Outsourcing benefits and pitfalls

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Outline

— Current status
— Reasons for outsourcing
— Common concerns and further pitfalls
— Avoiding pitfalls
  — Vendor selection
  — Setup
  — Handovers
  — Relationship management
  — Working with the rest of the business
  — Managing performance
  — Ongoing support
Current status - publisher

— Wiley started outsourcing Production Editor (PE) tasks to typesetters 15 years ago

— Pace of change increased in 2010, peaking in 2014

— Many Wiley journals are partially or fully outsourced

— Consistent with industry norms

— Role of in-house Content Management staff has changed – managing vendors or new specialist roles rather than ‘processing’ activities
Current status - vendor

Vendor 2 - Journal and Books Production Editors: 2009, 2014
Reasons for outsourcing

— Rapid change in industry
  — Digital innovation
  — Challenges/opportunities of open access
— Need to release funds to invest in digital transformation
— Savings from traditionally high-cost areas
  — Volume discounts from typesetters
  — Reduce overheads
  — Redeploy staff to higher value roles
— Speed, efficiency
— Access to expertise, tools
Common concerns

— Loss of control
— Drop in quality
— Time zone factors
— High staff turnover at vendors
— Takeovers and company failure
— Emerging economies and exposure to exchange rate fluctuations
Pitfalls

Pitfalls

— Budget for transition and post-transition costs
— Loss of expertise internally
— Lack of oversight of vendor
— High pace of transitions
— Vendor being realistic about capacity
— Salami-slicing of tasks
— Project creep
— Negative impact on in-house staff
Decisions about suitability for outsourcing

—Journal considerations
  —Non-English language
  —Editor/Society sensitivities
  —Contractual issues
  —Journal complexities
  —Systems requirements
—Full or partial outsourcing workflows?
Avoiding pitfalls
Vendor selection

—Request for Proposal (RFP)
—Competitive pricing
—Strategic alignment
—Complete range of high-quality services
—Technical capabilities
—History of partnership

Case study

• New vendor selected in 2010 to receive 135 journals from Wiley’s Chichester office
Setup

— Project management approach
— Workflow standardisation
— Title specification
— Access to all required publisher systems

• IP conflicts, access problems

— Define level of information security

• Too much intranet access
Setup

—Recruitment

• Vendor sent candidate CVs and test results

—Training

• Training of vendor trainers in Singapore. They train vendor PEs with Wiley support

—Training materials

• Procedure manual, slides, videos, guidelines, checklists, email templates
Handovers

— Detailed, well-paced transfer schedule
  • Handovers initially too fast

— Phased transition, if possible

— Pre-transition ‘shadowing’

— Handover meeting/documentation

— Post-transition support
  • Offshore Manager provided *in situ* support

— Business-as-usual phase
Relationship management

— Partnership approach
— Embedded publisher contact working with all vendor staff
— Reciprocal Manager visits
— Team Leaders
  — Trust / empowerment
  — Regular communication
— Encourage brand loyalty
— Social aspects
— Positive feedback
Working with the rest of the business

— Communicate / consult about changes
— Facilitate Editorial’s relationship with vendor PE
  — Email introductions
  — Teleconferences
  — Share organisational charts / photos
— Editorial feedback on vendor performance
  — Reporting process
  — Survey

• “Dropped the ball” maintaining feedback process
Managing performance - communication

— Ensure expectations are clear
— Email grammar, tone, etiquette

• Initial concerns about email communication
  → Templates
  → Initial support
  → Monitoring and feedback
  → Remedial training

— Speed of responses
— Phone meetings
Managing performance – turnaround and quality

— Self-monitoring and reporting by vendor (e.g. on-schedule publication)
— Oversight of compliance and key variables by in-house staff
— Feedback from Editorial / Society
— Automatic validation of electronic deliverables
— Single contact to collate feedback and provide a consistent message to vendor
Ongoing support

— Communication / updates
— Incorporate vendor team into in-house networks
— Clear escalation process for vendor PEs
  — General escalation contact
  — List contacts for specialist queries
In summary:

1. Standard workflows
2. In-country support person
3. Well-paced transition schedule
4. Ongoing monitoring / support
Thank you