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On The Risks and Countermeasures of Human Resources Outsourcing in Chinese Enterprises

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ABSTRACT

With the continuous development of Chinese enterprises, the status of enterprises is becoming more and more important, and the contribution rate to the development of national economy is also increasing. However, due to limited capital, small scale, financing difficulties and other factors, many Chinese enterprises have various problems in human resource outsourcing in the process of operation, such as immature management system, lack of management resources, lack of human resource strategic planning and so on. Therefore, human resource outsourcing has become a powerful driving force for the fundamental transformation of Chinese enterprises. We should integrate the advantageous resources of Chinese enterprises by implementing human resource outsourcing, focus on developing our own strategic business, and enhance the competitive cushion of Chinese enterprises, so as to remain invincible in the market competition. In the era of deepening the reform of Chinese enterprises, the management mode of Chinese enterprises has also undergone major changes, especially in the field of human resource management. Bold innovations have also been made, such as human resource management outsourcing of Chinese enterprises, which is gradually applied in many Chinese enterprises. With the benefits of reducing operating costs and improving management flexibility, Chinese enterprises can obtain better economic benefits. But at the same time, we should also make a comprehensive analysis of the risk factors existing in the process of outsourcing management, and formulate scientific and reasonable risk prevention strategies in combination with the actual development of Chinese enterprises.

Keywords: Chinese Enterprises, Human Resources, Outsourcing Risk, Prevention

I. INTRODUCTION

In today's fierce market competition, Chinese enterprises are gradually implementing the reform of management mode. Many Chinese enterprises began to outsource some non core businesses in order to provide more resources and energy for their core businesses and improve their market competitiveness. The purpose of human resource outsourcing is to save the management cost of Chinese enterprises, reduce the operation risk of Chinese enterprises and improve the competitiveness of Chinese enterprises. Human resource management can be directly outsourced to some professional companies and pay certain management fees to them, so as to achieve a win-win situation between business and outsourcing companies. However, this approach also involves some risk factors, such as the risk of disclosure of company secrets, the conflict between Chinese corporate culture, and the difficulty in determining the qualification of outsourcing companies.

Chinese enterprises play an irreplaceable role in the development of market economy. They are sensitive to the market mechanism and are the most dynamic part of the market economy. In the process of economic development of various countries, Chinese enterprises in which country are valued and developed, the economic growth rate of each country is fast and the potential for economic development is sufficient. The development and profitability of Chinese enterprises have become pronouns of economic growth and prosperity. It can be seen that the development of Chinese enterprises plays a vital role in a country's economic development. However, in the process of the development of China's market economy, Chinese enterprises are facing many problems, which restrict their development. How to make Chinese enterprises develop better has become our concern. Human resource outsourcing is undoubtedly an effective way to reduce costs and solve internal human resource management problems for the development of Chinese enterprises. Moreover, the advantages are quite obvious. Such outsourcing can reduce personnel on the basis of saving operating costs, concentrate on the development of core competitiveness and effectively help enterprises implement development strategies.

In the era of rapid improvement of China's economy, the competition between different Chinese enterprises is becoming more and more fierce. The way of human resource management outsourcing can effectively improve the efficiency of employees in management and strengthen the core competitiveness of Chinese enterprises in market business. However, due to the influence of many factors, there are also a series of risks in human resource management outsourcing. It is very important to analyze the risk of human resource management outsourcing and use scientific and reasonable prevention strategies in advance. Therefore, an in-depth analysis of a series of risks existing in human resources outsourcing from different levels and dimensions and giving targeted treatment measures are urgent work to be completed. This research has certain practical value and provides important guidance and reference for other Chinese enterprises implementing human resources outsourcing.

II. RESEARCH METHOD

In the process of this research, the literature collection research method is used: a large number of data are analyzed and collected through various network information resources such as China HowNet, various relevant references and academic materials at home and abroad are consulted, summarized and analyzed, and then the previous research results are summarized, which provides a relevant academic reference for the writing and research of the article. Secondly, the empirical research method is used to provide real and accurate research information by understanding the objective fact of human outsourcing of Chinese enterprises, especially the changes of human outsourcing of Chinese enterprises from 2018 to 2022, and then it is concluded that the human outsourcing management of Chinese enterprises has been further optimized, so as to resolve the risks.

III. DISCUSSION

3.1 Connotation of Human Resource Management Outsourcing

In essence, human resource management outsourcing is that Chinese enterprises directly entrust one or more tasks in the process of human resource management to other institutions for management in combination with their own actual development needs, so as to reduce the cost of human resource management and maximize efficiency. In short, human resource management outsourcing is directly related to the internal personnel business of Chinese enterprises, including many contents, such as process integration, human resource planning, labor arbitration, Chinese corporate culture design, etc. For human resource outsourcing, it is actually a new concept of Chinese enterprise management under the current market economy environment. This is one of the ways for Chinese enterprises that outsource human resources to entrust human resources management tasks to other majors according to their own development. Human resource service organization is a kind of management mode. Using this outsourcing mode can also better implement the strategic planning, smoothly achieve the corresponding growth objectives, effectively reduce the company's cost in human resource management and strengthen the core competitiveness of Chinese enterprises. Human resource outsourcing includes many aspects, such as job analysis and evaluation, employee recruitment and salary plan, planning, etc. Using the mode of outsourcing human resource management, Chinese enterprises can put all their work energy and resources on the core business. On the one hand, it can help Chinese enterprises reduce operating costs, on the other hand, it can also strengthen the core competitiveness of Chinese enterprises.

3.2 The Role of Human Resource Management Outsourcing

It is conducive to improving the competitiveness of Chinese enterprises. For Chinese enterprises, due to the many links involved in production and operation and the waste of too much energy and time in human resource management, the cost is increasing. In view of the long-term development of the company, some non core human resource management work will be outsourced in order to have more energy to invest in core business and improve their own business ability.

It is conducive to saving the operating costs of Chinese enterprises. If human resource management is directly outsourced to some professional outsourcing companies, we can obtain better services provided by service providers and greatly improve management efficiency. It can save the investment cost of Chinese enterprises in human resource management. Although it will spend some money to hire outsourcing companies, it can still save Chinese enterprises' cost investment in human resource management. In this way, Chinese enterprises can do their core business work wholeheartedly, reduce many recruitment troubles and difficulties, and put more resources and energy into the company's core business, so as to ensure the full display of the advantages of human resource management outsourcing and reduce the overall operating cost of Chinese enterprises.

It is conducive to the optimal allocation of resources of Chinese enterprises. After the introduction of human resource outsourcing mode, Chinese enterprises can put effective resources into their core business, realize the purpose of rational allocation of resources, tilt more resources to the deeper business development of Chinese enterprises, and optimize and rationalize the improvement of Chinese enterprises' core competitiveness and the allocation of talents. In the development process of Chinese enterprises, human resource management is a very important link. Due to the implementation of the form of outsourcing of Chinese enterprises, the advantageous resources of Chinese enterprises have been better allocated. Reasonably optimize the allocation of resources. For a Chinese enterprise to survive and develop, the investment cost is very large, and the allocation of resources is also limited. Some Chinese enterprises spend a lot of Chinese enterprise resources and energy and more time cost of Chinese enterprises in order to recruit suitable talents. When Chinese enterprises outsource human resource management, Chinese enterprises can save costs,

reasonably allocate Chinese enterprise resources, and invest important resources in the core and most important core business of Chinese enterprises, so as to optimize the resource allocation of Chinese enterprises.

3.3 Risks of Human Resource Management Outsourcing in Chinese Enterprises

3.3.1 Human resource management outsourcing of Chinese enterprises faces the risk of information disclosure

For Chinese enterprises, human resources are a very valuable asset, especially in some industries where there are few high-quality talents. Mastering this information and attracting more talents is very beneficial to development. When Chinese enterprises outsource human resources, although they will only outsource some difficult processes and non core businesses, there is a risk of loss of high-value information in the process of information transmission. Once the reputation of outsourcing service providers is poor or their information management ability is poor, Chinese enterprises will suffer losses due to information leakage. If the company's information is leaked, it will cause many problems and improve the outsourcing risk in the development process of the company, which is not conducive to Chinese enterprises to achieve the goal of healthy and sustainable development. At the same time, when human resources outsourcing Chinese enterprises to carry out relevant business, some work will be seriously restricted by potential risks, which will have an adverse impact on the normal development of Chinese enterprises, and even make Chinese enterprises unable to meet the needs of market development in time, resulting in a great increase in the difficulty of human resources risk management. Human resource management outsourcing mode is an industrial development mode in the market economy environment of the new era. At present, the domestic industrial development is in the initial development period, and some laws and regulations are still not perfect and need to be further optimized. If there are contradictions and conflicts between Chinese enterprises and outsourcing companies, or the information of Chinese enterprises is leaked, there will be no laws and regulations for reference. As a result, the management of outsourcing service companies will be very chaotic, the legitimate rights and interests of Chinese enterprises can not be effectively guaranteed, and Chinese Enterprises will always be in a passive state in the process of cooperation, It is not conducive to the healthy growth of Chinese enterprises.

3.3.2 Employee resistance and Turnover Risk

For Chinese enterprises, employees are a very valuable asset. After the implementation of human resources outsourcing mode, some positions in Chinese enterprises will be cancelled, and these employees will be transferred or dismissed from their original positions. If Chinese enterprises communicate with these employees, some employees in Chinese enterprises will resist and panic, which will shake their confidence in the business of Chinese enterprises, People are in panic inside Chinese enterprises. The trust of Chinese enterprise employees in Chinese enterprises is shaken, which leads to the risk of employee turnover. Employees of Chinese enterprises oppose the risk of outsourcing. Most employees of Chinese enterprises are backbone members and have made great contributions in the development process of Chinese enterprises. However, since these employees were born in the 1970s and 1980s, their thinking mode is seriously affected by traditional ideas. At the same time, employees' research on outsourcing transaction is relatively few, and they do not deeply and comprehensively recognize the outstanding advantages of human resource management outsourcing mode. Therefore, they are disgusted with outsourcing transaction, even hold objections, and can not accept this new mode. In this era environment, it is not conducive to the efficient development of outsourcing work.

3.4 Risk Prevention Strategy of Human Resource Management Outsourcing in Chinese Enterprises

3.4.1 Clarify the outsourcing content and objectives

Based on the ultimate goal of ensuring the orderly development of human resource management outsourcing in Chinese enterprises, the first task is to make comprehensive research on the human resource management of Chinese enterprises, so as to determine which content can be selected for outsourcing tasks. For Chinese enterprise managers, they should comprehensively consider and analyze some work related to the core secrets of Chinese enterprises, and must not outsource some core businesses, otherwise there will be the risk of disclosure of confidential information; Because of the special functions of some jobs, outsourcing companies are also difficult to provide services for Chinese enterprises. Some basic functions in human resource management, such as recruitment and training, basically do not have the risk of disclosure, and if they can be outsourced, it can also improve the management efficiency. At the same time, we can not only focus on short-term interests, but link the relevant work with the future development strategy to ensure that there will be no deviation in the development direction.

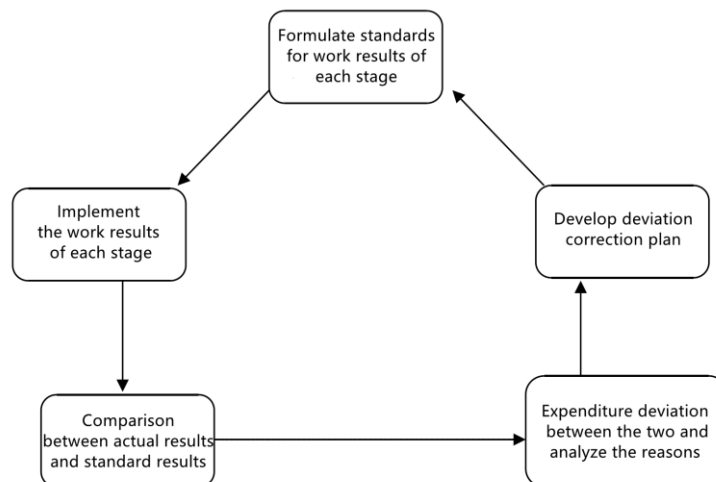
3.4.2 Pay attention to outsourcing research and planning

In the process of human resource management in Chinese enterprises, there are some differences in the types and functions of work, so there are different types and degrees of outsourcing risks. For the purpose of ensuring development, Chinese enterprises should make comprehensive research and planning on their own business status, service providers, strategies and other contents before outsourcing. Conduct an all-round investigation on the information and qualification of subcontractors, master their ability in the market, reputation, operating benefits of Chinese enterprises and other information, and evaluate their suitability with Chinese enterprises, so as to avoid the selection deviation of outsourcers as far as possible and avoid the occurrence of relevant risks. Comprehensive and detailed in-depth research is needed to establish a mutually beneficial cooperation and win-win relationship between Chinese enterprises and outsourcers to maximize business benefits.

3.4.3 Human resource outsourcing forms an effective feedback mechanism

In the process of implementing human resource outsourcing, an effective feedback mechanism should be formed. In human resource outsourcing of Chinese enterprises, the good cooperative relationship between principal and agent is one of the important factors to reduce outsourcing risks and ensure the smooth progress of outsourcing. Detailed and all-round communication and effective feedback mechanism are the necessary measures for the principal and agent to

reach a win-win concept. In the whole process of human resource outsourcing, the supervisors and managers of Chinese enterprises should adopt dynamic management methods and control each link in outsourcing activities. The supervision and management process of human resource outsourcing of Chinese enterprises is a closed cycle management system, which is closely linked. If there is a problem in one link, it will lead to the failure of human resource outsourcing supervision of Chinese enterprises. The feedback diagram is shown in Figure 1-1 below:



3.4.4 Strengthen outsourcing risk management and do a good job in talent management

In risk management outsourcing, there are a series of risks, so we should pay attention to the communication with employees and further deepen the communication with employees. At the same time, in combination with the actual work needs of Chinese enterprises, we should regularly carry out knowledge training in human resource outsourcing to ensure that the outsourcing advantages of human resource management are well known by all employees. We should also actively collect employees' opinions and suggestions in various ways, encourage employees to actively participate in the outsourcing mode, and gradually establish the trust between employees and outsourcers. In addition, we should ensure the transparency of outsourcing decision-making, so that Chinese enterprise employees can timely grasp the development status of outsourcing work, and accelerate the transformation of human resources departments. The application of human resource management outsourcing mode in Chinese enterprises will bring about significant changes in the functional orientation and personnel roles of human resource management services in Chinese enterprises, which are embodied in three aspects: first, the human resource department will attach great importance to the cultivation of innovation ability; Second, it has greatly promoted the deep integration between human resource management strategy and behavior and business strategy; The third is to put forward more strict requirements for employees' words and deeds, and urge employees to gradually strengthen their own ability.

IV. CONCLUSIONS

1. In the context of economic globalization, in order to achieve sustainable development, Chinese enterprises began to outsource some human resource management businesses to some professional third-party institutions. Although this approach helps Chinese enterprises to invest more resources in the development of core business, there are also some risks.
2. Human resource outsourcing Chinese enterprises need to select the outsourcing mode that best matches the development of Chinese enterprises according to their own needs, and take appropriate measures to avoid possible risks.
3. Human resource outsourcing Chinese enterprises need to confirm the relevant details of outsourcing, sign binding terms with service providers, and establish a win-win relationship, so as to improve the quality of human resource management and contribute to the long-term development of Chinese enterprises.
4. Human resource outsourcing is still an emerging thing, which is not widely popularized, the overall business quality of outsourcers is low, and the management rules and regulations on outsourcing are not perfect, which are the main risks in the process of human resource outsourcing of Chinese enterprises. From the perspective of outsourcing process, there are risks in the preparation stage of human resources outsourcing, outsourcer selection, contract period and exit stage of human resources outsourcing.
5. Aiming at the risk sources of human resources outsourcing of Chinese enterprises and the risks generated in the outsourcing process, this paper puts forward effective risk prevention countermeasures. This paper carries out effective constraints from the internal and external of Chinese enterprises and the environment of Chinese enterprises, puts forward risk control countermeasures, analyzes the motivation, content, employee comfort, effective supervision of external subcontractors and follow-up cooperation of human resources outsourcing, and puts forward relevant risk prevention countermeasures

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