

SPARTADIA

A BATTLE PLAN FOR TODAY'S BUSINESS

E-Book Excerpt

SMART SOURCING



By Ray Martin

E-Book: Smart-Sourcing the Business excerpted from:
Spartadia: A Battle Plan for Today's Business
by Ray E. Martin

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Smart-Sourcing the Business

The fixed item called employee costs collectively represents one of the biggest expenses a business of any size can incur. It's not just payroll. In addition to factoring in the cost of employing people onsite, it also includes benefits such as health insurance, vacation days, holidays and sick days, and in some areas occupational taxes. That can add up to significant permanent overhead. But in today's wired marketplace, an alternative to these fixed costs can be found through smart-sourcing.

Smart-sourcing differs from traditional outsourced labor such as data entry or managing mailing lists; these specific services might save on individual projects, but they don't necessarily provide the kinds of innovative services that grow or sustain a business. Smart-sourcing is a different concept entirely and it targets specialized work roles such as marketing and accounting. The shifts in the labour market over the past few years has freed up talent in almost every sector, creating access to experienced, qualified employees with high-level skill sets. This strategy doesn't just save money, it conserves on other types of resources as well. The more employees a company has, the more work has to be put into managing them, which can be a burden during a growth stage. Placing seasoned but non-vested talent in essential roles allows a manager to concentrate on what is most important, without incurring corollary expenses.

Numerous contract agencies exist online, and they host a wide array of talent, such as IT specialists, graphic designers, writers, social media experts, photographers, digital content creators, interpreters, offsite sales reps, accountants, even lawyers—virtually any work that can be done with a computer and a phone.

In comparison to the effort and expense of onboarding a new salaried employee, a contractor who already works well independently allows a manager to focus on tasks that are central to the long-term success of the company.

Highly skilled contractors tend to be already motivated to keep their employers happy instead of the other way around. Since they operate as small business owners in their own right, their goal is to turn in great work and get paid appropriately for their services.

Whereas full-time employees often require a great deal of emotional investment such as requiring positive feedback and coaching, contractors appreciate finding a good client, and will often work doubly hard to ensure complete satisfaction. Although they do not have a vested interest in the company, they do have a vested interest in a positive outcome. Contract workers also exist outside of the circle of office politics and are generally more organized. This comes from the harsh reality that every job and recommendation has to be earned. A high level of loyalty is easy to achieve when contract employees are treated well.

But as with full-time employees, a manager who establishes a relationship with contract workers will still need to clearly set expectations, define goals, and monitor progress. To smart-source effectively, a manager must be prepared to give up a certain level of control, since micro-managing how a contractor gets the job done will inevitably deliver inferior results, just as it would with a regular employee.

Outsourcing requires a process to keep the train on the tracks. Smart-sourcing is a tool, not a panacea for low workplace morale or for failed initiatives. If something isn't working in the company, outsourcing won't solve the problem. If current marketing efforts are not bringing in results, or if the overall strategy is unclear, outsourcing the job is more likely to bury the problem than bring a positive outcome.

A smart-sourced labour force can help get major projects accomplished more cheaply and quickly—a critical function for businesses, and one that delivers a competitive edge.

Download additional e-books at: spartadia-recruit.com.



SIDEBAR: Outsourcing for Profitability

One of the things we are known for at Qualifirst is the quality of the foods we bring back from all over the world. That's to be expected of course, since this springs from our passion.

Naturally, with so many suppliers available to us around the globe, it becomes cost-prohibitive to travel everywhere, repeatedly to source the best ingredients.

For a while we placed the responsibility for this important task to one of our internal staffers, but the logistics and expense became too much to bear, and so we outsourced.

In Italy, for example, we located a company that could find suppliers for us, a scout of sorts. This company reflected the same values and passion that we had, and they recognized the value of keeping Qualifirst as a regular customer.

The value we found in working with this outsourced locator of great foods was that they recognized the importance of staying up-to-date and of keeping the quality of the products top-notch. There was no complacency, because they had to earn our trust repeatedly, with every shipment.

This is what we do ourselves when we work with our own customers here in North America, and so the match—the alignment of values and passions—made collaboration easy.

