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Save up to 60% on operational costs by outsourcing

By Arnoux Maré

In a survey published in the New York Times, American workers admitted that only about 35% of their day was productive work time. The rest is lost to distractions - instant messages, chatting, the internet, and primarily meetings.



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The wage bill is the largest overhead of most companies, and therefore if your employees are not delivering on their quotas or Key Performance Indicators, you are losing money. This is unless you improve on your service delivery and market competitiveness by increasing that 35% productive work time to as close to 100% as possible. It can be accomplished though staff outsourcing, which achieves lower costs, more skilled staff, more focused management, and improved customer service, resulting in greater retention of customers.

Outsourcing allows a business to skip certain personnel costs such as health insurance and leave pay - without the employees losing those benefits.

Hiring good people can be the biggest worry for many businesses, as there are few businesses for whom it is a core skill. Outsourcing frees companies from the hassle of in-house hiring, and instead of dealing with multiple potential and permanent employees, you only need to focus on one point of contact. Further, the hassle and stress of appointing people is done on your behalf allowing you to invest that time elsewhere.

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Good customer service is the foundation of any company, but over-stretched executives wasting time hiring and firing, rarely give it sufficient attention. Outsourcing to someone who handles the repetitive and redundant tasks such as staffing, administrative work, BEE practices and security, saves a company time and energy to focus on more important functions that can exponentially increase a firm's productivity and efficiency. It opens the door to expansion and business ideas.

Each of these is an actual cost saving. The proof is in the number of companies that are currently outsourcing.

The ballpark figure of 60% saving varies from company to company, depending on their own efficiency. This is achieved more through improved productivity than cutting costs. The primary benefit of outsourcing your staff is to improve your corporate focus and to offer customers a more competitive solution.

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