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In Today's Economy, 'On Call' May Be Better Than 'On Staff'

By Bridget Ingebrigtsen, President of Write On Command

Outsourcing. Co-sourcing. Going virtual. Consulting. Contracting. Whatever you call it, seeking the assistance of outside experts is "in."

Five reasons to bring the outside in

Many companies are finding that they get more bang for their buck by consulting with outside experts instead of hiring new staff people. Here's the logic:

- **Better talent for less money.** You can get top, experienced talent for about the cost of a good administrative assistant.
- **Access to a wide range of skills.** Instead of hiring a single person with limited skills and abilities, you get a whole team of talent and resources.
- **Increased flexibility.** If you make progress fast or need to cut costs, your virtual staff can adjust accordingly.
- **Outsider's perspective.** Since virtual staff works elsewhere too, they see what other companies are going through so they can provide you with an independent and educated perspective. By not being in the boat with you, they can actually help to steady it.
- **Chance to try before you buy.** If you hire a top-level employee, you are stuck with that person, at least for a while. If your outsourced CFO or designer turns out to be the wrong person, you can make a swift change without disrupting your existing staff.

While the trend has been emerging steadily over the past decade, there never has been a better time to consider outsourcing than in today's uncertain economy, says Brad Farris, principal advisor of [Anchor Advisors](#) in Chicago. "Some companies are having to cut costs or jobs, so they are looking for a way to get the job done in the most efficient and cost-effective way. In many cases, this can be accomplished through outsourcing."

But, what these companies probably will find is that outsourcing is more than a short-term fix during tough times, Farris says, "It can be a strategy that provides the flexibility that firms need to grow for the long-term." In his role as business advisor to growing businesses, Farris has recommended for years that his clients enlist outside assistance for certain areas of their businesses. Farris' services also can be viewed as outsourcing by a business, and his company enlists a number of outside contractors for tasks such as bookkeeping, marketing and writing.

"It all depends on the individual business and what its needs are," Farris says. "In some cases, it's best to invest in new employees, and then there are other areas where it makes sense to outsource."

"Virtually" everything you need

Brian Sutherland, president of [Highland Solutions](#) in Chicago, says more and more companies in the Chicago area are seeing the value of outsourcing their IT functions, as well as the value in the "virtual CIO" concept. The main reason is that companies not only get the service of one employee, but the resources of an entire team of specialists that can support multiple business objectives. "It's like getting a Swiss Army Knife instead of a single blade," Sutherland says. "We can help with the mundane tasks like installing a new file server, but we also can get an Internet security specialist, get to the bottom of vexing reliability issues, develop a disaster recovery plan, reduce hosting costs, or architect an e-commerce or enterprise system."

Since IT requires specialized knowledge, many company leaders – because they don't have that knowledge – simply have to trust their IT staff is doing its job and staying on top of technological advances.

"We always say, 'Your current IT resources may resist change,'" Sutherland says. "But we can point out how technology can work better for your company. Sometimes, an internal IT person may struggle with changes that impact their job, like new technologies that operate with significantly less maintenance or that even require a whole new expertise."

Implementing appropriate technological advancements, though a cost on the front-end, can provide cost savings in the long-term because of the efficiency they provide. For example, the latest technological features for email and scheduling can provide for improved time management. "In today's highly competitive marketplace, businesses have to operate with greater effectiveness," Sutherland says. "One way to become more effective is to have good enterprise systems in place. So many companies are using obsolete systems, so they're spending their time doing things they shouldn't be doing. Sifting through SPAM, entering the same information into three systems or wading through emails to schedule one meeting can be time-consuming and frustrating. Employees need to function in their roles without having to think about the information they need or where to get it. It needs to just appear and be ready to use for that business to maintain a competitive advantage."

Diane Yetter, of Chicago-based [Yetter Consulting Services](#) has outsourced her HR, IT and accounting for several years. "I think of it as hiring specialists or suppliers for things that are not in my area of expertise," says Yetter, whose company specializes in sales tax consulting. "I'm a CPA and have a business degree, but I have someone else do my income taxes. Why? Because that's not my area of expertise. I spend my time on the areas that generate revenue for my business."

As an example, Yetter says she needed to hire an administrative staff person who knew a little about IT, a little about HR and a little about bookkeeping. "Where was I going to find that person?" she asks. Instead, she decided which skills were the most important to be in-house and focused on finding the person with the best skills in that area. She then contracted with outside firms to provide the other more specialized services. "Maybe you pay more per hour, but you get a better quality person doing exactly what you need on an as-needed basis."

In deciding which skills to hire in-house, she recommends that you don't outsource your core business needs. For instance, Yetter doesn't outsource sales tax consulting – this is the service she provides and so she hires people for that role. But, IT isn't something that she provides to customers, and it isn't something that needs attention each day. So, outsourcing to fulfill that need makes sense.

However, Yetter says outsourcing does require supervision by someone from the inside. "Even though the process is done elsewhere, you still have to own it. Someone has to be in charge of the relationship and process." And therefore, the internal person has to have some knowledge of the areas they are managing.

A buyer's market

With recent [unemployment reports](#) estimating the number of unemployed people in our nation at 11.1 million, many of those unemployed may become entrepreneurs and start their own specialized consulting firms, or they may start working for existing consulting firms. "You're probably going to see more and more professional services companies popping up in the next year or so," Farris says. "This is good because it will provide more competition in the market and ultimately raise the bar in terms of the services that are available to businesses."

And when the economy rallies – as history has shown us it will – you can expect many of those consulting firms to remain in business because of the demand for them. "Outsourcing will always be a good option for businesses," says Farris. "Unfortunately, it will take a shaky economy for many people to realize that."

Bridget Ingebrigtsen is president of Write On Command (www.writeoncommand.com), a writing and editing company based in Springfield, Illinois.

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In Today's Economy, "On Call" May Be Better Than "On Staff"

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Reviewer: Member [Anthony Caldarera](#) from Metairie, Louisiana, United States - [See all my reviews](#)
Great article. As the CEO of a staffing company, we have experienced a decline in permanent hiring over the past year. The staffing industry is on the leading edge of economic change and employment trends. We expect to see an increase in the use of contract or temporary workers and an increase in outsourced HR functions and recruiting as companies look for flexibility and cost control in the new economy.

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