fiverr enterprise.

Thinking Beyond Staffing Agencies:

Where to Get
Expert IT Talent

Introduction

In the ever-evolving landscape of IT, finding the right tech talent, at the right cost and time is crucial for the success of any organization. Many businesses and organizations rely on staffing agencies to source and hire IT talent. However, understanding how staffing agencies operate is essential to recognize their limitations, especially when securing expert-level IT talent.

Here we'll explore the current process of working with staffing agencies, their limitations, and why seeking alternative methods can help you deliver faster and drive more business growth.

Table of Contents

Staffing Agencies: How the Process Works Today

Staffing agencies play a critical role in the sourcing and hiring process. Typically, businesses communicate their requirements to staffing agencies, who then use their networks and resources to identify suitable candidates. Once potential candidates are identified, the agency facilitates the hiring process, handling administrative tasks such as interviews, background checks, and negotiations.

While this process may seem straightforward, it doesn't necessarily support businesses who are looking for that speed factor, as in hiring talent fast and efficiently as well as quality talent. There are limitations that can impact the quality of the talent acquired. Staffing agencies often have a local focus, limiting the pool of available talent to a specific geographic area, causing a major challenge for the hiring manager.

Limitations of Working with Staffing Agencies

1. Local & Limited Talent

One of the main drawbacks with staffing agencies is the limited reach when sourcing talent.

The agency's network is typically confined to a specific geographical area, restricting the diversity and specialization of the talent pool. For organizations seeking highly specialized IT skills within their budget, this local limitation can be a significant hurdle.

Restricting talent search to a specific region could mean missing out on experts who reside elsewhere on the globe. To build a truly exceptional IT team, businesses must explore avenues beyond the geographic confines of local staffing agencies.

2. Quality of Talent

Staffing agencies often prioritize quick placements, providing talent who meet the minimum requirements but may lack the depth of experience or expertise. The emphasis on quantity over quality can result in a team composed of junior-level professionals rather than experts.

3. Finding Exact Skill Sets

IT projects often require a specific set of skills that may be rare or unique. Staffing agencies may struggle to identify candidates with these exact skill sets, taking them weeks to find relevant candidates. Talent that comes from staffing agencies may be limited to a specific technical expertise, which limits the amount of qualified talent altogether. This leads to businesses working with multiple agencies in order to cover various needs, leading to significant overhead and varied processes.

High Markups & Hidden Costs

While staffing agencies provide a valuable service, the associated costs can be significantly higher than anticipated. Agencies charge a markup on the candidate's hourly rate, often ranging from **15% to 50%**, which not only covers the agency's operational costs but also serves as a source of profit.

Staffing agencies typically charge between **15% to 50%**

1. Cost Breakdowns

Understanding the breakdown of costs associated with staffing agencies is crucial for businesses looking to optimize their hiring budgets. The primary components include:

- Hourly Rate: The agreed-upon salary for the talent, which serves as the foundation for calculating the agency's markup.

- Agency Markup: The percentage added to the base salary, which accounts for the agency's services in sourcing, screening, and facilitating the hiring process.

- Additional Fees: Additional fees for services such as background checks, drug testing, or other administrative tasks.

- Onboarding Costs: The time and resources invested by the organization in integrating the new hire into the team and familiarizing them with company processes.

2. Why Their Markup is Much Higher Than You Think

The seemingly high markups imposed can be justified by the value they provide in streamlining the sourcing process. However, businesses must critically evaluate whether the costs incurred align with the benefits received.

The markup reflects not only the agency's operational expenses but also the risks associated with the hiring process. Staffing agencies assume the responsibility of finding suitable candidates, managing negotiations, and mitigating potential risks.

Despite all this, businesses may find that the high markups do not always translate into commensurate value, especially when it comes to securing expert-level IT talent. The focus on quantity and speed may compromise the quality of hires, leading organizations to question the return on their investment.

Exploring Alternatives for Hiring Expert IT Talent

By recognizing the limitations of staffing agencies in sourcing top-tier IT talent, businesses are increasingly exploring alternative avenues to build high-caliber IT teams.

Some effective strategies include:

1. Direct Sourcing

Taking charge of the sourcing and hiring process by directly engaging with potential candidates allows organizations to have more control over the quality of talent they attract. Building an in-house sourcing team or leveraging internal resources enables a more personalized approach to hiring.

Direct sourcing also provides the flexibility to cast a wider net, reaching out to experts beyond the limitations of local staffing agencies.

2. Networking and Referrals

Harnessing professional networks and encouraging employee referrals can be a powerful method for identifying and attracting expert IT talent.

Building strong relationships within the IT community through industry events, conferences, and online forums can also facilitate networking. Engaging with the broader tech community increases the chances of discovering hidden gems with rare skill sets that may not be readily available through staffing agencies.

3. Freelancer Marketplaces

Platforms and online marketplaces dedicated to connecting businesses with freelancers provide a vast pool of talent, including experts who may not be actively seeking full-time positions. This approach allows organizations to assemble project-specific teams with the precise skills needed for successful outcomes.

Finding the Right IT Talent with Fiverr Enterprise

At Fiverr Enterprise, we recognize that IT and tech companies need a wide range of diverse talent, and that they need to be able to access it at the right time, and for the right cost.

Our SaaS solution provides an IT talent pool, curated especially for you — one place where you can gain instant access to your own carefully vetted dev & IT talent, that's ready-to-hire and able to meet your business requirements.

Hire any expertise, fast

Whatever IT or tech talent you need, we've got it in our on-demand talent pool. Missing an expertise? Our white glove sourcing and hiring service will deliver you talent that's available to hire immediately for either short or long term, and trustworthy, in up to 72 hours or less.

Reduce bench spend & save budget

Save time and budget when you rehire talent your company has already worked with. No high agency markups or new onboarding processes, just hire confidently from your private talent pool and review up to date availability, skills and rates in one place.

Get access to a global, vetted talent pool

Any tech expertise, in the palm of your hands. From Data Science and AI to Automation experts, you'll get access to top, vetted global talent ready to contribute to your projects.

Book a Demo Today