

To Study Advantages of Human Resource Outsourcing for Company

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Abstract— The human resource outsourcing help to provide the employment to the people, as well as it helpful for the larger companies to outsourced the some functions of employee such as recruitment, and also the payroll of employee, but it is not happen that the all function of an company are not outsourced. The human resourcing outsourcing is a process of outsourcing an important administrative task like Payroll process, attendance and keeping the record, payment of general bills, corporate taxes payment, recruitment of employees, employee record and family background enquiry of employee document verification etc. The effectively delivery of services can also be helpful for decision making of the management team to take decision of outsourcing.

Keywords: Human Resource Outsourcing, HR, HRO

I. INTRODUCTION

Human resource outsourcing is the outsourcing of the important body task such as- payroll, training and development, recruitment and selection, administration tasks to reduced time and cost and gets the standardized services. The services help to maintain the proper balanced between the core business work, and the all day to day activities that are essential to perform such as attendance and salary management of employee.

The commonly following tasks are included in outsourcing policies-

- Payroll process
- Attendance and keeping the record
- Payment of general bills,
- Corporate taxes payment,
- Recruitment of employees,
- Employee record and
- Family background enquiry of employee
- Documents verification etc.

However, the above mentioned are only the tasks are of HR department are not true HR department have more duties and responsibilities, and now a days that duties are increasing, therefore the size of HR department is also increased and due to that the cost is also increased.

Therefore the concept of human resource outsourcing is growing up day by day, that help in managing tasks of HR department so that the organization can run smoothly with the specialized working.

II. OBJECTIVES OF THE STUDY

- To study the advantages of human resource outsourcing.
- To study the functions provided by outsourcing company.
- To study the effectiveness of HRO companies.

III. LITERATURE REVIEW

Bharathi K V. et al(2015) The HRO help to maintain and regulate all day to day activities by HRO organization and the other activities in company done by the HR department. It helps to focus on growth and other important task of organization. HRO not only help in HR task as well as it reduced work in finance task. Now days the companies need cost cutting function that help for companies survival in the competition. It reduces cost of unwanted employee.

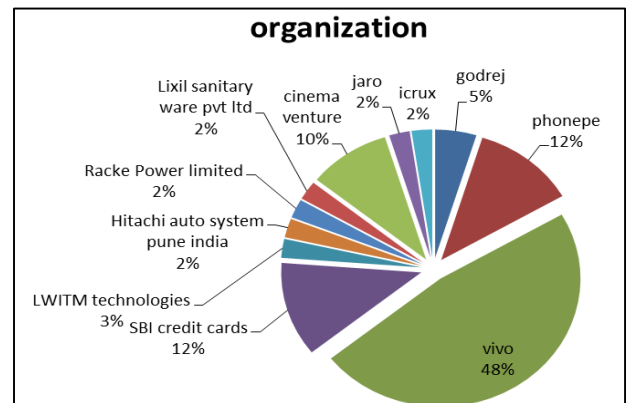
According to Uttamkumar M. Kinange, Murugaiah V. et al (2011) HR functions are outsourced for that an expertise and knowledge is required. The good firms of HRO help to fulfill company goals. The research is done on Information Technology Companies in Karnataka, according to research the role of outsourcing is important decision in this sector.

According to Amitabh Deo Kodwani et al(2007), in HRO process the employee selected are based on regular work in an organization therefore the advanced work are not done in organization with that much well. The human resource outsourcing is the fast growing sector, but the issues and challenges are also comes up with this. To reduce the issues as well as challenges need to take some precaution while performing HR functions. Offshoring HRO is the booming in India and it is good, but the employees hire for these are for simple work not for advanced work.

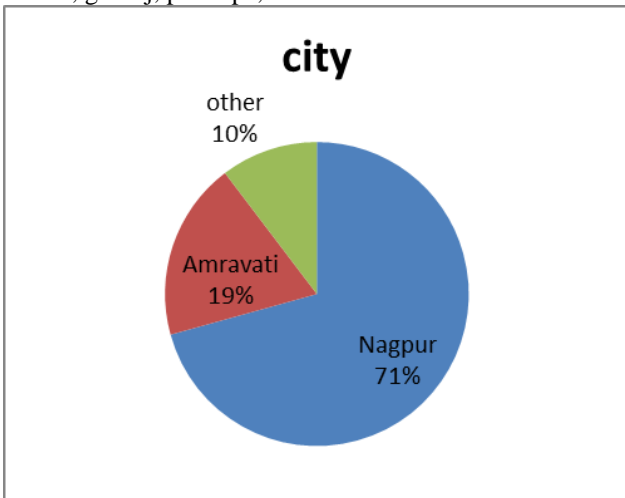
IV. RESEARCH METHODOLOGY

Sources of Data	Primary
Sample Size	64
Study Area	Nagpur District, Amravati
Sample Techniques	Convenience
Respondents	Employees that are on payroll of outsourcing company
Statistical Tools	Percentage Analysis

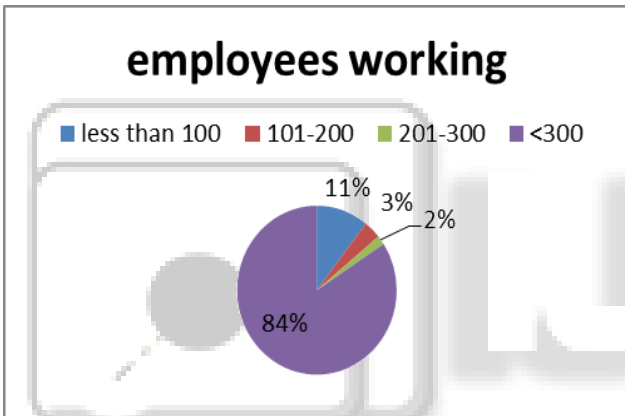
V. GRAPHICAL REPRESENTATION



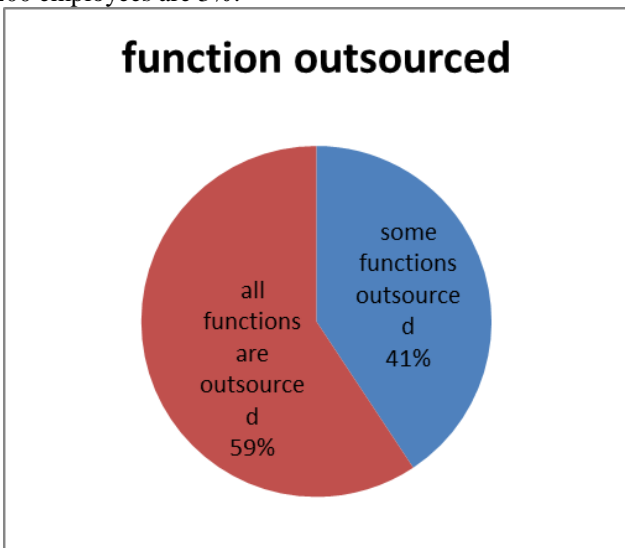
The employees are from different companies working such as- Racker Power limited, Hitachi autosystem, pune , cinema venture, godrej, phonepe, SBI credit cards etc.



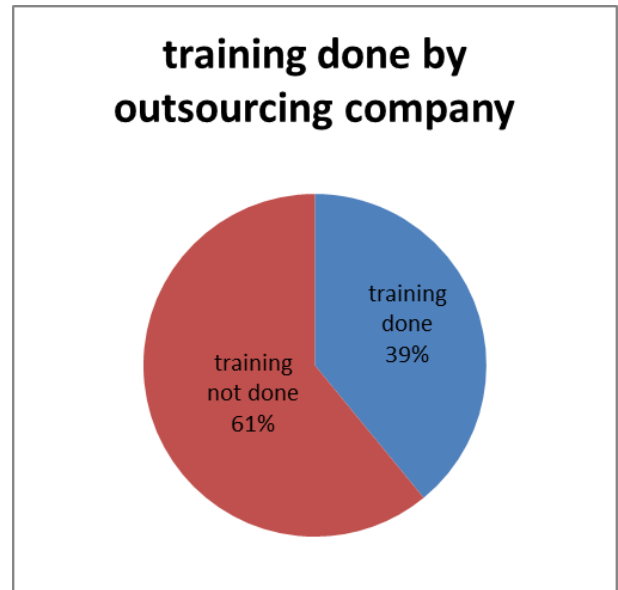
The survey is taken from the cities – Nagpur, Amravati and other. The major focus is done on the Nagpur as per the convenience.



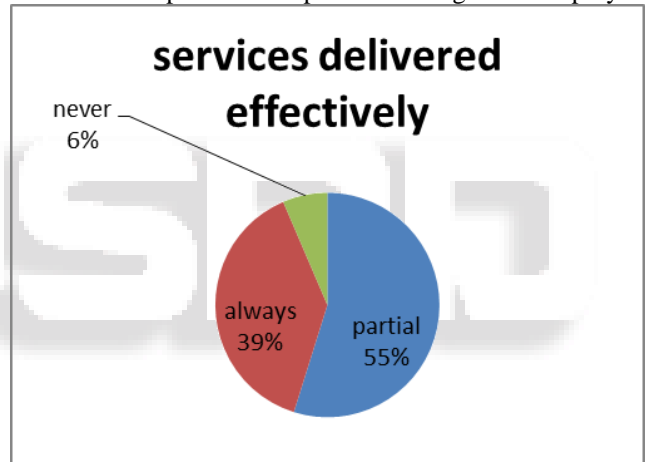
The employees in the organization are highest i.e. 84% in the range of more than 300 employees working in company. Less than 100 employees are 11% and more than 100 but less than 200 employees are 3%.



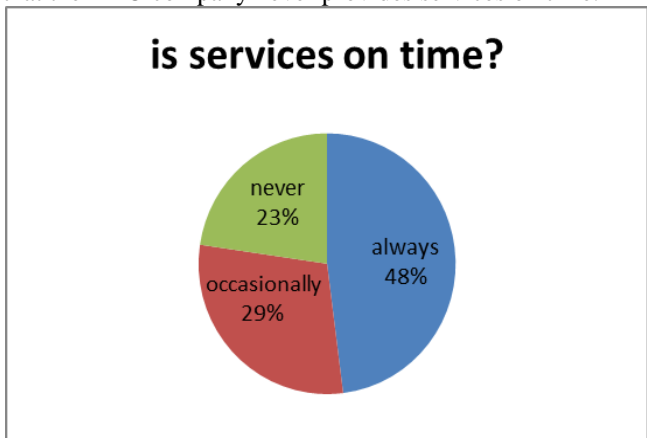
The functions of HR outsourced are in two types one is all functions are outsourced and another is some functions are outsourced. The all functions are outsourced is highest count.



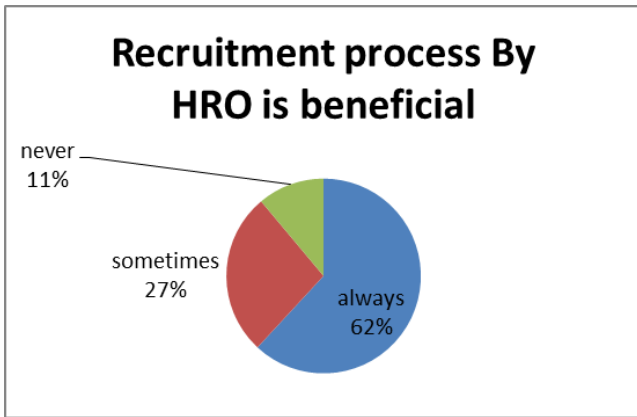
The training is basically done by the main company not by the outsourcing company. The training is provided by the company in which the employee is working actually and that is beneficial to provide the specific training to the employee.



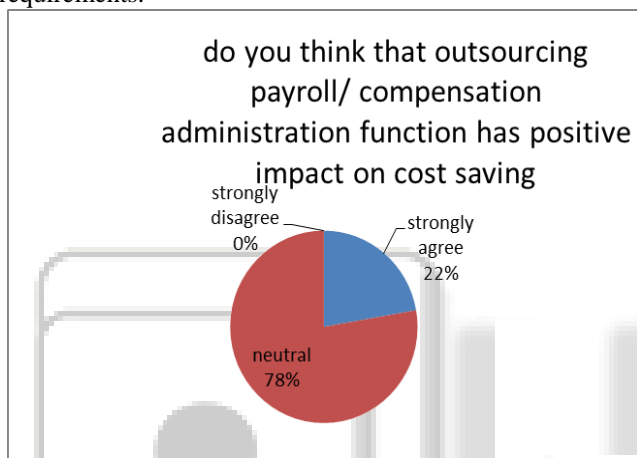
HRO provides services to the employee is 39% always and 55% are the partially. 6% people told that it is never happened that the HRO company never provides services on time.



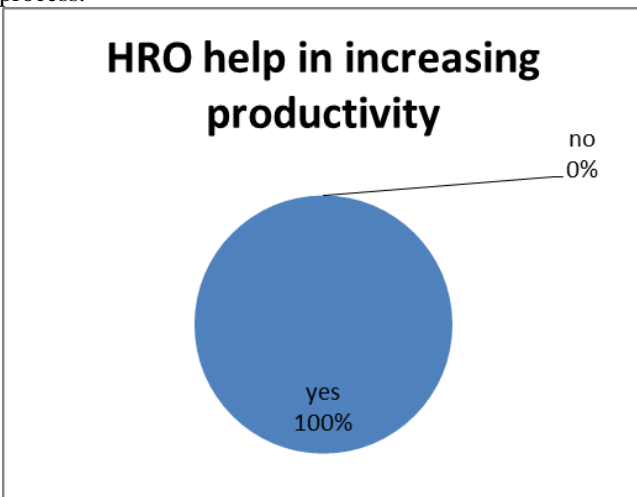
The 48% is the count when the services provided by HRO are on time, and 29% cases its happened that the services are sometimes on time.



The recruitment process is done by the HRO company is beneficial upto the 62% and it's good to search employee by the help of outsourcing company, with the companies requirements.



The factor of compensation and payroll is done the basis of employee performance and their working days as well as working hours. It needs to maintain all record of employee. The process is done by outsourcing company is cost saving process.



The productivity is increased by the help of HRO process.

VI. FINDING & CONCLUSION

On the basis of research methodology it is found that the HRO provides the services to the employees on time but in certain cases it happen the services might be takes some longer time. The training is not provided by the outsourcing company.

The HRO is the major decision in front of the management, its cost saving but its having its own consequences also. The recruitment selection process is beneficial for employee to get a job as well as easy for company to get employee easily.

The company outsourced some functions to the HRO that help parent company to focus on the major functions and other subsidiary functions are done by the HRO company. In very few cases it is found that all functions are outsourced. The facilities such as training and other strategies are done in company itself to increase employee performance. The productivity of business in increased with the help of HRO services.

VII. LIMITATION OF STUDY

On the basis of survey we found the benefits of the HRO and employee views but the survey is conducted on the Nagpur region, it is considered as a developing city and data is collected as per our convenience. The human resource outsourcing process is not mentioned in our research work. Not specific sector is considered for the research, it also changed the findings and responses.

It is hard to find how effective the HR outsourcing services are because of the time and the effectiveness. It is hard to calculate services provided by vendor.

VIII. SCOPE FOR FURTHER RESEARCH

The study of HRO process is can be happened in future, all the processes that are provided by the outsourcing company will help to know the exact process. The data can be taken in large sample size will help to give the good survey result also helpful in findings.

The unique sector also helpful to get advantages over the specialized sector, it will help management to take decision on that particular sector. Also the research will be on the developed cities not on the developing cities, it helps in more enhanced the research findings.

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