

Alternative Staffing Models

Explore the reasons to consider and be aware of alternative staffing models.

Speakers:

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Traditional Staffing

1. Approve Position Description
2. Develop Job Announcement
3. Solicit Candidates
4. Review Resumes
5. Interview Top Candidates
6. Make a Job Offer
7. Hire the Candidate
8. On-Board New Employee

Traditional Staffing - Disadvantages

Disadvantages:

- Selection Process is Time-Consuming
- Employee Benefits are Costly
 - Health Insurance and Pension Expense
- Lose Flexibility
- Responsible for Unemployment Compensation, Workers Compensation and Employee Withholdings

There are Options

Consultants and Service Providers

- Engineering Service Providers
- Financial Service Providers
- Refuse Collection

Partnering With Other Governments

- Sharing Staff Members
- Plan Review and Building Inspection Services

Third Party Employers for Alternative Staffing

Alternative Staffing – What is it?

Via a third-party employer, employees are hired to fill full or part-time positions on a short or long term basis.

Alternative Staffing – Why Consider It?

- Elected officials are demanding same level of services with minimal or no tax increases
- There is pressure to bring down pension costs by hiring fewer employees and reducing benefits
- Some positions are increasingly difficult to fill often requiring more compensation

Alternative Staffing - When to Consider It

- For Hard to Fill Positions
 - Engineers, Accountants, Plan Reviewers, Building Inspectors, and Public Works Professionals
- When There's a Special Need
 - Preparing for Bond Rating Review & Year End Financial Reporting
 - IT Implementation Project
 - TIF Analysis
 - Personnel - File Management & Process Review

Alternative Staffing

When to Consider It (cont'd.)

- When a Person is Needed Now
 - Senior staffer has given two-weeks notice
 - Key employee is going on FMLA leave, or Sabbatical
 - Seasonal service demand – plan review, building permit processing, preparing for financial audit, vehicle sticker processing
- When Funds are Limited
 - Avoid employee benefits (health insurance and pension) expense

Alternative Staffing When to Consider It (cont'd.)

- **Phased Retirement**
 - Rather than pick a firm retirement date, ease the employee to retirement by reducing hours
 - **Benefits:**
 - Helps transition new staff member by transferring institutional knowledge
 - Eases transition for retiring employee
- **When a 40-Hour/Week Position Isn't Necessary**
 - Attract a “Retired” Employee; Many IMRF Pensioners still want to work and contribute
 - Non-traditional, flexible work schedules

Alternative Staffing Case Study - #1

- Shared Code Enforcement Officer via Third Party Employer
 - Illinois Communities - Columbia and Shiloh.
 - Communities Had Difficulty Finding Good Candidates for Part-Time Code Enforcement Position.
 - Requested 3rd Party Employer to Solicit, Evaluate, and Present Candidates.
 - 40 hours/week – two days with one town, three days with the other.
 - Communities avoid health insurance and pension expense.

Alternative Staffing Case Study- #2

- Interim Finance Director – Park District
 - Incumbent Finance Director Submits Retirement Notice Intending to Take Summer Long Vacation.
 - Park District Supt. Urges Sabbatical Instead; Brings on Interim Director Through Third Party Employer.
 - 24-30 hours/week for Five Months.
 - “Retired” Employee Comes Back to Full-time Position; Park District Retains Valued Employee.

Alternative Staffing Case Study- #3

- Retired Manager – Municipality
 - Public Works Director is technically strong but lacks soft skills.
 - Through Third Party Employer, Village Manager brings on “Retired” Manager to mentor PW Director.
 - 10-15 hours/week for Two to Three Months.
 - PW Director benefits from experiences of Retired Manager.

Alternative Staffing - Challenges

- Change - Organizational resistance
- Collective bargaining agreements
- Not all jobs are available for flexible time
- Public sector will continue to be under considerable scrutiny for years to come

Alternative Staffing - Municipalities using Alternative Staffing

Let's Look at the Numbers

Since 2011:

- 133 local governments in Illinois have used a temporary or outsourced employee
- 72 local governments have used a temporary or outsourced employee more than once
- 22 local governments currently have an outsourced, long-term employee
- 226 employees have filled 311 different positions in 133 local governments

Alternative Staffing - What Can I Do To Get Started?

- Understand the Benefits of Alternative Staffing
 - Municipality enjoys the ability to staff “as needed”
 - Benefit costs are avoided
 - Expertise is made available at a reduced cost
 - Ability to tap into a pool of expertise that does not need to conform to traditional work schedules

Alternative Staffing - What Can I Do To Get Started? (cont'd.)

- Engage in a critical examination of service delivery and various options for alternative staffing
- Dip your toe in the water – consider outsourcing small portions of certain services – ex: part-time Inspector
- Consider a Temp-to-Hire (try out a new employee)
- Confer and brainstorm with colleagues and ask questions
- Understand why and how alternative staffing has been applied in other local governments

Alternative Staffing Models Panel Members

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Thank you!

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