

5 great advantages of outsourcing

Did you know? Every minute either you or your employees spend on an activity that doesn't directly add value to your customer's satisfaction is a cost that can be saved in your business. There are many reasons that you should look at strategic outsourcing your non-core property management activities to save time, save money, and most importantly - provide your customers with a better service.

If you haven't thought about strategic outsourcing before, here are some reasons why you should:

1. Focus on core functions

Offices that are able to strategically outsource routine functions to experts are more capable of focusing on their core business. Take the pharmacy industry for example. Before the Pharmaceutical Benefits Scheme went online, pharmacists had to worry about a whole lot of administrative work in billing and claims processing which consumed a lot of time and resources. Now that these functions have been outsourced to external locations, they are able to focus more on their primary concern, being "patient care". Outsourcing administrative work in a property management department can allow you to focus more on customer care.

2. Better risk management

In any outsourcing model the partner always supplements the operations of your business with redundancies and back-up mechanisms. Usually, when an employee resigns or goes on maternity leave, there is a mad scramble (and usually expensive recruitment fees) to find a replacement. This can cause disruptions to the customer experience and negatively impact your business.

3. Lower infrastructure costs

Companies that decide to outsource key functions can find that their infrastructure costs are much lower. Consider the cost of IT hardware, telephones, software applications, and even office space that are required for every employee in your business. By outsourcing some functions to key partners, it is possible to significantly lower your investments in these areas.

4. Access to experts

Financial benefits aside, another reason some businesses outsource work is to have processes delivered by teams that have special expertise in the outsourced process. There is no guesswork in the persons experience or adherence to procedures, this is all business as usual in the outsourcing world.

5. Control operating costs and gain operational efficiencies

Outsourcing some functions can also save on "hidden" operational costs like payroll, administrative costs (eg bank charges, printing and stationery), recruitment fees, energy, and utilities. In fact, outsourcing some business processes can give you some budgetary certainty around ongoing business expenses. Additionally, where businesses outsource to partners who have expertise in a particular area (see "Access to experts"), this can also

translate to greater operational efficiencies for your business. For example you can re-direct effort currently spent by employees on non-core activities to activities that enhance your customer's experience.