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Outsourcing A Smart Business Move!

I did a little bit of research on the topic of outsourcing and found a few things out. Outsourcing is a practice that is becoming increasingly popular with today's small business owners since there is always pressure to become more efficient and competitive. Businesses - both small and large - have turned to outsourcing as the solution in various areas of the business.

What is outsourcing you may ask? well it is the delegation of a business process to an external service provider. The service provider will then be responsible for the completion of certain projects or tasks. I myself own and operate a small business financial management company that looks to business owners for the delegation of various financial processes and tasks that require my expertise. Fees are involved (as you would expect) that will vary depending on the service required and also service agreements or contracts may be drawn up to outline specifics and liability issues.

Now a business owner may ask themselves why bother outsourcing anything, "I can handle everything in my business", but this is not so as I learned myself. People who start a business have particular skill sets that they bring with them to the business and use these skills to deliver a service to the public to make an income. If you take time away from your main income producing skill, you will not be spending time making money but rather trying to learn about other things that may not make you money.

There are many reasons why a business may consider outsourcing including:

- The lack of existing skills to complete a process
- To replace a poor internal service (may not be connected to lack of skills)
- Resources are not available in-house to complete the process
- The process is difficult to manage (in general or due to business growth)
- The process may be performed better/cheaper by other services
- You require your employees' time elsewhere in the business

. Below are a few examples where outsourcing can be introduced:

- Marketing
- Web design & maintenance
- Web hosting
- IT maintenance
- Manufacturing
- Accounting / Payroll / Taxation
- Financial Management
- Recruitment
- Switch board (telephone answering)
- Delivery
- Distribution (i.e. of newsletters, mail shots)
- Editing (i.e. of articles, newsletters)

If you find that your time is not being well spent on income earning jobs, then it's maybe time to consider outsourcing some of the tasks holding you back. Ask the right questions and be sure to look into liability issues, deadlines, fees and the qualifications of people handling your work. A little bit of care taken to monitor the company that took on the outsourced task will make a world of difference in the end. Good luck in becoming more efficient.

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Note:

Articles used for research were taken from the internet About.com