



## **Rent an Expert**

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What do organizations like Bank of America, IBM, Cisco, and Marriott International know that the rest of us do not know? They have outsourced their Human Resources function so that they can provide better focus on mission critical activities.

All organizations, large and small, face major employment related issues daily. Any substantive mistakes in benefit and compensation administration, hiring, firing, and performance issues can cause major employee issues and could possibly be the motivation for employment related litigation. Organizations need advice when they face complex issues.

Larger credit unions usually employ a full time human resources professional to assist them in addressing employment law and employee relations issues. These professionals are usually generalists who must handle the human resources responsibilities in addition to a large variety of other job functions. Smaller credit unions can not afford to dedicate a person to perform the human resources function and the responsibilities for employment law and employee relations rests with an already overworked CEO or Credit Union Manager.

How can credit unions get the expertise they need to address major employee issues? The answer is to outsource the HR function to a professional organization which can offer the credit union exceptional expertise at an affordable price. Outsourced services can be procured on either an hourly or a retained basis.

Credit unions can procure the following human resources services from an outsourced vendor:

- Organizational design
- Policy and procedure development
- Employee and management training
- Benefits consultation and administration
- Recruitment
- Compensation design and implementation
- Performance management
- Complaint investigation
- Compliance consultation
- Assistance in mergers
- Turnover management

These services can be handled on a “just in time” manner and you do not have the cost of the overhead of a full time employee.



HR outsourcing can also provide a very strategic link to your existing HR assets. An outsourcing firm can partner with a credit union's existing HR Department and help them to become more effective by absorbing mundane or overflow HR activities.

The beauty of HR outsourcing is that you take a fixed cost and make it variable and, in that process, secure the services of personnel who are truly experts in their field.

If human resources outsourcing is something you are considering, the following are things that you should consider when making that decision:

- Does the outsourcing firm fit the culture of your credit union?
- Does the vendor have similar thoughts and philosophy as you?
- Can the outsourcing organization bring a new way of thinking into your organization?
- Does the outsource firm have experience in the credit union movement?
- Will there be a spirit of partnership between your credit union and the outsourced firm?
- Is the outsourced firm dedicated to quality?
- Does the firm have expertise in employment law, compensation design, employee relations, employee communications, human resources administration, and benefits?
- If you outsource, will you improve the service level of the HR function?

Organizations with an existing HR staff which choose to outsource can save up to 25% for human resources services. In addition, to the monetary savings, outsourcing will enable credit unions to devote more time to time to the actual business of running a credit union and devote more time to mission critical activities.

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