



Funding Growth for Staffing Firms | A Paychex® Company

THE GUIDE TO FINDING AND KEEPING

GREAT STAFFING EMPLOYEES





The Guide To Finding and Keeping Great Staffing Employees

Businesses are not made of bricks and mortar. Instead, businesses are the sum total of the people who work there.

For staffing businesses, having good employees both internally and externally is crucial to success. You want the best recruiters, and you want solid temporary workers filling your job orders and representing your business to your clients.

Right now in the US, low unemployment and an extremely tight labor market means that staffing firms have to work extra hard to find great talent and keep them coming back. In this whitepaper, we will discuss ways that staffing agencies both can attract and retain the best talent.

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A blurred, blue-tinted background image showing two hands shaking, symbolizing agreement or partnership.

PART I: ATTRACTION

Where To Find Great Employees

Right now in the US there are more jobs available than people to fill them. And with the shortage of talent available, recruiters are also running into the problem of the **skills gap** – the perceived lack of specialized skills in available candidates. With both of those challenges, finding a great temporary employee is like striking gold.

So, where are all these qualified candidates hiding and how can you find them? Here are a few thoughts.

LOOK ONLINE

In the digital age, the easiest way that recruiters find candidates is by looking online. Google, local job boards, and Applicant Tracking Systems (ATS) are all ways to find candidates. LinkedIn is another good resource for recruiters. It's also worthwhile to your website and social media sites. Sometimes finding people is as simple as a "We're Hiring" widget.

...BUT DON'T LIVE ONLINE.

Relationships aren't built over the internet, and a 'race to the job boards' is not a sustainable way to run your business especially when competing with AI and technology. The truth is that most productive relationships are built in person or over the phone. Even in the age of technology, there is still real value to relationship building.

BUILD YOUR OWN TALENT POOL

When you have an open position, instead of starting from scratch each time it is valuable to have your recruiters build their own private talent pools of active and passive candidates. They should keep in touch with the promising interviews that did not quite work out. Teach your recruiters to spot qualities like adaptability, emotional intelligence and willingness to learn rather than just required job skills for specific positions. You can also teach your recruiters to give advice on what in-demand skills that candidates should be working on to be more hireable.

ASK FOR REFERRALS

In any business, referrals are the most valuable source of new talent. So when you are looking at a position to fill, start by asking your current temporary employees if they have know anybody who might be a good fit. Ask your personal networks for referrals, or

reward your internal and external staff with prizes or cash bonuses for referrals that work out. This is good especially for hard-to-fill positions.

GET IN FRONT OF CANDIDATES

There are many ways to get out in front of candidates and position your staffing firm as the place to be. For instance:

- Have your employees participate in and network in industry groups, conferences and trade shows.
- Join local associations
- Set up a booth at college job fairs
- Sponsor a newsletter that goes to local job seekers
- Be a speaker at a local event
- Rent a conference room and put on a one-day educational seminar for local job seekers



Hiring Tips

As a staffing firm, you already know how to hire. But sometimes it's good to review the basics when it comes to getting great candidates in the door.

Know when to start advertising for seasonal work.

Retail, warehousing and transportation all need tons of temporary seasonal help. Generally, companies are going to start recruiting in September if they are hiring ahead of the Black Friday-Cyber Monday holiday rush.

Make your job ad clear and attention grabbing.

It's up to you to take a job order and make a clear yet attractive job description that will catch candidate interest. All good descriptions should include the following at minimum:

- One to two sentences of a company summary, highlighting the benefits of working there.
- Two to four sentences describing the role and opportunity.
- A few bullet points that list out specific day-to-day responsibilities.
- A few bullet points with required qualifications.
- Any desired or "bonus" skills.
- Specific directions on how to apply.

Know how to screen candidates for red flags.

The most glaringly obvious red flag is a resume rife with errors. But you also want to screen for subtler qualities like interpersonal skills (or lack thereof), willingness to learn, lateral job hopping, and attitude towards authority. To figure this out, you have to ask the right questions and learn how to interpret their responses.

Really listen to what candidates are saying. Don't be afraid to ask tough, specific questions and dig deep. What is the candidate saying, and what are they not saying? Keep in mind that you should assess prospective hires on a blend of their soft and hard skills - hire for fit and train for skills.

Train them properly. After they are in the door, you want to set up your new hires for success. If they are internal to your staffing firm, share safety guides, your employee handbook, and documented training guides. If it is your temporary worker, do your due diligence on the end client and keep in contact with your employee and your client throughout the duration of the assignment.

Recruitment Practices to Avoid

There are dos in staffing, and there are don'ts. Here are 10 practices to avoid.

4 LOOK TOO FAR IN ADVANCE.

A different temporary opportunity — with more hours, more pay, and more work — could come up, and you could be back at square one.

2 MAKE APPLICANTS WAIT WEEKS TO HEAR FROM YOU.

Being ghosted doesn't inspire confidence in your firm.

3 BE UNPREPARED FOR INTERVIEWS.

Do everyone a favor and at least review the job description and resume before they come in.

4 CATER TO ALL THE WHIMS OF HIRING MANAGERS.

Being a yes-man or yes-woman to a strong-willed hiring manager means potentially making mis-hires that end up creating even more work for everyone involved in the long-term. Be a partner instead.

5 GUESS WHAT YOU SHOULD BE DOING.

A true partnership with your client means explicitly laying out expectations, spelling out what each of you will bring to the table and take ownership of in the collaborative hiring process.

6 NEVER FOLLOW UP WITH THE REJECTIONS.

Acknowledge that rejections are miserable, but a necessary part of the process. For candidates, bad news is better than no news and they will respect your firm more for it.

7 NOT PICK UP THE PHONE.

Living all online and not picking up the phone to build relationships with clients and candidates is not a sustainable way for your recruiters to function.

8 IGNORE A CANDIDATE'S PRIORITIES AND INTERESTS.

If you fail to understand a candidate's priorities and interests, chances are that you aren't going to get them the right opportunity.

9 FAIL TO ADDRESS COUNTER-OFFER POSSIBILITIES.

If something else is on the table for your candidate, you want to know about it from the start so you can know how to address it.

10 FORGET YOUR CANDIDATES ARE HUMAN.

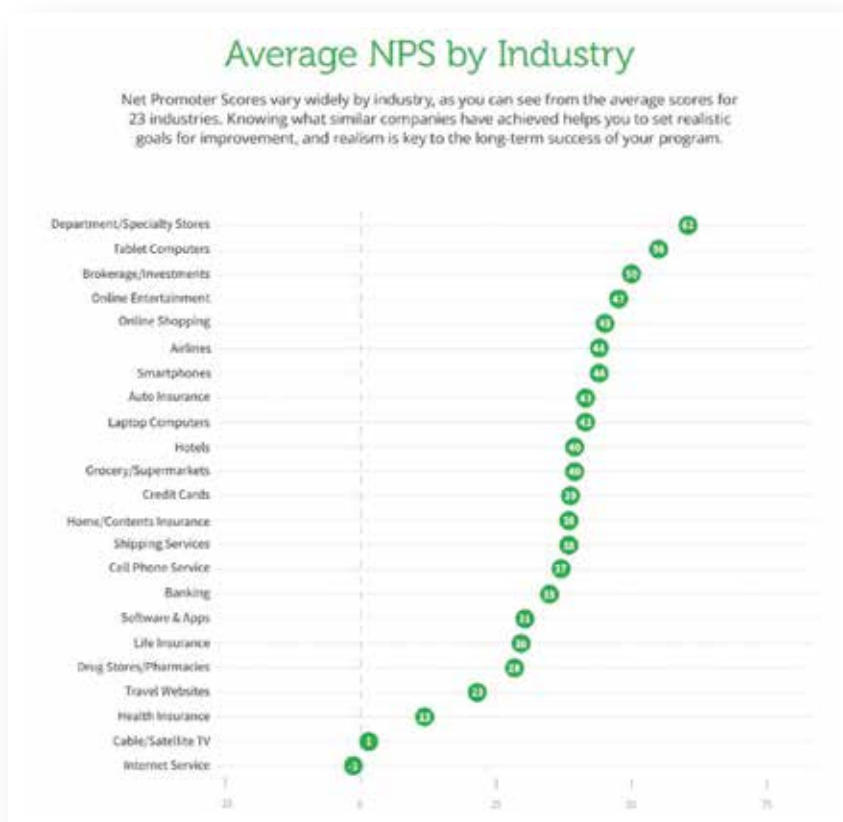
At the end of the day, staffing candidates just want to be treated decently. It's easy for recruiters to get caught up in pure volume just by the nature of their job, so help them break out of a transactional, volume-based hiring process to a human-centered one.



PART II: RETENTION

What Do Temporary Employees Think of Their Staffing Firms Now?

In the Staffing Industry Analysts 2018 [Temporary Worker Survey](#), contract workers were asked to rate their satisfaction with their current firms. Overall, the employees surveyed gave their firms a Net Promoter Score of 42, which is relatively high considering scores can range anywhere from -100 to 100. Compared to other service industries, it is in the mid-to-high range.



Source: [U.S. Consumer Net Promoter Benchmarks 2018](#)

When looking at the factors that most impacted a positive NPS score, these were the most important:

- Believing the staffing agency is trustworthy and honest
- Having a good relationship with a specific recruiter
- Responsive and polite agency
- Satisfaction with the quality of assignments

Conversely, here were the primary reasons for negativity:

- Poor communication or treatment
- Compensation issues
- Not enough work

The takeaway here is that to keep your contingent workers feeling positive about your firm, communication is key. It is important that the recruiter establishes trust and open communication with the recruit. Otherwise, you are creating detractors when word of mouth and referrals are vital to your business.

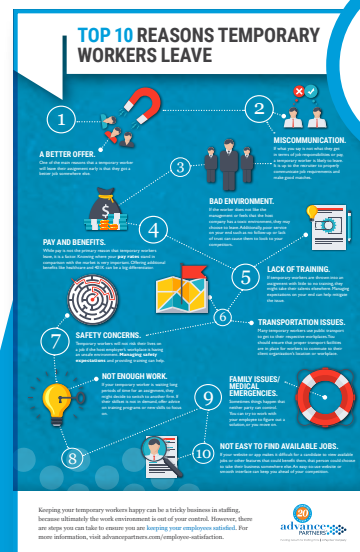


Why Do Employees Leave?

Employees leave jobs for a wide variety of reasons – not just, “I’m not getting paid enough for this!” While it might be easy to think that it comes down to compensation, that’s not always the case.

In the same SIA survey we mentioned earlier, a third of temporary workers stated that they quit a job early. The top reasons for doing so are as follows:

- **A better opportunity.** One of the main reasons that a temporary worker will leave their assignment early is that they got a better job somewhere else.
- **Miscommunication.** If what you say is not what they get in terms of job responsibilities or pay, a temporary worker is likely to leave.
- **Bad environment.** Poor service on your end such as no follow-up or treating them like a number can cause temporary workers to look to your competitors.
- **Pay and benefits.** While pay is not the primary reason that temporary workers leave, it is a factor. Knowing where your pay rates stand in comparison with the market is very important.



TO SEE THE FULL LIST OF REASONS EMPLOYEES LEAVE, DOWNLOAD THIS INFOGRAPHIC.

How Can You Keep Your Employees Satisfied?

In staffing, employee satisfaction can be tricky to navigate because it requires both keeping internal staff and temporary workers happy.

And when temporary workers are on assignment, there is only so much you can control. However, there are many things within your control that you can improve upon.

MAKE YOUR EMPLOYEES FEEL VALUED

Your employees represent your company, so it is important that you create an environment where they feel appreciated. Everyone wants an opportunity to succeed and be recognized, and it is up to your firm to put structures in place to do that. Maybe that means financial rewards, or a system of peer recognition with other rewards. Even a simple thank you goes a long way.

KEEP UP WITH THE COMPETITION

In order to keep your employees happy, it's important to look at the totality of what you can offer compared to your competition. A competitive compensation and benefits package is not everything, but it will help you attract and keep the best talent. Resources like Glassdoor or Randstad can help you see if you're offering market rate pay. It's not all about the money though – can

you offer any other perks: flexible hours, unlimited vacation, training and personal development opportunities, or team retreats? If not and your competitors do, maybe it's time to consider it.

LOOK AT THE METRICS

When trying to get a picture of where you stand with employees now, it's a good idea to look at the data. Exit surveys are one way to get an idea of what you can do better, and you should check Glassdoor for reviews as well – even negative ones can help you identify areas you need to work on. Employee surveys and focus groups are also a good way to gather additional feedback on your current culture. Metrics such as retention, absenteeism and performance efficiency will also tell a story.

STAY AHEAD OF TECHNOLOGY

If your website or app is difficult for your staffing employee to use, you risk them taking their business to a more technologically savvy firm. In the Temporary Worker Survey, temporary workers that had their current company app or website explained to them had the best experience with it – so one thing you

can do is take the time to explain your features. Some features that temporary workers want most include:

- Ability to rate the client
- View and apply for available jobs
- Be pre-qualified and select or confirm assignments at will

LEARN FROM THE BEST

According to Adecco's recent [Best-in-Class Workforce Management Insights](#) report, the best companies are using more personal tactics to develop their talent into employees who love what they do. Some of these tactics include professional development, mentorships, and diversity and inclusion programs.

They are also taking measures to ensure happiness right from the get go by doing the following:

- Hiring candidates with the right soft skills
- Weigh potential candidates happiness as early as the interviewing phase
- Believe a candidates education to be of lower importance to their potential happiness than skills and cultural fit



These are just a few ways you can get great people in the door and keep them wanting to keep working with your firm. If you have any specific questions about what you can do to keep your employees satisfied or to improve your staffing business, send me a message at AskBarb@advancepartners.com.

We also have other free resources for staffing firms such as a [SWOT Analysis template](#), a [Business Plan template](#), and [Quick Guides on Financial Documents](#).



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