



Benefit from the ideas and insights of our most senior experts.

IS OUTSOURCING BENEFICIAL TO BUSINESSES?

Outsourcing is a strategic decision by a company to reduce costs and increase efficiency by hiring another individual or company to perform tasks, provide services, or handle operations that were previously done by employees within the company. In other words, outsourcing is the practice of getting certain job functions done outside a company.

Outsourcing as an accounting function offers a number of compelling benefits.

Accessing expert advice

By teaming up with a firm, you can feel confident that only the most qualified individuals are handling your finances in an unbiased and objective manner. Services are often tailored and scalable to bring you the right expertise at the right time for greater flexibility across the board.

Meeting compliance requirements

Accounting experts are up-to-date on all the latest regulatory requirements. They are updated on what is happening across the industry and carefully monitor relevant laws and regulations to stay current on processes. You can gain the peace of mind in knowing that your accounting tasks are done properly by a qualified expert in the field.

Reducing business costs

Firms have the ability to accommodate your cash flow realities and organizational risks gaps to ensure that you're getting the most out of your investment. Business owners can choose full outsourcing, co-sourcing, or even specialized resource enhancement to help address temporary staff shortages. Lower wages are also a huge factor when outsourcing, and the top reason companies choose to send parts of their operation elsewhere. With outsourcing, you only pay for the services you need, when you need them.



Improving productivity

With a team of experts in place, business owners can rest assured that the accounting responsibilities will be completed on time. In fact, accounting tasks are streamlined to produce higher quality results and frequently include powerful analytics to help you better understand budgeting concerns and business performance. Suspicious activity is also immediately reported to the business owner, which reduces the likelihood of fraud or government penalties.

Gaining valuable time

With the right outsourcing provider, a business owner can receive support for his or her accounting functions, freeing up valuable time and allowing for better workload management. Firms often provide help with a range of treasury and cash management tasks such as working capital optimization, cash flow preparation, credit facility analysis, debt compliance monitoring, investment monitoring, and even special projects such as initial public offering preparation. This means business owners can delegate responsibilities and redirect their focus on what really matters to them: the future of their business.

Conclusion

When considering outsourcing as an option, do a diligent research to find the right provider for your current and future business needs. With a solid outsourcing strategy, your business can tap into some of the best talent in the accounting industry, providing you and your business the time to think on strategies, develop core areas of your business which gives you the competitive edge in the market and reduce the staff turnover costs, training costs and other staff related costs.

Caveat

This newsletter has been prepared for general guidance, and does not constitute professional advice. Accordingly, RSM Eastern Africa, its associates and its employees and agents accept no liability for the consequences of anyone acting, or refraining from acting, in reliance on the information contained herein or for any decision based on it. No part of the newsletter may be reproduced or published without prior written consent. RSM Eastern Africa is a member firm of RSM, a worldwide network of accounting and consulting firms. RSM does not offer professional services in its own name and each member firm of RSM is a legally separate and independent national firm.