



## CONTINGENT WORKER ENGAGEMENT BEST PRACTICES

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This summary of contingent worker engagement best practices is for contingent workforce professionals from all arenas; program managers, buyers, solutions providers, consultants and staffing suppliers. Developed by leading industry experts this summary serves as the first in a series of detailed best practices guides for contingent work engagement that drive standard practices. Upcoming guides will outline agreed upon industry best practices for typical contingent worker requests, sourcing, selection, onboarding, assignment management, off boarding, payrolling and independent contractors.

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## STAFFING INDUSTRY ANALYSTS ADVISORY GROUP (SIAAG)

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The Staffing Industry Analysts Advisory Group (SIAAG) is a team of representative industry leaders supporting both buyer and supplier communities with a charter to serve as a collaborative forum for sharing and developing best practices, industry standards and priorities related to key strategic initiatives impacting the future of the contingent workforce. SIAAG has a specific focus on:

- Relationships: develop recommended best practice “rules of engagement” between both buyers and suppliers.
- Globalization: develop a best practice framework for global expansion by region and program.
- Performance standards and metrics: develop performance standards that can be adopted by companies to measure program success.
- Innovation: develop and share innovative solutions that can be leveraged across the industry.

SIAAG team members are selected because SIA recognizes their roles as industry experts and leaders in contingent workforce management. Several years ago this small, select group, consisting of both solution providers and buyer organizations, was created to help drive standardization, elevate the importance of CW programs within buying organizations and the importance of the roles of CW program owners and providers who support the often millions to billions of dollars allocated to contingent talent. Most importantly, SIAAG helps to elevate the contingent workforce profession, both from the buyer and provider perspectives. Currently, there are industry experts representing staffing, IC compliance, consultants, MSP and VMS solutions and buyer organizations across multiple industries.

### About Staffing Industry Analysts

Staffing Industry Analysts is the global advisor on contingent work. Known for its independent and objective insights, the company’s proprietary research, award-winning content, data, support tools, publications, and executive conferences provide a competitive edge to decision-makers who supply and buy temporary staffing. In addition to temporary staffing, Staffing Industry Analysts also covers related staffing sectors. The company provides accreditation with its Certified Contingent Workforce Professional (CCWP) program. Founded in 1989 and acquired by Crain Communications Inc. in 2008, the company is headquartered in Mountain View, California, with offices in London, England.

### Independent Advisory

We provide practical, actionable, forward-thinking advice to help our clients develop their business and consistently treat them with the utmost respect, honesty and care. In our role as advisors we maintain strict confidentiality. We deliver research and editorial judgments that are completely objective and independent of financial considerations.

For more information: [www.staffingindustry.com](http://www.staffingindustry.com)

## TABLE OF CONTENTS

<b>Contingent Worker Request .....</b>	<b>4</b>
<b>Contingent Worker Sourcing .....</b>	<b>5</b>
<b>Contingent Worker Selection .....</b>	<b>6</b>
<b>Contingent Worker Onboarding .....</b>	<b>7</b>
<b>Contingent Worker Assignment Management.....</b>	<b>8</b>
<b>Contingent Worker Off-boarding .....</b>	<b>9</b>
<b>Contingent Worker Payrolling .....</b>	<b>10</b>
<b>Independent Contractors.....</b>	<b>11</b>

## CONTINGENT WORKER REQUEST

Who	Best Practice
Client	Use standardized global titles.
Client	Use experience levels with job titles (i.e., Jr., Mid, Sr.).
Client	Establish a minimum time to start for each segment of requisition (ex. IT) based on past performance.
Client	Agree in the beginning to a desired start date which is a combination of engagement manager want and the minimum time to start.
Client	Communicate expected timeframes for each process step up front to engagement managers and suppliers.
Client	Identify “required” and “nice to have” skills with each clearly defined, work to be done, work schedule, work environment, and team dynamic information.
Client	Share documented requirements due to Collective Bargaining Agreements with suppliers.
Client	Identify physical skills and safety equipment requirements.
Client	Hold interview times on engagement manager's calendar prior to requisition being released to suppliers for Professional requisitions.
Client	Allow suppliers to visit the work environment where possible.
Client & Supplier	Ensure process accommodates engagement managers and workers on non-standard shifts.

## CONTINGENT WORKER SOURCING

Who	Best Practice
Client	Provide short and long term segment forecasts to suppliers.
Client	Facilitate a periodic meeting with high volume engagement managers and suppliers to discuss work environment and successful worker profiles.
Client	Share documented candidate eligibility requirements with suppliers (i.e., W-2 only, no H1-B, subcontracting, retirees, etc.) and exception process (if applicable).
Client	Establish maximum number of candidates per requisition in each segment.
Client	Allow no more than 5 preferred suppliers to compete for each requisition unless job title is deemed hard to fill. (3 for Industrial segment)
Client	Use a master supplier by location and/or skill set if filling requisitions fast is most important for Industrial requisitions.
Client	Provide real-time notice on pending requisitions to suppliers.
Client	Utilize intake phone call prior to requisition distribution to clarify requirements with engagement manager, MSP/PMO, and preferred supplier recruiters for unique Professional requisitions.
Supplier	Provide prompt feedback to client if candidates are not available with a reason why.
Supplier	Present only candidates who meet 100% of “have to” requirements.
Supplier	Obtain permission to represent all candidates prior to submission.
Supplier	Complete all skills testing prior to candidate submittal.
Supplier	Establish pay rate with candidate before submittal and agree not to request pay or bill rate increases after submission.

## CONTINGENT WORKER SELECTION

Who	Best Practice
Client	Distribute resume to engagement manager based on what is important to them for that requisition: first-in, first-out for quickest fill, end of submittal period if lowest cost or best quality fill to allow maximum time to find
Supplier	Provide a summary showing candidate qualifications for all Professional requisition requirements.
Client	Provide a regular update on requisitions to suppliers (i.e., # of candidates from all suppliers, # and dates of interviews from all suppliers, pending offers).
Client	Do not do formal interviews if a large volume of workers is needed or workers are needed quickly.
Client	Have MSP/PMO or master supplier select the worker if filling requisitions fast is most important.
Client	Will not ask for bill rates to be lowered after candidate submission.
Client	Provide reasons why candidates are not shortlisted or if interviewed why not selected.
Supplier	Remove candidates immediately if no longer available or interested with a reason why.
Client	Communicate with suppliers if requirement is placed on hold due to changes in budget or delays in hiring process.
Client	Extend an offer within 24 hours of the completion of all interviews or communicate that no viable candidate was found.
Client	Communicate next steps after offer accept with timelines to engagement manager, supplier, and candidate.

## CONTINGENT WORKER ONBOARDING

Who	Best Practice
Client	Share documented audit requirements or service levels that will be measured with the suppliers.
Client	Require completion of onboarding items prior to the worker starting (ex. background check)
Client	Provide an onboarding checklist outlining requirements for each requisition.
Supplier	Pre-run background checks for candidates kept in an active pipeline.
Supplier	Immediately begin onboarding process upon offer accept.
Client	Provide engagement manager with expected on-boarding cycle time for each segment (ex. Office Clerical) which factors in notice that worker is required to give to current employer.
Client	Share documented polices, rules, and guidelines with suppliers and workers for being a worker on assignment at the client. (Ex. recognition, ID badges, facility use).
Supplier	Notify the engagement manager and MSP/PMO immediately if a worker is no longer available without providing any detail if a worker did not successfully complete the onboarding requirements.
Client	Document adjudication process for onboarding process failures.
Client	Provide first day start information to suppliers and candidates including reference materials, list of tasks, and owners for each task.
Client	Incorporate client branding info in onboarding materials given to the worker.
Client	Ensure safety information, training requirements, and expectations are provided to suppliers and workers.
Supplier	Provide info to worker on anything employment related.
Supplier	Define routines and contacts for Shift Outages with suppliers to have replacement workers if needed OR work with your suppliers to have lists of available workers for any shift outages.

## CONTINGENT WORKER ASSIGNMENT MANAGEMENT

Who	Best Practice
Client	Document and share with engagement managers, suppliers, and workers what time and expenses are allowed to be invoiced.
Client	Perform a sourcing process and worker quality check within the first few weeks with the engagement manager.
Client	Survey engagement manager, workers, and suppliers on program satisfaction periodically.
Client	Perform a worker quality check throughout the assignment with the engagement manager.
Client	Survey workers for satisfaction with their assignment.
Client	Define a time period for invoice submittal or the time or expenses will not be billable.
Client & Supplier	Check periodically for inactive workers who may not have been off-boarded properly.
Client	Identify workers with intermittent schedules to explain why they may be inactive.
Client	Consider automatic approval of timesheets not acted upon by engagement manager within a defined time period.
Supplier	Provide either pay rate or markup detail for each worker.
Client	Ensure contracts allow for adjustments up or down for significant statutory changes.
Client	Define a process and guidelines for client or supplier requested rate adjustments.

## CONTINGENT WORKER OFF-BOARDING

Who	Best Practice
Client	Provide advance notice to supplier if a worker's assignment will be ended early with instructions on how and when to communicate to the worker.
Supplier	Provide advance notice to client if worker will be leaving early.
Client	Share documented procedures with engagement managers and suppliers for all types of off boards (skill match, cause, natural assignment end).
Supplier	Communicate with worker and process the off board.
Client	Collect feedback from engagement manager at time of off board on reason for end of assignment, eligibility of future assignments, and quality of the worker.
Client	Define process for the return of assets and turning off client system and site access.
Supplier	Close out all invoicing for the assignment promptly.

## CONTINGENT WORKER PAYROLLING

Who	Best Practice
Client	Establish an effective rate and review it periodically to account for thresholds on statutory costs in lieu of rebating.
Client	Establish a contractual payrolling markup that results in lower bill rates than recruited workers.
Client	Require a job description which will be used to do FLSA exemption testing.
Client	Follow the same procedures (i.e. financial approval) as a recruited worker requisition.
Client	Allow pre-identified candidate to be engaged immediately.
Client	Provide an option for a pre-identified candidate to be considered along with other recruited candidates.
Client	Have MSP/PMO or payroll supplier, not engagement manager, negotiate pay rate with the worker.
Client	Negotiate pay rate prior to candidate being submitted if being considered against other recruited candidates.
Client	Negotiate pay rate prior to offer being made if candidate is the only candidate being considered.

## INDEPENDENT CONTRACTORS

Who	Best Practice
Client	Define what an Independent Contractor is in your firm based upon criteria of either Annual revenue thresholds or number of employees.
Client	Define standardized processes for engaging and contracting.
Client	Align stakeholders and ensure executive management sponsorship for the program.
Client	Conduct a compliance evaluation for each engagement to determine proper classification prior to contracting and the start of the project.
Client	Assess local laws of the country: Some jurisdictions impose outsourcing-restrictive laws. Also, clearly define co-/dual/joint employer exposure as defined by each country
Client	Understand benefits and risk of utilizing ICs in each country.
Client	Research permanent establishment for each engagement outside the US
Client	DON'T utilize an IC for easy to fill roles