Maintenance Outsourcing...

Outsourcing can be an effective tool to help managers and organizations make progress toward productivity and effectiveness, but outsourcing is not always a less-expensive or even successful alternative. And there is one common mistake managers make most often that is fatal to the process.

Signs of Trouble

Over the years, I've been on both sides of the outsourcing coin. I've been on the customer side and for many years on the contractor side, with successes and failures in both roles. Outsourcing can fail for a number of reasons. The most common ones involve:

- hiring the wrong contractor
- setting unrealistic goals
- inadequate contract details
- inflexible contracts
- having limited or poor understanding of expectations
- failing to use a statement of work or scope of work
- failing to have a method for price adjustments or incentive pay
- inadequate management review
- poor project and contract management by the manager and contractor
- failing to understand scope or statement of work before bidding or contract negotiations.

Any of these problems can ruin the relationship between the contractor and the manager and lead to outsourcing failure. Good outsourcing contractors perform an autopsy after the death of an outsourcing contract to determine the reasons it failed and steps the parties involved can take to prevent future problems.

But here is the single most common cause of outsourcing failure: Building owners and managers fail to understand the existing scope of work and do not offer a vision for measurable maintenance performance.

It might seem difficult to believe that most managers or owners are clueless about the details of the scope or statement of work for the existing job or workers, but it's true. Then they hire a contractor to do the work and expect that company to understand the organization's needs or wants, based only on a one-hour bid meeting and a ten-page document.

To read the entire article with includes: *Guidelines for Outsourcing Contracts* and *How to Measure a Contractor's Performance*; you will find them: Facilitiesnet.com