



# Emerging Trends and Their Impact on Human Resource Outsourcing

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## Abstract:

The present paper focuses on different types of HR outsourcing and the elements which need to be considered before a company goes for outsourcing of Human Resources Functions.

**Design/Mythology/Approach:** A review of available literature was done in order to understand how present HR firms offer a wide variety of services to organizations that need to focus on their core business activities and still establish and maintain good HR policies and to explore the factors that influence the HR Outsourcing decision with special emphasis on a proper cost benefits analysis of HR outsourcing.

**Findings:** The finding of the paper intimately point out that the decision of HR Outsourcing is contingent upon factors like flexibility, availability of adequate resources, affordability and acceptability etc., the paper also suggests a systematic process and certain pre-requisites to successfully execute HR Outsourcing.

**Originality/Value:** Based on Literature review, the paper makes specific recommendations with regard to the process of HR Outsourcing and its pre requisites; and is an attempt to highlight the facts that HR Outsourcing is a double edged sword; and should be viewed in totality in mind the pros and cons it has. Outsourcing itself is not a new concept as organizations have for years contracted with external suppliers to provide an array of services. A number of studies indicate outsourcing is growing with respect to both the number of companies outsourcing and the number of functions outsourced. Attracting, retaining, and developing workforce, and keeping abreast of the latest technology can prove difficult and costly for many organizations. Most of the organizations today outsource HR services to India, because they do not have the proficiency or expertise to deal with HR services in-house, moreover in order to save time and effort. HRO is growing popular with passage of time. HR is turned out to be golden-career options for millions of people. It reduces the fixed cost of managing employees.

**Keywords:** Human Resource Outsourcing Organisation Employees

## I. Introduction

Outsourcing has been defined as work done for a company by people other than the company's full time employees. In the recent setting, outsourcing turns out to be highly complex and organization use outsourcing vendors for a variety of reasons. According to analysts, companies usually cite cost reduction as the most crucial reason for HR outsourcing. As companies were discussing how to cut costs in the face of an economic downturn, many look at outsourcing for some of their HR processes. As the Managing Director of Capita HR Solutions, Wayne Story, rightly puts it, "HR Outsourcing is on every HR Director's list of things to do. It has to be driven by the business case through – the right partner at the right time, for

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