



# Staffing Firm: Do You Have Too Many Candidates?

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**Y**ou probably have not been asked that question recently. In fact, in my more than 30 years in the staffing industry, I can only recall a handful of times when the balance between candidates and job orders left a large surplus of candidates and no place to send them. In the world of staffing, when demand exceeds supply, the need never becomes less important. **When staffing clients need skilled workers, they cannot afford to wait until things improve.** Every day that they are less than fully staffed is another day they face potential losses in sales and profits. On the other hand, if the supply of candidates exceeds demand, there is both a short-term and a long-term reaction. In a supply crisis, people looking for work will initially pursue all of their options. However, over time, many of those same people will realize that their efforts are not producing any results, so they may become discouraged and slow down or completely stop seeking employment.

The economic environment in the U.S. for staffing firms over the past several years has clearly been one where finding people seeking work has been next to impossible. Unemployment reached an all-time low of 3.5 percent (economists consider something in the range of 5 percent to be full employment). The stock market has soared repeatedly to new heights as consumer confidence grew and U.S. GDP continued to demonstrate economic growth. Those who remained in that 3.5 percent unemployed category either had

other means of living or did not have the necessary job skills to perform the jobs that remained unfilled.

Enter COVID-19. Its impact on the economy has been devastating. Millions of people have lost their jobs or have been furloughed with no idea of when (or if) they will return to work. For those who remain employed, many have had to accept pay reductions. Businesses saw their sales plummet overnight – in some cases 50 percent or more. Negative GDP growth, signaling a technical recession, is expected in the second quarter of the year. All of this has been a direct result of coronavirus and its ability to spread quickly and with deadly efficiency.

**This virus has reminded us of how we often find ourselves confronted with a problem we don't clearly understand and that we just don't have all of the answers to.** It has taken us from believing that it was an isolated outbreak in China, to one that was not transmitted from human to human, to one that was communicable but not much more troubling than the flu, to a full-blown pandemic. We first believed that the death toll in the U.S. would be overwhelming, but then new models told us the deaths would be minimal. The latest models put the deaths somewhere between the first two, but even then, the experts still do not agree.

But what do we know about all this? What can we be certain of? There is no doubt that the U.S., as with

other countries, will eventually emerge from this health crisis. We also know that our economy will, at some point, bend the curve upwards and begin to regain the ground that has been lost. I believe that this recovery will come quickly and dramatically in the second half of 2020. Unfortunately, most businesses will not be prepared for this economic surge and will wait too

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long to take the necessary steps to take advantage of it. The same will be true for staffing firms and the need they will suddenly face for workers. As companies get caught up in the recovery wave, they will find themselves in immediate need of additional skilled workers in order to keep up with the sudden demand for their goods or services. These companies will also quickly realize that when they call back all of the workers they furloughed, not all of them will return. With the huge demand for workers coming from all parts of the economy, workers will realize that they have choices – more than they have ever had.

So even though there will be millions of people unemployed and looking for work, the shift from the U.S. economy being effectively shut down to a chaotic return to consumerism will make it seem like we never left the days of 3.5 percent unemployment. It will still be necessary to work hard to engage with and get a commitment from the vast majority of those who are seeking opportunities. Many staffing firms will be caught off guard and will have to scramble to try and meet the demand from their staffing clients for workers. They will be forced to quickly react without a plan. However, forward-thinking staffing firms will be

prepared for this. They will have realized that in order to get the attention of the candidates who will be best suited for the jobs that need to be filled, they must:

- **Clearly identify the ideal candidates for each client.** This will require a detailed knowledge of the clients they serve and how those clients will be affected as the economic recovery begins.
- **Establish a unique employment brand.** The staffing companies that will take advantage of the intersection of supply and demand will spend time developing a clear and effective employment brand. Just as they have invested in their client-facing brand, they will realize that they must do the same thing for the recruiting side of the business.
- **Create a compelling message to the candidate audience.** Part of an effective employment brand is the message that the brand communicates. It is very important for a staffing firm to understand how to develop the correct message, one that will resonate with candidates.
- **Determine effective sources for brand and message visibility.** Having a well-crafted employment brand message without identifying where to communicate that message will guarantee failure. In fact, the message should be crafted for the medium used. For example, your social media message may be different than your print or display message.
- **Your internal team needs to convey consistent messaging.** Everyone representing your firm should speak and act with one consistent voice and that voice needs to be clearly directed by your brand. If your representatives are not consistent in how they communicate, your messaging strategy will quickly become fragmented and ineffective.

Better days are ahead. That we know for certain. By taking the proper steps now to prepare, your staffing firm can be one of the few that is ready to offer the best candidates for the right jobs.

*Villing+Company is a marketing communications firm providing recruitment marketing, branding, web development, advertising, design, social media planning and support to the staffing industry and other business sectors. Villing+Company is led by Jay Mattern, co-founder and former CEO of a large staffing firm, a three-time Staffing 100 recipient and a Certified Staffing Professional. He can be reached at [jay@villing.com](mailto:jay@villing.com).*