

OUTSOURCE OR IN-HOUSE? HOW TO DECIDE

1. THE BENEFIT OF INTELLIGENCE FROM OTHER BUSINESSES

Consultants look at lots of businesses, all the time. They bring lots of wisdom gained from other businesses, to your business.

2. SPECIALISATION

All managers know something about business strategy. But consultants specialise in it. They are constantly reading, networking, questioning and revising tools and methods. They are absolutely dedicated to the fine art of working ON a business, whereas you can get distracted and somewhat submerged working IN it.

3. BUSINESS LEADS

Because of the number of people consultants meet in the course of their jobs, it is unlikely they, or someone in their network won't know someone who could be helpful to your business.

4. OBJECTIVITY

Can't see the wood for the trees? Employees are settled into your culture and adopt a vested interest in pleasing you, and getting paid for it. That's natural, but they can lose the ability to speak up. Consultants are paid to tell you things you need to hear.

5. NO STRINGS ATTACHED

A consultant is just as easy to let go as they are to hire. They come in, they do the work, then leave, but they are usually around and "in the know" if you need them.

6. INTENSITY OF WORK

It's a well researched fact that staff only work a maximum of 6 effective hours per day. Often far less as energies wax and wane over the long term of singular focus on a business, and internal politics can get in the way. You pay a consultant directly for hours of work, or by agreed outcomes, to focus on high level issues that matter.

7. DO THE SUMS

The opportunity cost of not doing something you know you should do, just because everybody is too busy servicing the customers you have, can be far higher than the cost of a consultant. The cost of diverting specialist staff to research or learn in an area they cannot expect to become expert in, in the time available, is also high. So do the numbers. Be sure to add the cost of someone not doing their regular job to the cost of diversion to a specialist task, and add \$\$ of some of the benefits above.

If that cost is more than the cost of a consultant, you have a simple answer.