

Outsourcing Talent in an Instacart World

by [Steve Brown](#)  [performance](#) [employees](#) [management](#)

Summary: In the wake of the ongoing talent shortage across the country, outsourcing has become increasingly popular as companies struggle to find qualified candidates. In 2020 alone, nearly 70% of businesses turned to outsourcing. Though outsourcing may not be for everyone, the changing nature of work has made it a more appealing option that CFIs may want to consider — we go into detail.

Cooking dinner can be time consuming and a task that many people find less than enjoyable. So, it's no surprise that as most people struggle to find enough time to balance work and the demands of their personal lives, the popularity of pre-prepared meals has soared. Indeed, the global market for ready-made meals in 2020 was [valued at \\$144B](#). It is expected rise at a projected compounded annual growth rate of 5.1% per year between 2022 and 2030. That is a lot of quick meals!

The willingness of people to offload time-consuming tasks like cooking and grocery shopping is good news for organizations such as DoorDash and Instacart, which have both seen their businesses soar since the onset of the pandemic. But outsourcing isn't just for consumers, it can be just as beneficial for organizations large and small seeking to plug talent vacancies. In the wake of the ongoing talent shortage across the country, outsourcing has become increasingly popular as companies struggle to find qualified candidates. In 2020 alone, [70% of companies outsourced](#) functions, especially IT.

"There's a growing comfort level of outsourcing, especially with employees working remotely," says the co-founder of a B2B matching platform for outsourcing services.

What to Outsource. IT is at the top of the list, but it's far from alone. The banking industry has also [embraced outside assistance](#) and support for servicing and managing ATMs — from overseeing cash supplies and deposits, to security and maintenance; predicting and managing cash flows; as well as for digital marketing; regulatory compliance and even assistance with loan underwriting.

Given the ever-changing nature of regulations, bringing in outside assistance for compliance can be attractive. It's an easy way to access industry professionals who may be even more up to date on new rules and regulations than internal staff. Moreover, it can be an inexpensive way to access such talent and supplement your organization's risk management efforts.

"Whereas you might hire somebody with less experience because it's cheaper, outsourcing might provide you with someone with 20 years of experience in the industry," says the B2B matching platform co-founder. "If an employee isn't working out, you usually use performance improvement programs and things like that. In the case of an agency, though, you often provide a 30-day notice, saying this isn't working or that you've achieved your goals and are ready to culminate the relationship."

On the HR front, outsourcing can be an affordable way to assist with tasks such as onboarding, recruiting and training. And since there is a lot of competition among outsourcing firms, most organizations are competitive on pricing. They also make sure their contractors are up-to-date on the most current trainings, technologies and industry changes. In some instances, outsourcing can also

involve turning over the entire management and oversight of a specific product to an outside party such as a fintech — a practice that has been gaining traction among banks in Europe for a few years.

The Benefits. Though outsourcing may not be for everyone, the changing nature of work has made it a more appealing option that your institution may want to consider. Following are some of the benefits that outsourcing may provide:

- Rapid access to talent and particular skill sets
- Affordable talent
- Access to current industry best practices and playbooks
- An outside perspective
- Access to the latest technologies, without the cost required to build them in-house
- A broader reach of talent than your organization might otherwise have

Check out the possibilities that outsourcing some of your functions can achieve, to get a leg up in this era of talent shortages!

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ECONOMY & RATES

Rates As Of: 06/14/2022 12:19PM (GMT-0700)

| Treasury | Yields | MTD Chg | YTD Chg |
|-----------|---------|------------------------------------|---------|
| 3M | 1.73 | 0.57 | 1.67 |
| 6M | 2.25 | 0.61 | 2.06 |
| 1Y | 3.06 | 0.97 | 2.67 |
| 2Y | 3.44 | 0.88 | 2.70 |
| 5Y | 3.60 | 0.78 | 2.34 |
| 10Y | 3.49 | 0.64 | 1.97 |
| 30Y | 3.43 | 0.38 | 1.52 |
| FF Market | FF Disc | IOER (Interest on Excess Reserves) | |
| 0.83 | 1.00 | 0.90 | |
| SOFR | Prime | OBER (Overnight Bank Funding Rate) | |
| 0.73 | 4.00 | 0.82 | |

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