Three Times the Charm

Part three in the series, "If Your Only Tool Is A Hammer, Every Business Challenge Looks Like A Nail."

By Naomi Lee Bloom



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hen looking for an outsourcing provider, some basic questions will inevitably arise addressing the fit between the outsourcing suggestion and your way of doing business. Questions will also arise regarding what potential providers can offer, and what you would need to warrant considering this approach and provider. Does the provider(s) for this outsourcing proposal have platform(s) and processes, as well as a business model, which make the same assumptions about workers as your company does? Ask yourself if they can properly handle the following sce-

Field sales and service employees whose migratory work locations necessitate that their pay is taxable by more than one jurisdiction during a payroll period?

narios for your company:

- Employees who are paid at different rates during the payroll period depending on what specific work they are doing at a particular time?
- Employees who telecommute and/or work exclusively from their homes, which then become work sites for various regulations?
- Employees who are paid on an hourly basis when they are called in to work, and are then paid at the rate that's relevant for the work they are doing, but who also receive a pay period stipend and some benefits in exchange for making themselves available?
- Disadvantaged employees, for whom a government agency subsidizes a portion of their wages and benefits and for whom accommodation is needed not only in HRM policies and practices but also in HRMDS techniques?
- ■Nonemployee members of the workforce—such as PEO-provided, dual employment workers, independent contractors, leased employees, and those consultants who never seem to leave—for whom we need to capture time and expense information as well as the details of what work was done in order to produce accurate headcount reports, forecast workloads, and determine the actual costs of getting work done via various staffing strategies?
- The complete worker life cycle—from unknown hire through employment or contract work and whatever connections may remain once we've ended our employment or contract relationship?

Does the potential provider have the platform(s), processes, and business model that make the same assumptions about the organization of work as we do? Can they

properly handle the following scenarios:

- Retail or other stand-alone operations (e.g., chain restaurants, branch banking, chain hotels/motels, or copy centers) that depend on many part-time employees to meet the flow of work at each location, with work locations that are near enough to one another to be within easy commute distance? The target workforce that would prefer to have full-time pay and benefits, even if it means taking two part-time positions, which could be at different work locations and even cross business units and/or income taxing jurisdictions? What to do if each such part-time position has its own performance evaluation, payroll cycle, work rules, and attendance standards?
- How work in teams is organized, which may have multiple reporting lines rather than strict hierarchical departments and divisions? If teams are led by an official manager or self-directed? Teams that are created for special projects versus teams that are ongoing and organized around customers, transactions types, sales regions, etc.? When there are team-related work schedules, work rules, incentive compensation plans, and work environment programs?
- When business is organized simultaneously by country/geography, product line, customer/customer industry, and/or distribution channels? When employees and nonemployee workers are organized with a primary position that has adjunct responsibilities or when they have a series of assignments within the broader context of a position? Is there a way to account for fully-loaded labor costs across the various dimensions of organization?
- When using ancillary, assigned work roles that don't affect how employees are paid or how labor costs are accounted for, but which do require access to particular HRMDS capabilities, e.g., floor safety coordinators who need access to health and safety information on specific individuals as well to the details of who is working where at a particular time?
- Is the cost of getting to the improved HRM process or set of integrated processes and related HRMDS components, justifiable in terms of improvements to business outcomes or is this a cost of doing business? Are there other or even better ways to achieve the same business outcomes?

If you've gotten this far with reasonable answers to the many questions that are relevant to your own outsourcing activities, it's time to apply Naomi's killer scenarios (see the July/August and December 2003 issues of *HRO Today*). Don't forget your toolbox.

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