

A white graphic consisting of a horizontal bar, a vertical bar, and another horizontal bar, resembling a stylized 'T' or a window frame, is positioned on the left side of the page.

Flexible staffing is a powerful tool in helping companies better manage costs and remain competitive during economic recessions.

Benefits of Using a Contingent Workforce in Today's Tough Economy

The tough economy has forced companies to cut costs, and for many businesses that means paring down their workforce by cutting employees and keeping only those necessary to maintain day to day operations. When times are tough, experienced and knowledgeable talent is always needed. So companies needing to fill talent gaps due to layoffs should consider hiring a staffing agency to improve productivity and provide a cost savings at the same time.

Staffing agencies provide qualified talent who can help fill the gap during times of peak productivity. Unlike direct hires, temporary or contract employees work for the staffing agency, meaning all costs associated with payroll and benefits are the responsibility of the staffing firm. From this standpoint, flexible staffing helps control costs and improve productivity by maintaining a healthy staffing level.

In addition to cutting administrative costs, the use of temporary or contract staff eliminates overtime and training costs. Training permanent employees is costly not only in monetary expenses, but time as well. Temporary employees are already well-trained and have the experience to fulfill the needs of their temporary employer.

HR and recruiting professionals inside a company know the danger of hiring the wrong employees who do not possess the skills set or personality that fits a company's culture. Staffing agencies carefully screen and assess the backgrounds and expertise of the workers they provide. By working closely with your agency representative, you can find the right talent to fill open positions.

Also keep in mind that this sharp economic downturn has resulted in layoffs that are putting full-time employees in the precarious position of taking on more work and responsibilities. Companies have to maintain a high level of productivity with fewer resources. By using temporary staff, full-time workers can be relieved of some of the pressures that come with the added workload.

Temporary workers offer companies the flexibility of having staff without taking on a full time commitment. However, when the economy turns around and the time comes to fill more full-time positions, companies can consider hiring some of their temporary or contract employees without risk. Knowing that you are hiring an employee who has proven to be a good fit eliminates the costs of searching for and on-boarding a new hire.

While companies are reducing staff to cut down on costs, utilizing a staffing agency to maintain optimum levels of productivity and taking the pressure off full-time workers may be the key to weathering the economic downturn.