

Personnel outsourcing

[Business](#), [Work](#)



What do Microsoft Corporation, Marks & Spencer and Mambo Graphics have in common? One thing that made them related with each other is that they were known in their own fields and achieved more than what they expected. This, they owe to the power of outsourcing. They did not rely on the skills and capabilities of their employees internally. They took time to explore new possibilities how to be more competitive with the market. They learned that outsourcing can be a very good tool in achieving one's goal.

Highly skilled operators, programmers, agents for a specific insurance company, or even call center agents are hired to provide a certain function that cannot be provided within the country or the state. Lever (1997) defined outsourcing as a contracted services outside a company or even outside the country to do a specific job or function. " Outsourcing or contracting out work started in the manufacturing business in the early 1980s, primarily as a means of cutting back staff and saving on wages" (Ryans, 1996). They are commonly called the third-party providers or simply service providers.

There are many reasons why outsourcing or contracting out work is more preferred rather than developing in-house talents. First, it is seen as more cost-effective (Domberger, 1998, <http://www. questia. com/PM. qst?>)-for example, a contracted personnel from other countries require only smaller salary because of the certain standardized salary scheme within the country; second, to cut cost and refocus resources (Holt, Kennedy, Rehg & Ward, 2002) . A large company with numerous personnel with no specific work is the same with a company with smaller personnel but with specified work.

This was done through outsourcing of different functions from different sources. And third, lower investment in internal infrastructure (Reaser, 1996), it will be built instead to the outsourced country. In India, the volume of work outsourced has increased to more than 50 percent since 2005 (Ahmed, 2006, BBC news). Skilled professionals of IT and call center jobs are growing in India. When outsourcing from other countries started, India has been one of the countries most favored for this aim.

While some commended outsourcing is the best option to be more competitive in the market, some are anxious with what will be the result of all these in the workforce especially in the US. Other than India, China, Japan and the UK are also now outsourcing some of their workforce. As of October 2006, the Bureau of Labor Statistics reported that the US population continues to grow at 300, 263, 379. Although employment grew by 92, 000 in October, the workforce is still apprehensive with might happen if companies continue to outsource personnel. The Hira brothers's book cites a University of California Study that estimates 14 million U.

S. white collar jobs - one in nine - are at risk. A 2004 report by Forrester research suggests that a total of 3. 3 million US white collar jobs will move overseas by 2015, with 830, 000 jobs leaving by the end of 2005. Other than IT, outsourcing has extended to desk job employments and networking, and healthcare. Although the data shows from the BLS that the unemployment rate has declined to 4. 4With the presented data on the employment rate and unemployment rate of the America, it only suggests that too many outsourced jobs can affect the economy of the America.

Based on the book written by the Hira's brothers, outsourcing can lead to the loss of workforce and decrease in economic capabilities of the country. Some of the factors affecting the high increase of the outsourced jobs are the low enrollees in science and engineering courses in America ((Holt, Kennedy, Rehg & Ward, 2002). These specializations are not given attention by the government and the schools. That is why some of the companies rely on the outside service providers who can serve with a minimum cost which is very beneficial to the contracting company. Outsourcing, a job killer or innovation boost?

Outsourcing can be a good advantage to some companies. Or it can be a disadvantage either. If the government will prioritize the labor workforce, companies would not hesitate to hire them. What a company wants for an employee is a skilled, equipped, and able to stand for his company. The government is on the light here. Include the schools who are giving their student and equipping their students how to be a better person once they graduate from their courses. Through this, they can compete with other workforce especially who are outsourced from other countries.

There should be specialized courses for each member of the population who are willing to be part of the workforce. In this way, companies in the America will give credit to the applicants. In this way, companies, industries, manufacturing will continue to boost the economy of the country. The government should not only be on look with the employees, with courses at school but also with the companies who are investing in the country. Choose the companies who will boost the economy and give credit to the employees.

From the data and figures shown above, it looks as if the outsourcing will continue to grow.

Companies will continue to grow and so as labor workforce will continue to grow. Outsourcing will always be present but if every member of the household will give their part, cooperate with what the government has to offer with his people it will not be difficult to fight the issue on outsourcing. The unemployed will have jobs and the employed will be in their jobs in the next ten years or so.

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