



THE GUIDE TO
HIRING CONTRACTORS
IN TODAY'S TALENT ECONOMY





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For many companies, successfully navigating the talent/hiring landscape is more than just a business strategy – rather, it's a means to survival. And any resources that serve to guide business leaders through successfully navigating this terrain should be looked at closely.

Among those resources is one that some business leaders may not have yet considered to be a game changer for those trying to stay ahead of the curve: contract talent. By no means are contractors new to the world of business. But today, this style of free-flowing worker is built to support companies looking to move fast.

This guide explains why contractors stand out as the ultimate answer to hiring in the modern age. Follow along as we discuss why building out a fleet of contract talent could be the reason some companies ultimately win, while their competitors do not.

The *Hire Slow, Rent Fast* model

When analyzing the various reasons contract talent can change the game so dramatically, consider working backwards from a model called “hire slow, rent fast.”

The phrase is used to describe an HR approach to hiring, wherein “renting,” or hiring contractors, takes priority over hiring, at least until the perfect candidate comes along to secure a more permanent role.

Hire slow, rent fast works for a number of reasons that are outlined in the following sections. But at its core, the model leans on the idea of using contractors as a way to buy time. For many of today's companies, that's the name of the game: buy time, stay afloat, and find new ways to succeed, despite how dire (or promising) the circumstances may be.

Top Hiring Considerations in the Modern Age

With *hire slow, rent fast* in mind, here are some of the top considerations for companies looking to hire great talent today. It just so happens that contractors directly serve each of these considerations.

1. Speed

On-demand talent is ready at a moment's notice to jump in and help with whatever is needed. Whereas the hiring process for a full-time employee can take months, tracking down a great contractor is often a matter of just a few days.

Today, the typical hiring process takes longer than ever before. In LinkedIn's recent [Global Recruiting Trends Report](#), almost 20% of survey participants reported time-to-hire windows of 3-4 months – a whole quarter!

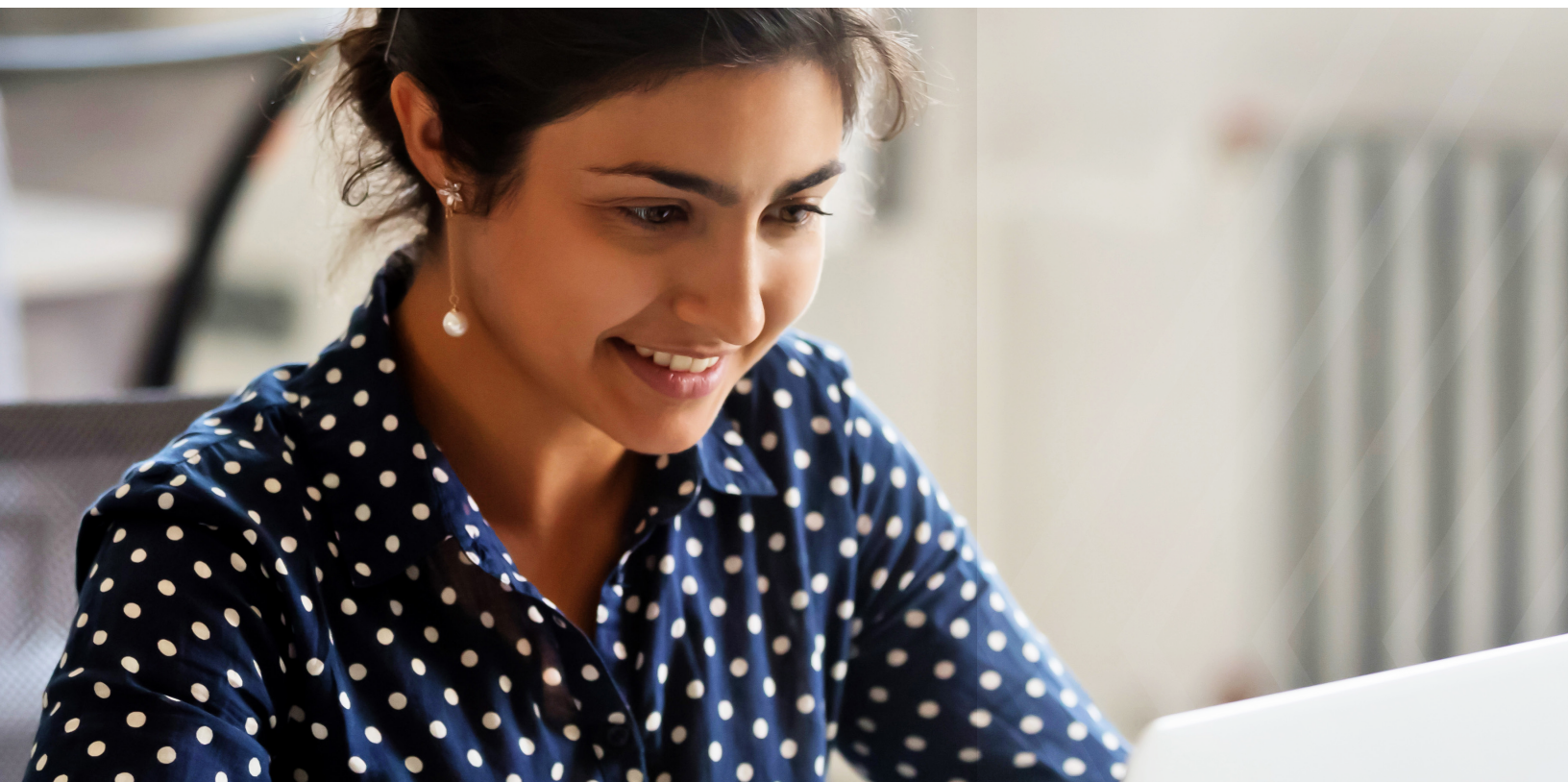
Contractor speed is largely made possible by platforms and management firms that pre-vet talent, so you know you're getting the right person with the right skillset. This essentially removes the time-to-hire window that tends to slow companies down.

2. Adaptability

The move to remote work in the new decade was new for millions of people... but not contractors.

For the past 10 years, the gig economy created a fleet of contractors who learned how to work from anywhere in the world. As a result, these folks know how to communicate and leverage the necessary tools to achieve peak performance.

With contractors, managers don't need to stress about remote work adaptability. For the best of the best, there's no learning curve. This is something they've already mastered.



3. Cost

No breakdown on staying agile and nimble is complete without a note about cost. And the simple truth many managers already know is that contractors can save you tons of money.

From payroll taxes, to insurance, to 401k matching, to PTO, a number of ancillary costs are mitigated when working with contractors. As a result, the cost breakdown of a full-time employee vs. a contractor can be pretty eye-opening.

When [factoring all of the relevant FTE costs](#), some analyses estimate that a contractor charging \$150/hour is actually cheaper than a full time employee earning \$135k/year (working the same amount).

For a high-level tech role, \$150/hour will typically land you a more advanced developer, coder, programmer, etc. than an employee earning \$135k.

4. Low Commitment

In times of uncertainty, commitment is difficult. This is why so many companies have frozen hiring. Until we know what the future holds and have a stronger grasp on short-medium term business projections, folks will look for ways to reduce financial commitment.

Once again, enter contractors. Since contractors can be picked up and let go with less strings attached than W2 employees, they can (and should) be leveraged as a low-commitment way to get important work done.

Hiring in Today's Landscape Requires Experimentation

If you're not so sure if contract talent could be game changing for your company, consider that experimentation is a key element of staying nimble and adaptable.

Companies tend to layoff staff, pause raises, and scale back the office lease as initial reactions to reduce costs and stay lean. But the ones that do it the best go the extra mile. It's not just about cutting costs – rather, it's about doubling down on new (and old) ways to achieve peak performance. Today, that means giving serious consideration to the power of contractors.

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