MANAGING REMOTE, OUTSOURCED STAFF

ABSTRACT
The needs of the outsourced and remote worker are the same as the worker sat in your building.
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Introduction

Consider for a moment the reasons to use remote staff, whether they are directly employed by you or not.

The first reason is to have staff physically close to your Customer. There are many instances of organisations that have suppliers' staff working alongside their own staff in their own premises.

The second reason is to do with cost. The salary of a software developer in India, for example, is a fraction of his or her western world's counterpart.

When organisations consider outsourcing, they are not necessarily looking for remote staff. The labour market flexibility allows for temporary workers to be engaged at lower pay rates for contract based time scales.

Sometimes it is impossible to recruit enough people with the required skills locally. You are then faced with the decision to hire and operate these people remotely, or to outsource the work, product or service, to a supplier who provides the resource either locally or remotely.

This article is about the management skill challenge of managing remote, outsourced workers.

Remote management challenges

What does "remote" mean here? I ran a nightshift for a while and we were very remote from the main dayshift support people. Over and over they would change procedures, process or passwords and forget to tell us!

Remote can be the other side of your office door if that is how you manage. If you routinely send your instructions by email then you are remotely managing.

Often remote workers will be time shifted to give a 24/7 support capability. If these people work for you how can you manage them in a meaningful way?

If your communication is through a shared spreadsheet of SMART objectives you are managing remotely.

Whatever it is that makes your people remote creates a challenge for your management skills.

Outsourcing management challenges

There are motivational issues intrinsic to the outsourced team member. The outsourced person works for another organisation so is always less of a member of your team.

One of my maxims to find out who is the boss is "follow the money". Who does the staff appraisal of the outsourced person? This is a sign of who is the boss. If you don't set the pay of your outsourced team member then they don't really work for you: at best they might work with you.

If we want to make this person feel part of the team we are struggling already – you don't do the appraisal and don't set the pay – so he or she isn't being managed by you.

For the individual, it is de-motivating to work alongside people earning significantly more doing the same job. You know that your value to the organisation is "cheaper". On the other hand, your employer, the outsourcing organisation, is delighted if you can arrange for the purchaser of the outsourced staff to pay more!

There are serious management challenges associated with outsourced staff.

People management skills

Everyone needs to feel personally valued in their job, valued as an individual. This applies whether the person is working for you directly or indirectly. Paying for work done, a target met, is not valuing the person.

The manager has to recognise the contribution of the individual in a human to human social act to begin to create the positive psychological contract that delivers discretionary effort. Work is a social act and this social behaviour is essential.

A difficulty with managing remote people is the lack of "eyeball time". It is very difficult to create the social bonds over the telephone, video conference or email.

There are ways of approximating the social chit chat that happens around the coffee machine and water cooler. Social networking platforms like Yammer can be used to deliberately create social times together. This means using some working time to create some social time. People need to know the people they work with and for.

If the outsourced worker is to feel part of your team, there needs to be a lot of careful management of the individual. The communication demands are high as informal communication is impossible – there are no chats with workmates. The manager needs to address the higher workload this additional communication places on him or her.

Of course, people want to feel part of something useful and that their contribution is valued. The manager needs to communicate an inspiring vision of what is delivered by the team so the team members are proud

of what they do. The negative feeling of being a valued team member because you are low paid is something the manager has to overcome.

People prefer to do something they enjoy as a job. This is a two edged sword as people who work in their dream job tend to be very focused on doing what they want and not what their manager wants. The manager has to monitor and manage these activities to be congruent with the team's goals while allowing the work to produce the satisfaction the employee needs.

Perhaps the most difficult management challenge is the question of how you reward the outsourced person when the rest of the team are congratulated, rewarded and praised. If the outsourced staff member is left out of the celebrations you can wave goodbye to any discretionary effort that may have been given. People are either in the team or not.

Performance management

So many issues of performance management are particularly difficult with remote, outsourced staff. These will be the subject of a later blog as many of the management challenges apply to in-house staff as well.

There is a vast body of writing on performance management but still an almost total confusion about how to get people to work hard! I can't do the subject justice in a paragraph. Follow this blog to be alerted when the performance management blog is posted.

Conclusion

The management of remote outsourced people is more demanding than managing your own people locally.

The needs of the outsourced and remote worker are the same as the worker sat in your building.

Specifically managers with remote and outsourced staff need to:

- create the psychological contract to provide for the needs of the person

- create the conditions for good employee engagement

- connect the social bonds with the team

- make team members feel individually valued, relevant and connected socially

On top of this are the issues of performance management.

The additional challenges of managing remote outsourced workers require the manager to be exceptional and at the top of his or her game.

If a manager is responsible for resources operating round the clock their manager needs to be aware of and manage the stress level the manager is feeling. 24/7 means no escape from the responsibility.

It is a difficult management role.

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Vision

Inspiring good management, and thus achievement, within organizations will improve employee attitudes, engagement and job satisfaction to create stronger companies with more productive people.
More productive companies build competitive advantage creating a sustainable business with safe growth, healthy profits, secure well paid jobs and contribute to the well-being of the UK.

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