

Is Offshore Support Right for You?

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These days more and more staffing firms are taking advantage of offshore support for their businesses. One area that has seen particularly rapid growth offshore support for the support functions that go around the core recruiting process. Typically grouped as “administrative / transactional” work, it includes a variety of functions such as order entry, interview coordination, candidate information entry, reference checks, onboarding document/process management, contractor servicing, and more.



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While offshore support for administrative / transactional roles is certainly not a fit for all staffing companies, for the right firms it can result in six- or seven-figure cost savings, increased quality, and reduced management hassle. Here are some quick rules of thumb to tell if your firm could be a candidate for outsourcing administrative functions:

1. **You are looking to grow margins, but you've trimmed everything you can think of.** Outsourcing administrative functions, particularly to offshore locations, typically costs 50 to 60 percent less than performing the work internally. If the outsourcer is doing the same work that had previously been done internally, the cost savings are concrete and easy to calculate. For larger operations, the cost savings can be significant: several of our staffing company clients tell us they save more than \$1 million annually.
2. **You have trouble getting consistently strong quality levels from your shared services or back-office teams.** While support functions are critical to the operation of any business, they often drop on the priority list as compared with sales, core recruiting, etc., and therefore don't get the attention they need. Conversely, to an outsourced partner your work won't simply be a cost center and will get close and focused attention, as the partner will be accountable to you for results.
3. **You have trouble managing and staffing to accommodate the volume swings or surges for certain tasks.** Working with an offshore partner means they are responsible for keeping staffing levels adequate to complete administrative functions. Instead of having to bear the full burden of managing through seasonality and surges, your outsourcing partner can assist you (and they are oftentimes much better positioned to do so, given they likely support a range of clients with different volume cycles that offset one another).
4. **You're having trouble recruiting and retaining staff for administrative work that's mundane but essential.** When you outsource administrative roles, the outsourcer is responsible for identifying and hiring staff, managing turnover, adhering to goals, etc. This allows more of your internal team's time to be spent growing your business.

While outsourcing administrative and transactional work isn't a fit for all companies, more and more staffing firms are learning that it can help them save money, enjoy higher quality, and have fewer headaches.

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