

## **ABSTRACT**

*Currently, the company is expected to improve business performance effectively and efficiently. One strategy used is to outsource. This purpose of the study is to analyze the reasons for companies to use outsourcing labor accounting functions and how it is done. The method used in this study is a qualitative method, which is carried out by interviewing the owners and workers of outsourcing accounting functions company. Object of this study is "Peternakan Babi Karangpandan". Because it's appropriate with the criteria of medium enterprises according to Law of the Republic of Indonesia No. 20 of 2008. The conclusion of this study is its human resources and operations management are considered as the dominant factor in the decision to outsource accounting functions. While the recruitment and selection process outsourcing labor accounting functions through a solid preparation in the form of job specifications decryption such, employment agreements, compensation, and social security.*

**Keywords:** *Outsourcing, Medium Enterprises, Labor Accounting Functions*

