

## **Increasing productivity by outsourcing HR Activities**

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### **ABSTRACT**

*The project prepared gave me an opportunity of learning at the Organisation. I learned and discussed important points that are related to my report. I learned and study on different activities of P&A like payroll, training and development, recruitment and selection. The purpose of this report is to provide an accessible account of the key issues currently confirming the industries. The report looks at a couple of the basic function of personnel department and the perception of worker and management regarding —outsourcing of HR activities. This report contains the pros and cons of outsourcing HR activities on an enterprise. At last, I hope this Project Report will be very helpful to those reader who are interested in the topic of Outsourcing of HR Activities.*

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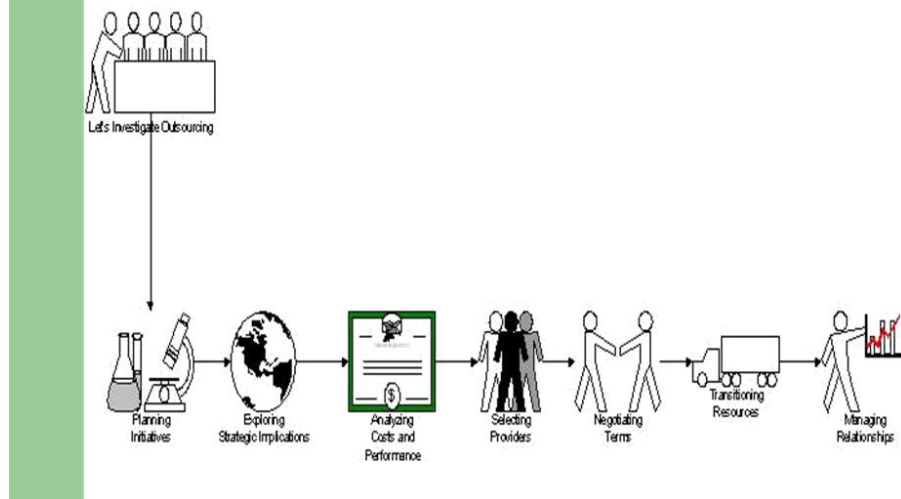
### **I. INTRODUCTION**

What is Outsourcing? The performance by outside parties, on a recurring basis, of tasks that would otherwise be performed in-house. Outsourcing is subcontracting a process, such as product design or manufacturing, to a third-party company. The decision to outsource is often made in the interest of lowering firm or making better use of time and energy costs, redirecting or conserving energy directed at the competencies of a particular business, or to make more efficient use of land, labor, capital, (information) technology and resources Human Resource Outsourcing One very important trend in the recent times has been the growth of human resource outsourcing. HR outsourcing is the outsourcing of peripheral but necessary administrative tasks such as payroll, benefits, education/training, recruiting personnel, administration, to realize economies of scale and achieve standardization of services. 11 Rapidly changing market dynamics and global competitive pressures have caused organizations to spend more time focusing on their core business. Organizations are fast realizing that they can't be all things to all people. So companies now, be it a software company, a service provider or a manufacturing firm, decide what they are good at and outsource everything else, i.e., focus on their core competency, and let someone else do the rest in a more efficient and cost-effective manner.

### **II. OVERVIEW**

**INDIA AS AN HR OUTSOURCING DESTINATION** India is emerging as a major player in HR outsourcing. Though there are hardly five to six names in this market, they are trying to make a mark for themselves and tap the potential of providing HR outsourcing services. Companies like Mahindra and Mahindra are expanding their horizons by extending their services to the Indian region. However, overseas HR servicing companies are beginning to view the Indian market as a viable investment destination, started a 70- people outfit in Mumbai. From the tactical and straightforward handling of payroll and benefits, HR services providers are moving into the strategic world of BPO. HR-enablers are helping HR managers free themselves from the routine jobs and work towards taking employee services to a higher level.

## Seven steps to successful HR Outsourcing



### Types of Outsourcing

- Business Process Outsourcing
- Information Technology - **28%**
- Human Resources – **16%**
- Sales & Marketing – **15%**
- Finance – **11%**
- Administrative – **9%**
- All Others – **22%**

IT Leading As Most Active Area of Outsourcing



### **III. CONCLUSION**

Outsourcing has become a major trend in human resources over the past decade. It's the practice of sending certain job functions outside a company instead of handling them in house. More and more companies, large and small, are turning to outsourcing as a way to grow while restraining payroll and overhead costs. How can you make it work for your business? First, make sure the company you're hiring can really do the job. That means getting (and checking) references. Ask former or current clients about their satisfaction with the client. Find out what industries and what type of workload the firm or individual is accustomed to handling. Can you expect your deadlines to be met, or will your small business's projects be pushed aside if a bigger client has an emergency? Also, make sure you feel comfortable with who will be doing the work and that you can discuss your concerns and needs openly. Ask to see samples of work if appropriate (if you're using a graphic design firm, for example). One outsourcing option is to hire independent contractors. Instead of hiring an in-house bookkeeper, for example, you might outsource the job to an independent accountant who comes in once a month or does all the work offsite.

### **BIBLIOGRAPHY**

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