

THE BENEFITS OF USING TEMPORARY EMPLOYEES TO GROW YOUR BUSINESS



Are you utilising temporary staff in your organisation?

Temporary, contract work and interim employees are one of the fastest-growing areas in recruitment, and it is only set to rise.

Temporary work can range from a company needing one-day staff cover, to a law firm in need of a Head of Commercial for a year's maternity cover.

Many employers are still unsure about how to approach temporary workers. The legislation surrounding this type of work can be confusing, and employers can be put off by this.

Also, a question we are often asked is what value temporary work can bring to a business. The answer is; a huge amount of value.

In this guide, we will cover all aspects of temporary and contract work and highlight the times when it is best for your organisation to hire temporary employees and how best to onboard them.

Temporary Work in the Current Job Market

The world of work is changing slowly, but surely, and temp work is on the rise. More and more, we see self-employed and freelance workers who until recently would have been doing the same job but on the payroll of a larger company; looking for an opportunity to work on a temporary, contract or interim basis.

There are many reasons for this cultural shift from the regular 9-5 to a more flexible approach to work, and in every case, the reasons are different.

A combination of the digital era bringing the world together and a shift in what people consider to be the 'norm' have fuelled this radical shift in the way we work.

Temporary work is having its heyday in the current job market. The court case won by Uber drivers in Dec 2018 highlighted how vehemently non-permanent workers are prepared to fight for their positions.

Why were Uber drivers prepared to go to such lengths to protect their casual contracts? We believe this landmark case represents a shift in the way temporary and contract work is viewed in the UK.

People are now happier in jobs with less traditionally permanent structures –the 9-5 'job for life' model is fading in some sectors.

As a lead into this guide lets start with a few definitions:->

Common Terminology Surrounding Temporary Workers

There are several different terms used to describe non-permanent work, but these meanings can sometimes overlap depending on the contract and the company, which can be confusing.

Here we have simplified the different terms you are likely to hear when considering temporary workers.

Temp

Temp work is generally thought of as being at the more casual, and at the less-skilled end of the non-permanent work category, however, this is not always the case. Temporary work relates to any kind of work which is undertaken on a non-permanent basis.

Contractor

A contractor is usually defined by the fact that they are paid a daily rate rather than a salary or a wage (although this is not always the case). Contract work is also sometimes associated with more skilled work, such as I.T and construction, as opposed to general commercial work such as retail, hospitality and administration.

Temporary to Permanent Roles

A 'temp-to-perm' position as it's often called can happen for several reasons. This type of role can start as a temporary job, which then turns into a permanent position.

Alternatively, at some point during the assignment, you the company, may decide you would like the employee to stay on and offers him or her a permanent position.

It might be that the organisation has an immediate vacancy but aren't sure of how long the position will be needed.

For example, a business Administrator might be taken on to help alleviate an excess workload for a month, and there could be a permanent position for them depending on how much value they demonstrate they can add to the business. It's an excellent way for an employer to 'test the water too' when it comes to filling roles within their organisation.

Interim

An interim hire is a temporary position which demands a higher or more niche set of skills. This might be a role that is required when an organisation goes through a merger or if a particular position is needed in an organisation for a specific period hence the term interim.

IR35

A recent change in the law which was introduced to cut down on the number of companies who have workers that are employees in 'all but name'. This law was brought with regards to 'disguised employees' in tax avoidance schemes, but it has meant that self-employed people who receive most of their pay from a separate company (i.e. as a freelancer) are putting themselves and the company at risk of being in breach of the law.

In this article, we outline why working with a recruitment company to hire temporary workers for your business can be of enormous benefit to your organisation.

1. Your Misconceptions of Temporary Workers Are All Wrong

There is a common misconception that temp workers are simply those 'between jobs' and that they would much rather be on a permanent contract but are unable to do so: this is not true.

Increasingly, we are seeing a rise in the number of people choosing temp work for a variety of reasons, for example, that it fits around their family life or allows them to study or train at the same time.

The rise in temporary contracts has been dubbed the 'gig' economy – where workers get paid for individual stints or 'gigs'. The term generally applies to more casual work such a taxiing and delivery drivers but can apply to any number of different roles.

Another misconception of temporary workers is that they are somewhat of a 'poorer' standard than permanent hires. Again, this is not true.

The most recent data shows that there are 1.77 million contractors in the UK working on a full-time basis, contributing £119 billion to the nation's economy.

Casual workers are not the only ones taking advantage of temp and contract work; there has also been a rise in the number of highly skilled workers choosing temporary work over full-time contracts, in their quest to strike the perfect work-life balance.

Take an IT engineer for example, who might charge a fee of up to \$£400per day for their services; they do not want the hassle of

searching for their own work but do not want to be tied into a permanent contract -they rely on recruitment companies to find work for them.

As recruiters, we have seen a huge increase in skilled workers from all areas turn their backs on full-time permanent contracts for this kind of freedom, but this in no way means the quality of work they provide is any lower.

A study found that those who are self-employed or work on a contract or freelance basis are not just happier than those in regular roles; they are also more successful.

2. You Think That Hiring Temporary Workers is More Hassle (It Isn't)

As recruiters, we have discerned that the most common reasons that stop companies from hiring temporary workers are down to their inexperience in hiring employees temporarily and the perceived confusion surrounding their contracts.

If you know you only need a temp worker for a short amount of time, it is easy for managers to believe that it will be either.

- 1. Faster
- 2. Cheaper
- 3. Less hassle

......To hire a temp worker themselves, or

recruit in-house rather than using a dedicated recruiter; The truth is that it:

- a) Is slower
- b)Costs the company more overall
- c) Is more complicated

When an unexpected vacancy arises, it is always better to use a temporary worker than pull from other departments within your team (more on this in no.6).

Another reason that puts employers off hiring temp workers is the recent changes in the law regarding temporary work contracts, which has caused a degree of uncertainty.

For example, most businesses will be aware of IR35 (see pg. 3) regarding freelance and casual workers, but they may not be entirely sure what it means for their company. If they hire someone on a freelance basis who also owns a registered company (usually their own company), this can mean they might be liable to pay more in tax.

For this reason, many companies prefer to struggle on and hold out for the 'ideal' full-time permanent candidate for their vacancy.

Unless you already have a contingency plan and contract in place for temporary workers, which most organisations don't, starting the process of hiring a temporary worker using your own HR department will always be slower and more costly than a dedicated temporary recruitment company.

Some organisations are put off from using recruitment companies to provide them with temporary staff as they believe the added cost of paying for a recruitment company on top of the employee's salary is not worth it.

Speaking from experience, we know this is not the case – it is altogether more beneficial in the long run to use a dedicated temporary recruitment company.

3. Temporary Workers Have Skills Permanent Workers Don't

In our recruiting experience, we know that there are certain qualities temporary workers have, which will add real value to your business.

Range of Skills

We find that candidates who have undertaken temporary work have a particular set of skills. They can adapt quickly to new environments and lend themselves to a range of tasks, more so than an employee who has been in the same position for several years.

A Good Fit

It is becoming increasingly common for employers to use a holistic approach to hiring. Sometimes it isn't enough anymore to have the right set of skills or qualifications to be offered a job –hiring managers now look for someone who fits into the company culture.

This doesn't mean creating a workplace full of clones butbeing mindful about the shared values and ethos of your organisation.

It's common too that a temporary employee is both adaptable and flexible; they are used to working in different organisations and cultures and rarely have a fixed mindset either.

One of the biggest bonuses of taking on a temporary or temp-to-perm worker is that you can gauge whether they will be a good fit for your organisation before you offer anyone a permanent contract too.

And this is a two-way street. Both employee and employer need to know that the partnership is going to work out in the long run, temping allows both parties to 'try before they buy'.

Global Affair

We are no longer tied to our geographical locations like we once were –temporary work has exploded with the rise of the internet. Employers can now take on someone who lives in a different country to undertake digital work for them.

If the vacant position is one where the employee can work from home, the ability to use temp workers from all over the world dramatically increases the number of candidates you have to choose from too.

Easy to Train

In our experience, temporary workers are much easier to train than staff who have only ever worked in permanent roles. When you have an unexpected vacancy in your business at a crucial level in your team, you need to act fast.

Most temporary workers have plenty of experience in learning new skills and getting used to new environments – this in itself is a desirable skill.

4. It Benefits Everyone Involved (Even Permanent Workers)

You might think that hiring a temporary employee adds an extra level of work into the hiring process; it doesn't.

Consider this – one of your key members of staff leaves their role unexpectedly. It's a set-back for the whole team, and you need someone to step

into their shoes quickly.

It can be easy for employers to become fixated on looking for a duplicate replacement, even in reality they know that this is never going to happen.

So many businesses waste valuable time (and money) trying to find someone right when what they need is someone right now.

However, this also benefits everyone who considers your vacancy, be it temporary or permanent candidates.

It happens all too often that candidates accept a job offer only to realise a month down the line that it's not what they were hoping for. The nature of a temporary contract means assurance for everyone involved that they are not rushing into something they might regret further down the line.

Aside from the flexibility, temporary (especially contract) work can bring home more money each month for someone in the same role only in a permanent position, as their contract reflects the casual nature of the work.

A temporary worker can quickly build up their CV with a range of skills, which makes them more desirable for future employers. This huge benefit, we believe, is one of the reasons why temporary work should be encouraged and why it has grown in popularity.

5. Temporary Workers Can Solve These Common Organisation's Problems

There are several different situations when you should consider hiring temporary workers for your organisation.

When You Need Someone Fast

Finding the right candidate for a role can take a while; that's why many companies use recruitment or staffing agencies.

Can you afford to spend weeks, perhaps even longer, on finding the 'perfect' candidate for the role? It is in situations like this that we believe hiring a temporary worker can be the right option.

Recruitment companies who provide temporary staff deal with vacancies fast – sometimes within 24 hours – and this is something which in-house recruiters are simply unable to do.

Many companies like ourselves have a pool of temporary employees we have been working with for years who are ideal for your role.

When You Need Someone Who is Flexible

The flexibility of temporary employees is not just something that benefits them; it can help you too. All businesses have times of the year when the workload fluctuates, think when your business always feels the strain, is it over Christmas and the new year? Alternatively, do you often struggle in the summer when staff are on annual leave?

Taking on a temporary employee for these periods will alleviate some of the pressure from your other team members and spread the workload more evenly across the year.

Many businesses don't take on extra staff over their busier periods and end up struggling, because they think it is just something that 'other businesses do', well yes, there's a reason for that.

6. Hiring Temporary Workers from a Recruiter Is More Beneficial in Certain Situations than Hiring In-House

As an employer, you might want to use staff you already have to fill a vacancy that arises unexpectedly. If your employment needs are only going to be temporary (i.e. sickness or a specific timeframe) it is usually better to keep current staff in their roles and fill the temporary gap using the help of a recruitment agency.

Recruitment agencies who specialise in temporary work are experts at quickly finding the right person for your opening; in fact, they probably already have several suitable candidates in their pipeline.

Some of the main reasons to work with a recruiter to fulfil your temporary staffing needs include (but are not limited to):

- Recruiters will quickly advertise, interview and recruit for your position.
- They take care of everything from the job posting to the contract.
- It will reduce the amount you spend on overtime (which is often a higher rate).
- Your organisation will not be the temporary worker's employer, they will legally be employed by the recruiter, and so you will not be liable for any problems that may arise.

We believe that this final bullet point is the most advantageous reason for a company to work with a recruiter for their temporary staffing needs, and this is worth the recruiter's fee of an extra couple of pounds per hour.

If your organisation has never drawn up a temporary contract before, it can be daunting. By their nature, temporary contracts can be confusing, especially if you do not know the specific end date, which many companies who hire temporary staff do not have in mind.

As mentioned earlier, IR35 can be a problem for companies who hire a temporary worker without fully understanding the implications. Working with a recruitment company for your temporary staffing needs means you don't have to worry about any of these legal stipulations – you benefit from the temporary work without having the headache of the tax and contract implications.

Another advantage is that any HR issues will also be the responsibility of the recruitment company. If the new employee is not the right fit, is not competent in the skills they said they were, starts turning up late or any other problem arises, one phone call to your recruiter will be able to solve this.



Conclusion

We believe that temporary and contract workers can be highly beneficial to your organisation for the situations we have outlined in this report.

We should state again that the main benefit of using a temporary worker in your organisation is the fact that the recruitment agency takes care of all of the associated HR of hiring a new employee.

Yes, you might be paying a little extra per hour than what the employee receives, but what do you get in return for this?

The recruitment company will take care of:

- The contract
- Holidays and sick pay
- National insurance
- Plus any other HR issues such as if the employee doesn't work out and you need them quickly replacing

How to Hire and Work with a Recruitment Company for Your Temping Needs

There are times when either temporary or permanent staff is what your organisation will need; this guide should have alerted you to the differences between them and when either is necessary.

Recruitment companies have historically excelled in the temporary work sector, as they are skilled at quickly putting the right people in jobs, and speed is vital when it comes to unexpected absences. With high levels of employment, many organisations are struggling to attract and keep the employees that they need.

Hiring mistakes account for millions of pounds of lost revenue for businesses each year. There is little else more frustrating for a hiring manager to believe they have hired the right person for the job only for them to not turn up for their second week (this is happening on the increase).

Using a recruitment agency to provide your business with temporary staff is the safest way to protect your business in times of employee shortfall.

Your recruitment company will not only provide you with temporary workers; they will be wholly responsible for them at every step of the way.

Here at Clayton Recruitment we have a dedicated staff who work quickly to place temporary candidates in positions that need filling, today.

CLAYTON RECRUITMENT

We understand that while talent is your greatest asset –it can also be your scarcest resource -which is why you need a recruitment partner with the market expertise, insight and network to deliver the right people at the right time.

Clayton Recruitment has been partnering with organisations across the local, regional and national market for over three decades and during that time has built up an enviable reputation for trust and reliability. We provide an experienced and credible voice in the market by being able to demonstrate a detailed knowledge of the talent agenda.

Talent is all about people, and just like you, our consultants are true experts in their field with a real drive for excellence which informs everything they do.

With specialist divisions covering Commercial, Financial, Industrial, and Engineeringappointments, on both a permanent and temporary basis, Clayton Recruitment is the only name you'll ever need, and what's more –we are nice people to do business with!

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