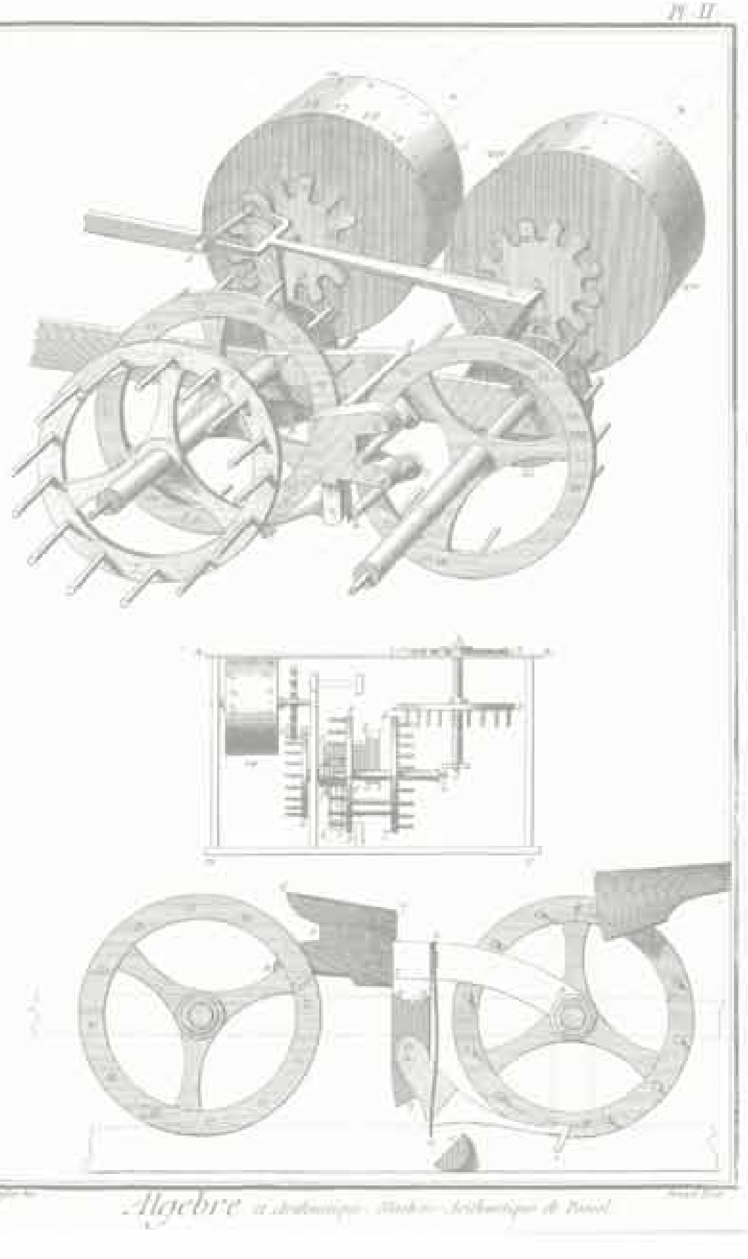
STAFFINGINDUSTRY ANALYSTS

CALLING ALL INNOVATORS!

Staffing Industry Analysts is pleased to announce the creation of a new standard of excellence in staffing. The Peter Yessne Staffing Innovator Award, named after industry pioneer and Staffing Industry Analysts founder, Peter Yessne, will honor industry innovators who have taken staffing to new levels.



Now accepting nominations for the

PETER YESSNE STAFFING INNOVATOR AWARD

Who is eligible?

Any person from all parts of the staffing industry – staffing firm, supplier company, staffing buyer, etc. who has launched a significant innovative idea that has had a lasting impact on the industry.

How to nominate someone (or yourself)!

Go to www.staffingindustry.com/innovator for complete details on the criteria and to complete the form.

Nominations are being accepted from November 1 – December 31.

The winner will be announced at the 2010 Staffing Industry Analysts Executive Forum, March 17-19 in Las Vegas.

Enter nominations at www.staffingindustry.com/innovator

ARE YOUR EMPLOYEES ENGAGED? OR **JUST REALLY GOOD ACTORS?**

By Amy Bingham

ARE YOUR EMPLOYEES ENGAGED? OR **JUST REALLY GOOD ACTORS?**

The recession has officially ended and demand for contingent labor is picking up – welcome news for the staffing industry after being browbeaten for nearly two years. Finally, maybe we can all relax and get down to the business of closing business and booking revenue. And since things look brighter, our staff is reenergized and ready to take on the world! Soon we'll be trouble free.

Except that our staff likely isn't ready to take on the world. Our staff, on the contrary, has taken the brunt of the browbeating – not just financially, as bonuses have dwindled or become non-existent, but also emotionally, as the fear of losing their jobs and a general distrust of their employer has left employees exhausted and numb. But they'll never tell you that, which is the scary part. You could literally have an organization of disengaged employees who feign full support of the company when in reality they've mentally and emotionally checked out. In essence, work has become the source of a paycheck and nothing more.

In the course of my consulting work I hear the real, unvarnished truth from the line management of my clients. Perhaps because I'm an "outsider," they're comfortable sharing their innermost thoughts and opinions with me. And if I'm doing my job well, I'm finding creative ways to raise awareness of employee concerns with the senior executives in a position to impact them in an effort to mobilize positive change that otherwise would not occur. But unless a firm is working with a third party, management's unlikely to know just how disengaged their employees may be – particularly now, when their sole focus is just hanging on to their jobs. I observe this subliminal disengagement so often, in fact, that it begs the question: Are employers and employees this disconnected everywhere? Fortunately, there is fresh data to provide visibility into the extent of the problem garnered through the staffing industry itself.

Spherion has been measuring what motivates employees for over a decade. The 2009 Emerging Workforce Study, just released as of this writing, validates just how widespread the gap between employers and employees continues to be with respect to what motivates workers.

As the chart below illustrates, when asked what drives employee retention, employers and employees answered very differently. Employers believe the top three drivers of retention are a positive management climate, supervisor relationship and corporate culture. Employees rank these factors as much less significant. Rather, their responses point to an "all about me" attitude, with benefits, compensation, and growth and earnings potential rated as the top three reasons they stay. It should be noted that the same question produced very similar responses in 2007, which suggests this mentality isn't new. And it has likely only intensified as a result of the recession. Observing or becoming victims of layoffs, furloughs and wage cuts has forced workers to become free agents who view their employers as just a place to earn a paycheck. There is no loyalty, which means there's also a limit to how engaged a worker is in the firm's success. And this poses a significant risk to today's corporations.

Senior Public Relations Specialist Lesly Cardec points out, "Not only are there huge disconnects on what motivates and retains a workforce, but employees are largely dissatisfied with the *very* things they say keep them there." Indeed, employees surveyed rated their level of satisfaction with benefits, salary and growth potential as just 34%, 26% and 24% respectively.

Consider the cost of a disengaged workforce. The Carnegie Management Group has done the math. For every 100 employees 70% engaged as a group, it would take 116 at 60% to achieve the same results. For every 10% engagement is reduced, those additional 16 employees cost the organization over $452,000 a year – and that's at minimum wage! The financial impact of a disengaged workforce is significant.

So what does all this mean for employers in terms of keeping their workforce engaged?

For starters, don't bury your head in the sand. Understand that if you're responsible for motivating a workforce, you must continually work at it. Keeping your superstars fully engaged will become more challenging in the months ahead as the job market begins to open up, and they start getting calls from recruiters.

Spherion CEO Roy Krause believes the most important thing senior management can do in a post-recession environment is reignite passion for the company's mission. With the last year spent just trying to tread water, companies have diluted their strategies. "Now's the time to get back on point. Make sure everyone understands your mission.

EMPLOYERS' VIEW	EMPLOYEES' VIEW	% SATISFIED
1. Management Climate	**1.** Benefits	**34%**
2. Supervisor Relationship	**2.** Financial Compensation	**26%**
3. Culture/Work Environment	**3.** Growth & Earnings Potential	**24%**
4. Benefits	**4.** Management Climate	**34%**
5. Financial Compensation	**5.** Time & Flexibility	**37%**
6. Growth & Earnings	**6.** Culture/Work Environment	**32%**
7. Time & Flexibility	**7.** Supervisor Relationship	**44%**
8. Training	**8.** Training	**25%**

Cash flow to support payroll, growth and much more

Staffing companies nationwide trust their financing needs to Wells Fargo Business Credit's Staffing Services Group, which includes recently-acquired Capital TempFunds. With over 20 years of experience, we understand staffing companies and their unique needs. We have developed customized accounts receivable financing programs to address those needs, providing staffing companies with capital to support payroll, growth, seasonal sales cycles and much more.

Below are a few examples of staffing companies we have recently supported.

Light Industrial Staffing Company
California
$42,000,000
Accounts receivable financing facility
Refinancing

Temporary Staffing Company
New York
$9,000,000
Accounts receivable financing facility
Payroll Funding

Aviation Staffing Company
Wisconsin
$12,000,000
Accounts receivable financing facility
Acquisition Financing

Temporary Staffing Company
Texas
$3,000,000
Accounts receivable financing facility
Refinancing

Financial Services Staffing Company
California
$120,000,000
Accounts receivable financing facility
Refinancing

Construction Staffing Company
California
$48,000,000
Accounts receivable financing facility
Growth Financing

Contact us today for more information about how we can customize a financial solution for your staffing company.

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Together we'll go far

ARE YOUR EMPLOYEES ENGAGED? OR **JUST REALLY GOOD ACTORS?**

> People want to know they're not stuck in dead-end jobs.

Do you want to be the lowest cost provider or a value-added solutions firm?" When people understand where the organization is headed, they're likely to be more engaged.

But it doesn't stop there. The continuous care and feeding of employees is critical to maximizing engagement. Krause believes supporting growth and earnings potential for employees at all levels in the organization is where employers should focus. And that requires a concerted effort on the part of management to consciously create visibility across the company to opportunities available to all employees – whether they want to move up the org chart or simply be the most respected subject matter expert in the company in their current role. "We've worked hard to highlight career progression beyond just the producer community. Spherion is leveraging past Pinnacle Award winners to identify those with critical skills (in both production and support roles), and we've developed creative ways to highlight their expertise across the company." Krause believes initiatives like this have increased engagement throughout the organization as people have come to understand at an individual level how the company supports their personal goals.

Looking for a roadmap? Here are eight specific actions to take to raise the level of engagement and mitigate the risk of defection of your team after the recession:

1. Sincerely thank your employees for their contributions in pulling the company through tough times. This seems so obvious, yet so many managers forget to consistently acknowledge the efforts of their team.

2. If your employee benefits program isn't competitive, find ways to make it more attractive. You may not be able to reduce their out-of-pocket expense for healthcare, but can you afford to give your staff a little extra paid time off? You'll be surprised how much mileage you can get out of giving everyone a day off with pay.

3. Conduct a salary survey to ensure your firm's wages are competitive. This is critical if you've executed across-the-board wage cuts over the last year. People have a long memory when it comes to adjustments in their pay. You may need to allocate a portion of the 2010 budget to enhancing compensation for your existing team. Consider engaging a third party to assist you with this process or, at the very least, do some research online through sources like Salary.com.

4. Be open to flexible work arrangements. Don't allow your employees to telecommute because you think people who work from home goof off all day? Relax. In a 2009 study of its 2,000-employee workforce, Cisco found its telecommuters experienced a significant increase in work/life flexibility, productivity and overall satisfaction as a result of their work arrangement. The study also validated that these arrangements drive efficiency, with an estimated annual savings of $277 million to the organization. Happy, productive employees and a lower cost structure. What's not to like?

5. Find creative ways to recognize and reward your workforce. This can be as simple as putting someone's name in lights for a specific accomplishment by sending a company-wide email. And if you can free up some dollars to take everyone out to dinner, or perhaps sponsor a fun team-building activity, get this on the calendar as well.

6. Start investing in top performers. Studies show managers often neglect the care and feeding of their top performers, assuming since they're doing well, they don't need or want training or coaching. But surveys show employees want to feel invested in, not neglected. What makes this action even more urgent are the results from a brand new study, The 2009/2010 U.S. Strategic Rewards Survey, by Watson Wyatt and WorldatWork, revealed that employee engagement levels for all workers at the surveyed companies dropped 9% since last year – but the number was nearly 25% for top performers. *That means up to a quarter of your best employees could be seriously disengaged.* Now's the time to get close to your "A" players – or the competition will!

7. Stop beating up your sales team. A small change in approach, from "make the numbers or else" to "I want you to be successful" can resonate in an entirely different way with sales reps. Be a motivator, not a dictator. Let them know you look forward to rewarding them with generous commissions as the economy improves.

8. Be open about new positions you anticipate creating as business improves. People want to know they're not stuck in dead-end jobs. If they believe a promotion may be on the horizon, they're more likely to stay.

The most frustrating thing about great employees who leave for greener pastures is that we often have no idea they've been disengaged. Part of what makes them great is that they're "low maintenance." They really are good actors, so we're blindsided when one day they come in to our offices and tell us they're leaving. As the saying goes, the best offense is a good defense. Take proactive steps now to foster high engagement among employees in your organization, and avoid losing your precious talent to the competition as the economic tide turns. SI

Managing Partner **Amy Bingham** of Bingham Consulting Professionals (BCP) brings over 15 years of sales expertise to the firm with a concentration in advisory services, sales training and performance coaching. Over the course of her career, Bingham has received multiple awards for exceeding sales targets, and was one of seven elite performers among hundreds of executives recognized by a multibillion dollar staffing organization for producing exceptional results over time. You can reach her at: abingham@binghamcp.com.