolutionise your business for the better. But in order to get the most benefit, you must first work out which processes are the most suitable.



What is a process and how is it different to a job role?

Let's cut through the confusion that is sometimes created by seemingly interchangeable words. The following terms are important to understand, as they will be used throughout the rest of the article.

Job role - A job role is what a person is employed to do in your business. This is usually documented in the form of a job description (JD). JDs normally contain information such as:

- A list of responsibilities (what the role does)
- The skills, experience and qualifications required
- Key performance indicators (the expectations to which each task or responsibility is to be completed including qualitative and quantitative measures)
- Reporting lines
- A blurb about the business and the role

Process - A process is a series of steps that result in an overall output. A process often requires either input from multiple stakeholders who each have expertise in completing one or more steps within the process, OR one person who is responsible for completing the whole process.

Stakeholder - A stakeholder is a person who is responsible for completing at least one step in a process, or benefits from the output of a process.

Identifying processes to offshore

In order to get the most benefit out of an offshoring solution, you first need to identify all of your internal business processes, and from there, you can work out which ones to outsource that will produce the greatest valuable gain.

To do this, you need to either understand what happens within your business at a process level, or already have identified certain processes to be offshored. Then you must understand what exactly an offshore team can do for your business to add value and ultimately provide a viable return on investment.

You may already know what processes are good candidates for offshoring, but if you don't, we have the following tool which may help you. Keep in mind, you don't have to follow this exactly- feel free to pick and choose relevant information, skip certain steps and tailor this to suit your business, or even use something else which has worked for you in the past. The point here is to understand what your business does at a process level and which of those processes are suitable for offshoring.



Pia from the Real Estate team

Step One: The process review

In order to build an offshore team, the first step is to undertake a 'process review'. A process review is simply a list of all of the processes that occur within your business.

A process review contains the following four steps:

1. Review of job descriptions

Pull together all of the job descriptions within your business and analyse the section of each JD which outlines the specific tasks and responsibilities for that role. With the knowledge you and your team have of the business, you should be able to categorise these tasks into the higher level processes they fall into. It is OK if this seems quite general at this stage.

Recommendation: Depending on the size of your business, do this by yourself or with your department or team heads. You want to avoid including too many stakeholders at this stage, as it can slow down the process without adding any value.

2. Staff activity log

Have your staff record what they are working on daily, when they commenced working on it and when they finished. It can be as simple as:

Activity	Commenced	Finished	Time spent	Process
Paid the ABC bill	10.05am	10.10am	5 minutes	AP
Posted on company FB page	10.10am	10.30am	20 minutes	Social media posting



Remember to use Beepo's Activity Log Template that you downloaded with this article

It is up to you as to how long you have your staff do this. It is best to try and tie this into your business' usual cycles to capture as much information as possible. Bear in mind, you might do this department by department, and each department may have different cycles.

Recommendation: Approach this with careful professionalism, as some may take it the wrong way and become intimidated. When asking your staff do this, explain to them that you are trying to research each activity's time consumption. It is not about trying to calculate individual productivity, but to see what is taking up their time and what can be done by an offshore resource to free them up to focus on more engaging tasks.

3. Observation

Observation requires you or a team leader/manager to sit with individual staff and work with them to understand what they are doing- either during or after they have recorded their daily activities from Step 2. This way, you can ensure they are completing the staff activity log in a meaningful manner, and ask them questions as they go to clarify your understanding.

Useful questions to ask include:

- What are you working on?
- Why do you have to do this?
- What is the purpose of it?
- How often do you have to do this?
- Do you enjoy doing this?
- Are there other parts of your job you enjoy more?
- Where would your time be better spent?

Recommendation: Record your notes in a diary and ensure you make your staff feel comfortable by asking them questions and engaging in what they are doing throughout your observations. Be upfront with them and explain why you are doing this.

4. Workshop

Use the workshop as the final step in your process review. In the previous three steps, you collected a lot of information on what happens within your business. Now is the time when you can present your findings back to the team. However, before you do this, you need to make sure they are documented appropriately. An effective way to do this is to list each process in a table and then breakout the subsequent activities underneath.

Once you have documented your findings, it is time to present them back to your staff. Here is an example of how you might effectively facilitate the workshop:

1. Introduction:

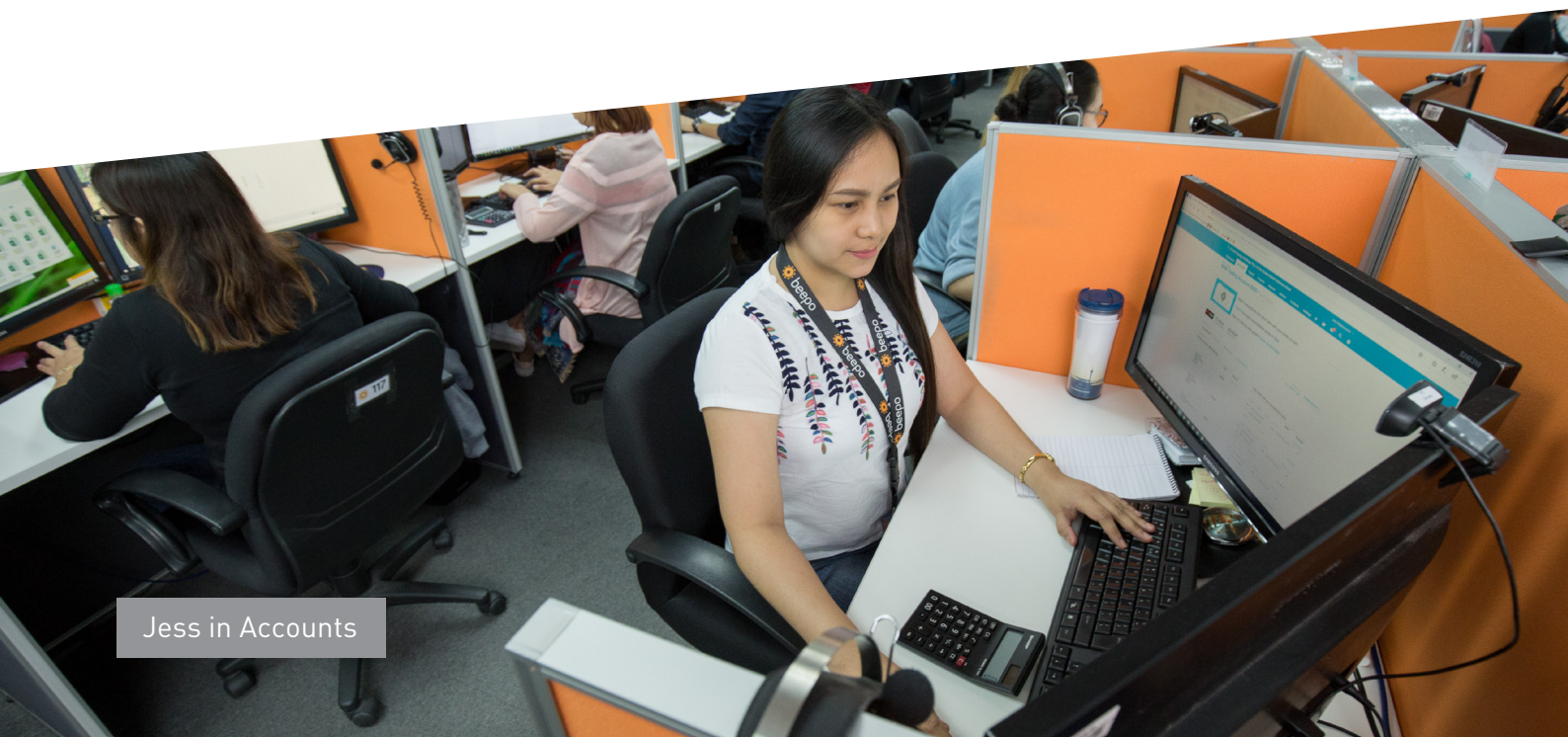
- a. Reiterate the purpose of the work to date- i.e. Identifying the **mundane, repeatable processes** (which your staff probably dislike doing) so you can give them to someone else to do, thereby allowing your onshore staff to focus on more engaging, transformational projects
- b. Outline what has been done and why it was done
- c. Explain that in the workshop you want to present the findings, and as a team, agree on the outcomes of the process review
- d. Let staff know they can interrupt and ask questions at any time.

2. Present your findings

- a. This could be as simple as circulating a list of processes, and then going through them one by one on a whiteboard
- b. It is important that you and other relevant staff have a clear understanding of each process, otherwise it will be difficult to identify which are suitable to be offshored
- c. As you go through each process, ask your staff what they could do with the extra time that offshoring it would provide them.

3. Conclude the workshop

- a. Explain to your staff what will happen next. Let them know that you'll be working (either by yourself or with your team leaders/managers) to identify the processes that are most suited for offshoring.
- b. Explain that you will be in touch on a weekly basis with updates on the project.



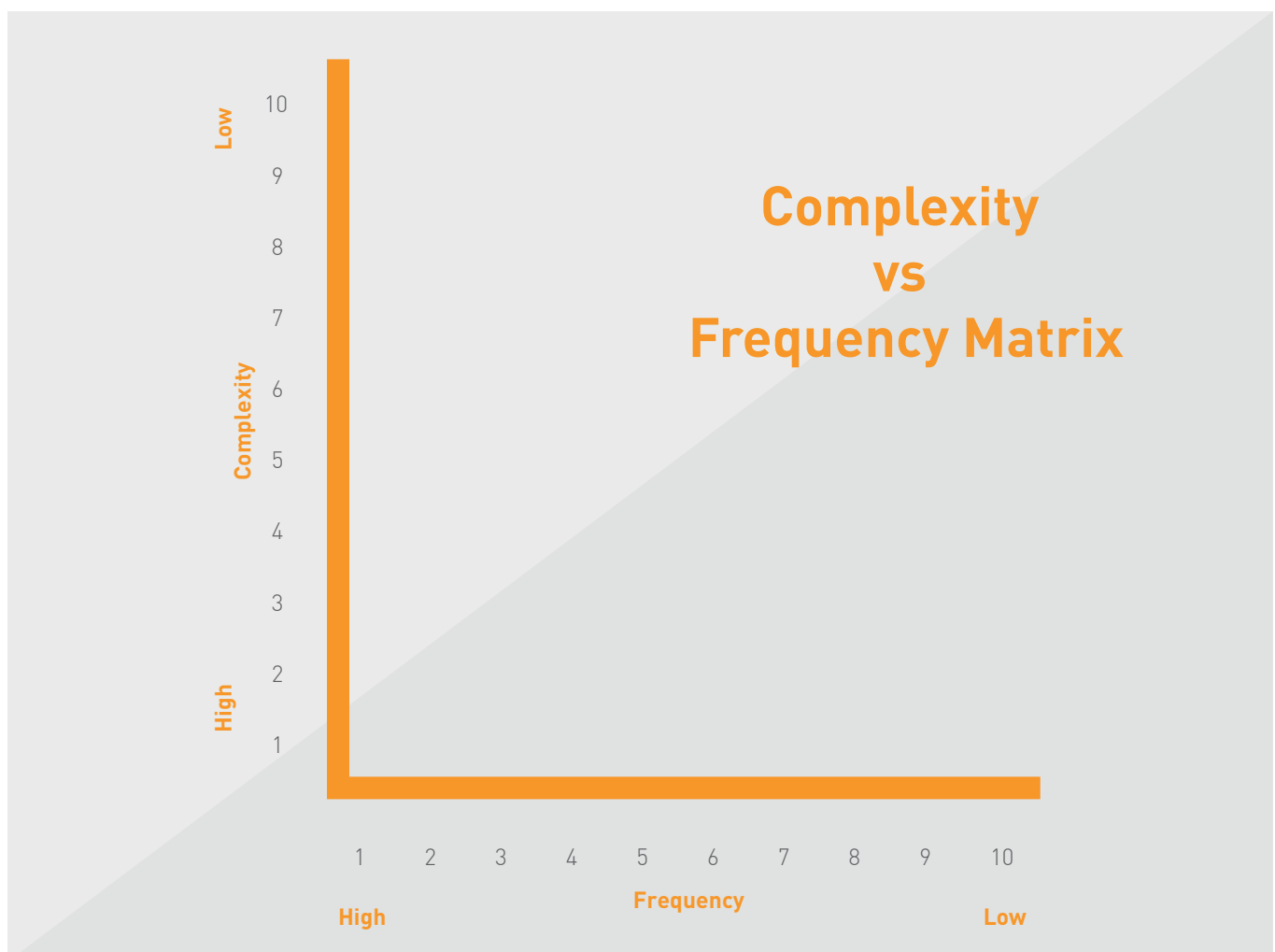
Step Two: Identifying which processes are ideal for offshoring

Now that you have completed the process review, it is time to work out which processes are ideal for offshoring. The simplest and most effective way to do this is by ranking each process against each other in terms of complexity and frequency.

Complexity: how complex is the process in comparison to other processes in your business? What technical skills are required to complete the process? How unique is the process to your organisation?

Frequency: how often is the process completed in comparison to other processes in your business?

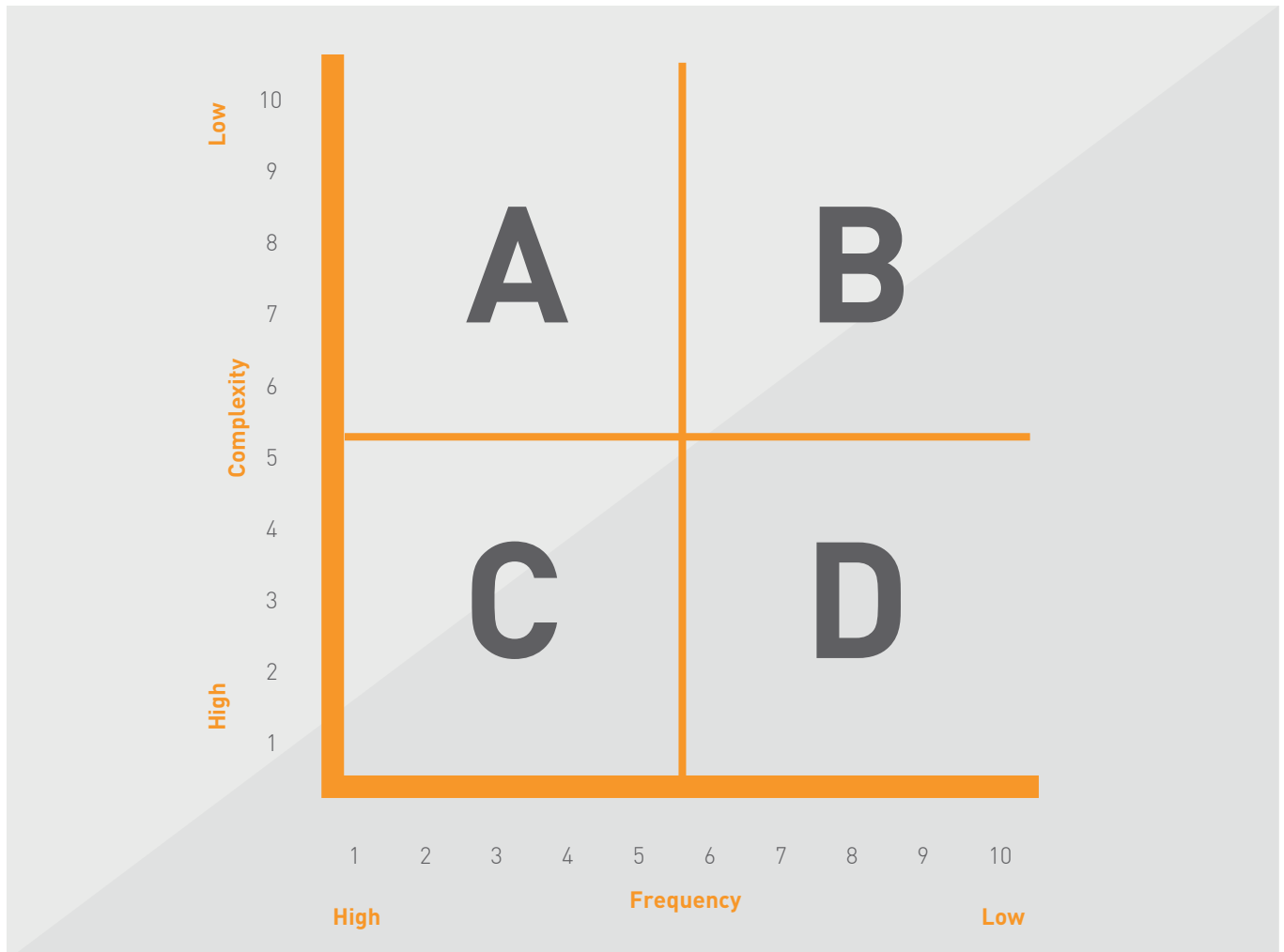
Create two lists- one titled 'complexity' and one titled 'frequency', then write all processes down on both lists in order from most to least, with 1 being most complex/frequent. Once you have both lists, you can plot your businesses processes on the Complexity Vs Frequency Matrix.



Note that this example matrix has room for ten processes to be listed, but you can tailor your matrix to match how many processes you have.

Once you have completed plotting all of the processes on the matrix, divide it into quadrants so you have something that looks like this:

Complexity vs Frequency Matrix



Quadrant A: 'quick wins'

Any processes which land in quadrant A are perfect for offshoring. 'A-processes' are low complexity, high frequency, and as a result, you will see a transformational impact very quickly when these processes are offshored, as it will greatly increase your business' efficiency and effectiveness. Think about how much this would change how your staff spend their time if these basic, repetitive processes were offloaded?

Quadrant B: 'something for later'

'B-processes' can be offshored easily, but will provide a smaller impact on your business as they do not occur as frequently as A-processes. You should definitely look to offload these to an offshore team in the near future to further increase your business' efficiency, but these can wait until after the A-processes.

Quadrant C: 'core business'

'C-processes' are likely to be your core business operations. It is what you do well and formulates the competitive advantage (hopefully) that you have in the market. This should remain in-house as this is where your local team should be striving to continuously improve and innovate. In other words, this is where your onshore team's time should be spent.

Quadrant D: 'collateral complexity'

'D-processes' are highly complex, but performed less frequently. They could be a specialised part of your core business, or unique activities such as annual compliance reviews or regulatory requirements that need to be completed by suitably qualified staff within your business. As such, they too would likely remain in-house.



Remember to use Beepo's Matrix Template that you downloaded with this article



Christmas Party 2017

Step Three: How Beepo can help you with all of this

While this process review is fairly straight forward, we understand that it's all easier said than done. Most businesses like yours know the many advantages that offshoring will bring to their business, but just don't know how to make the first step.

So let us help! That's what Beepo is all about, after all! We are an outsourcing specialist, and our primary focus is about helping you successfully grow your business. Everything we do is **for your success!**

Where to from here?

Now you have learnt how to identify those processes in your business which are primed for your transformational offshoring strategy, stay tuned for the next article. It will teach you how to document processes for your offshore team and show you some highly effective software apps which will make process documentation super easy.

One final thing - You are NOT offshoring jobs!

Let's put you at ease! If implemented correctly, an offshore team will assist you in growing your business by working as a supplementary resource - not a replacement.

Think about it this way. Consider your existing staff:

Did you hire them with a certain vision in mind?

Were you excited about the amount of value they would add to your business?

Did you consider how they would free you up to work on your business (not in it)?

However, six months or more has passed and you have realised that your staff are so bogged down in **mundane, repeatable processes** that they have very little time to work on the important transformation projects you had planned?

GET IN TOUCH TODAY FOR A FREE BUSINESS CONSULTATION

Let us help identify the best way for you to get started.



1300 553 080



info@beepo.com.au



www.beepo.com.au