



# Outsourcing HR Consultancy Services

Factsheets

Employment legislation is constantly experiencing complex changes and developments, meaning that the outsourcing of a Human Resources department is proving to be a popular choice for successful businesses.

## **Melissa Goes of SkillVault states;**

*As large companies grow and develop, they strive to make themselves more efficient and are beginning to outsource the services they need in order to perform effectively. Outsourcing is often the most cost-effective choice which is an important factor to take into consideration in today's business climate.*



When considering employing the services of a HR outsourcing agency, it is important to recognise the needs of your business. For example, have you suffered from tribunal claims as a result of an issue with an employee? You may need to recruit personnel as a result of business growth or you may wish to lay off some of your employees which require the following of specific clauses. Either way, your needs must be clear so that you can experience the benefits of outsourcing which will boost business performance and efficiency.

It is also important to ensure that as a business, you fully understand the benefits related to outsourcing a HR management function. A small business, for example, may just require pieces of advice when certain situations arise, whereas larger companies may wish to outsource more specific HR responsibilities such as recruitment or performance management. There are, however, generic benefits to outsourcing HR management such as the delegation of time consuming responsibilities, the gaining of a third party points of view and the availability of professional advice and support. The outsourcing of HR management also promotes noticeable cost saving due to a full time HR manager typically costing £40k per annum with recruitment costs added on, compared with a HR outsourced company who can offer considerable savings against this by doing all these activities in house.

When researching HR outsourced services, it is important to remember that there are plenty of HR management providers in the UK who offer a variety of services as part of their revenue stream portfolios. HR consultants are rarely regulated meaning that it is imperative to carry out sufficient research into the organisation that you wish to hire. It is advisable to make a list of the services which you would like your provider to offer, then use this to short-list the businesses which closely match your criteria.

Once you have decided on a potential HR consultant, it is advisable to ask for references concerning work they have executed within other businesses. Upon meeting them, remember to find out whether your potential HR manager will offer advice when following policies and employment law and whether they have any experience of working within your industry so that they understand your business culture. It is also worth finding out what services are specifically included in their price.

Once you have met with your HR consultant and decided to outsource their services, a service level agreement must be signed to ensure that all parties involved fully understand the work which is to be undertaken. For example, the agreement may state that a certain amount of on-site visits are paid and that data protection regulations are securely in place.

Once these appropriate actions have been followed, the outsourcing of a outsourced HR agency can provide businesses with a cost effective service and peace of mind, meaning all aspects of employee legislation can be followed correctly, accurately and professionally at all times.

**This fact sheet is for information purposes only.**

SkillVault provide an outsourced HR and recruitment service for businesses, at a level required to fit around their existing Human Resource and hiring arrangements.

**For more information visit our website or contact us as follows:**



+44 (0)121 435 0000



[contact@skillvault.com](mailto:contact@skillvault.com)



[www.skillvault.com](http://www.skillvault.com)