



Reduce Hiring Headaches with Contracting

There are a lot of cost considerations involved with hiring workers on a direct-hire basis. That's because doing so represents a rather large investment of time, money, resources, and energy. Those can often add up to what amounts to a "hiring headache," especially during times of economic uncertainty like these.

However, when you hire candidates on a contract basis instead, you effectively eliminate many, if not **all**, of these headaches. This can most certainly be the case when a back-office service provider acts as the W-2 employer for the contractor, assuming all of the responsibilities and liabilities associated with doing so. As a result, you benefit from what the candidate brings to the table in terms of talent and ability, but don't have to deal with any of the administrative or legal hassles involved with a full-time hire.

Below are the primary ways in which you avoid those hassles.

Reduce benefit administration:

- Employee benefits are managed and maintained by the back-office service provider.
- There are no administrative hassles related to full-time employee staff.
- There's no need to stay current on government benefit regulations for contingent workers.
- Contract employees are not entitled to the same benefits as your full-time staff.

Reduce employer liability:

- No concerns over general, automobile, excess, workers' compensation, or professional liability insurance implications.
- You can outsource employee bonding and forgery liability insurance premiums.
- The back-office service provider is the legal employer, providing decreased exposure.

Reduce unemployment exposure:

- Since you aren't the employer, you assume no obligation to pay unemployment insurance premiums.
- The back-office service provider handles all claims processing.
- You can contain your cost ("experience rate") of unemployment claims.

Reduce workers' compensation exposure:

- There are no administrative expenses related to workers' compensation management.
- The back-office service provider handles all injury claims from its contractors.



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- You can contain your cost (“experience modification percentage”) of workers’ compensation claims.
- Since you’re not the employer, you assume no obligation to pay workers’ compensation insurance premiums.

Minimize human resource headaches:

- You can outsource your staffing requirements to avoid having to expand your administrative support personnel.
- Daily problem resolution is handled by the back-office service provider.

When you work with a recruiter who utilizes such a back-officer service provider, you add more flexibility, more control, and more options to your workforce planning initiatives. You can hire the best available talent quickly, meet looming deadlines, and finish important projects in a timely fashion. In other words, you’ll receive a large return on the small investment you make. [Firm name here] uses Top Echelon Contracting, the recruiter’s back-office solution since 1992, as its service provider. Our recruiting experience, combined with TEC’s status as a leader in the contracting industry, means that we can address any staffing challenge you might be facing—from direct hire to contracting to temp-to-direct.

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