Easy Ways to Make Sourcing More Efficient

With the labor market becoming tighter, finding all star talent has become more and more difficult. In today's labor market, there are less people overall to select from and those who are looking for new opportunities may not necessarily meet the criteria your organization requires. While this may be frustrating at times, VectorVMS has four easy tips that can help you source and retain talent easier.
Between the start of the Great Recession in 2008 and May of 2017, the unemployment rate decreased from 10.2% to 4.3%. This decrease has led to a substantial change in the structure of our workforce, creating a momentous shift from the traditional labor model of working full time at one organization, to more flexible working models where workers stay with a company for one to two years. Currently, 45% of workers enter the workforce knowing they will stay at that job for less than two years. As the stigma of job-hopping continues to be minimized, workers will look to advance in other locations which only makes staffing increasingly more difficult.

The composition of workers in the labor market continues to evolve as well. While Millennials continue to enter the workforce, Baby Boomers are exiting in large quantities. It estimated by the year 2030 that all the Baby Boomers will be removed from the workforce. Currently 10,000 baby boomers retire every day. This has two major effects on our workforce. First, it changes the structure of the workforce as millennials are more inclined to take contingent positions that provide them with greater flexibility. Second, it is creating a skill gap that continues to grow between the Baby Boomers who held STEM (Science, Technology, Engineering or Mathematics) positions that the millennials have not been able to fill. The loss of the knowledge of the Baby Boomers and the skill gap that arises from generation changes can make sourcing for open positions no easy task.

Now more than ever it is time to get creative with your contingent sourcing solutions to not only bring in the best talent but to retain the talent that enters your program. While the labor market is squeezed to find the talent they need, workers know that they are of high value and it is important to create an environment that encourages them to stay and will also attract new high-quality talent that is available.
1. Tap into Existing Talent; Create Talent Pools

You may be asking yourself what is the best way to create a talent pool? To successfully create a talent pool for yourself we recommend that you maintain a controlled source for managing your contingent workforce. While some contingent labor programs can do this through spreadsheets, most are turning to vendor management systems to do the heavy lifting that provides an organization with the visibility they need to make informed business decisions. Talent pools can be created on the engagement level of the workers that have executed work for you in the past with good track records, or at the candidate level of when they are submitted, tagging them into a talent pool for positions they may be considered for in the future. Either way you are not only making sourcing quicker by looking at existing talent but you are also saving money. Most vendors receive a much lower mark up for pre-identified candidates so your cost to use a proven resource decreases as well.

You have already invested the time and resources to source for the position once, why expend that time and energy again? If you are keeping metrics around your program and have visibility into your workforce it is easy to create a talent pool for yourself. This allows you to look at workers that have done a satisfactory job in the past and give them the first opportunity to accept a new position that has become available. By creating a talent pool, you will be confident that the contingent position is filled by someone who is reliable, who has already done a great job for you in the past, and who is not a flight risk that will force you to start the sourcing process all over again.
2. Utilize Your Retired Workers

With the skill gap growing wider a logical way to bridge this gap is to place retired workers into a labor pool where they can return on a contingent basis. This is a great way to bring new workers in and have them be trained by the workers who are experts in the industry. We have seen many organizations adopt this model and their retired workers are happy to work flexible hours on their own time to provide expertise to the newer generation of workers.

Retired workers can be a great source of knowledge for new workers, but they can also be brought back for specific projects as well. Currently 30% of workers in the gig economy are in the baby boomer generation, and these workers are looking to continue to bring in revenue to their household but in a much slower and self-controlled work environment. According to Monster many retired workers are happy to come back and work a 40-hour week to complete work on a project that may take twice the time if a less experienced employee completed it. That way you are both happy, the retired worker gets that flexible work schedule and you get a project completed in less time.

By utilizing your retired worker population as well as referrals from your retired workers, it becomes much easier to source for positions that may have been lost in the current skill gap between generations. These workers can be brought back on a project basis, and will again save your organization money by utilizing a known resource rather than going out and sourcing a brand-new candidate who may or may not be qualified.

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3. Create a Candidate Experience that Encourages Retention

To retain candidates, you must make their experience with your organization as pleasant as possible, and this starts at the requisition level. With the shortage of talent in a tight labor market it is crucial that you stay on top of the requisition process and ensure that candidates are being sourced in a timely manner. By automating the contingent labor process, many companies have been able to decrease their time to fill substantially utilizing a single source of record for everything classified as contingent labor.

For a candidate to have a positive experience once they are being considered they need steady communication. 58% of candidates today indicate that the main reason they had a negative experience with a company is the lack of communication they receive on the status of their application. By having a sole source of record that can alert your company that they have tasks open and that can distribute communication directly to the vendor/candidate, everyone is aware of where the candidate application stands. With timely reporting you can also pinpoint where process slowdowns are and address them to improve the candidate experience.

Once the candidate is onboarded it is key that you have a record of the resources they are going to need and you are prepared for their first day. Nothing is worse than showing up on your first day to twiddle your thumbs because your hardware was not set up. Using onboarding triggers in your vendor management system will automatically distribute this information to ensure your candidates have a great first day. Along with a great onboarding experience, contractors just want to fit in. Sixty percent of contractors indicate that a positive experience stems from fitting in with the culture. Overall, creating a positive onboarding experience and a welcoming environment will make a worker more inclined to return making your sourcing experience a little bit easier.
4. Try Out Multiple Sourcing Avenues

While many contingent labor programs stick to sending requisitions to vendors through a vendor management software, others are starting to get creative on their sourcing avenues. The technological advancement in talent acquisition continues to flourish but has yet to be used to its full capacity. A current strategy that we see some of our customers using is an integration between their ATS and the VMS. This allows them to push their contingent requisitions out through multiple sourcing avenues. Not only are requisitions sent to your vendors, they are being distributed through your full-time channels as well. Whether this is through third party sites like LinkedIn, Monster, and Glassdoor or through your own company landing page, you are now getting corporate branding over your contingent requisitions. With these increased channels of requisition posting and distribution comes increased candidate applications and submittals simply because of increased requisition visibility.

Service procurement modules have also become a hot topic over the past couple of years. This system will allow you to create project based requisitions to distribute and pay on a milestone basis rather than an hourly contingent basis. Most vendor management systems will house both modules, which will allow you to look back at the workers you have used in a service procurement module and utilize them again on the contingent side later on down the road if they were a good fit.

Other players have emerged in the talent acquisition space as well. The most notable is the Freelance Management System (FMS). FMS technology is on the rise and can help if you have a large demand for independent contractors. Some organizations have now created an integration between their FMS and VMS to help them expand the reach of their requisitions and make their sourcing more productive. Some of the leading FMS systems have over 12 Million contractors in their database ready to be utilized so it may be worth expanding your sourcing avenues to make sourcing easier.
About VectorVMS
VectorVMS delivers software and services to help businesses optimize their contingent workforce programs. Drawing on 20 years of experience, we help clients and MSP partners control costs, maintain compliance, and drive quality and efficiency throughout the contingent labor lifecycle. VectorVMS is a part of Learning Technologies Group plc (LTG). For more, visit vectorvms.com.

Contact Us
Find out how VectorVMS solutions can help you control costs, maintain compliance, and drive quality and efficiency throughout your contingent workforce program.

info@VectorVMS.com
+1 877 820 4400 | +44 (0) 207 832 3440 (outside U.S.)