2016 FlexProfessionals' Staffing Survey
Survey Results

FlexProfessionals conducted a survey of our clients during the second quarter of 2016 to better understand the staffing challenges small businesses face and the techniques and strategies they use to recruit, screen and hire employees within limited budgets. The results of the survey are below.

Survey Participants
Companies that completed the survey:
- Ranged from 6 to 40 years in business. The average number of years in business was 24 and the median was 30.
- Ranged in number of employees from 3 to 800. The average number of employees was 13 and the median was 13.5.
- Industries included 15% technology, 15% financial services, 15% government contracting, 15% non-profit and 40% other services companies.

Who manages the HR function?
Only 20% of companies surveyed had a dedicated HR manager. In the majority (60%) of companies, management other than HR (including owner, C-level or functional manager) were handling HR. Only 15% of companies delegated the HR function to office managers or equivalent.

Biggest hiring challenges:
The top three challenges that respondents faced in their hiring practices, in order of significance, were:
1. Finding qualified candidates.
2. Prioritizing and allocating time to focus on the hiring process.
3. Finding candidates who fit the company's culture.

Almost 80% of companies surveyed found that finding qualified candidates was either "very challenging" or "challenging." Almost 60% of companies struggled with finding time to focus on the hiring process. Few companies found retaining or compensating employees top challenges.

RECRUITING

Best recruiting resources:
The most used recruiting resources cited by companies surveyed were:
- Referrals from employees or professional networks
- Job boards
- Staffing or recruiting firms
- Posting on company's website

Very few companies used job fairs, social media (except LinkedIn) or campus recruiting.

The recruiting resources that companies found most effective, in order of value, were:
1. Staffing or recruiting firms
2. Referrals from employees or professionals networks
3. Job boards

The top two job boards recommended by respondents were:
- Indeed (top)
- Monster

Other job boards mentioned included: Craigslist, Glass Door, Stack Overflow, Idealist, Clearancejobs and Dice.

Companies cited using recruiting and staffing firms primarily when a position requires specialized skills or experience, they are having a hard time filling the position or the position is temporary or needs to be filled quickly.

How companies differentiate themselves in the minds of candidates:
Overwhelmingly, the top ways in which companies sold themselves to prospective candidates were growth opportunities, flexibility / work-life balance and a supportive, team-oriented culture. Technology companies could also attract candidates with cutting-edge technologies. Compensation and benefits were hardly mentioned.

Best advice for small businesses with respect to RECRUITING candidates:
Most respondents offered advice on how to gain efficiencies in the recruiting process since it is time consuming for small companies and takes owners' or managers' attention away from running and growing a business. Advice mentioned frequently by respondents included:

- Recruiting should be a continuous activity and not one that happens only when a position needs to be filled. Always be recruiting and networking and building a pipeline of prospective employees.

- Using a staffing firm to help recruit, pre-screen and vet candidates saves significant time and energy and allows company management to focus on top candidates and the ultimate hiring decisions.

- Make sure you are clear on what role you are hiring for before you start spending time and money on recruiting and screening candidates.

- Cultural fit is critical. Skills can be taught but culture can't. Really know your culture and evaluate the fit.

- Don't compromise on values, professionalism or other critical characteristics to save money.

- Make sure you know and can differentiate your company in the eyes of prospective candidates.

- When you are first growing, find candidates who can wear multiple hats and perform a variety of tasks to help grow the company.

SCREENING

Screening tools:
Phone and in-person interviews were the primary screening tools used by most companies surveyed, although only 75% of companies said they "always" did an in-person interview. Reference checking was also a popular screening tool with over 80% of companies responding that they conducted reference checks "often" or "always."

Less than half of the companies surveyed used more extensive and effective screening tools such as:
- Panel or group interviews – only 30% of companies responded "often" or "always."
- Criminal background checks – only 50% of companies responded "often" or "always."
- Education/Employment verification – only 45% of companies responded "often" or "always."

Favorite or must-ask interview question:
Here are some favorite interview questions our respondents shared:
- Describe what would differentiate you from other candidates in terms of being a success in this position.
- If I called your boss, reference or colleague how would he/she describe you and what would he/she say are your top strengths? What would he/she say you need to improve or continue developing?
- What is the single biggest lesson you have learned (professionally or personally)?
- What type of work do you find the most fun to do?
- What are you (the candidate) looking for in your next job?

- What would make you want to leave this position?
- What would you do if you didn't have to work for money?
- If you were stuck on an island what book would you want?

Screening tests (skills, aptitude or personality):
These tests were recommended by respondents:
- DISC Profile (most mentioned) - https://www.discprofile.com/
- Total Testing - http://www.totaltesting.com/
- Devine Inventory - https://www.devinegroup.com/
- Proprietary tests developed by company itself

Best piece of advice for small businesses with respect to SCREENING candidates?
Respondents recognized the importance of a well-designed and thorough process for efficiently screening and selecting the right employees. Specific advice mentioned by respondents included:

- Be thorough. You need to have a process and follow it and don't skip steps.

- Leverage tools such as an applicant tracking systems to help you weed through resumes online quickly.

- Phone interview first and weed through the "no gos." Or have someone else such as a recruiting firm perform the initial screening so that you can concentrate on the top candidates and not have to waste your time with the initial screening process.

- Have multiple people with different perspectives interview the candidate.

- Ask hard questions, and technical skill-based questions, not leading questions.

- Listen carefully to candidates' responses. If they are so flexible and accommodating in ALL areas perhaps they haven't identified what kind of opportunity they really want. The job they are applying for may not be the right fit for them, or you.

- Check social media.

- Go with your instincts and trust your character judgement. Skills and knowledge can be taught - attitudes cannot. A gut check is a very good indicator. Trust it.

- Take the time to screen fully all prospective candidates. It's worth the investment to protect your business and its reputation from making a poor hire.

- Everyone you hire represents you and your company. Consider they can potentially become the face of your company within their sphere of influence. In a very social media laden world everyone who works for you presents an image of your company, for better or worse.

- If possible, screen and test candidates for the most critical part of the job. For example, our receptionists have to follow a series of instructions and leave a voice mail message on our interview line in order to be considered for the position.

WORK STRUCTURES

Work structure usage:
Companies surveyed used a number of non-traditional work structures including:
- 91% of respondents use part-time "some" or to a "great extent."
- 75% of respondents allow employees to work virtually.
- Very few respondents reported using job sharing or outsourced firms.
- Some respondents used staffing models where 100% of positions were part-time.

Part-time positions:
Positions most often filled with part-time resources were:

- Back-office administrative positions including administrative assistant, executive assistant, office manager and front desk support
- Accounting positions including bookkeeper, junior and senior-level accountant or controller
- Web support positions including web designer, graphic artist, writer and video support
- Marketing and business development positions