

Top 5 Temporary Staffing Myths Debunked

The COVID-19 pandemic has upended the economy and decreased workforce participation to its lowest point in almost 50 years. With such uncertainty in the world, hiring employees who meet the skills, needs and demands of your business can be challenging.

A contingent workforce model can help employers pivot their staffing needs to match the ups and downs of these unprecedented times. On average, 67,400 temporary employees are working at Wisconsin employers each week. Before getting started with this model, we are here to help you debunk some of the most common myths!

5 Temporary Staffing Myths Debunked

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Myth: You should only use temporary employees for entry level roles.

FACT: While temporary employees work great for entry level roles, they can also be used for positions at any skill level. According to the American Staffing Association (ASA), 64% of staffing employees work a temporary position to fill in the gap between their job or to find their next step – meaning they have previous skills and experience. In addition, 40% of staffing employees work in higher-skilled occupations across all sectors including industrial, office/clerical, professional/managerial, engineering, IT, scientific and healthcare.

Myth: Temporary employees can only be placed in a role for a limited amount of time.

FACT: The amount of time an employee is in a temporary role has no legal limits. As long both parties (temporary employee and employer) find this placement model acceptable, this arrangement can continue. In fact, many employers choose temporary employees to help with long-term projects that can last 6-months or more. One of the greatest benefits of a temporary placement strategy is it meets the demands of your business – allowing you to ramp up or down your employee count at any moment.

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Myth: Temporary employees do not receive overtime pay.

FACT: Any employee who is paid on an hourly basis is not exempt from overtime pay – whether they are an employee of yours or the staffing agency. Many staffing agencies bill a different mark-up for overtime pay, so be sure to ask for this information if you believe overtime may be needed.

Myth: Hiring a temporary employee is more expensive than hiring on my own.

FACT: Your bill rate or mark-up for your temporary employee includes many factors that may not be immediately evident in the hourly pay to your employee.

For example, **fees charged by a staffing agency include, payment to the employee and all related employment taxes**, (FICA, FUTA, SUTA, unemployment etc.). In addition, staffing agencies have access to many recruitment tools that can be quite costly to buy on our own. If you sit down and compare all costs, side by side, you will likely see a cost savings from using a temporary employee.

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Myth: I can't hire a temporary or contract employee directly.

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FACT: Starting an employee in a temporary role and then hiring them directly onto your payroll is a great hiring option. It allows you to "try" the employee before hiring them and limits your risk. If the arrangement does not work out, you do not have to worry about unemployment costs. Once the decision has been made to hire the employee, the staffing agency will work with you on a conversion fee that transitions the employee to your payroll. It truly is a win-win for the employee and the employer.

Ready to go? With over 60 years of experience helping businesses connect with administrative and industrial talent, we're ready to help you with your staffing needs. Contact us to learn more: qti@qtigroup.com.