



The outsourcing conundrum

There are HR functions for which external expertise can be sought, but the challenge lies in knowing which ones

LIFFY THOMAS

Is there a chatbot at your workplace answering human resources-related queries? Was there a behavioural psychologist taking your exit interview over the telephone when you left that organisation? Has most of your training moved online, allowing you to have it at your own pace?

These are hypothetical questions for most of us: For such systems are beginning to make their presence felt in the Indian corporate world.

Certain HR functions have to be automated or outsourced for the sake of efficiency.

However, extreme caution has to be exercised in the choice of functions.

There are certain functions that need that personal touch and have to be executed with in-house resources.

Traditionally, high-volume recruitment, temporary staffing and payroll management have been among functions that companies, big or small, have been seeking outside help for.

Employee engagement, talent management and compliance management seem to be making it to that list.

"Traditionally, compliance was done locally and information was exchanged through mails. But when em-

ployees move, records often disappear," says Vivek Misra, co-founder, Mynd Solutions, which also works with clients in managing labour regulations.

He says that on an average, an employer has more than 25 HR laws to deal with. Other outsourcing partners help employers identify the reasons for which people leave, design employee assistance programmes and even coach professionals for leadership roles.

Changing role

H. Kannan, who has worked in various industries over the last three decades, says organisations no longer turn to the HR Department for task-related jobs. "They need to advise companies on strategic decisions, so there is a need to offload certain amount of work, and this can be achieved through outsourcing," he says.

The dividing line

When it comes to outsourcing, companies should know where to draw the line. "I don't think employee relationship, employee engagement, organisational management, talent management and performance management should be outsourced," says Kannan.

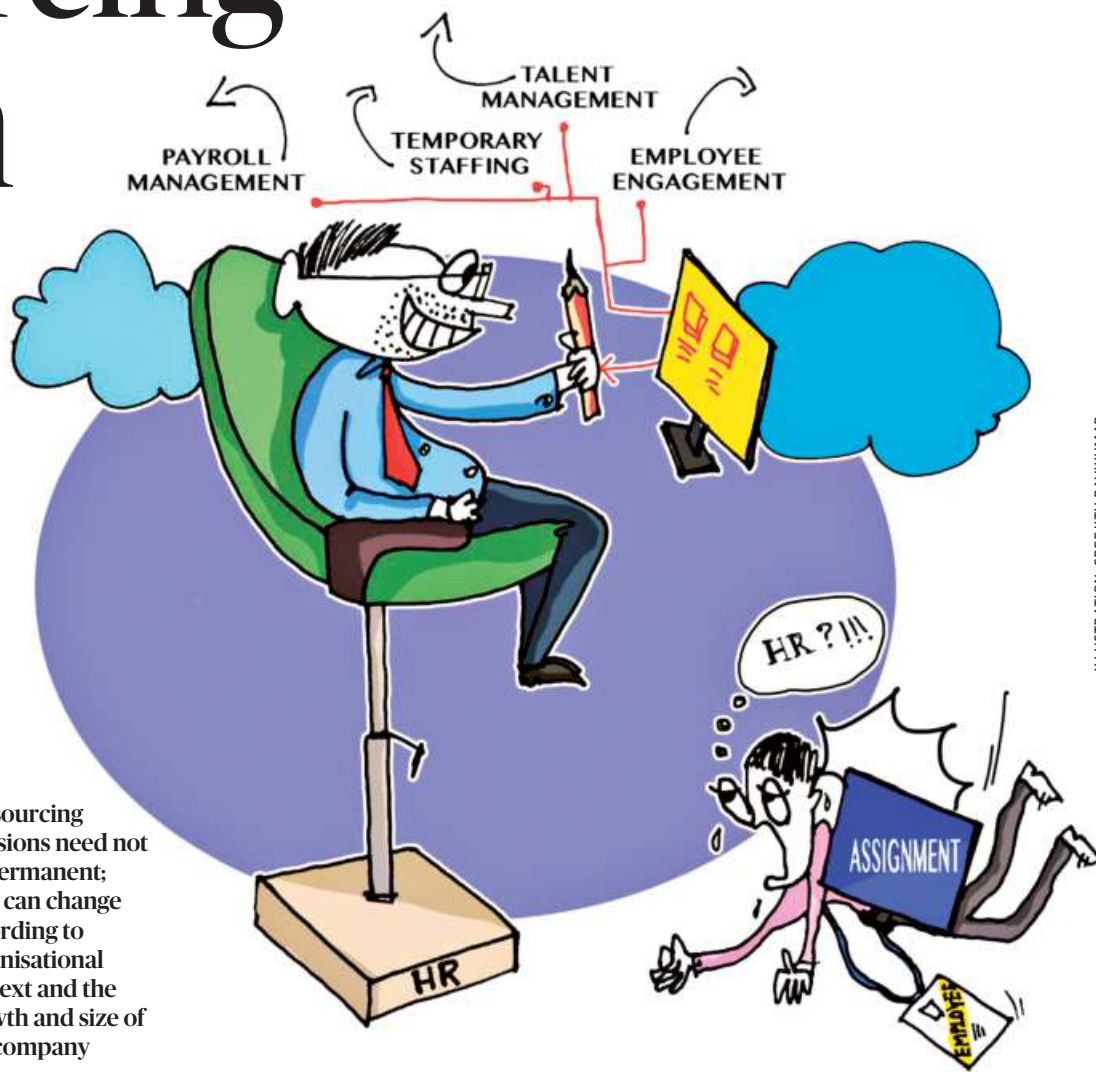


ILLUSTRATION: SREETHI RAVIKUMAR

Outsourcing decisions need not be permanent; they can change according to organisational context and the growth and size of the company

Compensation design and strategy, for instance, should be driven internally so that it is clear where the top talent should be pitched.

He says payroll can be outsourced but there must be an internal mechanism to track how queries are addressed by the partner.

Vinay Trivedi, head of HR at ToneTag, has a different view. With offices in Mumbai and Bengaluru, the start-up has close to 80 employees, and most of the HR functions

are outsourced. The legal cell, for instance, is handled by an external agency.

"Rather than hiring one person to oversee the legal requirements, with outsourcing I get more variety and that comes at a lesser cost," he says.

Trivedi cites the example of how a company outsourced the job of evaluating executives for promotions. These executives were moving from sales to managerial roles.

"The company had 2,500 employees spread across 90 branches. Every quarter, 200 people were being promoted. The outsourcing exercise came with a huge cost. The HR head has to evaluate outsourcing in the context of organisational cost, economics of scale and technical expertise," says Trivedi.

Trivedi says when organisations don't have the right skill-set and the ability to deliver, outsourcing is better. He adds: "Outsourcing de-

isions need not be permanent; they can change according to organisational context and the growth and size of the company."

Kannan says outsourcing has to fit in with a strategic agenda, and it has to be trimmed and altered to meet it.

When outsourcing is going to affect the culture of an organisation, it's time to alter the plan.

+ European countries dominate talent index

India is placed eightieth; Singapore tops the table for the Asia-Pacific region

India is placed in the 80th position in the 2019 Global Talent Competitiveness Index (GTCI), drawn up through an exercise by INSEAD Business School, in partnership with The Adecco Group and Tata Communications.

The annual benchmarking report, GTCI measures the ability of countries to compete for talent.

According to the 2019 report, India's biggest challenge lies in improving its ability to attract and retain

talent. The theme, 'Entrepreneurial Talent and Global Competitiveness', attempts to identify ways in which companies, countries and cities can foster entrepreneurial talent.

Six Asia-Pacific countries are in the top quartile of GTCI. Singapore has been placed in the top quartile of GTCI for the sixth time. These are six countries: Singapore (2nd), New Zealand (11th), Australia (12th), Japan (22nd), Malaysia (27th) and South Korea (30th).

According to a press release, the top-ranking countries share several characteristics, including having talent growth and management as a central priority, openness to entrepreneurial talent, open socio-economic policies as well as strong and vibrant ecosystems around innovation.

Singapore has been ranked the highest in three of the six pillars of talent management – "enable", "attract", and "global knowledge skills".

It is also one of the strongest performers in the areas of vocational and technical skills. When it comes to retaining talent, its score has slipped.

European countries continue to dominate the GTCI rankings, with eight of them placed in the top 10.

Australia (12th) is the best performing country when it comes to formal education. It also performs well with respect to the "retain" pillar, but ranks comparatively lower in the pillars related to

enabling talent and vocational and technical skills.

Japan (22nd) leads in enabling talent. The report says that Malaysia (27th) is quite consistent in its performances in all six pillars. South Korea, placed 30th, has a good pool of workers with global knowledge skills as its greatest asset. Like Japan, it performs poorly with respect to gender equality indicators.

The next edition of GTCI will focus on the theme 'Global Talent in the Age of

Artificial Intelligence'.

The report says that entrepreneurial talent is critical to reducing talent inequalities, illustrating the fact with examples drawn from China.

The report says that it is quite striking that the rise of China correlates heavily with the transfer of significant amounts of talent from the public sector (including state-owned enterprises) to the private sector, which has led to the emergence of giants such as Tencent, Alibaba, and Haier.

NEWS BYTES

Returnship programme

Nutanix has launched a returnship programme for women, called WomEncore (women encore). According to a press release, the programme will be open to 80 women, with two intakes of forty each. The four-month training will consist of both classroom training and practical workplace experience designed to help participants reintegrate into a digital workforce and open the door to full-time employment. Potential applicants must have a degree and taken a career break for over two years. For more details, visit www.WomEncore.in

Himalayan challenge

Indian Institute of Technology, Mandi is inviting applications from start-ups, innovators and aspiring entrepreneurs for an innovation challenge. Participants have to develop technology solutions for problems unique to the Himalayan region. IIT Mandi will shortlist the most feasible ideas and enable willing innovators in prototyping, testing and implementing it. The institute would offer financial assistance and mentoring support, added the release. The event will be held on May 25 and 26. For details, visit www.iitmandi.ac.in/ Catalyst/HIC

FROM THE BOOKSHELF

Nine Lies About Work

Authors: Marcus Buckingham and Ashley Goodall
Publisher: Penguin

"You crave feedback. Your organisation's culture is the key to its success. Strategic planning is essential." These may sound like cardinal truths of work today, but according to the authors, these are lies. The book centres around bringing nine such workplace lies out in the open. Through engaging stories and analyses, the authors also focus on highlighting the essential truths of the corporate world. Some of them are: There should be less focus on top-down planning; people don't want constant feedback, and what they look for is helpful attention.

Marcus Buckingham is head of people and performance research at the ADP Research Institute and the author of the books, *StandOut 2.0: Assess Your Strengths, Find Your Edge, Win at Work*. Ashley Goodall is senior vice president of Leadership and Team Intelligence at Cisco.

What Happens Now
Author: John Hillen and Mark D. Nevins

Publisher: Jaico
Whether you are a senior leader or aspire to be one, at some point, you'll face a paradoxical risk. *What Happens Now?* helps one learn how to conquer the

new challenges by doing things you've never done before. Broadcasting a vision with clarity and purpose; creating a high-performing team; focusing time and energy in the right places and investing in coaching and creating other leaders are topics covered in the book.

The Making of a Manager

Author: Julie Zhuo
Publisher: Penguin
In this book, Julie Zhuo, a product design executive, remembers the moment she was asked to lead a team.

She felt like she won the golden ticket, until reality came crashing in. She was just 25 and had barely any experience as a manager.

Through her story, she offers advice such as not to hide problems from

the manager. Before firing someone for failure to collaborate, figure out if the problem stemmed from an attitudinal issue or from lack of training or coaching. Do not offer critical feedback in a 'compliment sandwich'.

Talk Like a Winner
Author: Steve Nakamoto
Publisher: Jaico

The book helps one discover the secrets of winning everyday conversations, with 21 critical steps to accelerating your success with communication.

