Managing Outsourced Projects

Take these 5 steps to ensure the success of your outsourced projects:

State the Work

Before you outsource, specify the Statement of Work. This is a document which is released to the third party, specifying exactly what you need them to deliver, when and how. It lists your requirements and it gives your supplier the opportunity to confirm that they can meet your expectations.

Seal the Deal

Every successful supplier relationship has a strong contract behind it. In your supplier contract make sure you clearly state the responsibilities of each party. Include delivery milestones which are points in time by which elements of the project must be delivered. And make it clear that you will only pay them when each delivery milestone is completed. Go one step further by including penalties for late delivery, and clauses allowing you to pull out if you need to.

Monitor Progress

Make sure that once the contract is signed, you can scrutinize the progress of your supplier on a regular basis. Get them to complete timesheets and weekly status reports. Make them log all issues, risks and changes and use online project software that you can access, to track their progress. Make sure your status reports are received on time. If you don't receive them on time, it's often because the project is behind schedule and they don't want you to know. Remember - to succeed, you need the right status information, at the right time.

React like Lightening

If you notice delays, risks or issues that have not been dealt with, then react like lightening. Arrange a formal meeting with the supplier to discuss it. Have a copy of the contract to hand, so they know you're serious. Come heavy handed by bringing your boss along. Meet in the office, not at a café. State clearly what it is that you want them to do, by when and how. The more seriously you take it, the more likely they will meet your demands and the greater your chances of

success.

Accept Deliverables

As your supplier completes each delivery milestone, you need to review and formally accept the deliverables produced. Never leave this to someone else, always be involved in the process personally. Make sure a formal acceptance process is followed, one that tests each deliverable and ensures it meets your needs.

Physically sign off on each deliverable, and only when all of the deliverables are signed off, should you make your final supplier payment. Along with this payment, you both need to re-sign the contract, stating that it is 100% complete. This covers you legally and ensures your success.

And there you have it. By following these tips, you can manage outsourced projects more easily.

Want all of the documents needed to manage outsourced projects? Download the Method123 Project Management Kit today.

creating a:

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Execution

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Changes, Risks and Issues
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