

5 reasons why your business should consider outsourcing non-core services

By <u>Jacques de Beer</u> 23 Apr 2019

Organisations started outsourcing specific business activities in the 1990s mainly as a cost-saving measure. Functions not related to the core business, such as accounting, human resources, data processing, security and maintenance were contracted out to specialised service providers rather than handled by internal staff and resources.



© xtockimages - 123RF.com

According to Statista.com, the global market size dipped in 2016 but has picked up significantly since then, climbing to \$85.6 billion in 2018.

I believe that there are many reasons that businesses are turning back to outsourcing.

Here are the top five:

Access to skilled professionals: Outsourcing companies offer unique skill sets who come with a wealth of
experience across a diverse range of industries. These experts can establish effective programmes based on a
company's needs. For example, a business may outsource customer service, an important function that internal staff
may not have the capacity or skills to deliver.

- 2. **Scalability:** Outsource providers have the capacity to grow with your business and have an already-trained staff that can handle the increase in business. When choosing an outsourcing partner, it's important that they understand the needs of the business and should be able to innovate and improve their process to deliver on expectations. Outsource providers will also have access to the latest technology.
- 3. **Cost-cutting:** Outsourcing non-core activities will save a business money. For example, a company may expand its product to a new region where they need to develop a call centre. Instead of taking on the expense of this venture themselves, outsourcing this service would be more cost-effective and reduces risk.
- 4. Competitive advantage: Delegating non-core or specialised functions to outsourcing companies will help an organisation focus on its strengths. The company's time, money and resources can then be used to develop the core functions of the business, enhance productivity and build skills that add value to the customer. A company may also gain an advantage by engaging with an outsource provider with the expertise to bring innovation to market or enter a new market.
- 5. **Eliminate HR challenges:** HR departments can leverage outsourcing opportunities when their businesses are looking to grow beyond current geographies. Outsourcing addresses challenges that arise as a business expands to new regions or countries thus outsourcing HR will relieve the stress of hiring new staff and navigating the relevant labour laws, compliance or financial regulations.

Partnering with a reliable outsource service provider has the potential to transform the way you do business, allowing you to identify opportunities and possibilities and avoid the pitfalls and hidden risks that lie on the road to revenue maximisation. Every business, big and small can benefit from an outsourced solution, they just need to give it a try.

ABOUT THE AUTHOR

Jacques de Beer is the managing director of financial services provider, Talksure.

For more, visit: https://www.bizcommunity.com