

## Why Not Outsource Your HR and Get More for Your Money?

Do you need a human resources manager? Does it make sense for your business to have a full-time staff person



to manage personnel issues, handle benefits packages, and manage routine staffing challenges? For most small to mid-sized businesses, the answer is “Probably not.”

Naturally, all companies need some kind of human resource expertise to make sure that compliance systems are in place and they have the support to deal with employees when sensitive issues arise. But that doesn't mean you need a full-time staff person. You could hire an HR assistant who doesn't have the expertise to handle a tricky termination, or you could pay a higher salary for an HR manager who is too expensive to deal with administrative HR duties. Getting outsourced assistance from a trained professional is probably safer and more cost effective.

A lot of HR work is project-based, and requires concentrated amounts of time and energy for a relatively short period of time. Many businesses don't have the knowledge and internal resources to handle certain HR projects, even if they have an HR person on staff. Consider a recruiting project, for example, or the creation of a new employee handbook. That's a lot to throw at an HR manager on top of their regular duties. Better to outsource it.

[Outsourcing HR](#) allows business owners to target their investment and get more value for their HR investment. They can take care of the most important issues first, and then add additional employee development resources as the budget allows. For example, you will need proper hire paperwork with your first employee, but creating a solid review process or salary review can wait until you grow bigger.

It's also tough for in-house HR managers to stay current with the latest rules and regulations. The federal and state governments are enacting new laws and drafting additional employment regulations all the time. Keeping abreast of the latest regulations is challenging, time-consuming, and potentially risky for the HR neophyte. It's better to find an expert who has to keep up his or her credentials and stay abreast of the latest legislation.

And then there's employee relations. Having an external third-party mediate problematic employee relations takes the burden off staff and owners, especially in situations such as uncomfortable terminations. Hiring an HR expert to deal with the difficult problems gives owners and managers peace of mind that things are being handled properly, both for the company and for the employees which reduces the risk of troubles such as an expensive lawsuit.

So before you hire more HR staff, consider outsourcing. You'll save money on benefits, vacation pay, and other staffing costs, and you get more flexibility and better expertise for your budget.