Contract Workers: To Train or Not to Train? (Apr 09)

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Contract workers make up one-third of the U.S. workforce, according to a recent survey by the Human Capital Institute (HCI), and that number is growing. Of the 319 organizations surveyed, more than 90 percent use contract talent, and 85 percent believe their use of contractors will remain the same or grow in the next three years.

“We’re seeing that employers are starting to recognize the value of the contract workforce,” said Kip Wright, president of Tapfin Process Solutions, one of the survey’s sponsors. “They’re using [it] much more aggressively so that they can manage [the] ebbs and flows of their own business cycles.”

Because of the increase in this population, companies are faced with a critical question: To train or not to train?

“The reality in some cases is [companies] are keeping [contract workers] on for a year, maybe two years,” said Allan Schweyer, the executive director of HCI. “More organizations seem to be trying to engage and motivate [them] particularly when they stay for those long periods of time. And training, as you know, is a big motivator. It not only makes a person more productive, but it [also] makes them more engaged.”

But if organizations are training contract workers, they need to be aware of the rules around co-employment.

“When you train people and send contractors to training, it’s one small indication that you might be treating them like a regular employee,” Schweyer said. “But in my opinion, [it’s] well worth the risk.

“When you’re talking about a contractor who’s going to be with you for a year or two, you should try to integrate them into the regular workforce as much as you can. You should also make sure that you’re very clear this is a contract and you’re not tipping too many of [the] dominoes that would lead to someone concluding that they’ve been misclassified.”

Unfortunately, there are no guidelines for organizations to walk this line. But as the population of contract workers continues to grow, companies will face this issue more and more.

“The only time that you wouldn’t want to on-board a contract worker in some way, make them familiar with the goals and mission of the organization and make them feel like they’re a part of the team is when they’re coming in for two weeks, three weeks or a month,” Schweyer said. “But for anyone that you think is going to be in that organization, interact with employees and talk to customers for any length of time at all, you want to do [all those] things.”

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