



outsourcing the
recruitment &
management

of your flexible staff.

 randstad

human forward.

introduction.

If you're trying to decide between outsourcing contingent talent recruitment or doing the job internally, asking these questions could help you reach the right conclusion.

There are various benefits to be gained from hiring contingent workers. Cutting down on the cost, time and commitment involved in recruiting permanent employees is one of the biggest incentives, along with achieving the workforce flexibility you need to respond to fluctuating demand or sudden changes in the marketplace.

One industry where these advantages will prove hugely valuable right now is manufacturing, which has witnessed some of the clearest **consequences of the COVID-19 pandemic**.

According to research by the Economist Intelligence Unit and **North Highland**, the three strongest motivations for businesses to use flexible labor are:

- cost savings
- agility
- project-specific needs

The study also found that nearly three-quarters of respondents were undergoing some sort of transformation that made flexibility an important concept for them. Two-thirds were having to adapt to a more volatile business environment.

If you've already decided that stepping up your use of contingent talent is the right option for your business, you could find that you now face another choice: whether to outsource your recruitment activities or look after hiring yourself.

Asking the next six questions could help you come to the right conclusion.



1. how much will you spend on contingent labor.

Thinking about how much you're likely to spend on contingent labor will help you make an informed decision on the value of outsourcing recruitment to an external supplier. Doing the job yourself could be the best option if people on temporary contracts represent only a small portion of your overall workforce.

However, if you're anticipating a high need for **flexible talent**, outsourcing could be the best strategy, because it will allow you to benefit from the economies of scale that specialist recruitment firms can achieve. In the manufacturing sector, the volatility and unpredictability created by COVID-19 has made it clear how much businesses have to gain from stepping up their use of contingent talent.

Your flexible staff requirements could also increase significantly if you're preparing to take on some large one-off projects, you're going through a phase of rapid growth, or you're about to enter one of the busiest times of the year for your industry.



2. can you forecast



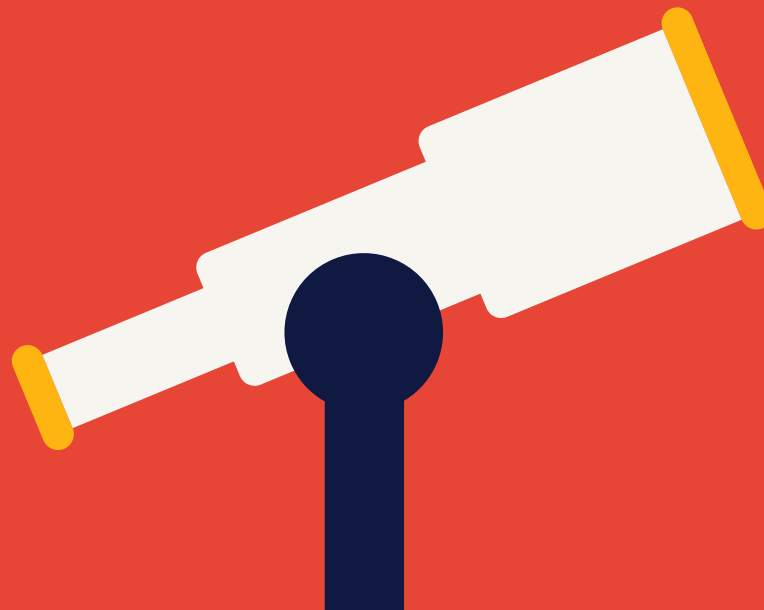
your talent needs.

It can be difficult to predict what your talent needs are likely to be in the future, especially in a fast-moving, **changing industry like manufacturing**. This is true even if you have a solid understanding of the sector, your business and your ability to respond to certain scenarios or challenges.

Achieving the right workforce capacity can be particularly tough when businesses are operating in unusual circumstances such as those created by **COVID-19**. The pandemic has had a particularly significant impact on industries that have had to respond quickly to fluctuating demand, such as manufacturing and retail.

If you don't feel confident in making accurate predictions of your talent requirements, an external HR services provider could offer valuable support.

The right partner will help you gain relevant insights from your data and also connect you with beneficial HR technologies. A tool like **Crunchr**, which is supported by the **Randstad Innovation Fund**, could prove vital in optimizing your people analytics and workforce planning.



3. do you have the resources and expertise to hire contingent workers yourself.

Before deciding to commit to insourced recruitment, you need to feel confident that you have the necessary time, resources and capabilities within your organization to achieve positive outcomes. Without the right capabilities, you could soon find yourself wasting a lot of money and energy on inefficient practices that don't deliver results.

One vital area where you need to make the right decisions is setting your pay rates. Offering too much puts you at a financial disadvantage, but setting rates too low means you'll struggle to compete in the contingent talent market. If you operate in countries where labor laws state that temps must be paid the same as permanent employees, you need to ensure advertised rates are in line with staff salaries for certain positions.

If you don't have this knowledge within your organization, outsourcing your recruitment could be the wisest option.



4. are you able to track the right metrics.

Coming up with an effective strategy for setting and tracking **recruitment metrics** is essential if you want to get the best possible outcomes in this area of business. After all, if you're not actively measuring your performance and results, how will you know where you need to make changes to drive improvement and efficiency?

Common hiring metrics include:

- time to hire
- time to productivity
- cost per hire
- offer acceptance rate
- quality of hire
- applicants per hire
- candidate net promoter score

It's important to find the right metrics for your business, so you can feel confident in your understanding of how the recruitment function is currently performing, as well as where action is required to achieve better outcomes.

For manufacturing businesses that are currently working hard to keep costs under control and stay efficient, identifying and tracking the most relevant metrics is crucial.



5. do you feel confident managing risk.

Taking charge of contingent staffing activities yourself means you need to be aware of the risks involved in this process and how to manage them. From a purely business-level perspective, recruitment raises certain financial considerations - such as the risk of spending a considerable amount of time and money on hiring someone who isn't a good match for your business.

There are also broader legal and regulatory risks that must be taken into account when you're hiring flexible workers. Employee misclassification is one common danger that you certainly need to be aware of if you want to avoid the potential repercussions of non-compliance.

HR services firms specialize in taking responsibility for these sorts of issues on behalf of their clients, which can give you peace of mind and also free up the HR department's time to focus on other, value-adding activities.



6. is your brand strong enough to attract top talent.

The contingent talent market is steadily **increasing in size** and taking on more importance for businesses. To gain maximum value from this evolving portion of the labor force, you need to be attractive to candidates, which means having a **strong employer brand**.

If you've earned a reputation as a good place to work, where employees are respected, rewarded and given opportunities to grow and develop their careers, you'll have greater appeal to the most valuable talent. This could prove particularly important if you're struggling to overcome the current **skills shortages** in the manufacturing industry.

Optimizing your employer brand is one of the key areas where, if you choose to outsource your hiring of contingent workers, you can get valuable support from a partner like Randstad.



Do you need help hiring manufacturing employees for your company? [get support today](#)