

# StaffingSmArts

I N T E L L I G E N C E R E P O R T

## Staffing Employees: Extraordinary Human Resources

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### Staffing Models Can Make or Break a Company

The number of people working at a company, their skill sets, their cumulative cost to the company, and their ambition and motivation all combine to create the single most important variable in the success or failure of any enterprise: the staff.

A company that can get the right people in the right positions at the right time and at the right price has a tremendous advantage over less astute competitors.

As the world economy evolves and agility becomes absolutely essential for success in the global marketplace, the smartest companies are taking bold approaches to staffing. Increasingly, they are eschewing the traditional hiring model. They are moving away from hiring processes that can take weeks or months to recruit, interview, screen, and negotiate with candidates to fill a single opening. They no longer see the wisdom in filling every position with a permanent employee whose real cost to a company only begins with a salary and extends to benefits, payroll taxes, vacation time, holiday pay, and a host of other expenses.

This recognition of the need for fundamental changes to key business practices has led thousands of companies to rely more heavily on temporary and contract employees. In fact, nearly three million people in the U.S. go to work each business day as temporary or contract employees. This includes an ever-increasing number of skilled and highly educated workers, including accountants, attorneys, chief executives, doctors, engineers, graphic designers, information technology professionals, medical technicians, operating room nurses, pilots, and software developers. Virtually any job can be filled by a qualified staffing employee.

### Staffing Employees: Motivated, Satisfied, Educated

While some hiring managers cling to outdated stereotypes of “temp workers” who help out for a few busy days in the mailroom or fill in for a vacationing receptionist, today’s reality is much different. Many employees with highly sought-after expertise prefer to work through staffing firms—they thrive on the stimulation and challenge of diverse assignments. Others view temporary or contract work as a way to evaluate prospective employers or as a quicker way to get a permanent job.

Staffing employees are motivated people who want to work. In a survey conducted by the American Staffing Association, 77% of staffing employees said they decided to work through staffing firms to find permanent jobs. Eight in 10 worked full time, the same as the traditional work force. Nine out of 10 were satisfied with their jobs (compared with only about 60% of workers in traditional employment arrangements) and would recommend temporary or contract work to a friend or relative.

Staffing employees are better educated than the overall work force: 74% have had at least some college education, compared with only 62% of the traditional work force (in both cases, one in three of those with some college earned at least a bachelor's degree). Staffing employees who *prefer* temporary and contract work are more likely to hold a bachelor's degree and earn higher wages.

Staffing clients have noticed the high caliber of today's staffing employee. In an American Staffing Association survey of 500 staffing clients, 72% said the quality of temporary and contract employees provided by staffing firms is equal to or better than their own regular employees. And eight out of 10 said that staffing companies offer a good way to find people who can become permanent employees.

## Staffing Employees and Staffing Clients: Making a Permanent Connection

Everyone knows that there's no such thing as a truly permanent job. But most staffing employees and most staffing clients want something staffing firms have to offer: a bridge to permanent employment. Most staffing employees who want a permanent job get one eventually—43% get hired by the staffing client. Nearly one-quarter of those who got a permanent job say they got it faster because of their temporary or contract work. And, particularly important for staffing clients engaged in the war for talent, less than half of staffing employees are actively seeking permanent employment elsewhere while working for a staffing firm—the majority are either using their temporary or contract job as their sole means for finding a permanent job, or they simply prefer temporary or contract work. In other words, staffing firms provide the only way to access some of the best talent America has to offer.

Moreover, staffing firms develop talent. Nearly 90% of staffing employees say their temporary or contract work experience made them more employable, mostly by developing new or improved skills and receiving on-the-job experience; 20% attributed their enhanced skill levels to specific training provided by their staffing firm. A majority said the work strengthened their resumes, and four in 10 said the experience helped them gain self-confidence and improve their work habits.

## Staffing Strategically With Highly Qualified Employees

Every company goes through cycles. A big project or a new client may create an immediate need to staff up. A revenue decline may force a company to reduce its headcount. Some of these cycles are seasonal. Some are completely unpredictable. This makes it essential for HR professionals and hiring managers to develop work force strategies that can support their companies' ever-changing business requirements.

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A report from the U.S. Department of Labor supports this notion: “Employers that have flexibility in adjusting labor requirements to meet product and service demands have a competitive edge over those with less flexible human resources policies.”

For HR professionals, staffing is a perennial challenge. A staffing firm can make it more manageable and efficient. Staffing firms can give companies access to the skilled people needed to compete and win, without the encumbrances that can slow down recruiting or make it difficult to undo bad hiring decisions.

With the world getting smaller and the global economy getting more competitive, strategic staffing is more important than ever. It is imperative for companies to hire talented and motivated people and get them in the door fast. The growing legions of increasingly skilled, educated, and talented people who have chosen to work through staffing firms provide the ideal solution to this human resource challenge.