



STAFFING INDUSTRY STEPS UP TO THE CHALLENGE OF COVID-19

Keeping clients agile by ensuring
quality staffing needs





Economic Impact (In Australia)

“COVID-19 has negatively affected the Australian and New Zealand economies by disrupting consumer demand and business supply. Consumer sentiment has deteriorated significantly, weakening demand across most industries. Households have scaled back discretionary spending due to fears relating to rising unemployment and economic uncertainty. Many businesses have abandoned or postponed investment in new productive capacity to retain cash and provide a liquidity buffer to survive the COVID-19 pandemic. Supply chain disruptions in Australia and New Zealand, and in foreign markets have also hindered business activity, further dampening economic growth.” - Ibisworld 2020



In Australia, whilst employment in industries such as air travel, recreation and personal services, hospitality, and property and business services have been hit especially hard by COVID-19, there are still other industries that have performed strongly. These include the Public Sector, Mining & Mining Services, FMCG and Supply Chain.

THE IMPACT HAS BEEN SIMILAR IN OTHER PARTS OF THE WORLD TOO

Recently, **RGF Staffing** conducted some research to gather information about the impact of COVID-19 on employers and their relationship with the staffing market. Of course, staffing issues have come to light during the time period of the pandemic due to government mandated restrictions in many areas and businesses.

For some companies, we found that demand dropped significantly at the start of the pandemic but have returned to normal levels. For others, demand and supply chain fluctuations have proven difficult such as situations where they have had to lay off staff, yet sometimes rehire them to meet their changing needs. For hiring managers, this means that a great level of flexibility is required.

“The hardest thing for me and all of the management staff has been trying to negotiate our orders - when they’re coming in, when they’re dropping. One week we’ll have full orders, and we bring everybody back. And then two weeks later they may be having problems from other suppliers, so then they’re not making parts. It’s been a real roller coaster.”- HR Manager, Automotive Parts

Part of the fluctuation in staffing and recruitment is because the pandemic has affected job roles differently. In the short term, employers expect to see transportation and information technology roles have the highest net increase, while sales, management, and accounting roles are expected to see the highest net decline.



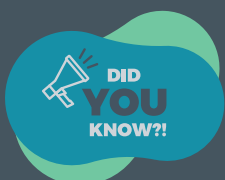
WHO IS RGF STAFFING?



Chandler Macleod Group is part of RGF Staffing, the world's largest network of staffing companies, which stretches across four continents and provides work for around 300,000 people every single day.

RGF Staffing includes strong local brands such as Chandler Macleod Group, Staffmark Group and The CSI Companies. Our local experts are backed up by a global network of industry experts and benefit from family connections with leading pioneers such as Indeed and Glassdoor.

RGF Staffing is part of Recruit Holdings Co., Ltd. For further information please visit rgfstaffing.com.



Assessment is at the core of everything we do. **Chandler Macleod People Insights team** combines the power of psychometric assessment and organisational diagnostics to unleash the potential of individuals, teams, and organisations. Knowing whether you have the right people for the job, have the right culture and whether everything combines to produce engaged employees and satisfied customers is key to organisational success. Our core purpose and mission is to empower people to live their best work lives.



WHERE CAN STAFFING AGENCIES HELP?

While the makeup of the workforce has generally remained stable, COVID-19 has impacted hiring needs differently. This volatility is expected to last for the short-term future:

43% expect to see a continued impact of the COVID-19 pandemic on their organisation for the next 6 to 12 months.

CREATING AN AGILE HIRING PROCESS

Our staffing agencies are playing a significant role in helping clients become more agile, as employers still need employees to meet business goals. The current environment simply means that hiring managers must be creative and strategic in finding them.

Many companies are seeing an increased need for contingent-to-perm placement candidates to help meet their changing staffing needs. Nearly half of employers in our survey (48%) expect to use a staffing agency to fill those contingent-to-perm placement roles after the pandemic (which is up from prior to the pandemic).

Employers are depending on staffing agencies like us to deliver quality leads and quickly meet their staffing needs during this confusing time. Throughout the pandemic, hiring managers continue to use our staffing businesses to fill temporary positions. They still rely on us to recruit candidates, perform background checks and drug screening, conduct interviews, and qualify candidates for the work.

"[Staffing agencies are] an extremely important partner for us. I send an email to my contacts and I tell them, 'Hey, I need one order picker, I need one reach truck operator second shift.' I send a description of those four or five positions that we have, what types of equipment they'll be operating, and then how many people we need for that position. They provide all the recruiting, drug screen background, and prep for the associates to come out." – Distribution Manager, Electrical Supplies

QUALITY AND SPEED OF DELIVERY ARE PERCEIVED AS HIGHLY IMPORTANT

The research demonstrates that the pandemic has not changed the fact that employers place a high value on quality from the staffing agencies they work with—both the quality of candidates and the quality of services. [Graph 9]

Graph 9: Top 2 staffing agency services employers' value



High quality service and attention to our staffing needs



Provision of high-quality employees

(Source: Customer Needs Survey PPT, slide 28)

"If there is one thing that I could tell staffing agencies, 'If you're going to send me candidates, I don't think you can stress enough to your candidate that I need somebody that I can rely on that's punctual and that's going to be here.'" - Tech Support Manager, Manufacturing

"Quality of talent is very, very important at a competitive rate. That's one of the major things that we look for from an agency." - Category Manager, Tools Manufacturer

Whilst quality is always a priority for our staffing companies to fulfil, there is a fine balance between cost, quality, speed and flexibility. They are all considered and interrelated during the hiring process. However, where only one of these factors is considered a high priority, other factors may dwindle. For example, a fast hire, may not always bring the highest quality candidate. Staffing companies' role in this circumstance is to manage expectations and deliver an all-round service that fulfills all the client's needs in relation to cost, quality, speed and flexibility.

ADAPTATION OF RECRUITMENT SERVICES IS A KEY BENEFIT

To relieve pressure from companies hiring during COVID-19 and ensure their agility, we too had to become more agile. Our staffing agencies quickly adapted to a world where remote work was the norm. This meant taking regular recruitment practices such as interviews and assessments and making them 100% digital.

The key adaptations made during COVID-19 that are improving the recruitment process and making hiring quality candidates possible, include:

THE RISE OF VIDEO-INTERVIEWING

Since January, Chandler Macleod has invested heavily in conducting more and more interviews via the Spark Hire video interview platform, which includes one-way and Live Video Interviewing options. This streamlines candidate screening, allows for personalisation for each job role, creates a consistent environment for interviews, is convenient and flexible, and makes it possible to receive feedback quicker than usual.

CONTACTLESS RECRUITMENT

Chandler Macleod have developed a contactless recruitment methodology to support our clients in these uncharted waters during their recruitment and selection processes. Our unique service offering includes:

- The above-mentioned video interviewing platform
- Work from home specific psychometric testing assessing a candidate's predisposition to effectively work remotely
- Training webinars for hiring managers on appropriate language to avoid discrimination allegation
- Remote scribing for video panel interviews
- Unbundled shortlisting or reference checking such as assistance with part of the recruitment process, either strategic sourcing or volume recruitment
- Payroll services for client referred contractors

A HEAVIER FOCUS ON PSYCHOMETRIC ASSESSMENTS

Because assessments can be conducted remotely, they complement the need for less face-to-face interaction in the recruitment process, whilst also adding value in determining personality and cognitive factors to find the best match for the company and role.

Considerable research has shown that modern psychometric assessment is amongst the most valid predictors of future job

performance. When organisations hire for cultural fit; employees experience greater job satisfaction, perform better and have greater commitment to the organisation, leading to longer tenure.

Personality tests are helpful to measure integrity and reduce counterproductive work behaviours, such as frequent conflict, theft, or excessive absenteeism.

Cognitive ability tests are an excellent predictor of job-related learning provided they are calibrated to specific jobs to be performed. When used in conjunction with Structured Interviews and Reference Checks the predictability of candidate performance is optimized.

VIRTUAL ASSESSMENT CENTRES

As we all know, large crowds during the pandemic were not permitted, and remain very controlled. Yet, Assessment Centre's where candidates and assessors once met face-to-face are still the best way of reliably assessing candidates. Whilst social distancing has been a drawback to physically attend such events, there is some good news!

Technologies for Virtual Assessment Centre's have come a very long way. We now have the capability to administer and assess virtual technical exercises, interviews and even group activities by joining remotely dialled-in candidates. Evaluation forms are completed via integrated software and shared with a facilitator to ensure parsing of results is seamless and available instantly.

USE OF SAFETY PSYCHOMETRICS IN INDUSTRIAL ENVIRONMENTS

Safety psychometric assessments are relatively inexpensive and are a well validated method of assessing safety attitudes to predict the likelihood of a candidate being injured or involved in an incident at work. Many assessments are completed online and are quick to administer, taking as little as twenty minutes to complete.

An accurate assessment of a candidate's safety mindset during recruitment can reduce the likelihood of that person being injured at work or engaging in unsafe work practices. We utilise safety assessments to assist our clients and ensure BestFit candidates are identified. Safety assessments can also be used to identify key areas to develop in current employees.



OTHER MAJOR BENEFITS OF USING A STAFFING COMPANY DURING OR AFTER THE PANDEMIC

- Companies can avoid risking the wrong hire, delays in hiring, and long-term commitments of adding staff to their payroll. All of which cost money and time. Hiring contract staff does not require a long-term financial commitment.
- Utilizing short-term contractors allows companies to seize opportunities right now and avoid a costly, long-term commitment. Contractors can alleviate extra work from full-time employees and/or fill in the gaps caused by unforeseen layoffs.

Chandler Macleod CEO, Peter Acheson, expresses his highlight of the year of 2020, ensuring that people within the business are recognised for their incredible adaption this year.

“For me, the highlight of 2020 has to be our People. The resilience and the adaptability that they have shown throughout 2020.

We were all thrown a massive curve ball in March when COVID-19 hit and everyone had to respond to the crisis, move our business to a work from home mode and respond to the challenges the crisis was creating for our clients, candidates and our community. The people of Chandler Macleod have responded brilliantly.

But not only did they respond to the crisis focussing on delivering great outcomes for our clients and our community, but they responded by renewing our sense of purpose and with great passion. I am extremely proud of what we've been able to achieve together.”

DIVERSITY AND INCLUSION REMAIN A SIGNIFICANT FACTOR

Although diversity goals are always expected in delivery of services, through the pandemic the importance of hiring a diverse workforce has remained.

Almost all the organisations surveyed (97%) cite diversity, inclusion and social responsibility as important, with 41% saying it is extremely important.

More than half (53%) expect their staffing agency to help find diverse candidates to meet their goals.

Whilst the pandemic caused many disruptions within businesses and it is easy to switch focus in times of challenge and change, it is significant and positive that this remains a key focus for organisations.

We can help by continuously focusing on these key goals, from looking for quality candidates to helping shape the workforce to be the most productive and positive work environment.



CONCLUSION

Overall, the staffing industry has been able to step up in a time of challenge and meet the changing needs of employers.

Whilst the strength of many industries has been tested during this pandemic, the way in which we hire has transformed and grown, leading to a prosperous future for the staffing market and the organisations we work with. The adaptations that have been implemented, through technology and reinvigoration of services, have been a silver lining for the staffing market during stressful times of COVID-19.

Our staffing businesses hope to keep up with the transitions that have been made and continue to innovate and find flexible solutions that will be effective during both excellent and challenging economic conditions.



ABOUT CHANDLER MACLEOD GROUP

Chandler Macleod Group provides a suite of talent solutions services. We offer these through a number of operating brands across various industries and throughout the Asia Pacific region. These services include casual and permanent recruitment, managed services, recruitment process outsourcing, management and organisational development, recruitment and human resource consulting, career transition, psychometric assessment, training and executive coaching.

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