

A survey recently conducted by CareerBuilder shows 20% of employers plan to grow their workforce in 2010. This is quite large in comparison to only 14% in 2009. Nine percent plan to decrease headcount (down from 16% in 2009), 61% don't plan to make any changes at all while 10% are still unsure of what changes they will make to their staffing levels in 2010. While these numbers may signal an economic recovery, "...companies still remain cautious in regards to their hiring," said CareerBuilder CEO, Matt Ferguson.

Ben Bernake, Chairman of the Federal Reserve also reverberated this in late 2009, "From a technical perspective, the recession is very likely over at this point . . .but it's still going to feel like a weak economy for some time." As economists expect the labor market to slowly recover this year, a new economy is emerging that places a premium on corporate cost structures that can easily react to dramatic swings in supply and demand. As a result, businesses are increasingly pressured to do more with less time, resources and money. As the economy slowly creeps towards a recovery, what should HR professionals expect to see in 2010?

Temporary Staffing

While Mr. Ferguson doesn't expect job growth until Q2 of 2010, on March 5th The Bureau of Labor Statistics reported temporary help services added 48,000 jobs to the economy. Since September 2009, temporary employment has risen nationwide by 284,000. Expanding payrolls with temporary employment agencies such as Pro Staff is a promising development for the economy, as a more broad-based acceleration in hiring in the past has been preceded by increasing temp-help employment.

Flexible staffing has become an integral part of improving organizational efficiencies. Many employers are eliminating the fixed cost of year-round permanent employees and are taking advantage of bottom line savings that come with a more flexible workforce. Temporary or contract staffing can help companies make a smooth transition from contraction to expansion, allowing them avoid large fixed employment expenses such as salaries, payroll taxes, employee benefits, layoffs, unemployment fees and costs to re-staff permanent positions. These companies are able to control staffing costs and stay ahead of their competition by making workforce adjustments that meet their immediate business needs as they move toward economic recovery.

Contractor & PEO Background Checks

The usage of contractor and PEO background checks is also expected to rise as temporary labor gains widespread use. When a temporary staffing vendor is on-site at a particular place of business, who is responsible for screening employees – the staffing company or the business itself? And how can all those involved be sure the contractor has chosen a screening provider who employs best practices? It is critical to address these accountabilities before temporary employees come on board.

Integrating background screening programs with applicant tracking systems (ATS) will become widespread as they allow companies to save time and money during the onboarding process. This will become increasingly important as companies will need to replace staff who were let go during the recession as the recovery starts to take hold in late 2010. Some staffing providers will stay ahead of the curve by incorporating electronic employment verification within their onboarding process in order to ensure compliance with increasing government regulations regarding legally documented workers.

Employee Turnover

On the flip side of the hiring spectrum, employee turnover is expected to rise in 2010 as a growing number of employees are reporting they are discontent with their present jobs. According to a survey conducted by Right Management, 60% of employees intend to leave their jobs if another opportunity arises. An additional one in four are currently networking and updating their resumes. These results "...might alarm and surprise many employers," states CEO of Right Management, Douglas Matthews. "Employees are clearly expressing their pent up frustration with how they have been treated though the downturn. While employers may have taken the necessary steps to streamline operations to remain viable, it appears many employees may have felt neglected in the process. The result is a disengaged and disgruntled workforce."

Employers are starting to become more sensitive to the employees they've kept on board, focusing on employee retention, especially when the need to keep top performers is essential to company survival. Employees' financial anxiety and insecurity has risen nationwide with layoffs and the slowdown in wage growth in 2009. Pro-active employers are showing their appreciation for current employees and reigniting passion and excitement by challenging them to perform well in an innovative and rewarding manner.

Electronic Recruiting

The world is becoming increasingly reliant on the Internet, which is revolutionizing the way companies do business. Moreover the Internet has also become the most popular tool recruiters use to find people – this includes but is not limited to job boards, search engines and social networking sites. Memberships to popular social networking sites gain thousands of members daily. Just LinkedIn houses over 200 million professional members.

Recruiters used to connect with public entities such as churches, libraries, schools and other organizations to source candidates or post jobs within newspapers via classifieds. With the growth of the Internet they shifted candidate sourcing activity towards electronic job boards like Yahoo's Hot Jobs, Careerbuilder and Monster. What has now been coined as "Web 2.0" is a new paradigm in which recruiters are utilizing search engines such as Bing, Google and social networks like Facebook, LinkedIn and Twitter to source candidates. The ability for people to conveniently sign in or browse and apply for jobs from

just about anywhere via their laptop, notebook or even smart phone has fueled the popularity of these interactive programs.

Best Practices for Recruiting in 2010

Though the job market is continuing to slow, things aren't so grim for those doing the hiring. According to the Society for Human Resources Management, for the first time in years, HR professionals are "having much less difficulty recruiting top candidates for jobs of most strategic importance in their organizations."

Moving into 2010, where should HR professionals focus their recruiting efforts? How can companies recruit new talent with caution in this time of economic uncertainty?

1. **Tap into Social Networks:** Memberships to popular social networking sites gain thousands of members daily. This resource can provide countless opportunities to connect with professionals across multiple geographic regions.
2. **Invest in Quality Contractor and PEO Background Checks:** This is especially important as temporary labor usage increases.
3. **Consider integrating background screening programs with an application tracking system:** This will help make the hiring process as efficient and cost-effective as possible.
4. **Be Leery of Falsification and the Usage of Diploma Mills:** This will increase, as job seekers become more desperate in today's tough job market. Providers of Litigation over perceived screening and hiring decision discrimination will rise.
5. **Be sensitive to privacy laws and requests:** Identity theft is increasingly becoming a serious issue today as social security numbers and other sensitive personal information from court, medical and employment records can be compromised for fraudulent criminal activity.
6. **Leverage Staffing Firms:** Established, professional staffing firms conduct thorough screening of candidates, save precious time and money, and provide the highest quality of talent.

PS. For additional articles of interest, see prostaff.com.