Example of human resources management [title] essay

Business, Company



In todays world of growing businesses and increasing competition, organizations are encouraged to consider new ways how to cut the costs and increase the value. Numerous researches have shown that outsourcing can provide competitive advantage in terms of cost savings and efficiency (Kathawala et al, 2005).

Our client has made a decision to move its customer support center to Asia. It has been discussed with the board and the implications vary in terms of business, legal and moral influence of such change. According to Power, the predominant reason for outsourcing is cost savings (Power et al, 2006). Particularly in this case, cost of labor is cheaper in Asia, therefore the business will benefit from employing foreigners at the lower rates. At the same time, business can focus on core operations.

One of the biggest concerns of companies before deciding is legality of the process. Relocating part of the business abroad will include dealing with local laws and systems, handling disputes as well as taxes. This particular call center will need to provide legal contracts to the employees and ensure that all measures are met. According to Kathawala, many companies have already outsourced to Asia, with India gathering of around 90% of offshore revenue. (Kathawala et al, 2005). Therefore, the company will be able to find a service provider to assist with the legal implications.

Other direct implication is cutting 120 jobs in South Carolina, which will negatively reflect on community and raise a moral issue. There are some ways to implement outsourcing process more effectively, such as to run a campaign for local community and reduce job loss consequences, have a human resources system in place to guarantee high level of efficiency and

satisfaction and others.

Outsourcing can either help or impede the organizational effectiveness. However, from solely business perspective, it is advised to calculate the costs and return on investments. Based on the research, outsourcing a call center business is a good decision to become focused on core business operations, improve customer care and invest money into something that can grow the business even more.

References

Power M. J, Desouza K. J, Bonifazi C. (2006), The outsourcing handbook, How to provide a successful outsourcing process, 8-12.

Kathawala Y., Zhang R., Shao J. (2005), Global outsourcing and its impacts on organisations: problems and issues, 189-194