The keys to successful business process outsourcing are yours in this edition. Read on to learn about the eight steps that can ensure your long-term success, and watch your inbox for more tips on getting the most out of BPO.

Eight Steps on the Road to BPO Success.

In my last e-newsletter, I mentioned some of the breakthrough results companies are achieving today with business process outsourcing.

• A 95 percent reduction in the cycle time for a new account opening process
• A 25 percent reduction in the operational costs for managing and producing 30,000 documents on a global scale
• An annual savings of a million dollars from a 15-minute improvement in a heavily regulated on-boarding process

These are the kind of powerful bottom-line benefits that created the global BPO boom in the first place.

But if you review the news reports and literature, you'll also discover that not all outsourcing projects are created equal. In fact, some business executives express disappointment in the results that they achieve.

So how do you make a breakthrough in your business and avoid the bumps in the road that can lead to a letdown? I've been involved in the BPO industry since the beginning. And based on my years of experience, here are eight key factors that build a strong foundation for long-term success.

1. Develop a holistic, end-to-end view of the process and its impact on your organization. To maximize the value of an outsourcing solution, you have to improve the entire process. But that can be a challenge when the process winds through different organizational silos.

That's why it's so important to get all of the stakeholders to see the big picture in the process and understand the advantages of optimizing it from end to end. It's a much better way to deliver value to the enterprise than settling for incremental improvements to silo-based pieces of the process.

2. Find the right partner. This issue is so important, I'll make it the exclusive focus of my next edition. So watch your e-mail. It will definitely be coming your way.

3. Analyze the existing process and identify opportunities for improvement. After you find the right outsourcing partner, you can use Lean Six Sigma tools like process mapping to analyze every step in the existing process and determine its ultimate value.
You'll find that some steps add value to your customers and clients and some steps add value to your business. Other steps may not add any value at all. An optimization plan can then be designed to eliminate them.

4. **Assess the value and impact of potential improvements.** Before you go any farther, it's important to make sure that there is a strong business case for the development and implementation of a business process outsourcing plan. Your partner should be able to assist you with this critical, bottom-line assessment.

5. **Conduct a visioning session to get everyone on the same page.** Workshops and visioning sessions bring together all of the stakeholders in your organization with key members of your service provider's team. With help from a skilled facilitator, everyone can then reach agreement on a working framework for a solution designed to generate the results you and your organization need.

6. **Consider your BPO partner a trusted advisor.** In a complex undertaking like business process outsourcing, it's important to have expert assistance and advice every step of the way—from the initial planning and implementation to ongoing management and improvement. So invite your partner to participate in your initial strategy discussions. It will help you get your transformation efforts off to a good start.

7. **Develop and refine the BPO solution.** Once your strategy is established, you'll be ready to work with your partner to engineer a high-impact outsourcing solution that will deliver measurable improvements in efficiency, productivity and cost. You’ll also benefit from continuous improvements and innovations that will generate additional value every year.

8. **Use a disciplined approach to change management to streamline the implementation.** The transition from insourcing to outsourcing will affect people and organizations throughout the enterprise. A sound change management strategy will help them adapt to a new way of working. So you can expedite the transformation. And achieve your goals.

Bottom line? BPO is a proven tool for improving key business processes and maximizing efficiency. But it takes discipline and careful planning to make it work.

The eight steps outlined here will help you avoid potential problems and get your optimization effort off to a productive start.

Sincerely,

Rich Baily