



THOUGHT LEADER
SPOTLIGHT:

3 MISCONCEPTIONS ABOUT STAFFING AND RECRUITING COMPANIES



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Over the last 30 years, staffing and recruiting companies have gotten a bad rap from corporate America. Most of the time, this negative perception of these staffing agencies is based on pre-conceived notions or false information.

While there's no perfect solution, leveraging the services of a staffing company as a candidate or a company that is hiring can be a positive experience in terms of saving time and money. Here are three misconceptions most people have about staffing and recruiting companies that are completely false and beg your reconsideration.

1. “All staffing and recruiting companies are the same.”

FALSE. If you think all staffing and recruiting companies are the same, you haven't done your homework. In fact, staffing and recruiting companies can be very different from company to company, both in terms of their methodologies and internal operational structures. One of the top variances across these organizations is how they treat their contracted employees.

Most staffing and recruiting firms, because of narrowing profit margins, have opted to skimp on the incentives and perks typically offered to full-time employees. Across the full spectrum of staffing and recruiting vendors, a majority of companies list “meets minimum requirements” benefits. In recent years, this has also been referred to as Affordable Care Act (ACA) Compliant. Being ACA Compliant means that the company provides access to health and medical benefits to their employees. However, when you look at the premiums and deductibles of these medical plans, most of the deductibles are astronomical and the premiums must be paid by the employee.

There are, however, staffing agencies that are shaking things up by taking a completely different approach. Specifically, companies that are focused on nurturing their technical contract employees and providing excellent benefits to retain them for long-term employment. By incenting these employees by paying medical benefits and offering affordable dental and vision plans, contract employees remain more loyal and engaged.

Companies who rely on technical contractors realize greater value when their long-term contractors remain in their positions. This ensure projects stay on schedule and the investment in these technical resources is optimized due to a reduction in turnover and retraining costs.

2. “We don’t work with staffing companies and we don’t hire temporary employees.”

THIS MUST BE RECONSIDERED! We encounter many companies that claim they don’t leverage staffing or recruiting companies or employ contract employees quite often. However, the deeper our conversations go, most of the time we find these same companies are spending significant portions of their budget outsourcing operations such as IT, Infrastructure or Security. Because most organizations are siloed and there is a lack of visibility into what different parts of an organization are spending on service retainers, the overall price tag associated with service companies can be rather hefty.

In our experience, most organizations that choose to outsource core business services have done so because 1) they needed a quick solution and 2) they think it’s a less expensive approach. This couldn’t be further from the truth. We work with many organizations who, at one point in time, outsourced much of their business to service providers, only to find the quality and responsiveness of their business partners were below acceptable performance levels. In several cases, a company paid a premium rate for a “tier one” experience level, but after six months the resource had been backfilled with a junior technician.

While these companies didn’t necessarily want to invest in full-time employees in these areas, but instead, did a cost-benefit analysis of leveraging contract employees for the longer-term. The result? By investing in contract employees, they could onboard a higher level of talent without the inflated service fees and costly contract exclusion costs. In fact, one of our recent clients slashed their IT and security budget by more than 40 percent by hiring 4 contract analysts rather than extending the partnership with their existing IT services partner.

3. “We don’t need additional help with recruiting. We already have an HR department.”

One of the most common misconceptions about staffing and recruiting companies is that we are replacing a company’s current HR department or its recruiters. This is absolutely false. When you have job openings, your goal is to get the most qualified candidates who fit your qualifications and will mesh well culturally with your other team members, correct? Most of the time, your internal recruiters are focused on searching for candidates who are actively seeking new opportunities, otherwise known as “active” candidates.

Seldom do internal recruiters tap into the “passive” pool of candidates, specifically those candidates who are the most qualified and are currently employed. While these candidates might not be actively pursuing other opportunities, there is the potential to recruit them to join your organization. When an organization partners with us to recruit talent, we amplify the search process exponentially. Our teams are among the industry’s best at identifying, attracting and hiring the best people. When there are resource gaps and open positions within a department, hiring managers are under stress to fill these roles with the right candidates as soon as they can.

Especially in time-sensitive, pressure-mounted hiring circumstances, using a staffing and recruiting company can remove frustration from the process and help keep you focused on the other HR operations.

When positions remain open, team members are forced to work longer and harder, and skill gaps widen, causing undue strain on the work environment. We help eliminate this stress and strain by helping our clients follow a process and research-driven methodology that simplifies the recruiting, hiring and onboarding process at a more reasonable cost.

Remember – we are not replacing your HR or recruiting staff. However, take advantage of the services a staffing and recruiting company can offer to extend and augment the activities required to attract and hire the best candidates. Especially in time-sensitive, pressure-mounted hiring circumstances, using a staffing and recruiting company can remove frustration from the process and help keep you focused on the other HR operations.



Final Thoughts

Analysts and economists alike continue to proclaim that across the globe, we are in the midst of a “war on talent.” As the U.S. job market continues to strengthen, the demand for technology and engineering talent is at an all-time high. For companies to remain competitive, it is critical to act smartly and tap into the right resources to find and hire the most qualified candidates. Staffing and recruiting organizations can be a valuable business partner in helping your organization identify and source talent to meet your current and future needs.

Don’t discount staffing and recruiting firms as the purveyors of “temp” staffing. Certainly, there are many companies that provide temporary or clerical staffing services, but there are companies who are highly specialized in skills, technologies and engineering disciplines. Be certain to partner with an organization that provides expertise in hiring these highly technical professionals. This will save you considerable time and money in the long run by partnering with staffing experts that know the industry and work environments.

The key to getting the most out of your partnership with your staffing organizations is to be highly selective in your criteria. Don’t settle for companies that offer mere “meets minimum” requirements in terms of how well they treat their contractors. To get great people and keep them, you must invest in them, nurture and develop them. Also, don’t think you’re going to get the best returns if you just hand over jobs to a staffing company to bring you the gold-standard candidate. Your participation in this partnership is critical to ensure you hire the ideal candidate.



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