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White Paper



Co-sourcing – 7 Golden Rules

Co-sourcing (also called outsourcing) requires both technology and business to work together in order to connect and make it work. For any good co-sourcing relationship it is important that you keep the following pointers in mind:

1. Do your homework

It is important that expectations are set before a contract is written with any supplier. A company needs to think and plan the service it requires. This is critical to ensure you can qualify if a service-provider can deliver for you. Also, check the credentials of any company you work with and ask for references from satisfied customers.

2. Involve key parties

The key to making the right choice is to involve management and select a senior individual to manage the project early in the process. If your organisation doesn't 'buy into' co-sourcing from at top management down it has little chance of success.

3. Establish performance criteria

It is critical that both parties in the co-sourcing agreement have a clear idea of their roles, how their performance will be monitored and the goals/targets they have to achieve. Unrealistic or false expectations are one of the key reasons that co-sourcing partnerships break down.

4. Establish a Service Level Agreement (SLA)

This needs to be put in place so that you have a measurable set of parameters on the service levels that the co-sourcing agreement should have.

5. Schedule regular meetings

The progress and service levels being provided need to be regularly reviewed and discussed. Quarterly meetings involving senior management should be planned where it can be clear that the contractor's work will be inspected.

6. Ensure flexibility

Due to the changing nature of technology it is essential that deals are flexible. Contracts should be reviewed by management each quarter and at board level every six months.

7. Invest your time and expertise

It is essential to assign someone from within your organisation to own, manage and maintain the relationship with the service-provider.

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