

Is Outsourcing Human Resources Right for Your Company?

By Holly Culhane, Contributing Columnist



As the state and nation crawl toward economic recovery, optimistic indicators on Kern County's jobs-creation front have received national recognition.

This summer, the Brookings Institute's quarterly MetroMonitor reported that employment in the Bakersfield-Delano market has recovered faster than every other metro area in the United States, except one. Kern County was edged out only by New Orleans, which added jobs faster since the onset of the economic downturn.

California employment reports also revealed this summer that Kern County was just 5,600 jobs shy of matching its "peak" employment of 239,600 jobs reached in September 2007 when the construction boom was still booming.

And just this month, the Federal Reserve, where Ben Bernanke, who has his hand on the throttle of the nation's money supply, announced that it intends to keep pressure on the U.S. economy to stimulate job growth. Likely this will mean even more jobs to fill in Kern County.

And it is this avalanche of "good news" that prompted one of our company's long-time clients to give me a call.

For nearly two decades, P.A.S. Associates has been providing this family-owned small business various human resources services. Generally companies find "outsourcing" specialized services to an HR consulting firm has several benefits, including cost-cutting. The degrees of outsourcing can range from hiring a firm to handle all of a company's HR responsibilities to selecting only one aspect, such as new employee recruitment, to outsource.

Initially, P.A.S. Associates provided employee recruitment services and select employee training to this company. In the great economic meltdown of 2009, when small businesses scrambled to cut costs as they cut workers from their payrolls, the company added more HR responsibilities to its contract.

Now, with an economic turn-around looming on the horizon, the client called with a dilemma: Should the company beef up its internal HR staff to handle an expected influx of new employees; continue the present level of service; or hand over more responsibilities to its consultant, P.A.S.?

My advice to my client: Base your HR outsourcing decision on thorough research. Make sure it provides the best results for your company and your employees. Ask yourself:

What HR duties should be outsourced? What duties should be done internally? Before considering outsourcing of any business function, define your goals, evaluate costs and identify expected savings.

Does the HR consultant understand your company? Require a consultant to demonstrate an understanding of your company and its “culture,” and quantify how outsourcing will be beneficial.

How does the HR consultant operate? Research the consulting company’s operation. How long has the consultant been in business? Be satisfied that the consultant is ethical and competent. Identify the staff members who will be assigned to assist your company, and ask for their credentials and qualifications.

What security measures are in place? You will be placing some of the most “sensitive” information a company has into the hands of a consultant. Ask how their records will be protected.

What do other customers say? Ask for references. Check out both testimonials and complaints.

Because a company’s most important assets are its employees, HR is one of its most important responsibilities.

This article written by Holly Culhane first appeared online and in The Bakersfield Californian on Tuesday, September 24, 2012. Holly Culhane is president of the Bakersfield-based human resources consulting firm P.A.S. Associates. She can be contacted through her website www.pasassociates.com and through the [PAS Facebook](#) page or by phone at 631-2165.

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