Successfully managing the human capital components can mean the difference between the success and failure of a strategic sourcing engagement. Gartner provides a comprehensive set of Human Capital Outsourcing solutions that support the seamless transition to an outsourced model.

Objective

Gartner’s Human Capital Outsourcing Strategies offerings provide you with a toolkit to manage and transition your most important and expensive asset – your people – during the strategic sourcing life cycle. Solutions address sourcing strategy, ESP evaluation and selection, and outsourcing management and integrate closely with Gartner’s Strategic Sourcing Consulting offerings. Attention to these issues minimizes business disruption and has a direct impact on the terms and conditions of the sourcing contract, the transition of critical knowledge and skills, as well as the selection of the right people for the right roles. They also define accountability and enable the monitoring of service levels to ensure benefits promised are realized in an outsourcing engagement.

Approach

Step 1. Project Kickoff

Gartner will help you establish a steering committee to define your sourcing human capital requirements, establish priorities for managing your human resources and make decisions regarding appropriate solutions. Gartner will then lead a kickoff meeting with the steering committee to lay the groundwork for the project, set expectations, understand business and project goals, and review the project plan and timeline.

Step 2. Human Capital and Communication Strategy and Plan

Gartner will facilitate a strategy session with IT and human resource (HR) representatives to customize human capital and communication strategies for your organization. The strategies will include statements of guiding principles, objectives, an estimate of required resources, and a risk assessment. Communicating the right message to the right audience at the appropriate time, and delivering consistent messages across the entire organization are critical success factors for any outsourcing engagement. The purpose of a Communication Strategy and Plan is to reduce fear, gain acceptance of the sourcing plan, and share expectations. A
good communication plan will facilitate a smooth transition to the outsourcing model and support productivity. Organizations that pay attention to communication build trust and commitment with their employees.

Step 3. Develop Solutions

Based on the human capital strategy and plan, Gartner will develop customized solutions to support each phase of the sourcing engagement. For each solution, we will define the problem, conduct discovery activities with individuals or groups, develop solutions, validate the solution with the Steering Committee, make revisions and finalize solutions, and plan for implementation.

- **Strategy** – Gartner will assist you with the development and documentation of a comprehensive list of human resource and communication requirements to be incorporated into the Statement of Work. We will also develop recommendations for programs to minimize unplanned turnover and the loss of critical business knowledge and skills during the outsourcing decision making process and the transition to the ESP.

- **Evaluation/Selection** – Gartner will review ESP proposals to identify and document any gaps between the HR requirements and the ESP responses, compare the ESP responses and make recommendations for the negotiation phase. We will also assist you in preparation for the due diligence process.

- **Sourcing Management** – Gartner will assist you with the development of an organizational framework to support retained functions and processes and vendor management in the outsourced organization. We will work with you to customize a retained organization design, develop new processes, define key roles and develop a governance model.

Business Results

- Reduce unplanned turnover and associated costs.
- Manage the effective transfer of knowledge and skills to the ESP.
- Prevent damage to morale and corporate reputation.
- Manage and monitor IT services in an outsourced environment.
- Build effective relationship with the ESP.
- Reduce legal exposure.

**Deliverables**

- HR strategy and plan that supports an outsourcing engagement from evaluation through transition
- Communication strategy and plan
- HR Statement of Work (SOW)
- Retention program
- Retained organization design
- Role Descriptions that align with the retained organization design
- Key process definitions
- Governance Model