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# Inside Outsourcing™



**Larry Janis'**  
**interview with:**  
**Craig Halsey**

**Inside with: Craig Halsey**  
CEO and a Founding Partner at CJ2 Consulting, Inc.

The CJ2 team of practice associates possesses an average of more than 15 years experience managing complex challenges and successfully addressing a wide range of business opportunities. Our clients leverage this wealth of experience, applying these talents to implement technology, establish best practices, improve cost efficiencies, and enhance operational results.

**LJ: The three founding partners of your firm have been in outsourcing for a number of years. What changes have you seen in the outsourcing marketplace?**

**CH:** It's nice of you to say that we've been in the market for a "number of years" instead of a "long time". We have been around for awhile and continue to enjoy a fun ride. Our combined 60+ years experience has been developed in different disciplines, from HR to finance and from service delivery to sales. Having had the opportunity to be involved in outsourcing engagements on a global scale in both the commercial and government sectors has been rewarding. This background has enabled us to develop a broad understanding of the market.

One of the simplest observations about change in outsourcing is the natural evolution that takes place as a result of market maturation. In this regard, outsourcing is no different than other industries. The demand for global operations, right-shoring, service standardization, service specialization, and labor arbitrage are some of the changes that have come with time. The proliferation of niche support specialists, including outsourcing advisors, communication and governance experts, contract and human resources legal counsel, to name a few, is another change we have seen through time. All of this points to a market that is quite mature and complex. *(continues on next page)*

## From the Editor.

Welcome to our current issue!

Inside Outsourcing's goal is to provide you with articles of interest and with a forum for the exchange of information in this rapidly evolving industry.



## Inside with: Craig Halsey

CEO and a Founding Partner at CJ2 Consulting, Inc.

Like any industry, the growth in outsourcing has transformed everything from the mechanics of the deal - shorter contract terms, defined sourcing processes, standard service levels - to the realization that technology can be a business enabler providing competitive advantage. All of us clearly remember the days when many clients looked for a single source to meet all of their needs. We are very pleased that the pendulum is now swinging back toward multi-sourcing, providing a great opportunity for firms like CJ2.

At CJ2, we recognize that many things haven't changed: the importance of building and maintaining strong business relationships, the need for cost efficiencies and sustained value, and the positive impact that dedicated and experienced people can have on any engagement or initiative.

**LJ: From a client's perspective, are there significant differences in process (from inception to completion), between ITO and BPO?**

**CH:** The most critical process checks in both ITO and BPO are actually quite similar. Everything starts with the client's senior leadership team. They need to be committed to change, to recognize the impact outsourcing will have on their people and organization, and to spend the money necessary to follow the process. Secondly, today's educated client takes the time to start the process by selecting a strong sourcing process advisor. As everyone knows, outsourcing transactions are complex and involve significant resources. Selection of a quality advisory firm is a critical step.

Thirdly, the establishment of a current baseline, outsourcing goals and objectives, and target service levels cannot be over-emphasized. We continue to be surprised by the number of clients who fail to recognize the importance of the baseline in both business processes and in ITO.

Finally, effective processes in both cases must have the right checkpoints. Meetings with prospective providers, financial reviews, and the entire communication process are examples of key checkpoints or milestones where the process is very similar.

From our perspective at CJ2, the need to create opportunities in the process to build relationships between the client and the outsourcing providers is absolutely critical. Everyone recognizes the importance of governance. Clients are sometimes swept up by the outsourcing process and the expectation that the governance model will carry the day when service delivery anomalies develop. Time spent getting to know the provider and enabling the provider to understand the client is time well spent.

**LJ: What are the top five responsibilities in initiating/managing an outsourced relationship?**

**CH:** In many ways, all of the top responsibilities should focus on and build the relationship, understanding that relationships should be formed at the strategic, tactical, and operational levels. Many people have the mistaken notion that strict adherence to a governance model will solve all problems. I've been asked many times by a CIO or CFO what I expected of them as part of the outsourced relationship. *(continues on next page)*



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My answer is that I want them to develop into a glowing reference of our capabilities. If they can say that we consistently meet or exceed objectives, manage change effectively, remain flexible, foster trust, and enable their business, then we all find great satisfaction in the deal.

With this as the baseline, I'd say the top five responsibilities would include the following: obtain executive commitment, establish clear outsourcing goals and objectives that can change as the deal evolves, be thorough in your evaluation of the potential service delivery teams, establish discipline in your governance structure, and encourage the provider to look beyond themselves to other suppliers in developing solutions.

As CJ2 has grown, we've been delighted to see the large outsourcing providers, system integrators, and others come to our firm in search of expertise or experience that they may not be able to provide to their clients at a given moment. A well-managed relationship isn't threatened or undermined by the notion that world-class delivery requires fresh views and talent.

**LJ: When you started the firm, what was the goal of your new practice?**

**CH:** For many years, Joe Freburger, John Skiba, and I have talked and heard about the importance of people in delivering service of any kind. Of all the great experiences in business, nothing exceeds seeing what people can accomplish when they're properly challenged.

We founded CJ2 to bring the best people we've known over the years to address and solve real client requirements. Our goal is to leverage the skills and experience of those highly successful individuals to fill the gaps that every service provider and client faces from time to time: the shortage of "A" team talent.

**LJ: What are the differentiators your firm brings to the marketplace?**

**CH:** With the goal of delivering "A" team talent, we are in the business of human capital. Our differentiator is our people. .

The theory is very simple: the organization with the best, most highly skilled and experienced people should be #1. Undoubtedly, lots of firms make this claim and certainly there are good people everywhere. Unlike others, we are at the stage in our firm's development where the partners are no more than one step removed from the people on our team of consultant advisors. We know them. We are confident about their capabilities and commitment. We have seen them solve difficult problems, perform under pressure, and win against the odds. The net result is that we can recommend and position them for service delivery without reservation.



CJ2 won't accept assignments we can't fill with experienced people we know and trust. We aren't in the business of sending out teams to study problems that our experience tells us has already solved somewhere else. Our team uses experience to run projects and find answers to problems. We understand what clients demand and how projects or deals or proposals can impact a business. We work to make our clients the heroes, to be considered an employer where true professional development can occur, and to experience the satisfaction of doing something very well. We enjoy what we do. *(continues on next page)*



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## Integrated Search Solutions Group



We are a retainer based executive search firm that has successfully attracted top talent in the areas of Outsourcing (IT, BPO and BPM), Consulting (Strategy & Technology) and traditional IT functions (CIO, CTO, etc). We have worked effectively with major corporations as well as effectively with venture capital-ized start-ups. Executive recruiters typically pride themselves in their ability to recruit top executives, irrespective of the industry. Leaders in Outsourcing, Consulting and Technology tell us a different story; they value what we do because we understand their business.

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### Inside with: **Craig Halsey** CEO and a Founding Partner at CJ2 Consulting, Inc.

**LJ: What makes you successful?**

**CH:** I can speak for my partners when I say that we've never made the mistake of declaring success too early. Professional success is a fleeting reward. We've kept that perspective over the years. After every great win, a disappointing loss may follow. After every unfunded initiative comes a project with great promise. When success does come, it is important to celebrate it and to reward it. One of the greatest rewards is being surrounded by successful people. These are the type of people who have joined us at CJ2.

We have also tried to learn as we've gained experience. We take our clients very seriously and take ourselves not so much so. One of my partners once described a salesperson as "being deep in shallow relationships". To the contrary, we have had the opportunity to forge deep relationships. We enjoy the satisfaction of delivering for people who are counting on you. If that's success, then we've been well compensated.



***"Strength lies in differences, not in similarities."***

***Stephen Covey***