IS A STAFFING COMPANY REALLY WORTH IT?

What you may not know about the value of using a staffing company could be hurting your productivity, stifling innovation, and impacting your bottom line.
THE VALUE OF USING A STAFFING COMPANY
Think of it as one less headache. A cost-effective way to address changing business needs. Or, more time to focus on innovation. Using a staffing service to maintain your workforce can have a significant impact on productivity and success. By working with a staffing company, you’ll be better equipped to:

MAINTAIN PRODUCTIVITY
From exiting employees to increased workloads, there are a variety of factors that can take a toll on productivity. Staffing companies can be a powerful ally in maintaining a productive workforce. From providing temporary employees to bridge a gap or leading the search for a full-time replacement, with the right staffing partner, the work doesn’t have to stop.

SAVE TIME
Hiring a new employee isn’t done in a day. Posting job ads, reviewing résumés, checking references, and interviewing all take valuable time away from your already busy schedule. When hiring through a staffing company, all the leg work is done for you, freeing you up to focus on running your business.

TEMPORARY JOBS HAVE MADE UP NEARLY 20% OF JOBS GAINED SINCE THE RECESSION
— Associated Press

REDUCE COSTS
From reducing overtime hours for your regular full-time employees to expenses associated with training new workers, there are a variety of ways staffing companies can help reduce many of your biggest business expenses. In fact, the most significant value may be created by freeing up valuable HR resources that are spent managing workers’ compensation, payroll, benefits, unemployment insurance, and many other employee management related tasks.

WHY DO MOST COMPANIES TURN TO STAFFING COMPANIES?

<table>
<thead>
<tr>
<th>Service Provided</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Fill in for absent employees or temporary vacancies</td>
<td>80%</td>
</tr>
<tr>
<td>Provide extra support during busy times or seasons</td>
<td>72%</td>
</tr>
<tr>
<td>Staff special short-term projects</td>
<td>68%</td>
</tr>
<tr>
<td>Help find good permanent employees</td>
<td>59%</td>
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— American Staffing Association, Staffing Client Survey

22.2 DAYS: AVERAGE INTERVIEW-TO-OFFER CYCLE TIME FOR EMPLOYERS.
— National Association of Colleges and Employers (NACE)
MITIGATE RISK
Workplace accidents will happen, and when they do, businesses incur significant losses of time and money dealing with a variety of legal ramifications, like workers’ compensation. Reputable staffing companies maintain comprehensive insurance coverage for their associates.

ADDRESS CHANGING EMPLOYMENT LAWS
According to the Small Business Administration (SBA), 99% of employer firms are small businesses. That means many companies don’t have the resources to hire a full-time HR manager. Staffing companies are not only experts in recruiting, interviewing, and hiring, but they also stay up to date on ever-changing employment laws and regulations and can provide solutions and expertise to address them.

INCREASE FLEXIBILITY
Fluctuations in business volume are a common challenge for most businesses. Staffing companies allow you to adjust your workforce according to your specific business needs. You’re able to scale your workforce up or down as necessary with additional workers when you need them, and only for as long as you need them.

ACCESS TOP TALENT
Because they’re only as good as the people they place, successful staffing companies build extensive pools of talented workers by constantly recruiting. From online advertising to social media to referrals from current associates, staffing firms have a wealth of resources that are hard to match. So your company doesn’t just have access to candidates in your own industry, but across a wide range of disciplines, ensuring you are able to connect with the best of the best.

A RECENT EXPRESS SURVEY ASKED EMPLOYERS, “HOW EASY IS IT FOR YOU TO RECRUIT AND FILL POSITIONS?”

- Very easy: 0%
- Somewhat easy: 17%
- Somewhat difficult: 58%
- Very difficult: 25%

83% of employers state that it is somewhat or very difficult to find the talent they need to fill open positions.
WHAT'S THE TRUE COST OF TURNOVER?

Studies show the actual cost to replace an employee is significant. Depending on a variety of factors—including skill level, education, and experience—the total cost of turnover can be as high as 150% of an employee’s annual salary.

Assume the average salary in your company is $50,000—that means every time an employee leaves, the cost to replace them could be as high as $75,000.

Now, multiply that number by your average yearly turnover, and you can see how quickly it adds up.

So, where is all that money going? To truly gauge the impact of employee turnover, you have to consider the cost of:

- Advertising open positions
- Time spent interviewing candidates
- Time spent on reference checks
- Onboarding a new hire
- Training and development
- Interim loss of productivity
- Lost knowledge from exiting employee
- Overworked core staff due to turnover
- Impact on company culture

DEPENDING ON THE SOURCE AND DURATION, PLACING ONLINE JOB ADS CAN COST ANYWHERE FROM A FEW HUNDRED DOLLARS TO SEVERAL THOUSAND, PER SOURCE.

Staffing companies are in the business of helping employers shoulder the burden of maintaining an efficient, productive, and skilled workforce. The true value of staffing companies and the services they provide go far beyond simply hiring a temporary employee.

STAFFING SERVICES SPECIALIZE IN RECRUITING, INTERVIEWING, EVALUATING, AND HIRING TOP TALENT WITH YOUR SPECIFIC BUSINESS NEEDS IN MIND.

WHICH INDUSTRIES USE STAFFING FIRMS?

The short answer – almost all of them. Staffing employees work in nearly all industries at all levels of business.

- **37%** INDUSTRIAL
- **9%** HEALTHCARE
- **13%** ENGINEERING/IT/SCIENTIFIC
- **28%** OFFICE/CLERICAL/ADMINISTRATIVE
- **13%** PROFESSIONAL/MANAGERIAL

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*American Staffing Association*
Whether you need to add staff for a short-term project or are looking for a full-time employee, Express Employment Professionals can customize workforce solutions for your specific business needs.

**CONSULTATIVE APPROACH**
Your local Express team will take a consultative approach to understand your business. There’s a huge difference between simply placing a new employee and placing the right employee. Before we take the first job order, our process includes taking the extra step of not only getting to know your business, but also your company culture. We want to ensure you are getting workers with the skills you need who best complement your team.

45% OF OUR TEMPORARY EMPLOYEES ARE OFFERED FULL-TIME POSITIONS AT CLIENT COMPANIES. THROUGH OUR CONSULTATIVE APPROACH, YOU NOT ONLY RECEIVE THE TEMPORARY HELP YOU NEED TO STAY PRODUCTIVE, BUT YOU COULD POTENTIALLY FIND YOUR NEXT FULL-TIME EMPLOYEE.

**MULTI-STEP, ISO-CERTIFIED SELECTION PROCESS**
Before you ever meet an Express associate, they have already advanced through our multi-step, ISO 9001:2008 certified selection process. We take on the due diligence of verifying their information, conducting interviews, testing skills, and making reference calls—all to ensure we never send you a candidate who hasn’t already been thoroughly vetted.

**COMPREHENSIVE RECRUITING PRACTICES**
At Express, we’re constantly seeking out and recruiting the best talent in the market. Today, there are more opportunities than ever to connect with potential employees, and you can rest assured we actively pursue them all, including online job boards, social media, trade organizations, local schools and career techs, and job fairs, to name a few. We’re plugged into the local job market and on the pulse of what’s happening in the business community.

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**OUR SERVICE GUARANTEE**
We’re so confident our comprehensive recruiting and hiring processes help ensure we place the right people with the right companies that we’re willing to give you a four-hour guarantee. If an associate we place isn’t working out, we’ll not only send another qualified worker to you right away, we’ll also give you a four-hour credit.

For more than 30 years, Express Employment Professionals has continued to build a solid reputation as the leader in the staffing industry. Contact us today to experience the difference with Express.
THE NEW NORMAL

All indications show that staffing companies are becoming the new normal for workforce management.

As discussed in the Express Employment Professionals white paper, America’s Changing Workforce and the Rise of the Contingent Employee:

As businesses around the world expand, more and more companies are now incorporating staffing services into their hiring strategies. Here is the big question: Is the temporary work trend permanent … or temporary?

The evidence suggests it’s permanent. It’s the new normal. According to the American Staffing Association (ASA), U.S. staffing firms have created more new jobs than any other industry since coming out of the Great Recession. ASA also reported that in the next 10 years, the U.S. staffing industry is expected to grow faster and add more new jobs than nearly any other industry.

In the United States, more than two percent of the entire workforce is on the payroll of a staffing company. Other countries in Europe see between three and four percent of their workforce on the payroll of staffing firms. In South Africa, roughly seven percent of the country’s workforce is on the payroll of a staffing company. If the United States follows these global trends, then a three to five percent temp penetration rate in the U.S. is not unrealistic.

Download the full white paper at ExpressPros.com/ChangingWorkforce

SOURCES: