10 Tips for Optimizing Your Outsourcing Project

[Editor’s Note: This guest post was submitted by Preeti Shah, CPA, CFP, owner of Enlight Financial MD where she does financial planning for physicians and is an advertiser here at The White Coat Investor.]

I started outsourcing my projects almost 20 years ago when the Internet was still new. I’ve worked with over a hundred talented freelancers from all over the world, including Argentina, Moldova, UK, Germany, Portugal, India, and Australia, and one of them – my graphic designer – is still working with me today. His name is Ura and is from the Ukraine. Funnily enough, I thought he was female for the first six months I worked with him – it was disorienting to eventually learn that he was, in fact, male. After working together for over two decades, he is so close to me now that I consider him family and have even put him in my Will. I couldn’t have gotten this far without him!

Outsourcing has saved me tens of thousands of dollars on projects ranging from website design to marketing materials to book covers, banner ads, editing, and data gathering. Being cheap, I always managed to squeeze the maximum value out of
each dollar. Many of my physician clients could highly benefit from outsourcing as well – between publishing, speaking, private practice marketing and branding, side businesses, hobbies, and a general shortage of personal time – there are many ways they could use outsourcing to delegate and cost save effectively. However, most people are under the mistaken impression that it is easy to do – after all, The 4 Hour Workweek made it seem so, and it was a bestseller.

Unfortunately, it’s not as easy as it looks to truly benefit from this global talent platform, because there can be a steep learning curve to really get into the rhythm of the whole process. But once there, outsourcing can be addictive and life-changing. I’ve compiled a list of tips that I’ve acquired over my years of experience with sites like Guru, RentACoder, ODesk, Upwork, and Amazon Turk. I often share these tips with my business-minded clients and hope you’ll find them useful as well.

What is Outsourcing and How Does it Work?

Outsourcing sites like Guru or Upwork offer a free platform for buyers (like us) to list a wide variety of projects. Sellers (or the service providers) bid on projects matching their skills, and if accepted, money is put into a virtual trust account and awarded to the seller only upon completion of each milestone. If a project’s successful completion is in dispute, the site management team will help arbitrate and usually award the money back to the seller if they believe they did not get the value they were seeking.

Even though some money and time loss can occur from an unsuccessful project, overall it is a relatively safe and easy way to access millions of skilled workers across the globe and get work done in a fraction of the cost in the US.
10 Tips for Optimizing Your Outsourcing Projects

#1 Choose the Right Project to Bid Out

It’s amazing the kinds of work that can be outsourced in this increasingly global world. I’ve gotten help on writing projects that included editing, research, ghostwriting, grant proposals, technical brochures, and business plans. In the area of technology, there are freelancers for data sourcing, software creation, application and website development, and CRM migration. There are also experts available in graphic design, videography, marketing, PR, personal assistance, voiceovers, storyboarding, and many other categories.

However keep in mind that books like The 4 Hour Workweek can be misleading in that they may give the impression that small, one-time nonstandard projects can be easily outsourced. In my experience that is not the case. The best projects to outsource can be one-time, but then they should be standard ones that don’t take a lot of explanation, such as creating a normal website or coding a spider bot to gather data.

Or, it can be a highly customized, unusual project but one which will go on long enough for you to patiently test the freelancer using small milestones. It should also be a project
that is worth your time to properly explain and your freelancer’s time to properly understand. The initial ramp-up might take some time, but the long-term results and cost savings will be worth it. A good project example might be creating a set of marketing materials with your unique branding and services along with annual updates. Or, helping to ghostwrite a long book on a niche subject.

What Doesn’t Work Well

What doesn’t work as well is having a freelancer who is living in Russia try to research the best options for a car detail around your home. This would be a great personal assistant task to delegate, but unless they are living in the US (in which case they might be too expensive), they may not fully understand the nuances of a car detailing service or recognize which ones are closer to your home than others, or remember to ask if you have an SUV or car. Another example can be taken from me – I was changing my note-taking system for my financial planning clients and needed someone to recategorize everything properly. It involved some subjective decision making and could not be automated.

Manual input was in that annoying zone of 15-20 hours. Not a huge time sink, but enough that I really did not want to do it myself. However, I ended up doing just that, by putting in 30-60 minutes a day while watching some mindless TV and finishing the task within a month or so.
Believe me, I would much rather have outsourced the whole thing, I was more than willing to pay $10-20/hour for it, the going rate. The problem is that trying to explain one’s subjective category system for a project that was not going to repeat itself made no sense. So from my years of experience with freelancing, I realized that it was better that I just dig in and cross it off myself.

The odds of such a small, one-time, subjective project meeting expectations were low. Wisely pick your freelance “battles/projects”.

#2 Detail and Dummy Proof Your Project Requirements

Having picked the right project, your next task is to detail it properly. I cannot stress this enough. It is not the same as explaining a task to an assistant or team member who is standing with you in a room. It has to be 10 times more detailed and dummy proof because oftentimes there are cultural, language, and time zone differences that mean you won’t be able to communicate in real time as you normally do.

When in doubt, mockup any website pages you need to be created in Powerpoint, write a VERY detailed outline for any articles to be ghostwritten or create a storyboard for any videos to be made. Emphasis again on “dummy proof”. The more input you
offer, the more you show rather than “talk or describe”, and the more you participate at each step, the better your output will be.

#3 Hiring an Individual Freelancer vs a Freelancing Team

You can let the job attract freelancers or you can also actively search for some and invite them to bid on your project. I do both. I usually prefer an independent person working from home vs a team, because I’ve seen that people who work solo care about their reputation and will connect to you personally. However, this does not always hold true – recently I needed an advanced WordPress site done and I chose a team instead because they would have more updated knowledge of new plug-ins and templates. So I might choose independent workers for editing, graphic design, writing, or other non-technical tasks but choose a proper company with multiple resources for something like SEO marketing where the person/team needs to be updated on the latest trends.

#4 Look for a Freelancer (or Team) to Give You a Custom Bid

Usually, I will give more weight to someone who has taken the time to incorporate my project details into their response. A custom response beats a canned response for the most part because it means the freelancer has enough interest and time to devote to your project. Occasionally, I will make an exception to this rule due to the fact that some of the best freelancers are too busy to do a custom bid.

#5 Reviews
It goes without saying that reviews are extremely important to check when choosing a freelancer. Make sure to look for reviews regarding your specific task. Sometimes a freelancer will put themselves down for all sorts of skills but they’ve only been hired or reviewed for a few of them. If you don’t see reviews pertaining to the task you’re looking to outsource, move on to the next guy/gal. However if someone writes a really great custom bid and looks hungry to build their reputation, that might be something to consider. Usually, however, I prefer to stay safe by choosing more reviewed freelancers.

#6 Time Zone and Webcam Availability

I also prefer someone who can jump on webcam during normal US waking hours if possible. It’s nice to be able to connect in person if needed, and it can significantly cut down on misunderstandings. However, it’s not always required. For example, a simple editing job for a piece of writing may not require face time, but a marketing brainstorming session might. Don’t assume webcam familiarity – usually, the freelancer will say that they are available on Skype or webcam in their profile, but if not, you can ask if they are open to it.

#7 Getting the Best Out of Your
Freelancer

1. Immediate Turnaround
If you hold up feedback on your end or drag the project, the freelancer could lose momentum or interest. If I’ve outsourced a project, I budget some time every day to test bugs or review work and turn around my comments immediately.

2. Don’t cry wolf
I try not to make things urgent unless necessary so that when there is a real emergency, the freelancer is willing to jump through hoops. Don’t wear out your goodwill with someone by making everything a fire drill.

3. Give the Macro Picture and Compliments
I always try to explain the big picture of what I’m doing so that the freelancer feels a part of the whole effort and not just a cog in the wheel. Oftentimes they may even come up with better suggestions on how to accomplish something if they know the overall goal. For example, explain who your book or website is trying to reach and where you might market it. Also, give constant positive feedback if warranted, people already feel disconnected sitting on the other side of the world, it helps to keep them motivated knowing their work is appreciated.

4. Motivate with Long-Term Prospects
If it applies, explain to the freelancer that you may give them further work in the long-term. This is valuable to freelancers because it’s often a pain for them to deal with new clients and a new learning curve each time. Like anyone, they prefer the prospect of steady work. If you think you may use them in the future, let them know that.
#8 Freelancer Reviews of  YOU Matter

When you’re new you may not have any reviews as a buyer. It’s okay, freelancers will still bid on a new person’s project. But beware that if you have ratings built up and they show a poor track record of payment or communication, then you may not get the best freelancers in the future. No, reviews are not a huge hindrance, but bad reviews can be. So pay your invoices on time – if you’re going to pay for a job anyway, you might as well do it immediately. Freelancers often appreciate and positively comment on that. Also don’t be difficult to work with. For example, don’t unreasonably increase the scope of your projects midway or disappear in between them. All of this will be a turnoff to future freelancers if mentioned in past reviews left for you.

#9 Tipping

I don’t give the traditional tip or bonus on most jobs, because in many countries it’s not expected. Instead, I prefer to agree to pay a little extra upfront, or towards the end when the freelancer may be getting tired of my demands and I need to infuse some extra motivation. I know it sounds a bit manipulative, but if you’re going to give a tip or bonus anyway, then mention it before the project ends to get the extra last efforts out of the freelancer. Service people in the US know there will be a tip and work towards getting a good one, in other countries, it’s not always the norm. So if I’m planning to tip the freelancer anyway, I try to do it while the project is still going on to make my dollars count.

A Sampling of Work I’ve Outsourced

For those of you who are reading this thinking – that sounds like a lot of work! – let me tell you that learning how to outsource properly is well worth the effort if you spend a lot on certain service providers anyway. The following is just a
tiny fraction of work I’ve outsourced in the past:


**www.3ChipsOnGod.com** website – $250, outsourced to a team in India. Similar quotes in the US for a WordPress site and graphics were $750 or more.

*I’ll Put 3 Chips On God* printed book – $3000, outsourced again to Ura from Ukraine. I published this in 2012 and it included the cover, PDF layout, and over 25 illustrations. The quote I got from an illustrator in the US was over $20,000.

**YouTube Channel Animated Videos** – $125 per video, outsourced to a freelancer in Moldova, Russia. The quote I got from someone in the US was over $750.

**MOCKUP EXAMPLE** – Here is a link to my mockup for my Enlight Financial website. You’ll see how detailed the mockup is – I’ve put in the menu items, content sections, and even buttons by using the Text Box, Shape, and other tools in Powerpoint.

*Have you outsourced work to a freelancer? Why? What kind of work do you think is the best to outsource? Comment below!*