

Temps in the new economy

Providing a flexible framework for getting the work done and improving cash flow **Interviewed by Clare DeCapua**

There's never been a better time to develop a relationship with a reliable staffing agency.

As the economy begins to ramp back up, there will be starts and stalls along the way, and using a staffing agency will give you the flexibility to increase or decrease your work force depending on your needs.

"As you start to see a slight pickup in business but not enough to commit to hiring full-time employees, one option is to turn to the staffing industry," says Rob Wilson, president of Employco Group Inc., a division of The Wilson Companies. "You do pay an increased price to the staffing agency, but you don't have to worry about employee turnover, your cash flow is better and workers' compensation claims are covered by the staffing agency."

Smart Business spoke with Wilson about how to work with a staffing agency to meet your needs in a recovering economy.

How can business owners find the right staffing agency to meet their needs?

Many businesses are being solicited by temp agencies right now. There are a lot out there, so it is important to do your due diligence when selecting an agency. Look for a credible and reputable company with a solid track record. Ask about its recruiting process and hiring procedures, and whether it only provides documented, legal employees.

You may want to take a look at the industries that the agencies provide temps to and reference their client lists to see the types of companies they work with and make sure that they are able to supply the right candidates as it relates to your company and industry. There are many agencies that only supply within a certain geographic area or industry, so it's important to make sure they have candidates with the skill level and experience that you need.

How does the hiring process work?

Typically, you'd want the staffing agency to go through its interview and screening process and then send you what it identifies as the best candidates. Depending on the job description, you may either want to look at resumes off



Rob Wilson
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a short list and interview candidates before making a decision, or you may just want to try out the most qualified person who is recommended for the job. The good thing with working with an agency is that if a person shows up to work and isn't quite what you are looking for, you can call for an immediate replacement.

A good agency should be able to send you a same-day replacement so that you are not left stranded with a gap in your staff.

How can you ensure the quality of the candidates?

Training is very important when it comes to the quality of candidates. Whether you're hiring a full-time person or a temp, ideally you want to bring in someone who is as qualified and trained as possible so he or she can jump right into the position and handle the work that needs to be done.

The goal is to minimize your downtime internally from a training standpoint. You typically would want to use an agency that tests all its employees from a skill set perspective, especially if you're looking to fill a specific type of job.

For a manufacturing company, it's important that temps go through some type

of safety training. Bringing in a worker who has no safety training, whether the person is legal and documented or not, could hurt your business.

The workers' compensation on the temp should be provided by the staffing agency, but you've got exposures to your company, as well. Make sure you are protected against any liability that may be caused by the temp, whether it's an injury or damage to your facilities.

There was a case through another staffing agency where a temp drove a forklift into a water pipe and flooded the company's warehouse. The company had damaged goods, as well as repairs. In a case like this, it's important that the driver has documented forklift training certification and that the staffing agency has insurance coverage on its employees for their actions.

What is the advantage to an employer of hiring temps?

The company is not committing to hire someone on a full-time basis as a full-time employee. By using a staffing agency, you can hire a person for only the hours a week that you need.

If you don't think the person is qualified, you can let the agency know that this person isn't performing to your expectations and ask for someone new. You don't have to terminate the employee — all of that is done by the staffing firm.

If you're getting ready to hire someone permanently, you're getting a chance to have this person work at your business and see if it's the right person for you. It's like test-driving a car. You'd have to talk to the staffing agency about hiring that person permanently, and there's typically a buyout of some sort, but it's dependent on how long the person's been there.

You're also not responsible for the payroll for that person immediately. Typically, you're paying the staffing agency the following month, which is good for your cash flow. And a lot of your employment exposures are transferred to the staffing agency. All of that is great for the business. Also, if the orders that you needed to fill drop back down, you just call the staffing agency and tell it you don't need the person anymore. <<

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