



■ VALENTA STAFF AUGMENTATION

**HOW CAN MIDSIZED  
COMPANIES BENEFIT FROM  
STAFF AUGMENTATION?**

## How Can Midsized Companies Benefit from Staff Augmentation?

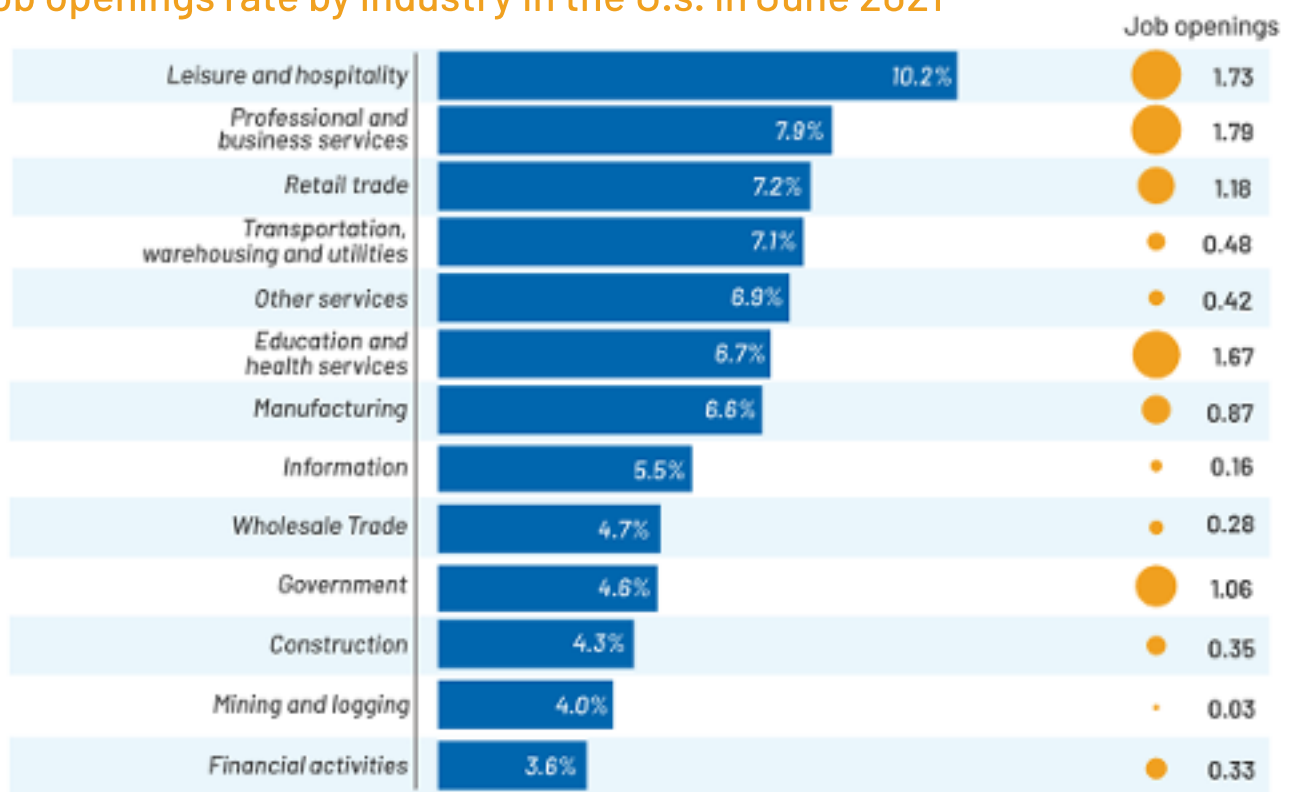
Staff augmentation refers to contract workers and outsourcing services. There are many ways in which midsized companies and small businesses can benefit from staff augmentation. Two of the main reasons SMBs typically choose to outsource is to get needed skill sets into their business and also to reduce the costs for staff. Additional reasons include being able to focus key people on their primary mission and also to gain flexibility when it comes to human resources.

The Fortune 1000 has been leveraging staff augmentation, outsourcing, offshoring, and nearshoring for decades. Large companies have outsourced entire departments or divisions to locations where labor is plentiful and more cost effective. SMBs have not always had these options. Service providers like Valenta are changing that. We offer pools of workers located in our service centers to assume one, several, or more, hard to fill roles for our clients. We are also filling entire departments for some clients, but it is more common for us to provide staff that work in unison and as a complement to in person and local employees of our clients.

The following table is proof of the problem facing companies of all sizes when it comes to staff. This table highlights the percent and number of open jobs that were unfilled in different US businesses. Professional services, health services, supply and logistics, and manufacturing had particularly high rates. Not coincidentally these are some of the categories our leading clients are a part of.

## Where Employers Struggle to Fill Open Positions

### Job openings rate by industry in the U.s. in June 2021\*



\*The job openings rate is the number of job openings on the last business day of the month as a percent of total employment plus job openings.

Source: U.S. Bureau of Labor Statistics

The best staff augmentation service for your business is dependent on different criteria. For instance, what function is being considered for staff augmentation? If you need staff augmentation for software development, it is quite different than staff augmentation for back office functions. Also, worth considering is do you need workers available during your work hours? When considering these questions, topics like offshoring and nearshoring will come up. At Valenta we are focused on back office roles, IT, software, and technology roles. We offer staff in service centers around the world.

In the remainder of this paper let's take a closer look at, what is staff augmentation, why do SMBs need it, when should they use it, and how should they seek it out.

## What Is Staff Augmentation?

As we mentioned above, staff augmentation is frequently referred to as outsourcing and involves utilizing contract labor. Sometimes this is done in the same country where a business is located but more commonly outsourced labor is located in another country and is referred to as offshoring or nearshoring. At Valenta we provide contract labor that is both offshore and nearshore staff. Offshoring refers to staff augmentation in a country that is not close to a business, ... for example workers in India for North American businesses. Nearshoring is the same concept as offshoring, but it is locating roles in a country in closer geographic proximity. Examples include EU companies outsourcing to Eastern Europe or North American companies outsourcing to Latin America. BPO is also a term that comes up when discussing staff augmentation. BPO stands for business process outsourcing. BPO is the practice of hiring a third party company to do outsourced office tasks. Outsourcing entire departments or substantial portions of departments offshore is considered BPO. Accounting, finance, customer support are leading examples of BPO services.

Virtually any role that does not require an in person presence can be outsourced and provided via staff augmentation. The first roles to be outsourced in large numbers were call centers, support staff, virtual assistants, accounting, and bookkeeping. These days a wide variety of roles are available through staff augmentation. In addition to those mentioned above, IT staff, software developers, and software administrators are commonly outsourced, and we provide these services at Valenta. Other roles like medical billing support, paralegals, paraplanners (for Financial Planners), and CAD drafters are roles we commonly fill that are not typically associated with outsourcing. Increasingly new economy and information economy roles are being filled by contract labor. Data analysts, business intelligence analysts, big data specialists, ML and AI specialists, you name it, are all being fulfilled via staff augmentation.

The table below highlights several roles we have historically filled plus roles we are seeing increased demand for and providing to our clients.





## Virtual Staffing Roles are Evolving Rapidly

| Commonly Provided by Valenta                           | Increasing in Demand                          |
|--|---|
| ~ IT   Tech Staffing   Managed IT Services             | 1 Data Analysts and Scientists                |
| ~ Software Developers                                  | 2 AI and Machine Learning Specialists         |
| ~ Software Platform Administrators (ERP, CRM, RPA, AI) | 3 Big Data Specialists                        |
| ~ Engineering   CAD                                    | 4 Internet of Things Specialists              |
| ~ Bookkeepers and Accountants                          | 5 Process Automation Specialists              |
| ~ Financial Crime                                      | 6 Software Applications Developers            |
| ~ Medical & Dental RCM   Medical Virtual Assistants    | 7 Digital Transformation Specialists          |
| ~ Customer Support   Billing & Back Office             | 8 Information Security Analysts               |
| ~ Paralegal   Legal Virtual Assistants                 | 9 Business Development Professionals          |
| ~ Paraplanners   Financial Planning Admins             | 10 Digital Marketing and Strategy Specialists |

One overwhelming trend that is worth noting is that technology makes it easier to leverage staff augmentation every year. The ability to have video calls whenever and wherever we need to have them, and to do so virtually for free, has been a game changer. The ability to share screens over those same connections and mimic in person meetings, discussions, collaboration, and troubleshooting has also made staff augmentation an easy option. The proliferation of cloud SaaS (software as a service) platforms for business tools has also made leveraging staff augmentation that much easier. Lastly, sharing documents and storing documents securely in the cloud has also made outsourcing easy and seamless.

## Why Do Midsized Companies Need Staff Augmentation?

We mentioned the five main reasons why SMBs should leverage staff augmentation in our opening paragraphs. The include, acquiring needed skills, reducing costs, focusing on the core business, complementing existing staff, and gaining flexibility when it comes to human resources. Let's take a close look at each of these.

## STAFF AUGMENTATION?



### ■ **Acquire Needed Skills**

Many labor markets, and especially the labor market in the United States, are very tight and there are not enough workers for available jobs. Because of this many businesses cannot find workers to fill open positions, ... and we hear this all the time. Frequently roles that need to be filled are not the area of expertise of a business and there are not people within a company with the required skills. This is particularly true when it comes to IT roles, and administration of business software. Other times roles or the skills required are in new areas where companies do not have expertise. Examples of this might be big data specialists, business intelligence analysts, Python developers or other roles. Even more frequently the roles and positions that need to be filled are back office jobs that are not central to what a business is focused on. Examples of these types of positions might include accountants, bookkeepers, billing administration, clerical assistants, customer support, or other roles. Whatever the need is, leveraging staff augmentation gets needed skills into a business so that it can accomplish its mission.

### ■ **Reduce Costs**

The economic benefits of virtual and offshore staff can be dramatic. These reduced costs can have a positive impact on bottom line profit numbers. Increased savings can also be leveraged to pay on shore staff more, spend more time with clients, or pursue new business lines. Valenta monthly rates for offshore virtual staff for most roles are typically one third of what the overall expense would be for personnel on shore. When you add together salaries plus costs in terms of taxes, health insurance, retirement benefits, and infrastructure in the form of office space, laptops, equipment, desks, etc., ... the savings can be monumental. When you combine that it not only costs less to outsource and offshore with the fact that typically a business will contract personnel who is up to date on the latest technology and standards ... it can be an easy decision to take.

### ■ **Focus on the Core Business**

Another benefit our clients find and comment on is being able to have their existing employees focus on the core business. When the most important staff in a business, or the highest compensated workers, are focused on roles that are not core to the organization a business is not optimized. Some of these functions might be routine tasks that really are best outsourced. Other times they might be important roles to a business, but not ones that critical employees have any special skills with. We have rescued countless workers from jobs they were not particularly good at so they could go back to the role they were originally brought into a business to fill. Having the right workers in the right roles and executing tasks that are the best match for their skill set and compensation can keep everyone in a business focused on the core mission.

### ■ **Complement Existing Staff**

Another of the benefits of virtual staff is that they are an extension of a business's employees. They work full time hours 4 weeks a month and 52 weeks a year. They are available by phone, chat and email and are no different in their interactions with other staff than any other work from home / WFH type workers. The staff we provide at Valenta work in service centers side by side with other virtual staff providing similar roles to the same or to other clients. This cross pollination with other staff in the same roles, plus being virtually embedded at client companies really is the best of both worlds. Because our staff are virtual employees of one business, they get to know their client's well and can bring new ideas and perspectives to them.

### ■ **Flexibility**

Staff augmentation can be a flexible way to provide staff with skill sets and experience on an "as needed" basis. At Valenta, all our roles and virtual services are contract based. They are flexible and run month to month. Our clients can ramp up quickly and scale down easily as business requirements change. This flexible aspect of outsourcing is quite different than the employer employee relationship, ... which is much more rigid and inflexible. The employer and employee relationship is also one that comes with a fair amount of risk and liability. This risk is mitigated by the contract aspect of outsourced relationships.

## When Should Midsized Companies Leverage Staff Augmentation?

Every business has departments or functions that lend themselves to staff augmentation. Finance, Accounting, Sales, Marketing, Human Resources, Operations, Customer Support, and Information Technologies are all areas that can benefit from staff augmentation and outsourced workers. We have placed people in all these different departments at client companies. Many different types of business can benefit from outsourced staff. Some of our leading SMB clients for staff augmentation include accounting practices, law practitioners, financial planners, and regional banking institutions. We have also helped many insurance companies, real estate Investment firms and property management companies. For these types of businesses, we have trained and provided staff for specific roles like leasing assistants, property management assistants and collections staff. Additional diverse clients we have served and organizations that can benefit from staff augmentation include healthcare providers, manufacturing, supply & logistics, telecommunication providers and utility providers. A few final examples of organizations that have benefited from our services include those in construction, hospitality, education, consumer goods and retail.

The types of roles that can be filled are as diverse as the types of businesses and departments that can benefit from services. To provide some specific examples, below are some of the roles that Valenta provides.

|                    |                     |                      |                         |
|--------------------|---------------------|----------------------|-------------------------|
| Accountants        | IT Desk Support     | Database Admins      | AI & ML Specialists     |
| Bookkeepers        | Help Desk Techs     | Cyber Security Staff | Applications Architects |
| Paralegals         | Network Architects  | Data Analysts        | Big Data Specialists    |
| Paraplanners       | Program Analysts    | Data Scientists      | BI Analysts             |
| Virtual Assistants | CRM Admins          | DevOps Engineers     | RPA Developers          |
| Billing Admins     | ERP Admins          | Scrum Masters        | CAI Developers          |
| Medical Assistants | Software Developers | Python Developers    | Front End Developers    |
| Medical Scribes    | Systems Engineers   | Web Developers       | Full Stack Developers   |

The answer to the question of when an SMB should leverage staff augmentation comes back to why a business should consider staff augmentation. If an organization cannot secure needed skill sets locally, wants to reduce costs, wants to focus on its core mission, wants to complement existing staff with outsourced staff, and desires flexibility when it comes to human resources ... it should consider staff augmentation.

## How Should Midsized Companies Seek Out Staff Augmentation?

Staff augmentation can be an excellent, flexible, and cost effective option to fill a variety of roles. How to do it is as simple as contacting staff augmentation service providers like Valenta. Businesses should look for more than just a fair and attractive price for services. Price is important but often, like the saying goes, you get what you pay for. Businesses should ensure any contracted employees work out of service centers in countries with good infrastructure. At Valenta we have modeled our organization after large and successful outsourcing companies like Deloitte and Accenture. Businesses will want to ensure there is management layers in those service centers for their outsourced staff. This is a key difference when it comes to the services that Valenta offers. Having additional management of staff augmentation and managers who are experts in their area makes a difference and leads to a smoother experience. When outsourced staff are working in service centers like Valenta's they will be working side by side with other staff also contracted for similar roles. Sometimes they sit side by side with staff for the same client, most of the time they are at a minimum sitting side by side with workers filling the same types of roles. SMBs that leverage staff augmentation will want to make sure the right educational background and experiences are present in the staff they contract. At Valenta we provide profiles of candidates and recorded videos of the best fits for our clients. After reviewing these our clients have virtual meetings with the staff they select prior to starting them to ensure there is a good match. We believe that all businesses should have access to staff augmentation no matter what size they are. We are happy to speak about our processes, resources, and capabilities at any time.

## About Valenta

Everything we do at Valenta is about helping companies focus on and have time for what they do best and their core mission. We do this through process consulting, digital transformation, and the automation of tasks. We also do this by providing staff augmentation. Valenta is focused exclusively on SMB clients, typically enterprise customers with 10-1,000 employees. We have Managing Partners located in cities across the US, Canada, the UK, the EU, and Australia. Our Managing Partners work with other onshore consultants, plus offshore consultants, developers, and managers of outsourced staff to deliver the best services to our clients.

When it comes to staff augmentation our goals are as follows:

- Help our clients focus on their customer and clients
- Help businesses acquire needed skills that may be difficult to find
- Help businesses reduce staffing expenses
- Increase your business's revenue and profitability
- Complement and work hand in glove with existing staff
- Increase your business's productivity and efficiency
- Offer our clients flexible engagements and commercial terms

**If you would like to discuss your staffing requirements at any time. We look forward to serving you and helping your business., please reach out to us here:**

[HTTPS://US.VALENTA.IO/CONTACT-US/](https://us.valenta.io/contact-us/)