

Outsourcing can assist struggling SMEs

As more companies battle to stay afloat during the lingering pandemic and global economic meltdown, Arnoux Maré, managing director of Innovative Staffing Solutions says organisations that wish to survive this grilling period have to examine their core mandates, identify tasks that fall outside of it, and look to outsource to third parties.



Arnoux Maré, managing director of Innovative Staffing Solutions

“Companies are already dealing with limited resources in a competitive environment, with hiring, managing and training non-core employees detracting from maximising the core competencies of these businesses. Businesses should not be weighed down by the management of functions that have nothing do with their business, but rather consider outsourcing those elements to a third party allowing an organisation to use its resources more effectively to grow,” says Maré.

According to a Deloitte study, outsourcing can unleash marketplace speed by leveraging strategic relationships. Organisations are more effectively able to collaborate quickly to develop new capabilities, integrate them to create value, and drive that value into the business.

“Outsourcing allows companies to become more flexible and to cut operational costs, improving a company’s bottom line. Innovative Staffing Solutions achieves this by assuming responsibility and accountability for other businesses’ staff, ensuring they are trained, proficient and suited to the specific business’ needs. This assists the client to modify their operational and management structures and adapt for the subsequent future business growth,” explains Maré.

With the National Income Dynamics Study-Coronavirus Rapid Mobile Survey (Nids-Cram) reporting that 3 million South Africans have lost their jobs due to the lockdown and our Finance Minister, Tito Mbofeni forecasting the decrease of the country's economy by 7.2%, Maré says outsourcing should be considered for its ability to create jobs and offer stability to employees who may be faced with uncertainty.

"When Innovative Staffing Solutions takes over your staff, for example, we offer those employees the benefits that they may not have enjoyed under their former employment contracts such as medical aid and provident fund. With over 19,500 permanent employees under our wing, we understand the power outsourcing has for both businesses and employment creation," says Maré.

Outsourcing as a concept is aimed at saving parties involved time and money but choosing the wrong outsourcing entity can be disastrous for an organisation. While Maré encourages outsourcing, he also warns against simply thrusting staff over to any company without performing due diligence.

"Like any business deal, as the business leader, the onus lies with you to ensure that whoever you choose to deal with can do what they are promising to do. Companies do not want to find themselves in a worse off situation than the one they started with".

"Businesses owe it to themselves and their staff to investigate all possible avenues to ensure they not only survive the current economic downturn, but also grow their organisations. Outsourcing has proven to be one such an avenue worth exploring," concludes Maré.

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