



**The HR Matrix**<sup>LLC</sup>  
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**Published in the September 2006 PASCO/North Bay Business Journal**  
**Outsourcing HR Expertise – Is it right for your company?**

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**What do small to medium size businesses do if they don't have the expertise to manage their human resource issues? How do they solve their personnel problems and get the comprehensive help they need? Do they hire a strategic human resource professional that understands all facets of overseeing and managing HR solutions?**  
No, most of these companies can't afford to hire this level of expertise, nor do they need to.

Over the last 10 years, many organizations have decided to outsource their “transactional” HR processes including payroll, benefits administration and hiring. This type of outsourcing has become common.

Today, outsourcing of HR has gone beyond transactional processes. With the complexity of employment laws, training requirements and expertise required to manage employment processes, many owners and managers have turned to external experts on a regular basis.

*“Our firm outsourced our HR function because we wanted to have it managed professionally, but didn't have the time or training to do it ourselves,”* says Betsy Stewart, a partner at Zainer Rinehart Clarke, DFK, a Santa Rosa accounting firm.

**What to look for in an External Expert:**

Unfortunately some companies have had the bad experience of hiring an external expert and have received a big invoice for “plain vanilla” service. To get the best results, the consultant you pick should be an expert in designing customized solutions that match the unique industry and operational needs of each client. Your consultant should be interested in your business, curious about your goals, and a partner in your success.

Companies also quickly find out the “cheapest” isn't always the best. For example, downloading an employee handbook from the internet (a cheap and fast solution), doesn't offer the benefits of customizing the policies that can create the desired organization culture and address the needs of the particular workforce. Even worse, some of these ‘off the shelf’ solutions can *undermine* what management is trying to achieve.

**How to screen for the best outsourced HR expert when you're not an HR expert:**

We suggest you contact a few consultants in your area to ask about their services, experience, and, of course, their references. For larger projects, such as developing a comprehensive compensation study and performance management system, you should develop a clear list of expectations and the results you are seeking to achieve. This approach gives you an opportunity to clearly outline the outcomes you expect. This also helps the consultant to better understand your expectations and determine if the project is a good fit for their skills.

**What do outsourced HR experts provide that I can't learn myself?**

Darren Wong, Controller, of Fountaingrove Golf and Athletic Club, has worked with an external HR consultant for over a year. Darren said, *“I'm responsible for HR, but I don't have extensive knowledge of all the employment laws and regulations. It's been great to have a resource that I can rely on without having to hire a full-time HR Manager.”*

Having an external expert is a great option for companies without an HR expert on staff or that need access to expertise in a specialized area for projects and programs. Many HRO (“Human Resource Outsourcing”) firms offer access to an HR expert who is available via the phone and email to answer day to day questions. In addition, some consulting firms, such as The HR Matrix, provide clients the option to work with onsite HR experts for short and long-term assignments.

If you would like more information, contact Brenda Gilchrist, Principal of The HR Matrix at 707-526-0877 or visit [www.TheHRMatrix.com](http://www.TheHRMatrix.com). *The HR Matrix would like to thank their clients for providing quotes for this article.*