

CONTRACTOR SATISFACTION BAROMETER

2018

people



CEO VIEW



JASON MEDCALF
- People Pay

This is People Group's first Contractor Satisfaction Barometer.

Our aim is simple:

To uncover the key elements that drive contingent worker satisfaction and extract strategic insights.

The environment for recruitment agencies has never been more challenging. The legislative landscape around payroll and contingent workers is constantly shifting. While, the introduction of the Criminal Finances Act allows HM Revenue and Customs to retrospectively crack down on non-compliant agencies. Plus, there's a candidate shortage and end-hirers are tightening their belts.

This report reinforces the valuable role that agencies play in contingent talent. We were happy to see contractors highlight the value of their relationship with their recruiter and also how important it is that their agency has their best interests at heart.

Against this backdrop, it's essential that agencies are making the most of every candidate interaction. That they are delivering an experience that puts the candidate at its heart and that talented consultants are empowered to do what they do best.

There's a misconception that it's all about attraction. But most of the contractor experience happens after recruitment. On-boarding, compliance, payroll, rewards and benefits. All of these are hugely important to both contractors and hirers. It's our belief at People Group that the agencies who provide the best candidate experience will win.

CONTRACTOR VIEW



KAREN ILLSTON-BAGGS
- People Pay

This report gives you the unvarnished truth about what contractors really want from their agency. It's my job to support and take care of contractors and this validates what I hear every day.

If recruiters are to take one thing from this report it's this: Just because your contractor isn't complaining, that doesn't mean they're happy. Often, they don't complain. They just move. Agencies and recruiters need to constantly push themselves to provide a better experience. This report breaks you out of the bubble and shows you what it's like to work with you from a contractor's perspective.

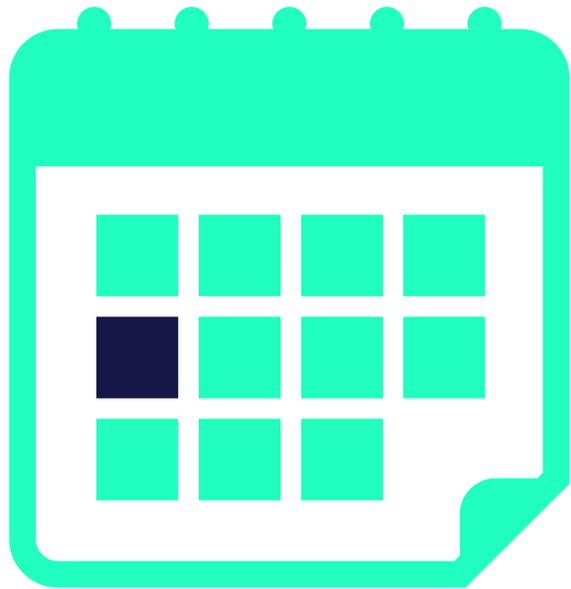
So, what did we learn? Well, my main takeout is that contractors really value the one-to-one service that they get from their recruiters. In our rush to automate processes and introduce new technology, we can't lose sight of the human connection. Technology can make our lives easier in so many ways. But it's there to enhance the relationship, not replace it.

This survey has reinforced my belief that our mission is more relevant than ever. The key to business success is creating a simple and rewarding experience for your contingent workers. Recruiters that are empowered by great tech are best placed to deliver it.

THE CONTRACTOR
LIFE



CONTRACTOR LIFE



45%

OF CONTRACTORS STAY MORE THAN TWO YEARS WITH A RECRUITMENT AGENCY

8% Less than 6 months
25% 6 - 12 months
22% 1 - 2 years

Why did you become a contractor?



How long have you been a contractor?



How many recruitment agencies have you used as a contracting



How long have you been with your current recruitment agency



INSIGHT

**IF YOU TAKE CARE OF
CONTRACTORS, THEY'LL
STICK WITH YOU.**

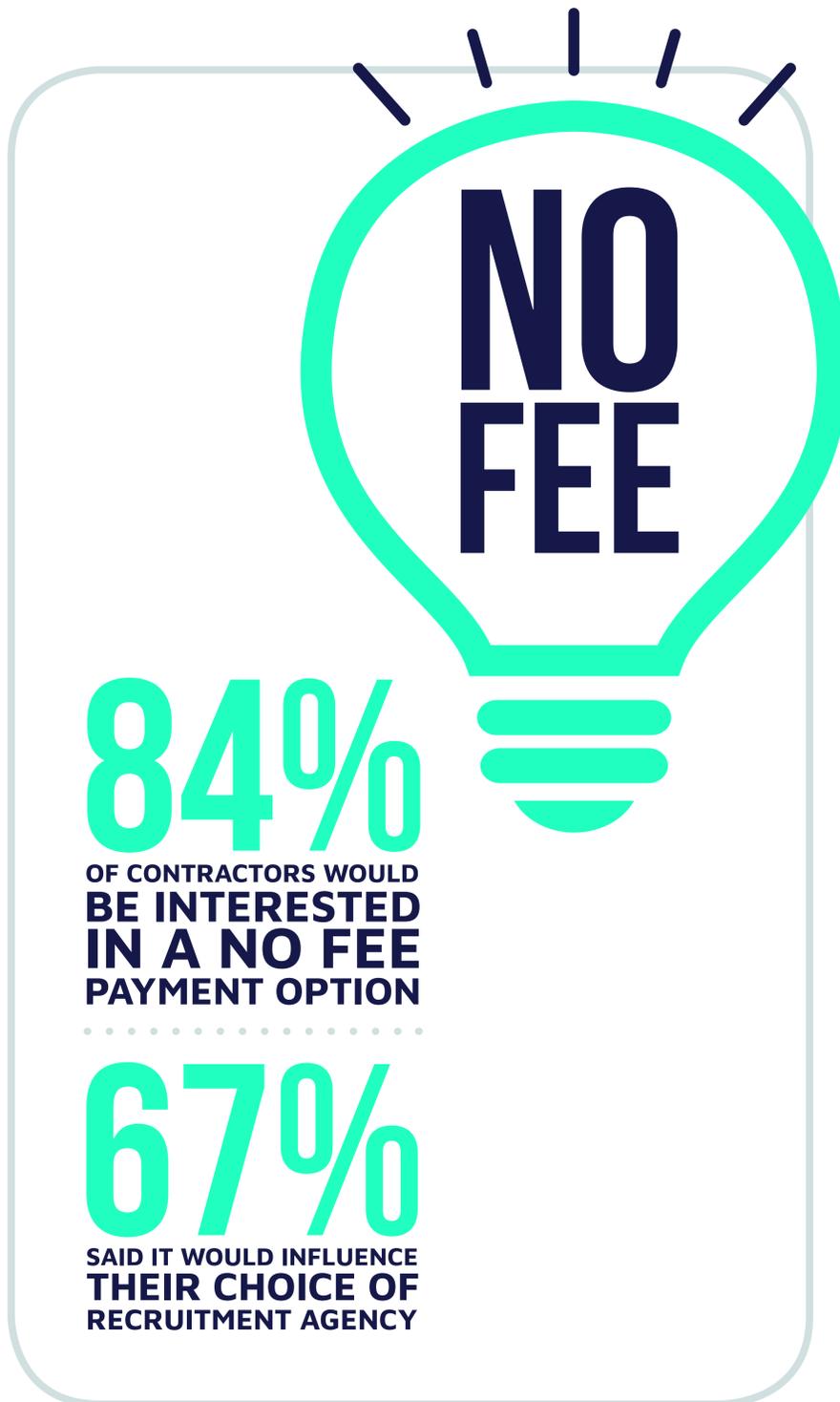
There's a perception that contractors move agencies on a whim. In our survey, nearly 50% of respondents had been with their agency for more than two years. So, candidate loyalty does exist. But you have to listen to what they want and deliver it.

A man with glasses and a white shirt is sitting at a desk with a laptop. He is holding a black wallet in his right hand and gesturing with his left hand. The entire image has a teal overlay. The text 'HOW CONTRACTORS ARE PAID' is written in white, bold, uppercase letters on the right side of the image.

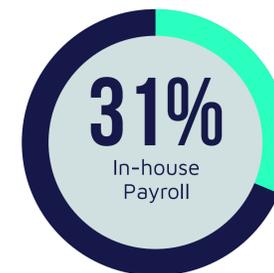
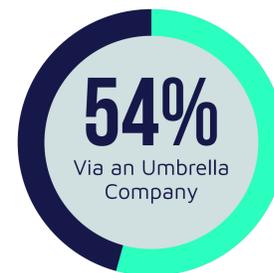
HOW CONTRACTORS ARE PAID



HOW CONTRACTORS ARE PAID



How does your agency pay you?



Were you offered different pay options?



If you were paid by an Umbrella Company did you get to choose which one?



YOUR PAYROLL. AN OPPORTUNITY OR A THREAT?

The majority of respondents are currently paid through Umbrella companies. Most didn't have a choice in that.

But, over 84% would be interested in a fee free, PAYE alternative and over 66% say this would influence their choice of recruitment agency.

This a classic example of a hidden opportunity. The desire for a better way is there. Agencies that act on it, can reap the rewards.

HOW CONTRACTORS **CHOOSE** THEIR AGENCY



HOW CONTRACTORS CHOOSE THEIR AGENCY



The agency has my best interests at heart



The agency offers me suitable opportunities



The agency provides rates that fit my skills



I have a good relationship with recruitment consultant



CONTRACTORS NEED TO FEEL LIKE THEIR AGENCY IS ON THEIR SIDE.

Most respondents put getting the best rates and opportunities at the top of their list. And you'd expect this, that's what an agency does. But the figure that really caught our eye was that **nearly 90% of contractors said that it was either important or very important to them that their agency had their best interests at heart.** This is an emotional driver and different from the practical things that we all expect from a good recruitment agency. We think trust is hugely important.

So, for example. If you pay your contractors through an Umbrella company, it might seem like a good idea to quote them the higher rate without the deductions. But when they get their payslip, that'll damage trust. Over 90% felt that their relationship with their consultant was key. So being honest and upfront about pay and deductions is important and could deliver the long-term contractor loyalty that all agencies need to grow successfully.

**CONTRACTOR
FRUSTRATIONS
ABOUT AGENCIES**

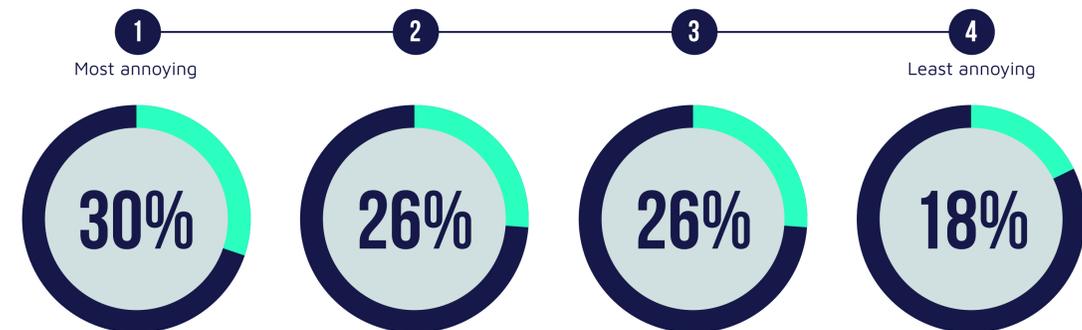


CONTRACTOR FRUSTRATIONS ABOUT AGENCIES

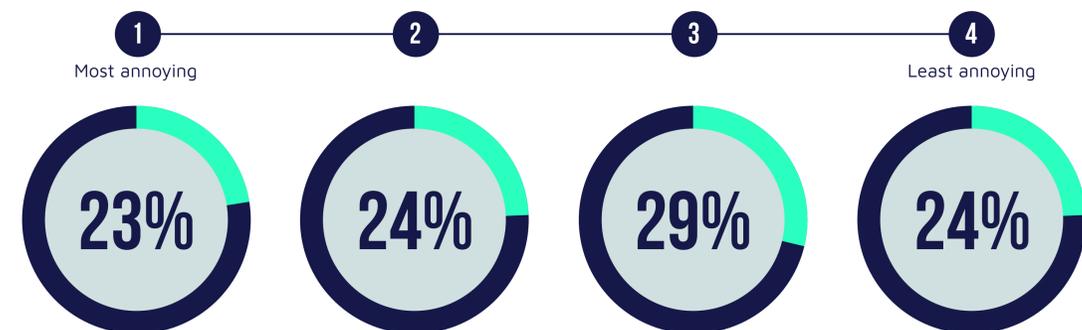


49%
OF CONTRACTORS SAY
POOR
RATES OF PAY
ARE A FRUSTRATION

Lack of personal service



Too much admin



STRAIGHT TALKING CONTRACTORS

“Too many
phone calls for
jobs I’m not
interested in”

“Agencies
require me
to submit
timesheets
every day or I
don’t get paid.
Terrible!
They know
what days I
have worked”

“Not having
one key
contact”

“Most recruitment
agencies treat me as
a number.
They discriminate and
also give preference
to their friends.
They contact me with
opportunities and then
never
contact me again”

“Constantly ringing
when I am at work”

“When an agency
doesn’t
listen
or take into
account expenses”

“The anonymity
which can lead to
wrong
postings”

CONTRACTORS WANT YOU TO MAKE WORK EASY.

The things that frustrate contractors are the same things that frustrate us all. Being treated like a number and bureaucratic paperwork puts the burden on the contractor. Pay is obviously hugely important but we think that's a given. Contractors want the best opportunities and rates of pay. This is hardly news. **Nearly 90% of the contractors surveyed said that they just wanted their agency to make life easy for them.**

These results demonstrated the diversity of things that contractors look for in their agency. They want the personal touch, but they don't want to be phoned too much. Consultants aren't psychic so how do they respond to this feedback?

Well, we think it comes down to consultants knowing their contractors and adapting to fit their preferences. There's no doubt that the relationship is important. And the more time they're focussing on that, the better they'll know their contractor's preferences. Everybody's different. When you have the time, you can really develop that understanding.

THE IMPORTANCE OF **EXTRAS**



THE IMPORTANCE OF EXTRAS

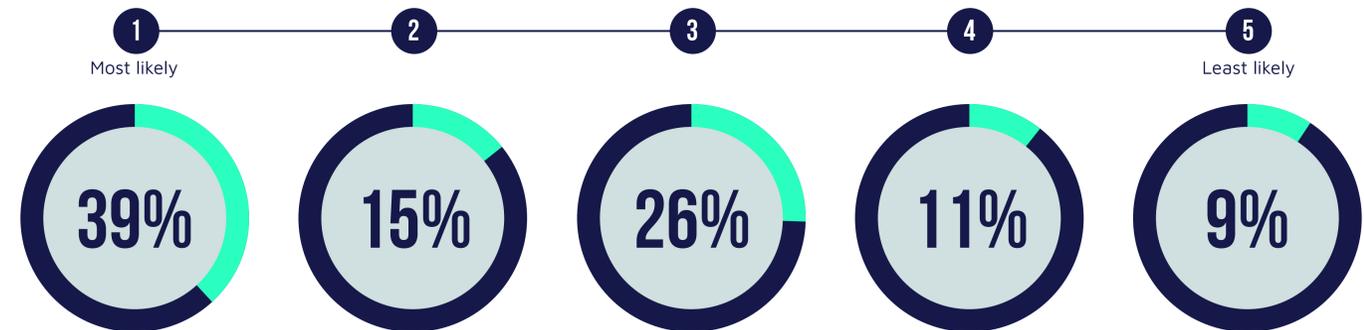


37%

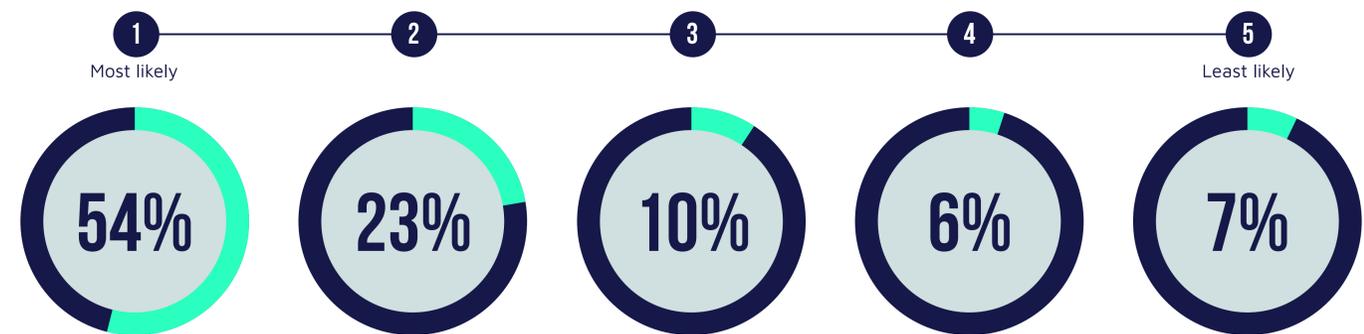
OF CONTRACTORS WOULD BE INFLUENCED BY AN EXTENSIVE EMPLOYEE **BENEFITS PACKAGE** WHEN MOVING AGENCIES

What would influence you to move agencies?

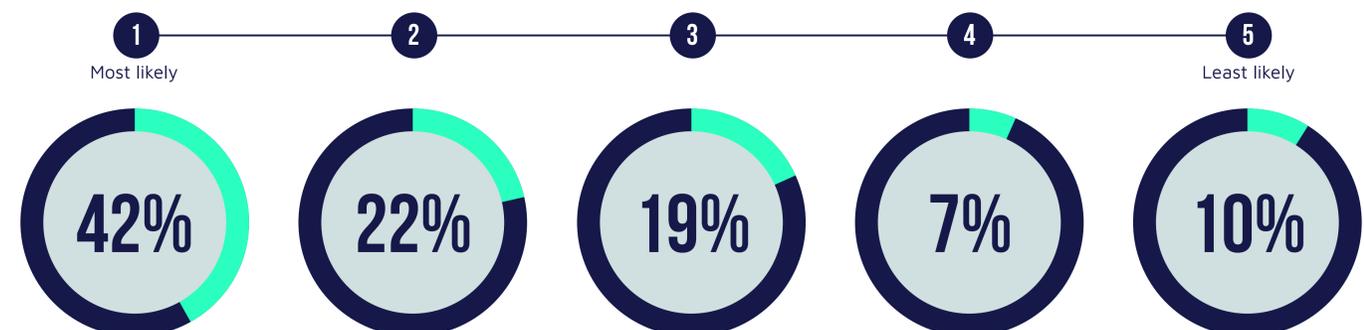
Greater statutory employment rights



More relevant opportunities



Increased number of assignments



CONTRACTORS WANT THE BEST OF BOTH WORLDS.

Contractors may love contracting, but they also want the security that comes with being a full-time employee. Of course, number and quality of opportunities are top priorities. But it's the other things that could make the difference.

Look at the benefits package. Is it as good as it can be? Are you focussed on making life easier for your contractor at every stage? How are you delivering value on a day-to-day basis? These are the things that, although rarely complained about, could help you attract and retain candidates.

A person is shown from the side, sitting at a desk and typing on a laptop. The scene is dimly lit, with a strong teal or cyan color overlay. In the foreground, there are stacks of papers and a pen. The background is blurred, showing what appears to be an office environment with other people and equipment.

HOW CONTRACTORS LIKE TO WORK

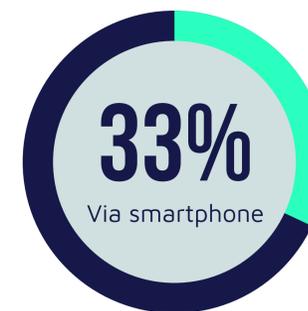


HOW CONTRACTORS LIKE TO WORK



57%
OF CONTRACTORS WOULD PREFER
TO COMPLETE TIMESHEETS
ONLINE

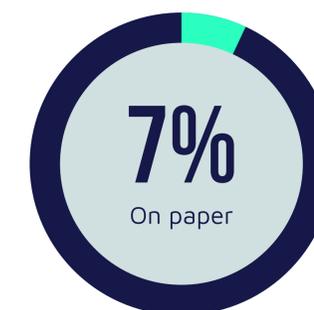
Preferred method of notifications to recruitment agency about availability to work



Preferred method of recruitment agency notifications to contractor about job opportunities



Preferred method of submitting timesheets



CONTRACTORS WANT THE BENEFIT OF TECH, BUT WITH THE PERSONAL TOUCH.

Here, we have an obvious contradiction. Contractors value the relationship with their recruiter. But they also want speed of response and the ability to manage work their way. The vast majority prefer technology over paper based approach. Most would like an app that makes life easy, while 7% of respondents still do paper timesheets. So agencies need to think about how they use tech to build on the consultant relationship.

It can never be tech for tech's sake, it has to be in the service of making your contractor's life easier. So that when they do have conversations with their consultant, it's substantive rather than admin based.

Tech also cuts both ways. One of the big learnings from this report is the importance of the recruiter/candidate relationship. Is your agency really utilising the power of tech to take the transactional tasks off your consultants' plate? Consultants deliver the most value when they're bringing great candidates together with the right opportunities. Anything that distracts from that makes them less productive.

A BIT ABOUT PEOPLE

At People Group, our mission is to transform contingent work. Delivering the best candidate experience from source to pay, that drives engagement, loyalty and productivity.

We're achieving it with three solutions:

People Engage.

The App That Makes Work Easy.

People Compliance.

Simple, Fast, Safe Compliance.

People Pay.

Power Beyond Payroll.

Find out more about how we're transforming contingent work at peoplegroupservices.com

