

How a staffing company **can benefit your business**



It's no secret that successful companies are able to offer a superior product or service while also sustaining efficient, cost-effective and profitable operations.

This success comes from knowing the importance of hiring qualified professionals. But taking on the responsibility for making sure the correct individuals are hired can be overwhelming. Recruiting and hiring skilled professionals takes thorough time and resources. As such, companies can benefit from the aid of a staffing company.

While you may be reluctant to allow an outside agency to recruit candidates for you, staffing agencies are experienced in attracting and screening talent. This specialization provides a fast and effective way for you to fill your positions.

The 4 main benefits

1. Cost savings

In our whitepaper **What it Really Costs to Hire an Employee**, hiring full-time employees can be a costly process that requires a large amount of time and resources. By using a staffing firm, employers are able to eliminate in-house recruiting and overhead costs. The Society for Human Resource Management reports that recruiting cost per hire is about \$4,000, depending on the role. Partnering with a staffing agency can eliminate the high costs associated with recruiting from the very beginning of the process.

A second area where staffing can save your company money is benefits. By using a staffing organization, employers are not required to pay the benefits that they pay full-time employees. The Bureau of Labor Statistics estimates the average employer cost of benefits to be around 30% of wages. By avoiding any benefit payments, you can bypass this hefty cost and focus that financial commitment elsewhere in your organization.



2. Better return on investment

Using a staffing company generally enables organizations to achieve a better return on investment. According to a recent survey of 610 CEOs by Harvard Business School, the typical mid-level manager requires an estimated 6.2 months to reach their break-even point. In other words, mid-level positions will require more than 6 months to recoup the initial hiring investment. Since a majority of contract assignments are around 6 months, it makes more financial sense for organizations to use contingent work for these short-term projects. That way, you can avoid onboarding and recruiting costs you may never see realized.

Another benefit is the ability to pay only for time the employee works. Organizations are only obligated to pay the staffing company for hours actually worked and billed. If employees desire paid holidays or paid time off (PTO), the staffing company and the employee negotiate that. And then the staffing company pays any applicable costs.



3. Try before you buy

No organization wants to spend valuable time and resources recruiting and training employees that may end up not being a fit. A large benefit of using a staffing company is the ability to offer a contract-to-permanent position. You can bypass all recruiting and hiring expenses and offer what is essentially a "trial" period with the employee. If an employee ends up not being the ideal fit for the organization, you simply end the contract. If you want to bring the employee on as part of your company full time, you simply pay a small fee to the staffing company. This ability to "try before you buy" enables you to make sure employees are a fit for your company without committing significant recruiting and onboarding costs.



4. Faster placement time

One huge benefit to using a staffing company is their ability to fill positions quickly with highly qualified individuals. Since these staffing organizations work within specific industries, they can focus all their time on IT and creative professionals, for example. Because of this, recruiters for staffing companies often have pipelines of individuals they are able to call upon regarding open positions. In turn, they can present qualified candidates very quickly to you. This timeliness is crucial in this highly competitive market to hire the best and brightest talent.

Using a staffing company to help meet your company's hiring needs is an investment that all organizations should look into making. The ability to outsource recruiting and hiring operations means you can focus your efforts on other pressing business matters, while still having the assurance that you will be able to employ highly qualified and effective individuals.

