Benefits of Outsourcing: From Lower Costs to Rapid Scaling

Nick Gibson   4/12/2014

Do you need to access skilled, capable staff without going through the slow process of hiring someone? Would you like to complete simple business processes at lower costs than taking care of them internally?

There are many reasons businesses outsource certain tasks and processes, varying from the purely financial to the practical. In this guide, we'll look at the benefits of outsourcing various aspects of your business to contractors and agencies.

Have you never outsourced before? If you're completely new to outsourcing, enroll in our course, Use Outsourcing to be More Productive and More Profitable, to learn the fundamentals of outsourcing parts of your business.

Outsourcing lets you focus on core objectives

What are the core objectives of your business? Do you build products? Do you offer a service? Do you solve problems? When your business starts to grow, other tasks, such as accounting and human resources, can distract you from your core goals.

By outsourcing certain aspects of your business, you can let your core management and decision-making team focus on the most important goals, objectives, and tasks that your business faces.

You can also outsource boring, time-consuming activities like data entry and online research to free up human capital within specific departments. This helps every part of your business focus on its most important projects and objectives.

Outsourcing takes some time to do effectively, but in the long term, its time savings are arguably its biggest benefit for many businesses. Learn more about outsourcing to focus on core objectives by enrolling in our course, Business Process Outsourcing.

Outsourcing lets you access specialized talent

Does your company need a web developer with specific experience in JavaScript and PHP? If you need specialized talent for a one-off project, the traditional hire process is both too time-consuming and too expensive for finding the right candidate.

Likewise, contracting an entire web development firm might be too expensive or not give your business the level of control and access it needs. Outsourcing, in contrast, makes it easy for you to access qualified and specialized talent in very little time.

Whether you need an expert web developer, a hardworking salesperson, a specialist marketing consultant, a legal advisor, an accountant, a management expert, a supply chain management specialist, or anyone else, outsourcing is often the answer.

Does your business need to hire an expert contractor? Enroll in our Startup Hiring: How to Attract, Hire and Retain the Best People course to learn how you can locate, test, and hire qualified freelancers for your business.

Outsourcing helps you save money

One of the biggest benefits of outsourcing is the savings it makes possible. Thanks to the Internet, it's now possible for companies in the United States to hire a customer support representative in India, the Philippines, or Argentina.

Because of the lower cost of living in many countries, outsourcing various aspects of your business to international freelancers can save your business money and reduce the cost of departments like customer support, development, and product testing.

Even outsourcing within your own country can help you save money. If you're based in an expensive area like New York City or San Francisco, outsourcing to freelancers in cheaper states and cities can let you access talent at lower hourly wages.

The benefits of outsourcing in this regard are twofold: your business can hire skilled and capable people at lower rates than it could locally, and professionals in nations or regions with poor job markets can access lucrative online job opportunities.

Do you want to save money with outsourcing? Enroll in The Outsource Course and learn how you can save money by hiring freelance contractors to complete projects for your business.

Outsourcing lets you scale your business easily

Has your order volume doubled in the past month? Is your business dealing with as many customers in a day as it used to in a week? When business is good, your team can often feel stressed, overextended, and unable to cope with its workload.

Outsourcing makes it easy for you to scale your business when it needs additional people and downsize it when it doesn't. Since you're hiring freelance staff on a per-project basis, you can quickly scale up and down to suit your current conditions.

While it would normally take weeks, or even months, to interview and hire a normal job candidate, hiring a freelancer to take control of one or several aspects of your business can take just a few days. This makes scaling a quick and simple process.

Learn more about using outsourcing to scale your business based on demand in our course, Outsource Your Service Business. From independent contractors to full-time teams, it covers every aspect of rapidly scaling using outsourced professionals.

Outsourcing lets you create simple systems

Businesses built around people are always restricted by the amount of time each of the people involved can provide. Businesses built around systems, in contrast, can easily scale in ways that a human-powered team can't begin to compare with.

When you start outsourcing various aspects of your business, you begin to switch from a people-focused model to a system-focused model. Outsourcing support, for example, is a way of building a support *system* for your business.

As difficult as it may be to give up control of certain aspects of your business, doing it through outsourcing is often a very wise investment. Look at the world's biggest companies: almost all of them outsource their support or payment systems.

Our course, The Outsource Profit Machine, shows you how to build your business in the fastest possible time using proven, effective outsourcing methods used by some of the world's largest companies.

Are you ready to start outsourcing?

From simple two-hour tasks to advanced projects, outsourcing processes is one of the most important things you can do as a business owner focused on scaling your business and earning more money.

Not sure what to outsource first? Read our blog post on Startup Hiring 101 and get busy outsourcing time-consuming, low-cost aspects of your business so that you're free to focus on growth, research, development, and the bigger picture.