

JULY 2020 • ISSUE 6 • TEAM BUILDING

# SUCCESS CHAMPIONS

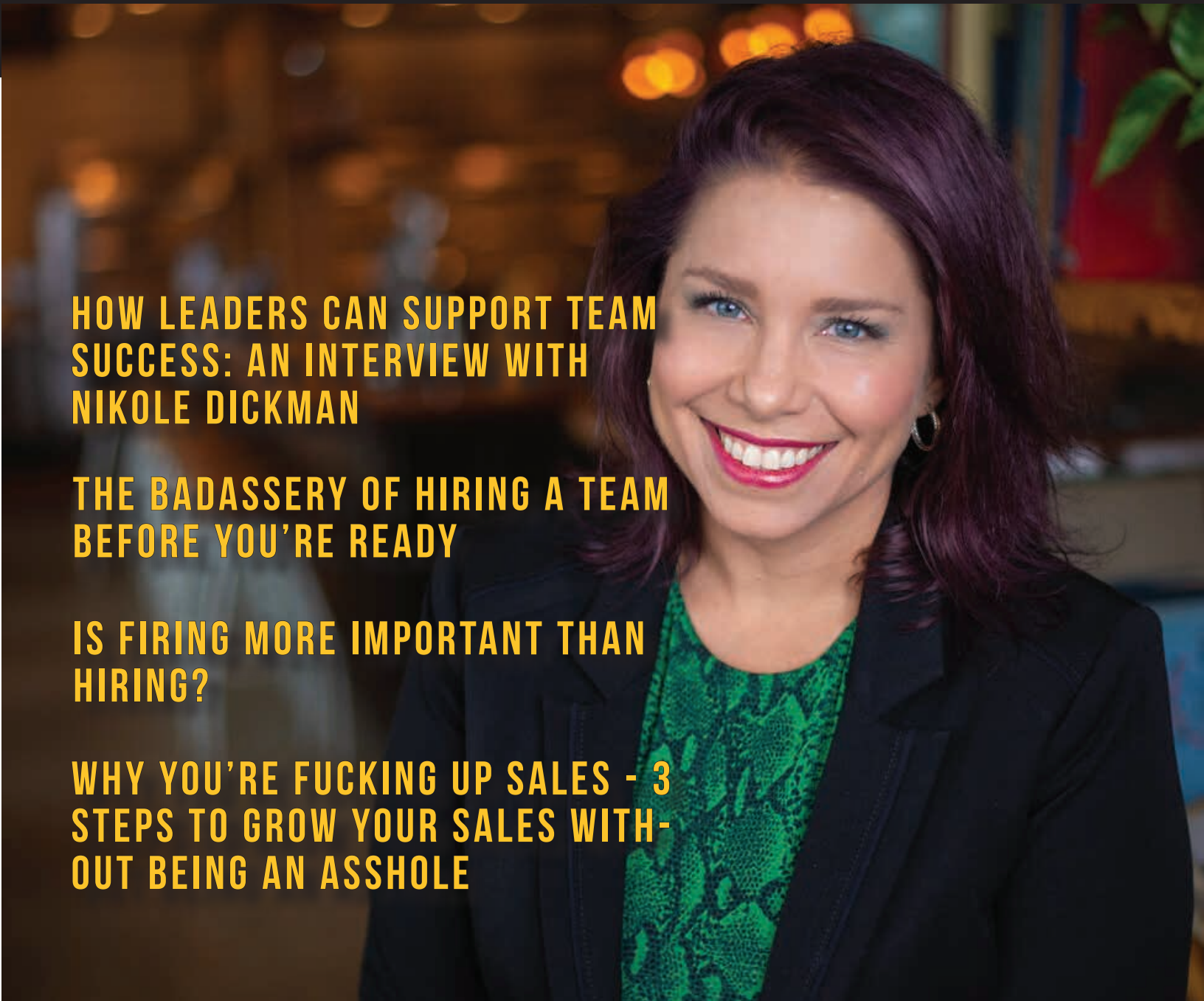
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HOW LEADERS CAN SUPPORT TEAM  
SUCCESS: AN INTERVIEW WITH  
NIKOLE DICKMAN

THE BADASSERY OF HIRING A TEAM  
BEFORE YOU'RE READY

IS FIRING MORE IMPORTANT THAN  
HIRING?

WHY YOU'RE FUCKING UP SALES - 3  
STEPS TO GROW YOUR SALES WITH-  
OUT BEING AN ASSHOLE





# THE PROS AND CONS OF HIRING VERSUS OUTSOURCING

“LOWER COSTS ARE ALWAYS MORE ATTRACTIVE, BUT LARGER ECONOMIC ISSUES, POLITICAL INFLUENCE AND PATRIOTISM ARE MAKING MANY RECONSIDER OUTSOURCING.”

*By Dale West*

**J**ane Business Owner faces challenges on a daily business. One of the most complex is staffing. Should she hire full-time permanent employees, outsource tasks or something in between? Here I will lay out a few pros and cons of each so you can make a more informed decision.

You have likely heard discussions about bringing manufacturing back to the US versus outsourcing to cheaper labor markets. This issue highlights some of the complexities of making the hire versus outsource decision within your own company. Lower costs are always more attractive, but

larger economic issues, political influence and patriotism are making many reconsider outsourcing manufacturing processes and other jobs. For your business outsourcing does not necessarily mean offshore. Consider the lawyer you might hire to review a big contract.

The hire versus outsource decision is often clear. When a critical position opens up through attrition the choice is clear. On the flip side there is no question when you need expertise to handle a one-time task outside of your purview again the answer is easy. There are, however, a myriad of situations that require more consideration and perhaps a hybrid solution.

For now, we will focus on a few common pros and cons of hiring versus outsource. Again, every situation is different and every employer/employee (or contractor) relationship is different.

First off let us look at what I will call the traditional model of employment, the full-time, permanent employee who works in





your facility. The obvious advantages are you see this person every day closely interacting with your entire staff. That provides context to their work, collaboration creates consensus within the team, which improves the chances for success. This person will grow with your company and adapt to your needs. They are trainable thereby adding value to your business. Compared with an outsourced employee there are downsides, including the increased overhead of business infrastructure and the initial costs. What if something like the recent COVID-19 pandemic strikes and payroll exceeds revenue? No business owner wants to layoff or even terminate staff.

The advantages of hiring a contractor can include lower cost and the flexibility to use their services only when needed. Some businesses set aside a fraction of

their manpower needs for temporary workers giving them the ability to adjust their labor cost to match the daily ups and downs in demand. The downside is that outside help does not have the context or relationships that an in-house employee enjoys. Staff are often reluctant to accept an outside “consultant” and support their recommendations. The employer/contractor relationship is entirely transactional. You pay for “X” and that is what you get. Nothing more.

In the online world, digital work is frequently outsourced overseas to lower costs. I have personal reasons that I do not consider this option, including a strong preference to keep work within my community. Undoubtedly, at some point you have called a business and been connected to a call center overseas. Most often, communication is hampered both by differing cultural context

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## Success Champions

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and speaking with someone whose English is a second language. All the while I am thinking I am getting a lower level of customer service in order to save the company money and I feel that money is going into their pockets and not to lowering my bill.

For my business, we have developed an unusual employment model. All of our staff are freelance professionals working part time for my business. Many have small businesses of their own. Some are retired and just cannot or do not want to entirely step away and some are stay at home parents making a few bucks doing something they enjoy. To minimize the downside of contracting, we conduct friendly online team meetings creating relationships and collaboration. In addition to our core staff, we keep a long list of subject matter experts whom we have vetted and are



available for special business needs.

In conclusion, identify your specific needs, consider all options, or create your own solutions. As long as it brings value to your business, your employees and contractors **AND YOUR CUSTOMER.**

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