



Veterans of job hunt size up the new economy.

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Maryann Donovan, a veteran of the recruiting industry and president and CEO of Impact Personnel Inc. in Norwalk, has seen the markets rise and plummet with cyclical outcomes, save what is currently happening in the area of temporary placement.

"It's not as easy finding staff as people think it is out there, even with high unemployment numbers," said Donovan.

Donovan has been in the recruiting and placement business for 25 years and has owned her firm, which deals with tri-state placement, for 20 years.

"Business is picking up," said Donovan. "I have permanent orders and this is the interesting thing about the economy; there are jobs out there that companies cannot fill on their own."

Donovan said if you're working right now, you're not moving.

"People who are employed who are in a specialized field will not leave because they're nervous," said Donovan. "If you're a client, you're only pulling from the unemployed pool, unless you come to us. Contract and temp is picking up and it always does first."

Current economic conditions put Donovan in the midst of seeing her fourth economic recession. "Historically speaking, what leads the job market out of recession is temporary or contract hiring," said David Lewis, president of Operations Inc., a human resources outsourcing and consulting company in Stamford.

“What has changed in this market, that didn’t happen five years ago, and definitely not in 1991 with that recession, is what a temp is,” said Donovan. “At those times, we considered a temp to be a Kelly-girl, filing and answering phones. A contract employee now has taken a place of the old days of a temp.”

Donovan said companies are much more comfortable putting people on as contract employees, sometimes for years at a time.

“Companies are unsure if business will sustain and they don’t want to budget for permanent employees, yet they have work that needs to be done,” said Fred Dimyan, co-owner of Your Leap, a recruitment firm in Stamford. “As the recovery shows sustainability companies then convert those employees to permanent status, since it is more cost effective that keeping a contractor.”

Dimyan said companies gain flexibility and candidates that are unemployed are willing to take a contract or temp position that they would not if they were fully employed.

“In our business, we’ve seen this as a leading indicator to an improved job market,” said Dimyan. “When hiring begins to pick up, companies hedge themselves by hiring contractors and temp employees to fill in the gaps.”

According to Donovan, there’s no longer a stigma attached to temp and contract work and it’s more common now to have a resume where you’ve done these types of jobs.

A contract employee may go two years here and one year there and that may be the rest of your career,” said Donovan. “For someone who has worked 30 years for Con Ed or IBM that can be a hard concept to grasp, but that’s how the world is going. Companies aren’t looking initially for the long-haul person, they’re looking to fill a need first.”

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“These can be some of the most viable opportunities for the unemployed,” said Allan Goldberg, co-owner of Your Leap.

Goldberg said the health care industry has seen some of the most notable increases in hiring and that light industrial hiring has shown turnaround in recent weeks, while technology continues to dwindle.

Donovan said in the second half of the recession the number of temp hires will go up. The increase will be due to companies regaining confidence to commit to hires, especially after these hires have been tested in temporary period.

“In the next year that number will go up to about 60 or 70 percent,” said Donovan. “Companies will become a little more flush and comfortable in the economy. It’s not so much the money but the headcount issue.”

According to Donovan, her placements in the tri-state area are comparable regardless of location.

“I have a lot of consumer-product companies hiring right now,” said Donovan. “They’re hiring accounts receivable, credit and collection; those are roles that save the company money.”

Donovan said lower level roles that are either going to make the company money or save the company money are the ones being filled.

“There’s really no risk to bringing on a contract person,” said Donovan. “Almost any job can be done on a contract basis. Ten years ago you didn’t see that. My advice to anyone out in the job market right now is to be open to it, don’t say you won’t look at it because you’re cutting yourself off to opportunities.”

According to Donovan, contract work is a viable option for those recent college graduates who are taking their first steps into the work force.

“They’ll be able to pickup work experience,” said Donovan. “It’s also a lot easier to hire someone at \$35,000 than \$300,000. What we’ve seen is that senior management role, the \$250,000 to \$300,000 level, is gone.”