

6 Reasons small businesses should outsource services

According to a recent Clutch survey, more than one-third of small businesses in the United States outsource at least one business process. More and more companies are using freelancers, consultants, and third-party services rather than hiring full-time employees to handle a wide variety of processes and niches, from marketing to [software development](#).

Businesses of all sizes outsource, of course, but the option can be especially appealing for small businesses. Why are so many of these companies choosing to look outside of their organizations for talent? Here are six of the top reasons.

1. To cut costs

Running a business is extremely expensive, especially when you're in the startup phase. Getting your business off the ground with seed money can be very difficult. Outsourcing services is considerably cheaper than hiring full-timers. You won't need to pay overhead and training costs, benefits packages, or full-time salaries.

Plus, you may not even need full-time employees to complete certain responsibilities, especially if your business is small. For example, you might only need a social media manager for a few hours a day, not from 9 to 5. It doesn't make sense to pay for the hours this employee isn't working. You can also use the money you save for other, pressing business areas and concerns.

2. To lend a hand during busy periods

Many businesses have some times of the year that are busier than others. If you own a retail store, for instance, the holidays are particularly hectic, while there's likely a bit of a lull following them. That's why it makes sense to outsource work during these peak times. You might need an extra hand with payroll and sales during that period, and when things start to slow down again, you can simply stop using these workers' services.

3. To increase productivity and efficiency

Small businesses have a small number of employees, which often means that people have to wear many hats. This can lead to employees feeling overworked and even resentful. Moreover, employees may have difficulty being productive and completing tasks in a timely manner when they have so much on their plates.

Outsourcing can help relieve this burden, taking over tasks that aren't within the employees' area of expertise and allowing them to focus on the responsibilities that are. It also helps prevent important assignments and matters from falling through the cracks. Ultimately, it improves

efficiency by enabling employees to be responsible solely for the tasks that fall within their job descriptions.

4. To help with short-term projects

Your business probably has numerous short-term projects that require a given skillset at certain times. Perhaps you're putting out a new app, and your business isn't necessarily a "techy" one. This is a time when it makes sense to outsource software development. A developer or development team can help you build a stellar product, and you can use their services on an as-needed basis.

Once the work is complete, you won't need them anymore, but if you're happy with their work, you might consider using them in the future. There's no long-term commitment unless you want there to be.

5. To facilitate scaling

Many small businesses grow into larger ones. This is usually a good thing — it's many entrepreneurs' goal. However, growing quickly can also present some challenges. Your current team might not be able to handle the work associated with scaling the businesses. Fortunately, outsourcing can alleviate some of this burden.

Outsourced teams will handle the overflow as you grow your business, and you won't have to waste time training them or onboarding them. They're generally experts in their fields and won't need to be versed in the information a full-time employee is required to know.

6. To fill in the gaps

For your business to stay competitive, you need to ensure you have certain skills within your organization. That can be difficult when you have a small team. If you outsource responsibilities, you'll be able to fill in any existing gaps. You have access to many talented professionals all over the world, many of whom are experts in their fields, so if there are key niches that are lacking among your full-time staff, outsourcing makes sense.

More and more small businesses are electing to outsource certain areas, and given the many benefits, it's easy to see why. Whether your organization is still a startup or a long-established enterprise, outsourcing can be a great option for helping you save money, increase efficiency and productivity, grow, and give you access to top talent.