

# 25 MISTAKES DIGITAL AGENCIES MAKE WHEN OUTSOURCING

And How to Fix Them

## DUDE

The Perfect Outsourcing Solution for Digital Agencies



Dear Digital Agency Owner:

Running a digital agency is extremely difficult.

Most likely you started out as a solopreneur just taking on projects as they came your way, but then something changed...

You started to improve your skills and your clients started to get amazing results!

That led to more referrals, more work, and eventually you had to start building a team to help with the demand.

Whether that team were contractors, a business partner, full-time employees, or a mixture of all those options you now had yourself a full-fledged digital marketing agency!!

If you're like me when I started out, you don't have a clue as to how to hire and scale an agency let alone build a team of outsourcing help and full-time staff.

Bringing on new team members is not only scary, but it can also be really expensive.

And if you bring on the wrong team member then the studies show that one bad person can really prevent your agency from growing.

The good news is that we are no longer locked-in to finding talent in where we live and work.

With the help of project management systems like Asana or ClickUp and communication tools like Slack and Zoom, you can now communicate in real-time with team members from all around the world.

You can build your dream team that will also fit your labor budget through outsourcing!

If you don't know who I am, *my name is Chris Martinez and I'm the CEO and Founder of DUDEAgency.io.*

From 2012 to 2020, I owned a digital marketing agency which I sold in 2020. And since 2017 I have been running DUDE and now I run a team of over 100 staff helping digital agencies with the people, processes, and education so that our agency clients can scale profitably.

Outsourcing typically has a bad reputation and I should know because I used to outsource in my own agency.

To put it bluntly, outsourcing sucked...until DUDE came along.

On these next pages, I'm going to show you the top 25...yes 25....mistakes that digital agencies make when trying to outsource and how to fix them.

The best part is that I personally made ALL these mistakes so you're getting real-world solutions from someone who has walked the walk and talked the talk for over 9 years.

So enjoy these lessons and please don't hesitate to contact me if you have any questions.

Cheers,

Chris Martinez  
CEO  
**DUDEAgency.io**

Ps. Here is my personal email if you want to shoot me a message...even if it's to just tell me that I'm full of shit :)

*chris@dudeagency.io*

# THE GOODS

The following are 25 Mistakes that Digital Agencies make when outsourcing and the corresponding solutions are from the REAL WORLD.

I am not some random person who only got to 10 clients and 3 staff and then decided to “teach” because running the business was too hard.

I now have over 100 team members and we’ve managed over 30,000 client projects both in my own agency (which I sold) and with DUDE.

So sit back, buckle up, and prepare to have your mind blown.



# PROBLEM # 1

## Outsourcing to people who don't work in your same time zone

Yes, hiring people in places like the Philippines is appealing because you can find people for as little as \$3 an hour, BUT it comes at a big price.

When I started out, I had a small team in the Philippines because that is all that I could afford.

Eventually my client-base grew and so did my revenue. I was also working from 6am to 1am every day for over 2 years!!

I was single, young-ish, and was willing to run at that pace.

BUT eventually, I had to find another option not because the team wasn't good, but because I had client issues that needed to be solved



# PROBLEM # 2

## Hiring only based on technical skills

I'm not a very technical person myself.

I like to think that I know just enough to be dangerous and to call people out if they're trying to bullshit me.

However, when you're hiring you do NOT want to hire your outsourced team based solely on their technical skills.

We always hire based on Soft Skills FIRST and technical skills second.

Why?

Because you can always train someone to be a better designer or developer.

But you can NEVER train them not to be an asshole.

So always hire your outsourcing people using the same standards.

Soft skills over hard/technical skills ALL DAY LONG.



# PROBLEM # 3

## Not having a thorough hiring process

You might be thinking, “*Why do I need a hiring process for outsourcing partners?*”!

Great question.

I am redefining outsourcing and I want you to think of your “outsourced” staff more like contractors or even in-house team members who just happened to be located in a different location.

Since you can hire people anywhere, then the term “outsourcing” can apply to pretty much anyone regardless of their nationality.

So with that in mind, you want to make sure you evaluate your outsourcing team members the same way you would a full-time employee.

Have a well-defined hiring process that you use to objectively evaluate potential team members.

We interview 42 people to hire ONE developer or designer and our hiring process has 7 (insanely) difficult steps to pass.



# PROBLEM # 4

## Not having internal SOPs for the team to follow

Another thing you might be wondering “why” you need to have with an outsourced team.

You never want to work with an outsourced team that is inflexible in the way they operate.

You have a unique process and that’s one of the reasons your agency is great.

So by having solid SOPs then you can share those with your team and get them up and running really quickly.

If you don’t have good (or any) SOPs then it will take your outsourced team a lot longer to learn how you operate and you won’t be able to get as much done with them.

And you might just throw in the towel and start doing things yourself again.

Document your SOPs and then your team will be up and running in no time and you’ll be freeeeeeee!



# PROBLEM # 5

## Your Outsourced Team refuses to follow said SOPs

So you've created your amazing SOPs and checklists, but your outsourced team refuses to use them?

Time to fire them asap!!

Like I just mentioned, your SOPs are one of the things that make your agency GREAT so while you should be open to making things more efficient and profitable, do not work with an outsource team that is so rigid that they won't adjust to your best practices.

Instead, look for an outsourced team that takes a collaborative approach to completing projects.

They listen to you and you listen to them and at the end of the day you get your projects done faster and more efficiently.

Everyone wins.



# PROBLEM # 6

## Not having daily check-ins with your outsourced team

Communication is so unbelievably important with your outsourced team especially when you start working together.

There are hundreds of little nuances within your agency operations and so you need to communicate with your outsourced team every single day to make sure that everything is running according to plan.

This is also a plug for the importance of talking in real-time so that you don't lose time waiting for them to wake up.

At the beginning of the relationship, you need to have your outsourced team messaging you each day with what they are working on and any challenges they might be having.

And by doing this you'll have them up to speed in weeks and not months.



# PROBLEM # 7

## Not discussing the deadlines and the importance of hitting them

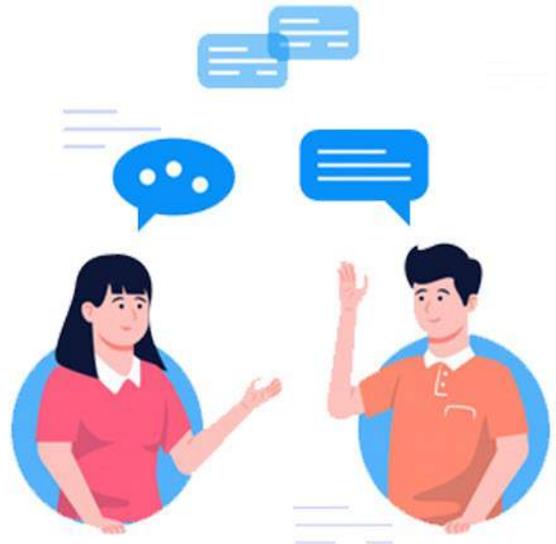
Not all outsourcing partners understand the importance of hitting deadlines.

You can blame the culture most of the time, but not everywhere on earth feels that being on-time and hitting deadlines is really that important.

You must make sure that your team understands how the deadlines impact your clients and your business.

Then if you see that team members continually don't see the big picture it's time to let that individual go.

Because ain't nobody got time for that!!!



# PROBLEM # 8

## Hiring people who are not obsessed with deadlines

So obviously YOU are going to explain the importance of hitting deadlines, but you also need to make sure that the outsource people on your team are also internally OBSESSED with hitting deadlines!

Obsessed!!!

Unfortunately there are a lot of technical people who just want to bang on the computer all day, at their own pace, and they don't really care about deadlines.

This is one of the things we screen for in our interview process and if someone misses a deadline by 1 second we do not hire that person.

You must have the same discipline with your outsourced team members.

If they aren't constantly aware and doing whatever it takes to hit a deadline then it's someone who will only let you down later and they will prevent you from scaling.



# PROBLEM # 9

## Hiring people who do not speak English

We've already mentioned the importance of real-time communication and making sure your outsourced team knows what keeps your clients happy, but can you imagine how frustrating it would be if you explain all these things to your outsourced team and they literally don't know what you're talking about???



It would be maddening and I would know because this has happened to me.

Everyone on your team must speak English (or whatever is your native language).

This is a non-negotiable.

Even if you have someone on your team who can act as the translator, you'll need to pass on the person who doesn't speak English.

The reason is that the translator will end up spending more time translating and not doing their own work which will slow down the entire operation.

So make sure each outsourced team member speaks great English.

# PROBLEM # 10

## Hiring button pushers and not problem solvers

You have two types of people that you need in your agency.

You have the “button pushers” who literally just sit down and do the same thing everyday.

And then you have the “Problem Solvers” who are going in and solving problems and finding out new solutions that haven’t been invented yet.

In the digital agency world, you need to make sure you have the right mix of button pushers and problem solvers.

My guess is that you’ll need more Problem Solvers.

Certain cultures do not emphasize the importance of problem solving so it will be harder to find those people.

Make sure that you are hiring Problem Solvers and you can use a tool like a Psychometric Exam to measure their IQ and make sure they will be the right woman or man for the job.



# PROBLEM # 11

Expecting team members to read your mind  
or be creative.

Every time you tell a designer to “be creative” a fairy dies.

So if you love fairies you won't commit this next sin.

Never expect your team members to read your mind.

It's a waste of their time and your money.



Revisions are what kill profitability so if you don't have time to explain what you want then you need to wait to submit the task to your team.

Never ever tell your outsourced team to just “figure it out” without any instructions.

A best practice is to record a short 2 min or less screen share video to explain what you want and then send that off.

That 2 minutes will save you HOURS of design and development time.

# PROBLEM # 12

## Not using screenshots or screen share video with instructions

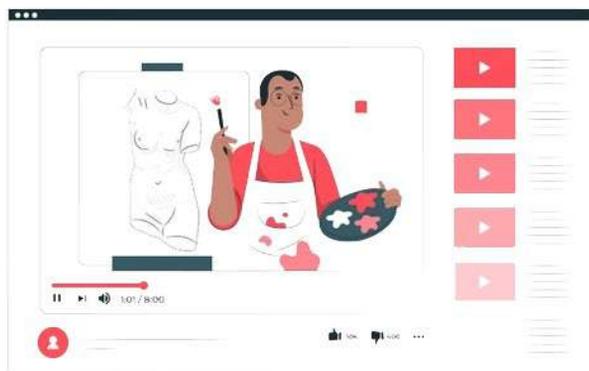
Speaking of screenshare videos and screenshots...

This is a MUST when submitting requests to your team.

We have conducted many studies and we know that screenshots and screen share videos that accompany a design or development request will help you get your stuff done 5-10 times faster!!

That improves your team's capacity to take on work and also helps you be more profitable.

That's all the convincing you should need



# PROBLEM # 13

## Thinking that people will be your clone

If you're in the market for a Head of Operations or even an Executive Assistant, one common mistake people make is that they are trying to "clone" themselves.

I hate to break it to you...you aren't that amazing!

I mean that in the kindest way.

But you need to know that you actually have many faults.

I know I do.

So the wise thing to do when outsourcing is to outsource your WEAKNESSES instead of trying to find someone to replicate everything about yourself.

You need to have the self-awareness to recognize what you suck at and then find an outsourced partner to fill in those gaps.

Then you can focus on doing what you do best and what you also enjoy doing!



# PROBLEM # 14

## Calling them VAs

I HATE the terms “VA”.

The reason is that far too often I hear that term used in de-humanizing ways.

Your staff are not disposable and you need to make them feel like they have a safe space to grow their career within your company.

One simple way to do this is by simply changing the language you use to describe your outsourced team.

Psychologists and sociologists have proven that the language you use has a profound influence on your team so try using “Remote Team Members” or “Remote Staff” and you’ll build a stronger company culture.



# PROBLEM # 15

## You are not setting the right example as a leader

Your business is a reflection of YOU.

If you are having an issue in your personal life I promise you that it will manifest itself in the business.

For example, if you're having self-esteem issues or imposter syndrome, then your team members will pick up on that.

The bad staff members will exploit your weaknesses and your good staff members might start looking for other jobs.

So you need to make sure that you are bringing your best self to your role as a leader.

You want to make sure that you are feeling great in your physical state, your mental state, your relationships with loved ones, and that you are constantly learning and improving in your knowledge of business.

When you set that example, then all your team, including your remote team, will follow your lead and raise their game.



# PROBLEM # 16

## Over communicating

This is a very fine line, because typically over communicating what you want is a GOOD thing.

However, if you are sending a 20 min Loom video with your requests to your outsourced team, then you are shooting yourself in the foot.

You should be able to communicate what you want in a 2 min screenshare video.

Anything more than that usually just means you aren't communicating efficiently.

Remember that if your team is spending 20 mins watching your video (which is really going to be like 40 mins with all the back and forth) then they can't work on other projects.

Keep it to 2 mins or less.



# PROBLEM # 17

## Under communicating

This is the much more common problem especially at the beginning of your relationship with your outsourced team.

You 100% need to communicate what you want.

Screenshots and a short screenshare video will save you.

Never ever, ever, ever say “Just be creative”.

First drafts don't kill profitability on your projects.

Revisions kill profitability on projects.

Therefore you should do everything possible to minimize revisions and the easiest way to do this is through very clear and concise communication.



# PROBLEM # 18

## No real-time communication

We talked about the importance of speaking English and the soft skills to look for in an outsourced partner as well as the time zone issue.

Now we want to talk about real-time communication.

By real-time communication I mean that if you have an emergency you have the ability to send a Slack or Google Chat message to your outsourced team and they can start working on the issue RIGHT NOW.

Having to wait on team members not only creates more stress for you, but it damages the relationship with your clients and can lead to cancellations.

This is where it helps to have full-time outsourced staff who are always available when you need them and will respond to your requests immediately as they come up.



# PROBLEM # 19

## No SOPs for QA/QC

Now we already talked about why you need SOPs but now we want to talk specifically about QA/QC.

You want your outsourced team to be your eyes and ears and so when they are doing projects for you they MUST know what it is that you're looking for on the QA/QC side.

You must have a checklist to pass on to your outsourced team so that they can QA/QC just like you.

This will free up your time and will avoid revisions and we already know that REVISIONS KILL PROFITABILITY.



# PROBLEM # 20

Trying to “test out” your people by not giving them instructions after you have hired them

Sometimes we see people that hire our team and then secretly want to “test out our team” so they send vague instructions to see how we instinctively work with them.

This is so insanely stupid and a waste of everyone’s time.

You need to do this evaluation in the INTERVIEW PROCESS with your outsourced team.

Like I mentioned, you have your unique way of doing things and so after you’ve gone through the interview process and tested out their soft and technical skills it’s now time to TRAIN.

As a leader, you are there to put your people in a position to succeed so don’t try to play games or test people.

Give them what they need to succeed and bring the best out of them.

You’ll be thankful you did so in the end when you’re cashing those big checks while you sip margaritas on a beach!



# PROBLEM # 21

## Not monitoring your ROI from labor and the COGS

Most agencies are terrible at managing their finances and I see this because these agency owners aren't making good money (and to me good money is a minimum of \$200k in Annual Salary) and they also don't have any profit in the business.

As a good rule of thumb you want to keep your Cost of Goods Sold (which includes your production labor and any other client project expenses) to around 30% or less.

Meaning that if you sell a project for \$10,000 then you don't want to spend more than \$3000 to get that project out the door.

That includes design, development, copywriting, project management, account management, etc.

If you are exceeding that 30% mark then you will prevent yourself from scaling.

So when you are looking at building your outsourced team you should know exactly how many projects and the types of projects they need to produce on a monthly basis so that they are hitting that magical COGS/Gross Margin goal.



# PROBLEM # 22

You are charging your clients too little.

You might have the best team in the world who is operating as efficiently as possible, but if you are charging too little you will never hit your profitability goals.

If you've never done a Pro Forma then I highly recommend you do.

Using the Pro Forma you can create a financial plan for your agency and you can determine if one reason you aren't making as much money as you deserve is because you are charging too little.

Then you just have to simply raise your rates and you'll start making what you are worth!!



# PROBLEM # 23

## Not sharing the company goals with the outsource team

This is another “controversial” one.

I urge you to see your outsourced team as a part of your company.

It doesn't matter where they are located or who they get their paychecks from.

You want every person who helps your clients to be motivated and driven to serve your clients and the company mission.

Share your company goals with your outsourced team and engrain them into your company culture.

They will work harder to serve your clients and your agency will grow exponentially.



# PROBLEM # 24

## Saying “it’s just faster if I do it myself”

Newsflash for you.

It will almost always be faster for you to do it yourself.

And if your goal is to be a one-person shop who is always the bottleneck and can never walk away from the business because you hate vacations, then keep doing what you’re doing.

However, if you want to SCALE and have an amazing lifestyle then you will need to accept that some other people will be slower, but in the end it will help you make more money.

Start by tracking your own hours when doing client work.

Then multiply those hours by your own hourly rate.

For example, if doing a website takes you 100 hours and your personal hourly rate is \$50/hour then you just spend \$5000 to build out that website.

So you better have charged the client at least \$17000 for that project!!

And on top of that you just took away 100 hours from yourself that you could have used to get more clients and grow the business.

So do the math and that should be all you need to outsource those projects.

# PROBLEM # 25

## Not hiring DUDE!!

If you're looking for the "Easy Button" and want the People, Projects, and Education to take on more projects and scale profitably then you MUST hire DUDE.

We have hired hundreds of staff and we have done more than 30,000 client projects so we know how to help you grow your agency.

Plus we have coaching and mentorship to help you become a better leader and a more profitable agency.

DUDE is like outsourcing on steroids.

So if you are interested in getting the best outsourcing team on earth, but don't want to build that team yourself then just go to [DUDEAgency.io](https://DUDEAgency.io) and you can sign up for a free call.

Hope to see you soon and that you enjoyed this ebook!



Don't you think it's time for a (strong and sexy)  
DUDE in your life?

Get Your Team!

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