Best Practices for Using Temporary Employees

You're a leader, a real forward thinker. You see opportunities, and you make them happen. But at the same time, you're sensible. You don't take unnecessary risks or waste money on needless expenses.

As you plan for future projects, you realize an inevitable dilemma is bound to arise: how to get the work done without increasing staff? When business is booming, the answer is easy, just hire when you need someone. But these days, few of us have the budgetary freedom to go on hiring sprees. We have no choice, except to find more creative ways to get things accomplished.

When the economy is shaky, smart executives resist adding to their overhead. Instead, they make the intelligent choice, and call in contingent workers to help get things done. It's not just a good idea--it's actually a business strategy that has been proven to deliver higher returns. In fact, according to a study published in *Decision Sciences* magazine:

- Firms that increased their reliance on contingent labor experienced significant increases in earnings.
- Because their costs are lower, firms that increase their reliance on contingent labor experience higher performance.
- Stock returns are increased through the increased use of contingent labor.
- While many perceive that increased reliance on contingent labor will result in increased risk for the firms involved, no increase or decrease in systematic risk could be documented.

While using temporary employees is clearly a smart decision, *how* you use them can be an equally important consideration. To get the best results, and minimize co-employment concerns, follow these best practices:

1. **Set clear performance expectations.**
   Determine exactly what you want temporary employees to accomplish and provide those requirements to the staffing firm. Document the tasks to be performed, the skills required, and the standards of performance you expect to be met.

2. **Benchmark your staff.**
   Ask your staffing vendor to test one or two of your staff members using their skills assessment software. Determine the test you want temporaries to take and define the minimum acceptable test scores based on the results your employees achieve.

3. **Do not tolerate poor performance.**
   Track each temporary employee's job performance, and provide feedback to the staffing vendor. If any employee fails to meet your standards of performance, ask the staffing vendor to replace the person immediately, and if appropriate, exercise any replacement guarantee your staffing vendor offers.

4. **Prepare your staff.**
   Foster a positive work environment by clearly explaining to your staff where and why temporaries are being used. Open communication is the best way to encourage cooperation and keep your employees from seeing temporaries as a threat to their job security.

5. **Provide a job site orientation.**
   When a temporary employee first arrives, offer a tour of the job site facilities and the locations of any resources the temporary employee will be allowed to use. Be sure to introduce the temporary to co-workers and onsite supervisors who can answer questions and provide direction.

6. **Do not negotiate the pay rate of your temporary workers.**
   Temporary employees work for the staffing firm, not you. While it's fine to negotiate bill rates, all discussions regarding pay, benefits, and raises should be handled directly between the staffing service and its employees.