

# Outsourced Services: 7 Smart Questions to Ask Before You Buy



## Look Before You Leap

Any firm your company outsources services to must take care of its own people so they can take care of your customers and employees. When an outsourcer treats employees poorly, your organization pays the price. You'll either have a constantly revolving door of new workers being trained or disgruntled people embedded in your workplace. Fortunately, by including these seven smart questions in your next RFP, you'll be better informed to determine which future partners treat their people right.

## Questions that Uncover Red Flags

### 1. What do the lowest-wage employees earn? What percentage of the proposed team is at that rate?

When an entry-level worker can perform the functions you're outsourcing, you might expect that worker to earn minimum wage. There are two problems that may arise:

1. It's extremely challenging to live on minimum wage in most places. Minimum wage workers need to pay rent and other bills. As a result, they may continuously seek new opportunities to supplement their income, sometimes leaving a job for a new job paying slightly more than minimum wage.
2. Minimum wage is rising in many jurisdictions, including 11 states where it's tied to the cost of living, according to the National Conference of State Legislatures. In high-cost areas, we're seeing \$1 a year increases capping out around \$20. How will your outsourcer handle that shift? Who is paying for this cost increase? Are the salaries for higher level team members increasing as well or staying flat?

### 2. What benefits do you provide employees and when do those benefits kick in?

We're seeing a trend toward having a single bucket of paid time off (PTO) for sick leave, paid holidays and vacation, making record-keeping easy for accounting. Unfortunately, it's enormously tough on employees, enough that five states and some local jurisdictions have passed laws mandating sick leave, the National Partnership for Women and Families says. One bout of the flu or kids home from school with fevers can eat through PTO, leaving no vacation days. Employees who don't have vacation can't decompress, leaving your organization served by stressed, overworked people.

### 3. What employee recognition programs do you offer?

Financial incentive opportunities like on-the-spot bonuses, employee of the month awards or recognition for meeting milestones support positive behavior. Initiatives reward those



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Ross Colomb has nearly two decades' experience working in the Facilities Management and Office Services industry. He excels at building sound, long-term partnerships with customers and key business executives by routinely delivering quality, cost-effective solutions.

Ross does a great job of identifying, recruiting and cultivating empowered teams who leverage enhanced process workflows and technology. He has a knack for developing talented employees by helping them recognize individual strengths and areas of opportunity and motivating them to achieve their career objectives.

Ross is a proven leader who implements sustainable solutions consistently exceeding clients' expectations through effective delivery and management of their engagements.

A Louisiana native, he's lived in Northern Virginia for the last 25 years after having served two tours of duty with the U.S. Navy. He and his wife currently live in Haymarket, VA. He enjoys playing pickup basketball at his local gym, an occasional round of golf and is a foodie who enjoys traveling throughout the United States and abroad.

who take pride in doing the job well and serving customers. Whether it's your customers or employees being served, you benefit.

#### 4. How does your organization approach recruiting?

Even at the entry level, the number of workers available to fill jobs is declining. Nearly 40% of companies report having difficulty filling full time hourly jobs, according to a Society for Human Resource Management (SHRM) survey.

There simply aren't enough Gen Xers and millennials to replace all the retiring baby boomers, data from the Pew Foundation shows. That makes recruitment key to the success of any outsourced service.

Employee referral programs can attract millennials (who pay a lot of attention to what their friends think). Programs to recruit across industries can attract workers with transferable customer service skills currently working in physically demanding roles or on nights and weekends. What you don't want is an outsourcer that recycles people stuck in ruts who never progress past a \$15 an hour job.

#### 5. What career paths and training do you offer employees?

Millennials value a clear career progression even more than pay, according to a PricewaterhouseCoopers/SHRM Millennials at Work survey. When asked what made an employer an attractive prospect:

- 52% said opportunities for career advancement.
- 44% said competitive wages or other financial incentives.
- 35% said excellent training and development programs.

In addition to on-site, client-specific training, it's important to offer external opportunities to earn service skills certifications. A documented personal development plan for each employee gives them a road map to the next position. That boosts engagement and reduces turnover.

#### 6. Do you offer employee mentoring programs? Who is eligible to participate?

A mentoring program can help attract, develop and retain great employees. Our site managers work with employees to create individual development plans, and those who want more can sign up for executive or leadership mentorship, too. Having a personal coach ready to share advice on professional development, resources and strategies for doing a better job benefits both the mentee and the mentor.

#### 7. What employee appreciation events do you offer?

Employee appreciation events build team morale and also help break down walls between the contractor and the host company. Look for programs that include the folks at the host company who most often interact with the outsourcer's employees.

## Trusting Firms with Your Team

Turning over a task or a whole department to an outsourcing firm means trusting them to care about the team that will work within your organization. By asking questions to explore how much a company cares about its employees, you improve the odds of getting satisfied, engaged team members that enhance your workplace.

## About 1Rivet

Working from offices in Washington, D.C., New York, Toronto and Valsad, India, the company's three core divisions offer:

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### OUTSOURCING SERVICES

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### TALENT ACQUISITION

Strategic hires, contract-to-hires and scalable workforce hires.