

OUTSOURCE

YOUR SUCCESS



**HOW TO USE OUTSOURCING
TO LEAVE YOUR COMPETITORS
IN THE DUST!**

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Introduction

Welcome to a guide that could revolutionise your business forever!

Seriously - most people who start off with an internet business try and do everything themselves, and rightly so, at first you need to, you need to gain experience, save money, learn the little tricks and tips that will help you later on to see if your freelancers are doing a good job - but you can't keep doing that if you really want to succeed!

You can build your business a lot quicker (and easier) by getting other people to do those things you are weak at or don't enjoy, or even just things that take a lot of time, leaving you free to do the easy enjoyable stuff - that is the 'internet lifestyle'!

It also means you can take time off to spend with your family without feeling guilty, safe in the knowledge that your business is being built without you needing to be anywhere near it!

In this guide I'm going to take you through what, where and how to outsource so that you can supercharge your business, even if you are just starting out then learning how to reinvest your profits into outsourcing to grow your business can save you years of tedious slow growth and have you sipping cocktails on the beach in no time! (well not quite, but you could if you really wanted to!)

We'll begin with the advantages, and yes some disadvantages, of using freelancers compared to hiring permanent staff to help you, then get into how to quickly build up your business with outsourcing, the 7 deadly sins of outsourcing (so you can avoid the mistakes I made!) and then we'll get into the what, where and how that you need to know.

Let's get started...



Advantages/disadvantages Over Permanent Staff

Most people when they think about getting some help for their business automatically think about hiring someone permanently to sit with them all day and pound away on a keyboard doing all the things that they don't like to do, and you can do that, traditional businesses do it all the time, but an online business is anything but traditional!

You see the problem with getting permanent staff is that you then have to start a payroll, you have to worry about insurance, employment laws, healthy and safety in the workplace, giving them equipment, making sure they are sat at their desk properly to avoid RSI, maternity leave, paternity leave, holidays, training, need I go on?

So you need to think about all those things, as well as paying them a lot of cash each month, making sure they are always working, not surfing the net, then you need to worry about the employment process, and about the firing process - it is a LOT harder to get rid of a permanent member of staff than a freelancer.

With outsourcing then you can outsource to different people for different things, so rather than trying to get one person in and force them to make videos, submit to directories, write articles etc, then I can outsource projects to different sets of people who are already experts in that skill! This means I get better quality work and I get it faster and cheaper.

Not to mention the fact that (and this is both an advantage and disadvantage) the freelancer is only ever employed for the length of a project, you can stop using them as soon as the project is over and go elsewhere if they are not pulling their weight.

This means they are super motivated to do the job you gave them well, and in the time you gave them, a permanent member of staff has no such motivation, they are there from 9 - 5 so it makes no difference how quickly they do something, but a freelancer makes less money if they take longer than they should to finish something.

Now of course it is not all rosy, freelancers can let you down and just go AWOL on a project, I've had that happen a few times, and it can really leave you in a mess, with a permanent member of staff you can check on them every 5 minutes to make sure it is going ok if you want!

You will also have a communication delay, even if you are in the same timezone (which often you are not) then there could be a delay of hours in them getting back to you on any questions you have, if they are in another timezone it could be 24 hours before they get back to you.



The chance of misunderstandings also increases, they cannot just tap you on the shoulder and ask for clarification so they could end up misinterpreting your instructions and not giving you what you want, that is usually quickly fixed but it is something you need to think about.

Then there is the fact freelancers usually have multiple clients so you need to make sure you treat them well or they could fire YOU as well. Or they could get flooded with work from another client and not be able to take on any of yours.

These are all things you need to think about, for me though there is only one choice, I'll go with freelancers every time, the hassle of looking after a permanent member of staff is just too much for me and the benefit is just too small. If your business model needs people to man phones or pack things into boxes etc then maybe they would be necessary, but again that can all be outsourced to call centres and distribution centres.

So there are drawbacks to outsourcing, but the benefits are well worth the extra trouble it can be sometimes.



How to Scale Outsourcing up to a 7 Figure Business

If you wait and wait for the perfect time to start outsourcing then you'll be waiting forever, you need to start outsourcing as soon as you have a system that works. Now that is the key to successful outsourcing, lots of people buy some money making method and then spend lots of money on outsourcing to really give it a try and find out the system is useless (I did that!).

So find a method of making money online that works for you, start to make some cash by doing it all yourself, or outsourcing only those bits you really have to like a website design, but try and build the site yourself after you get the design back.

Then once you have a method that works, whether that is flipping websites or building high traffic sites, building forums, whatever, then stop and document every step you take by writing out exactly how you do it, this will be invaluable when you outsource.

Start to reinvest your profits into outsourcing, take out any money you need to live, and then a bit as a contingency fund (20% or something) and then reinvest the rest into outsourcing to grow your business as fast as possible.

Slowly you will start to find outsourcers who do really good work and you trust, give them more work once you find them and treat them well, they are invaluable.

Manage everything and slowly start to ease yourself out of the process so you have a few outsourcers doing almost everything for you, say if you are flipping websites then you get a web designer to design the site, then your article writer writes the articles and a webmaster loads them up and gets a bit of traffic to the site. Then at the end of the process you just list the site up for sale and collect the cash.

The idea is to put into place and refine systems that any freelancer can follow, so if you try something new for part of the process (or they find a better way to do something) then refine the document you made which tells the freelancer what to do. This means you can hand that same sheet to a different freelancer if you need and get the same kind of work from them. If a freelancer doesn't understand something then revise the documentation until they do and hopefully soon you'll have a foolproof process in the end!

Then you diversify, once one method is running smoothly and you are making good money off it (or you reach what you think is the limit of that method) then try another method, do it yourself again to start with and document what you do, refine what works and what doesn't, then start the process again, hand off parts of it to different people, refine your process as you need to until it works smoothly and then leave your outsourcers to work and make you money!



This can be repeated again and again with different niches and different methods and you can even hire a freelance project manager to help you manage your teams of outsourcers if you need to. The idea is to learn what needs doing, document it and outsource it, then you look after finding offers to test, thinking up new niche and site ideas and managing the people who are working hard to make you money - keep going until you are earning 7 figures a year!

Now let's look at some mistakes most people make when outsourcing...



The 7 Deadly Sins of Outsourcing

I found out these 7 deadly sins the hard way, if you really want to supercharge your business using outsourcing then make sure you take note of these and do everything you can to avoid them, otherwise they will make it almost impossible for you to successfully outsource and you'll just be tearing your hair out and cursing me instead!

#1 Expecting the same level of work as you would do

A freelancer is not you, for better or for worse, so don't expect their work to be exactly like you would do it, it might be much better, if I hire a designer to design me a site it is going to be 10x better than anything I could do, but if I ask someone to load articles up to my site then they might not do it as well as I could do it.

Remember you are outsourcing to save yourself time so you can do the more important things that are much more profitable for you, so don't sweat it if the squidoo lens they created is not as polished as you'd make it.

We are all different, and we all do things different ways, if you want something to be done a certain way make sure it is on the process sheet or job spec you gave them! Don't expect them to automatically do it just because you do! If they miss something off then revise your process sheet for next time, soon you'll have everything covered but at the start expect a few bumps that need to be taken care of.

#2 Not explaining the job clearly and asking for a checkpoint

While that job spec you just created may look ok to you, it might lead to a misunderstanding if you have not explained things clearly, don't assume anything, write it down so they know what they have to do!

I first noticed this with asking for keyword phrases to be put into articles, I assumed freelancers who knew about keyword density would adjust the phrase if it didn't make sense, like having the keyword phrase 'lose weight belly quickly'. It wasn't until I received them back and saw the phrase had been just stuffed in like that so it didn't make sense that I realised I needed to explain how I dealt with phrases that did not make sense so they could copy me.

After you encounter a situation like this then update your standard spec or your process sheet so you don't make the mistake again.



That is why it is also important to ask for checkpoints, even with a batch of 10 articles then if it was new writer I had awarded the project to then I would ask them to write 2 and send them to me, then another 3, then the final 5.

This gives me the opportunity after 2 to give feedback, then after the next 3 I can see they are doing what I asked them to, then I allow them to finish the rest. This means you can catch problems like the keyword phrase issue I mentioned, before they churn out all of them.

I have had writers who wrote 500 word articles in what looked like 2 paragraphs, if I saw that on a website I'd click away immediately - it looked like way too much effort to read! But after explaining how long I liked my paragraphs they were changed and all of them now are great!

#3 Not setting strict deadlines

Working from home full time is hard! It is hard to motivate yourself and even harder if you don't have deadlines. The freelancers you hire are most likely working from home full time and if you do not give them a strict deadline then your project will probably take a long time to get done as it keeps getting pushed behind other projects they receive which do give deadlines.

Even if the freelancer is really good and always delivers work really fast, then give a deadline, it helps you to spot problems, helps you to plan, and helps them to prioritise their own workload.

#4 Not checking the work thoroughly

This applies particularly at the start, don't release payment until you've checked the work thoroughly, and don't dawdle either, if they are good and you take ages to pay them then they may not want to work with you again!

You need to check all the criteria has been met though, if you asked for a specific keyword density in an article then test it and see if they included the keywords in it (I do a search in Word for the term and say 'highlight all' and each repetition of the term is then highlighted in yellow for me to see).

Check articles through copyscape to make sure they have not been ripped off from another site OR created once by the outsourcer and sold to multiple people (things like that can happen). A cheaper way to check articles is to take a sentence out of the article and put it into Google enclosed in speech marks, do that for one or two sentences and you should be able to see if any duplicates of the article exist.



If you are having software made then try and break it, type in things it should not recognise and see what it does, run it multiple times in multiple ways, it is a lot easier to get a freelancer to correct something if they haven't been paid fully yet!

It doesn't matter how friendly the outsourcer is, trust has to be earned and at the start you don't know anything about this person and how they work. Also later on be sure to check their work if you are getting regular work off them, I let this slide once and I was having so many articles created by one person (about 7 a day I think) that I just let them build up without checking them until I had time to use them - then later on I discovered half of them were blank!

I don't think it was malicious, he did have that problem once before which he said happened transferring between his two computers, but I had already let him go by the time this emerged as he was being troublesome, and as we were working independently of the outsourcing websites at that time then I didn't have any easy way to get it corrected. As I had scrapped the projects he was writing for then I just let it go as a learning experience!

#5 Not looking after them

Some people think that they can treat their freelancers like their boss treated them at work, they take up the mantle of power and expect their 'workers' to bow down to them and do everything they say without any thanks. Don't forget they are freelancers though, they have no obligation to you outside of the current project.

If you find a good worker then treat them like gold, praise them for a good job done, give constructive criticism if they make mistakes rather than ripping them apart, give bonuses if they help you out in a tight situation, that sort of thing will make them like and respect you, and you'll then get the best out of them.

Of course don't treat them too gently, be firm and fair, expect deadlines to be met and mistakes not to be made again after you point them out, you don't want them to think they can get away with anything or you might find their level of work deteriorates.

#6 Thinking that price dictates quality

We are all guilty at times of thinking that the more expensive something is then the better quality it will be, and sometimes that is the case, but we've all learnt from hard experience that this is not always the case!

This is particularly true with outsourcing. When you get bids on your work then you might be tempted to go with the cheapest bid if you are on a tight budget, or you might be tempted to



go for the most expensive if you need something professional that will come under scrutiny, but the price people think they are worth does not reflect the quality of their work.

For instance even with freelancers living in the same country then if somebody lives in an area where the cost of living is high, then they may charge more for their work than someone who lives in part of the country where the cost of living is much cheaper. That doesn't reflect the quality of the work, just how much each person expects to be paid.

We'll discuss more about choosing bidders later but just be aware that I have had brilliant articles created for \$5 and I have had average ones for \$10 - \$30, it depends on the freelancer not the price.

#7 Relying on one outsourcer too much

This is an easy mistake to make, you find one good outsourcer and so you start to give them lots more work, and you soon come to rely on them way too much. What happens if they become ill or they want a holiday, or they just get a better offer from elsewhere? Your business will crash to a halt!

You need to have backups, preferably backups who you actually already use, split your workload out between multiple people so if something does happen to your primary freelancer then your secondary ones already know what to do, and most will gladly accept more work!

I have had perfectly good outsourcers go missing on me, and taking the time to then go out and find new freelancers, teach them how I like my work done, and get them up to speed and find out if they are good enough to keep on, can take a good few weeks. Prepare for the worst and make sure you have a backup.

So there you have the 7 deadly sins that can make outsourcing painful, make sure you take each one to heart and don't become complacent and fall foul of any of them, if you do then you'll probably get a painful and expensive reminder later on!

Now let's look at what you can outsource.



What to Outsource

I like to think of there being only three categories to what you can outsource:

- Work you can't do
- Work you don't want to do
- Repetitive/non-strategic work

Let's look at each in turn:

Work you can't do

This is an obvious one, and one that forces you to outsource even if you don't want to, this is work you do not have the skills to do. It could be something like creating websites (although you can and should learn how to do that yourself), but I am thinking more along the lines of work like programming, or graphic design, skills that would take years to learn so it is just not worth doing yourself.

We all have different skills, and I know a few programmers who are also online entrepreneurs so they can do that part themselves, but they will outsource the other skills they don't have, by tapping into the skills of others we can get things done quickly and easily that would be impossible for us to accomplish.

Here is a quick list of things that might be in this category:

- Copywriting (although you should learn this)
- Website creation (although you should learn this)
- Graphic design
- Software/script programming
- Script installation
- Fancy video editing/effects
- 3D modelling/animated graphics

Work you don't want to do

This is the fun part about outsourcing, you can outsource things you don't enjoy! This is more than just an ego trip too, if you are doing things that you don't enjoy then you are inevitably putting them off, and taking longer to do them than you should do, we all do that.



So by outsourcing the things you don't enjoy then you will get more done, and be a lot happier about your work too as you don't sit there miserable hating every moment of submitting articles or whatever it is you don't enjoy.

We all like different things, but here are some examples of jobs people may dislike (there is overlap between all the sections as some jobs will be in different categories depending on the person needing them done):

- Submitting articles
- Writing articles
- Writing ebooks/reports
- Account creation at sites like social bookmarking sites/article directories
- Creating videos
- Turning articles into podcasts
- Loading up webpages
- Split-testing
- Copywriting
- Customer service
- Forum management
- Link building for SEO
- Creating web 2.0 properties

Those kind of things, if you don't enjoy them, then do it once, document how to do it, then outsource it!

Repetitive/non-strategic work

You've probably heard this countless times before, but you should be working ON your business not IN your business if you want to be hugely successful. This means getting away from all the hands on repetitive work that is needed to succeed, and instead focussing on the bigger picture and the strategy that you want to take.

This covers things like keyword research, while I put that in the list above then really that should just mean getting a freelancer to find you a list of keywords that meet a certain criteria like a minimum number of monthly searches, it is your responsibility though to choose the ones that you will target to get more traffic to your site.

You need to decide what niches to enter, which projects to scrap or ramp up, which products to create or sell, all the things that you wouldn't want someone else to decide for you. But you



don't have time to decide things like that if you spend all your day doing social bookmarking etc, that is the kind of tedious job that you can outsource to free up more of your time.

Although you may be able to do them easily and even enjoy some of the more tedious tasks, then you need to make the best use of your time and as you can outsource those tasks for very little money then it makes sense to get others to spend all day doing that instead.

Some of the more repetitive tasks you could outsource are:

- Writing articles
- Social bookmarking
- Account creation at sites like social bookmarking sites/article directories
- Submitting videos/podcasts/articles
- Loading videos/podcasts/articles up to websites
- Managing blog comments
- Link building for SEO

Thinking about tasks in these three ways allows you to quickly categorise any task you do and decide if you want to outsource it, obviously you won't have the capital at first to outsource everything, so just keep to the things you don't enjoy or really can't do yourself, that will take a huge burden of your shoulders!

I think the two main areas that most online businesses should concentrate on outsourcing are content creation (website content, articles to submit or use on web 2.0 properties, videos, reports) and SEO to bring in targeted traffic to your websites (building links and optimising pages). They are two key areas that should not be neglected.

Now onto where to find good freelancers.



Where to Outsource

Years ago if you wanted to outsource anything then you'd pretty much have to go to Elance.com, but thankfully now there is some competition so you have more choice over where you want to go and what you want to pay.

There are differences between the sites but it is more personal preference in the end, try out a few and see which you find easiest to use, which you get the best quotes on, and which you find good staff on, then stick with that one, I stick to Elance.com, but that is only because I have a dedicated account manager now as I have been using them for so long, and because they have always provided me with what I need.

These outsourcing sites allow people who want to earn money freelancing to sign up and then submit their credentials to be verified by the site or take a short test in the skills they say they have.

Then you sign up as an employer and post a job in the correct category saying what you want done and the freelancers will bid on it and give you any relevant information like if they have worked on a similar project before. You go through and look at the feedback which has been left for them by people they have worked with before, their portfolio and their credentials, then choose one (or multiple if you want) people to do the work for you.

The main sites you can use are:

Elance.com

Odesk.com

Guru.com

GetAFreelancer.com

ScriptLance.com

RentACoder.com

The top 4 are just regular outsourcing sites where you can outsource pretty much anything, the last two are biased towards software and script development, but people do use them for other work as well. In fact I have had articles written by people on RentACoder, and they were reasonable quality and quite cheap.

Or you can use Amazon's offering which is the Mechanical Turk, this is a marketplace for you to get HITs (Human Intelligence Tasks - essentially jobs that require human intelligence and cannot



be fully automated) done. You can put a job on there, like writing a 100 word snippet about something, and then put in the price you are willing to pay and you might have hundreds of people willing to do the job for you.

This used to be used by marketers to get people to leave comments on your blogs for pennies a time, Amazon cracked down on that as it was considered to be spammy but the fact remains if you want a task doing hundreds of times by different people, or even hundreds of times by just one or two people, then this is kind of a 'wholesale' version of the other sites.

Don't forget you can also outsource to someone full time... this has less problems than having a staff member in an office with you, no health and safety in the office for them etc, but you would have to check all the legalities about hiring them based on any laws particular to your state/country as all the laws governing this are different.

So essentially you are just booking out all the time with that freelancer and having them work exclusively for you, just make sure you have enough work to keep them busy all the time if you do that!

A great place to outsource to full time, which is really making a name for itself in the online outsourcing world, is the Philippines. There you can hire full time workers yourself for as low as \$100 a month, or on average around \$300 a month for someone to do basic work. You'll find most people who apply are well educated and eager to work hard for you, but like any outsourcing project you may need to go through a few workers until you find the perfect person.

If you look after them yourself then you need to make sure they are trained up, make sure they are working hard (ask for a daily update on projects to make sure things are moving forward) and pay them correctly (there is a rule in the Philippines where after someone has worked for you for 12 months you pay them one month's salary as a bonus to cover holiday pay etc - all that needs checking out and abiding by).

Two places you can go to find people to hire are:

BestJobs.ph

HireFilipino.com

OR you can use one of the many services that is cropping up who find and train workers for you and you pay that company who then manage the employees, make sure they are working and deal with all the legalities of employing the people full time, of course you pay for the privilege with the average worker costing around \$600 - \$700 a month (plus any other costs like special software etc).



That second option is a lot more expensive, but at least it gives you experience with dealing with a full time member of staff so then you will be in a much better position to hire people directly later on.

The main site that provides a managed outsourcing service like we spoke about above is:

AgentsofValue.com

Or I did just found one which provides the same service but in India - the average cost there is \$700 - 800 a month, that site is VirtualEmployee.com

So you have lots of different options there, to start with you'll just be outsourcing small projects and bits of work, so a full time person won't even come into consideration, but as your business grows then that is something to keep in mind.

One other option I need to mention before I finish this chapter is if you are a member of a forum in your niche, or a marketing forum like WarriorForum.com then you can find people there who work freelance and get them to work with you.

In a forum like WarriorForum.com then you can ask for recommendations of people who other members have used for whatever kind of job you need doing, or in niche forums if you are looking for a writer then you can look for people who post really good information and send them a message asking if they'd like to write for you and how much they'd charge per 500 word article.

This can help you find some really good freelancers!

Now let's look at the normal process of outsourcing your work.



How to Outsource

Now we're at the stage where you can actually get someone in, so I'll talk you through the whole process now as you would do it on Elance, the same kind of process is used by the others so you can just adapt it slightly based on the site you use.

For your first outsourced job then you want to choose something small, so say you really want someone to create 5 articles every week for you, what I'd do is put out a job for 10 articles in 2 weeks, and I'd then hire TWO of the bidders to do the work, that way you can evaluate them against each other and choose the best to carry on with. In fact even if I needed only 10 articles I'd probably still hire two people to write around 7 articles each just because it makes finding a good freelancer much quicker.

Please note that these sites usually have a minimum bid, on Elance it is \$50, that means if you post a job for 5 articles then the minimum they can bid is \$10 an article... think about that before you post!

Posting a job

You need to sign up to the site you are going to use, and input a payment method to pay outsourcers with (I hooked up my Paypal account). Then go to post a job, on Elance.com you can find it on the front page after you login:

The screenshot shows the Elance.com homepage. At the top, there's a navigation bar with 'Elance' logo, 'GET SERVICES', 'PROVIDE SERVICES', and user status 'Hi, Available | Sign out'. Below this is a secondary menu with 'HIRE', 'MANAGE', 'PAY', 'EXPLORE', and 'INBOX (10)'. Under 'HIRE' are sub-links: 'Search', 'Post Job', 'Browse', 'My Jobs', 'My Providers', and 'My Profile'. A red arrow points from the text above to the 'Post Job' link. The main content area features a large banner: 'Hire, manage and pay experts to do your work.' with a 'How Elance Works' link. Below the banner is a 'Find Experts (92,573)' section with a search input field, a dropdown for 'All Categories', and a 'Search' button. To the right is a 'Get Started' section with a 'Post Your Job' button and the word 'FREE' below it. At the bottom, there's a 'Web & Programming' category section showing '23474 professionals' and a list of 'Skills for Hire' including PHP, SQL, .NET, HTML, Linux, Joomla!, WordPress, and Web Services. On the right side of the bottom section, there's a 'Today on Elance' summary: '25,208 New Jobs Posted Last 30 days' and '92,573 Experts Providers active on Elance'.



You'll then be presented with a set of boxes to fill out which describe your project like below:

1 Describe What You Need **2** Choose Your Posting Type **3** Preview Your Posting

Describe What You Need

Describe the job or list the skills you're looking for. It's easy and free.

Job Title ?

Category

- Select Category - ▼

↳ - Select Subcategory - ▼

Job Description ?

4000 characters left

For the title don't make it anything other than clear and concise, you don't want to try and grab their attention with capitals or anything like that, you just want to describe exactly what you need, so I'd put something like '10x 500 Word Articles Needed Within 2 Weeks'. It might not sound like any fun but these people are browsing through lots of projects so if they know exactly what yours involves they can easily decide if they want to do it or not.

Then you'll see the category selection, this just means are you going to put it in the writing section, the finance section, the programming section etc, and then a sub category, so ours will be the writing section and then article writing, just choose whatever combination sounds most relevant to your job, freelancers usually surf multiple categories anyway.



Now you get to the job description, when you write it out make it professional and short, and make it answer these important questions:

1. What exactly do they have to do?
2. What information/help will you be providing them with?
3. What rules do they have to follow as they do it?
4. When do you need it by and will there be a checkpoint and when?
5. What kind of person are you looking for?
6. Will there be any future work for the winner?

If you have answered all of those adequately then that should put you way ahead of most other employers out there who give vague and confusing job specs and put freelancers off bidding.

1. This first question is the most important, to start the spec I'd just get straight into it with 'I require someone to...' then tell them exactly what you need, think about all the information they need to be able to bid properly, for articles then what length do they need to be, what style of writing (professional or casual etc), what subject will it be on, what purpose are they for, do they need to have a specific keyword density?

For a programming job it is different, then it will be what programming language should they use (or get them to suggest that), and what operating systems should it work on or should it be web based... If you are unsure about what to include then browse through the other jobs people have posted in your category and you'll see what other people are talking about in their specifications.

2. Then you need to tell them what you will be providing, so for articles will you just provide the keyword and they have to create the title, research the topic and write an article, or do you provide the title and some research and they just turn it all into an article? If you want people to build links for you then will you provide places for them to get links from or do they have to find them? This all changes the price people will charge you.
3. The next step is the rules they need to follow, so if you like your articles to have short paragraphs like me then say here, if you want them left-aligned in 12pt Arial font then say so, one thing I always forget to say is that I want each article in an individual file, most writers like to create all of them in one Word file which I then have to split up. If you want something like a 1% keyword density then say here, these are the criteria that must be met so if you don't put them in the spec then you can't moan if they aren't in the finished project.



4. Next we come to the deadline, tell them when you need it by and if there will be any checkpoints along the way. We spoke about setting checkpoints before, you need to check they understand everything and you didn't miss anything off before they complete the rest of the project. So set one checkpoint at about 20% into the job, and another at about 50-80%, just so you can check how things are going and don't get any nasty surprises at the end.
5. Here is where you talk about the kind of person you want, so how much experience do you want them to have? Do you need them to have any particular credentials etc? For our article project that might not be necessary, but for something like programming then it is more critical just to weed out any people who don't have the experience to give you what you need (I'd ask for someone with 3+ years of programming experience just to make sure they know what they are doing).
6. Finally if you think you will have any future work for the person you hire (if they turn out to be any good) then definitely put that down here, it will help to get people to bid low for this job so they can secure the rest of the work! Even if you are thinking about maybe getting more in a few months then mention future work on the job spec to get the price down and more bids!

So to put all that together my project spec would look like this:

"I require someone to write 10x 500 word articles, they should be written in a light conversational style.

The articles will be on weight loss and will be to submit to article directories to drive traffic to my website.

I will provide a list of 10 titles and then the winning bidder will need to research the topic and write the article to match the title.

There will be no keyword density needed for these articles, just please keep the paragraphs short and punchy.

I will set milestones at 2 and 5 articles just to make sure we are on the same wavelength before they all get completed, with the payment split out across the milestones.

I require someone with a good grasp of English, but you do not have to be a professional writer as the articles are conversational so they don't have to be grammatically perfect.

If all goes well the winning bidder will secure more work from me of the same nature."



You can also attach files here as well if you have any spreadsheets, pictures etc that help show people what you want.

Then you need to select the skills that you want them to have, again for article writing this is not really that relevant, but you might want them to have medical writing experience for instance if you want them to write about medical topics.

I just selected 'article writing' as the skill:

Desired Skills (recommended)		Selected Skills
<input type="checkbox"/> Academic Writing	<input type="checkbox"/> Medical Writing	(select up to 5)
<input type="checkbox"/> Arabic Translation	<input type="checkbox"/> Microsoft Office Word	Article Writing [x]
<input checked="" type="checkbox"/> Article Writing	<input type="checkbox"/> Newsletters	
<input type="checkbox"/> Blogs	<input type="checkbox"/> Non-Fiction Writing	
<input type="checkbox"/> Business Writing	<input type="checkbox"/> Online Writing	
<input type="checkbox"/> Children's Writing	<input type="checkbox"/> Poetry	
<input type="checkbox"/> Chinese Translation	<input type="checkbox"/> Portuguese Translation	

Don't see what you want above? [Add a custom skill](#)

Next is whether you want to offer just a project or a more involved position, I have never tried to offer anyone a position so I don't know the kind of prices people would offer, but most of the time it will just be a project, then select 'fixed fee', I'd only ever use that as otherwise there is no real incentive for the freelancer to get it done quickly as you are paying for every hour they work!

Finally you set the kind of price range you expect people to bid between, the ranges are quite big which is useful if you are unsure about what I should cost, or you can just put 'not sure', I have selected between \$50 and \$500. So it looks like this:

Job Type (What are you hiring for?) ?

<input checked="" type="radio"/> Project Request proposals for project-based work with specific milestones and deliverables.	Project Type <input checked="" type="radio"/> Fixed Fee <input type="radio"/> Hourly
<input type="radio"/> Position Request proposals for ongoing contract or consulting work where deliverables and scope may change from time to time.	Approximate Budget (required) Between \$50 and \$500 ▼ <small>Job size must be greater than \$50. More Info</small>

Next you say if you have a preference for where they work from, if you are doing something where they need to visit offline places that might be relevant, but usually you just leave it on the default setting which says they can work from anywhere.



Then we come to the payment section, now Elance uses an escrow system, so you pay Elance the money for one of the checkpoints (milestones) and they hold the money, then only when you are happy that the work has been completed properly do you authorise the release of the money to the freelancer. This means the freelancer can be confident you are not messing around and you have the money to pay before they start doing any work, and you are confident they won't run with your money until you are happy with the work.

You can select not to use it but there are no fees for it so you will limit the type of freelancers who will bid on your job if you do not use it.

Elance Online Work System ?

Elance provides its [Online Work System](#) to help you identify and hire a service provider, manage the job and pay for the work.

Features:

- Post your job, review proposals and interview candidates
- Access a [Workroom](#) and weekly status reports to review and approve the work online
- Release payments to your service provider upon your approval

We collect our [service fee](#) when your provider gets paid through our system.

- I agree to pay my service provider through Elance using [Escrow](#) (at no charge) to release payments upon approving the work (recommended for fixed fee jobs).
- I agree to pay my service provider through Elance without using Escrow (recommended for hourly jobs).

Finally you want to unhide the advanced settings at the bottom:

Advanced Options [^ Hide Options](#)

Post this job for
14 days

Proposed Start Date
 Start immediately after proposal is selected.
 Job will start on

Job Posting Visibility
 Public—Visible to everyone in the Elance community.
 Get more proposals. Allow search engines like Google to view this post.
 Private—Visible only to the professionals I personally invite to this job posting.
(You can invite them later after you post.)

Seal Proposals
 Keep proposals and proposal amounts private so that only I can view the information.

1099 Tax Filing (U.S. only)
 Yes. I am based in the U.S. If I decide to choose a provider from the U.S. for my job, automatically file the 1099 tax form for me. [More Info](#)



You might want to tick the tax option if you live in the USA, unless you have someone to do that for you, but the important part is the 'Seal Proposals' part, I just leave the rest as it is.

The seal proposals option allows you to keep the bids that people make private or public to the other bidders. At first glance you'd think it would be good to have them open, then people can see what others have bid and undercut them, I must admit I thought that at first too.

The trouble though is the first bid sets the price range people tend to bid around, so if the first person to bid puts in a high bid then everyone else tends to increase theirs as well because they are still bidding lower than that other person.

It can work out ok, I have had some good prices that way, but the best method I think is to keep them private, that way everyone bids the best price they think they can do the project for as they want the business and they want to beat everybody else's price but as they don't know what other people are bidding they just have to go as low as possible. I've had some great prices this way!

Choosing the winner

After you confirm the details and post your job then it is live and people who are searching through will be able to bid on it straight away, you should get emails occasionally to update you on how many bids have been made and also you might get questions from the freelancers or just messages to say why they think you should select them.

I leave my jobs for 48 hours before I consider any bids, I reply to any questions they have straight away, but there is no point in jumping on what looks like a good bid straightaway as you might get a better one a few hours later. Different freelancers will be scouring the site at different times and until 48 hours has passed then you haven't given enough time for everyone to have a chance to find your job and consider it. You might want to consider leaving it longer, but 48 hours is a good minimum.

Then once enough time has elapsed have a look at the bids people have made, you should have a screen that looks something like this:

Proposals (5 total, 0 new) | Declined Expand All Proposals

Filter By: All Proposals View: ○○○○○ and above | Sort

Provider	Submit Date	Type	Location	Min. Rate	Feedback Earnings	Credentials	Portfolio	Amount	
					Feedback: 100% Positive Reviews: 12 Earnings: \$3,766 Repeat Customers: 4 of 15	3 tested skill(s)		\$170.00	Interview Messages Offline Call
Show Proposal + My Rating: ○○○○○ Decline Award									
					Feedback: 96% Positive Reviews: 24 Earnings: \$3,090 Repeat Customers: 3 of 21	4 tested skill(s)		\$200.00	Interview Messages Offline Call
Show Proposal + My Rating: ○○○○○ Decline Award									
					Feedback: 100% Positive Reviews: 7 Earnings: \$640 Repeat Customers: 3 of 12	3 tested skill(s)		\$400.00	Interview Messages Offline Call
Show Proposal + My Rating: ○○○○○ Decline Award									



I have blanked out the freelancers details and hidden their messages to preserve their privacy, but you can see the kind of proposals you get (I had whittled that down to 5 and only show 3 in the picture, I usually get around 10 bids per project). Again remember the cheapest is not always the worst, and the most expensive is not always the best.

There are 3 areas you need to consider when choosing the winner(s):

- Feedback
- Portfolio/experience
- Price

I look for people with at least 10 feedback, that means they have done a good few projects (not all people will leave feedback for them after a project so they have probably done many more than 10). If they have less than that then if they sent me a great message then I might consider them, I once had someone relatively new send me a Word document to back up their bid with details about why they were suited to the project and why they'd like to work with me, that extra effort secured them the project as I knew they were serious about working with me.

The more feedback the better as it shows how consistently they work. Don't be scared off by people who have less than 100% feedback, as not many people do leave feedback then if they get one bad or neutral piece of feedback then it can really harm their average as it is not weighed up against the amount of projects they have completed, only the amount of projects that have left feedback. In fact my best writer had 96% positive feedback when I hired her.

What you need to do is go in and look at the feedback, you can quickly see the negative feedback and decide for yourself if the feedback was warranted or not. I've seen all sorts of reasons for negative feedback, even the project being a bit pricey (hey you see the price before you choose the winner!). The freelancer also gets a chance to respond so sometimes you'll see the project was delivered late, but the freelancer then talks about the client not responding to any of their emails asking for information to help them complete it...

You need to weed out the people who have nowhere near enough or good enough feedback, then with the people who are left look at their experience and portfolio. If you click on their blue name on the left side of their bid, then you will bring up their profile which will list all their qualifications and experience, in fact it is like a little CV as it even lists past job positions.

Once you've browsed through their profile then you'll see some options near the top:

 [Profile](#) |  [Portfolio](#) |  [Feedback](#)



Click on 'portfolio' and you'll be taken to see examples of their work, this is particularly important for any design work you get done, but is useful for articles too as you can see how they write and if everything flows smoothly through the article.

So now you've looked at their feedback, their profile and their portfolio, now it is the time to look at the price, you notice I left this till last when you now have a good understanding of what the freelancer is capable of, that helps to put the price into perspective.

I have had high quotes before from people who are less qualified than the people giving reasonable quotes, but then I have had high quotes from some very professional people too, published authors, people who have been featured in magazines etc. Now the latter would be worth the extra money if I wanted something super professional writing, the first set of people I think were just trying their luck as compared to the rest there was no reason for me to pay them above the odds.

So NOW really look at the prices, which ones did you like best from the feedback and their profile/portfolio, is their bid ok compared to the others? You might find that the person you think is best suited is also the cheapest, in which case you can probably award the project to them straightaway. Otherwise weigh up all the information you have about each freelancer and decide who offers the best value (not the best price, the best value).

Once you have awarded the project to one person you then specify the 'milestones' for the project, which are the checkpoints they must meet. You put a title for each one, so '2 articles complete' then the date you want them completed by, and then the money that will be released to them at that stage. Go through and create all the ones you need and make sure the total at the bottom adds up to the total of the bid the person gave, else you could be overpaying them!

Once you do that and submit it then that goes over to the freelancer to accept or revise and send back if they think the dates are not achievable, once everything is accepted then you'll be asked to fund the first milestone so they can begin.

Now is the time to give them any extra direction you want to, examples of work you've done previously, any sites you like to use to research things, if you are having them create software for you then examples of other software that does what you want, that kind of thing.

A top tip here is to use video to take them through what you want them to do, you can use Jing for free to create up to a 5 minute video, it then just uploads to their server and gives you a link to give to the freelancer so they can watch it. This is incredibly powerful if you are getting people to build links for you or create videos, create accounts, even for writing articles but there is not as much to explain with them.



By going through things on a video then the freelancer gets to see your train of thought, the things you really like and really hate (you can take them over examples and say what you like and don't like) and in just a few minutes you can explain what would take thousands of words to try and get across with an email.

Also, a quick word or warning... while you might be tempted to just email the freelancer or give them your email address to correspond (it would be a bit easier) then if you make sure you correspond using the message board the sites will provide you will have evidence to provide them if anything goes wrong. If you correspond by email then the outsourcing site will not be able to trust that evidence or analyse it as easily, so it is always best at least for the first few projects with a new person to stick to the message board.

Managing the project

There isn't really much to manage at first, check they are ok and get them working towards the first milestone. Once they send in the required material for that milestone (2 articles in the case of our example job) then make sure you check them thoroughly, if they are not to the spec you gave with your job then point out what is wrong and get them corrected and resubmitted to you.

If they are to spec but you want some changes made now you have seen them or you forgot to ask them to do something, then message them and ask them if they could please do whatever it is you forgot, if it is a big change they may ask for more money, but if it is just a bit of extra work they should usually be fine with that.

Make sure once you have the completed items for that milestone and you are 100% happy with them (once they have been corrected if they needed to be) then release the funds for that milestone and fund the next one with the amount you set for it (all that is set automatically based on what you put down at the start).

Then just repeat that procedure for the next milestone, check that any changes you requested were done for the next set of work, and if everything is ok, release funds, fund the next milestone and let them complete the project.

At the end of the project double-check that everything is as you wanted it before you release the final funds, then leave feedback for the freelancer and make sure to thank them for doing the project!



Problems

If you have any problems then try to sort them out yourself first, if they deliver a milestone late ask for an explanation, if you are happy with that and the work is ok then maybe just let it slide, but watch out for any more late work in the future.

If the work is not up to scratch and they won't correct it, or the work is late and there was a specific deadline they had to meet (before you went on holiday etc) then you can email the site you are with and they should be able to release the money you had in escrow back to you and might take action against the freelancer if they agree the freelancer is at fault. They also usually act as mediators in disputes to sort out problems if you can't sort it out between yourselves.

If something like that happens and your project is not finished then go back to the bidders and choose another one, send them a quick message asking them if they are still interested in doing the project for you and if they are then award them the project if the site you are using allows you to award multiple people, or create a new project and get them to bid on that and just accept them straightaway when they do.

Future projects

If you are happy with the work and want to use them again then you have a few options, you can send them a message and ask them to create a 'repeat project' which some sites allow, this enables them to create a job at a set price and send it to you which is easier than the other way round.

Or you can create a new job but make it 'invite only' and invite the freelancer you just used to bid on the project, once they have bid if you are happy just award it to them and nobody else will see the project.

OR you can go offline, work outside of the site, I have done this in the past and it can work out well, or it can end in disaster. The only real advantage is to the freelancer who doesn't have to pay the fees that they will going through the outsourcing site, and I guess for you it is a bit less hassle as you don't have to login to send messages.

You do however lose the power of the site to mediate any disputes and to keep a track of everything that is said between both of you, plus the escrow function.

I wouldn't move offline straightaway, if after a few projects the freelancer wants you to move offline then you could try it, but if they don't push for it then I find it easier just to keep going through the site. It also means you have a backup of everything as most sites email you a copy of any messages that are sent, so you get your files by email, but they are also on the site if you ever lose them.



That's it! You now know how to outsource almost anything you can imagine, you can even hire a virtual assistant who will help you keep organised and do things like booking flights for you, ordering flowers for people, all the little things that sap your time!

Now let's quickly discuss the ultimate aim of outsourcing.



Using Freelancers to Setup Automated Streams of Income

When you first start outsourcing then you will just be using freelancers to do some of the work, you'll get them to write articles and give them to you, you'll get them to bookmark a site and then stop, but eventually you want to automate everything you do using outsourcing so that it grows by itself.

That means instead of just writing an article they also post it to your blog with a catchy title and description tag, or instead of just bookmarking a site once they bookmark a portfolio of your sites once a week.

You want to find people you can trust and then hand over part of the responsibility of that site/project to them, so you can then go and make another income stream and another while the first one just grows and grows. You need the capital to do this, but once you do your business can explode!

One word of warning though... as an online entrepreneur we tend to find a system that works and then replicate it again and again to increase our earnings. You want to make sure you never give a freelancer too much information or responsibility so that they can duplicate what you do.

I am not saying they will rip your ideas off, although of course I am sure that happens as well, but most of our 'systems' are not things we can easily copyright, if you found out that getting people to your site using PPC and having three banners on the page converts like gangbusters then there is not much you can do to stop people copying that idea.

So if you get a freelancer to do almost everything for a site then if they know that is making you lots of money they may branch out on their own and try to get a similar system going in a different niche, if they do then you just lost a great freelancer as they will no longer be working for you once the money starts coming in...

It sounds nasty to say it that way, but it just something you want to think about, the last thing you want is someone who knows all your little tweaks and traffic secrets to come in as your competition in the same niche as you...



Final Thoughts

Now you know exactly what to outsource (make a list of things you hate, things you can't do but need done, and tedious/repetitive things) and you know how to outsource.

It won't be a smooth ride, we all get a few battle scars when doing new things, but that is experience we gain that makes us better at everything we do! At least by going through one of the outsourcing sites then you are unlikely to lose money if things go wrong as you can get the site to mediate and get your money back, it is much harder working outside of the sites but if you do use someone from a forum like I mentioned then just make sure you get strong recommendations from people before you part with any money up front (they may ask for that as they don't know whether you'll pay or not once the project is complete as they have never worked with you before).

Now get your feet wet, outsource something small and experience how it all works, then you will gain the confidence to start outsourcing more and more so your business grows faster and you get more time to do the things you love!