

A Layered Approach to Staffing

Ensuring continuity and reducing costs

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Agenda

- Introduction
- Overview of latest trends
- Layered approach to staffing
- Benefits and cost savings
- Q&A



Learning Objectives

During this session, attendees will:

1. Understand the benefits of the layered approach for recruitment, operations, and retention.
2. Follow a concrete example of the cost savings from the layered approach
3. Learn how to implement the layered approach in hospitality businesses of different sizes and seasonal characteristics.



The Big Picture

What is actually going on with the hourly workforce?

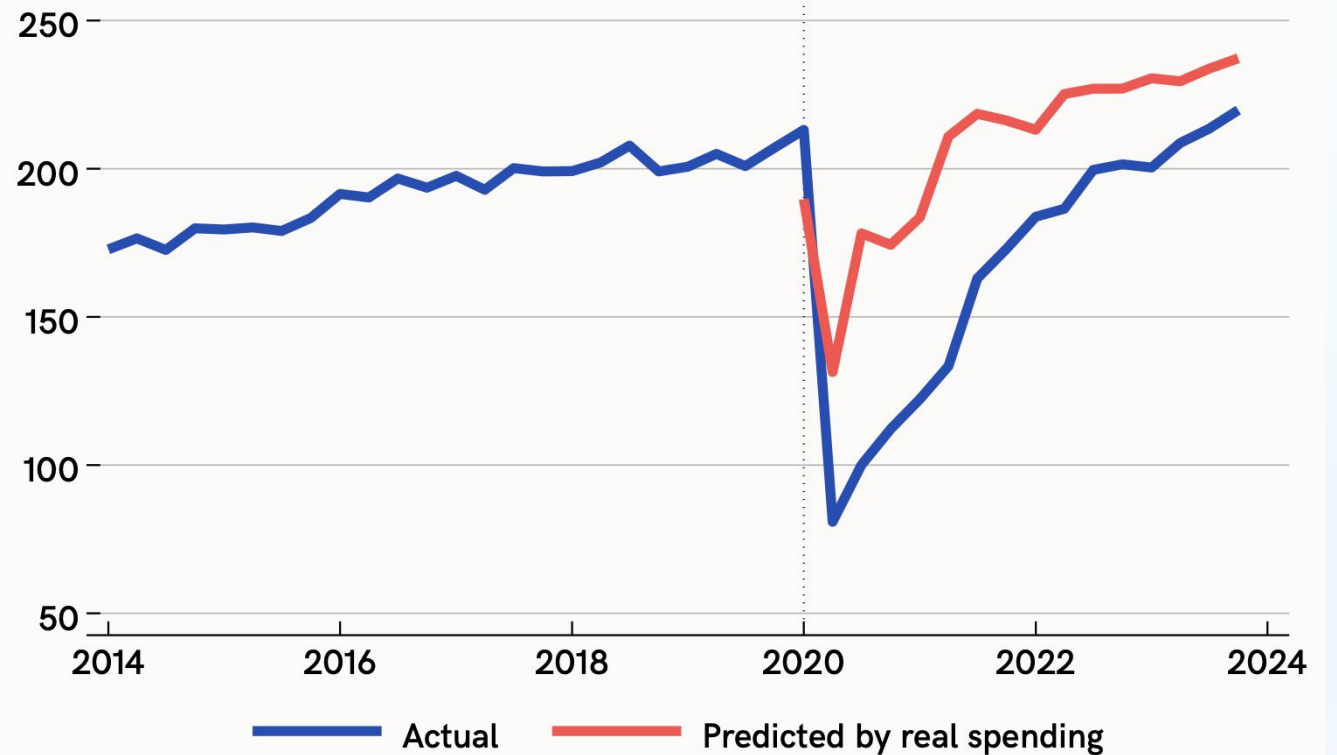


NACE Experience
Conference for Catering and Events

The big picture

- Staffing for catering still lags demand
- Employment in the industry has recovered to its pre-pandemic levels
- Demand for food services suggests a continuing shortfall

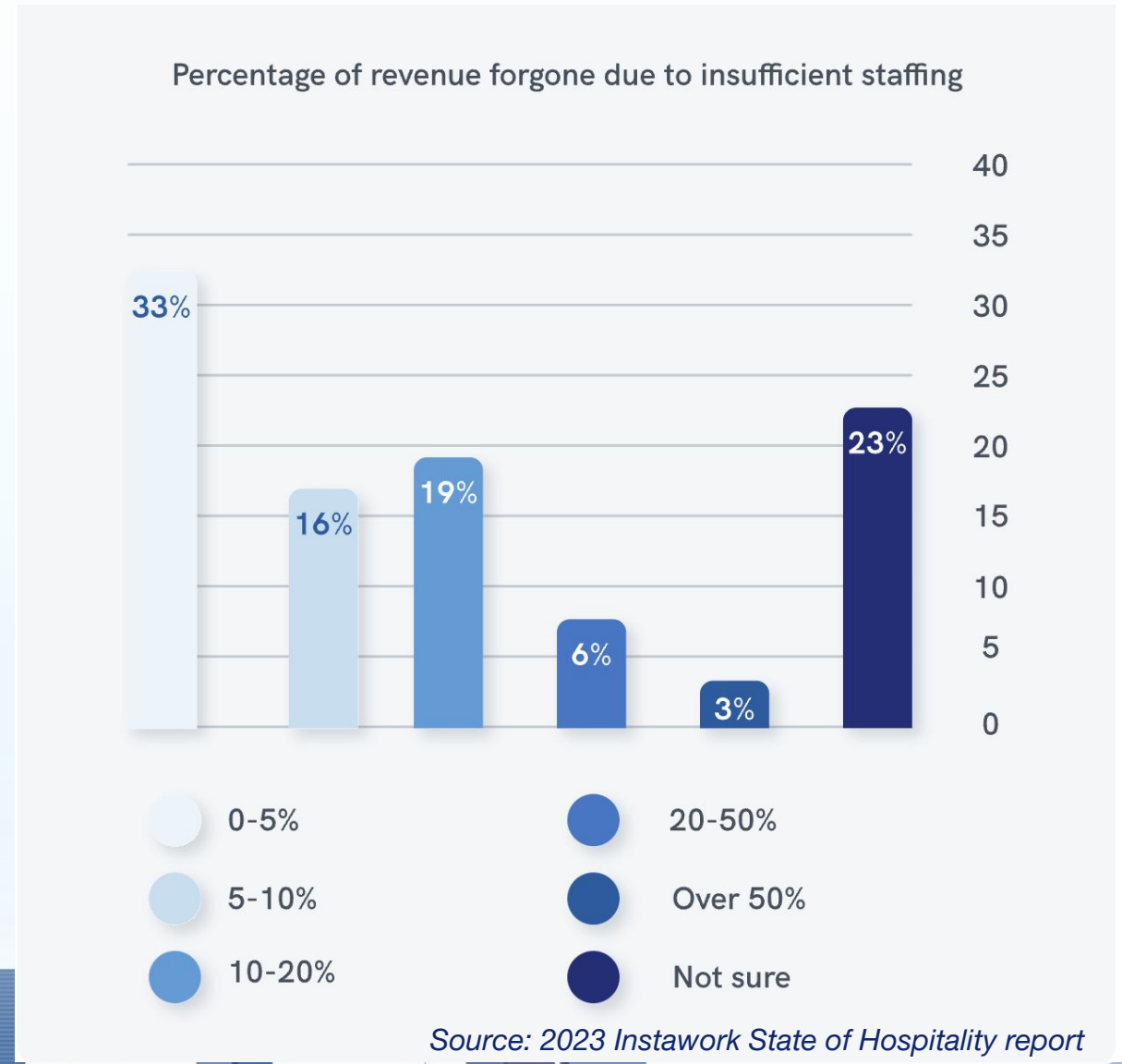
Total employment in catering (thousands)



Source: Instawork calculations from BEA and BLS data

The big picture

- Businesses struggle to find reliability
- Contributed to understaffing, lost revenue, and greater need for temp hires



The big picture: Access to talent

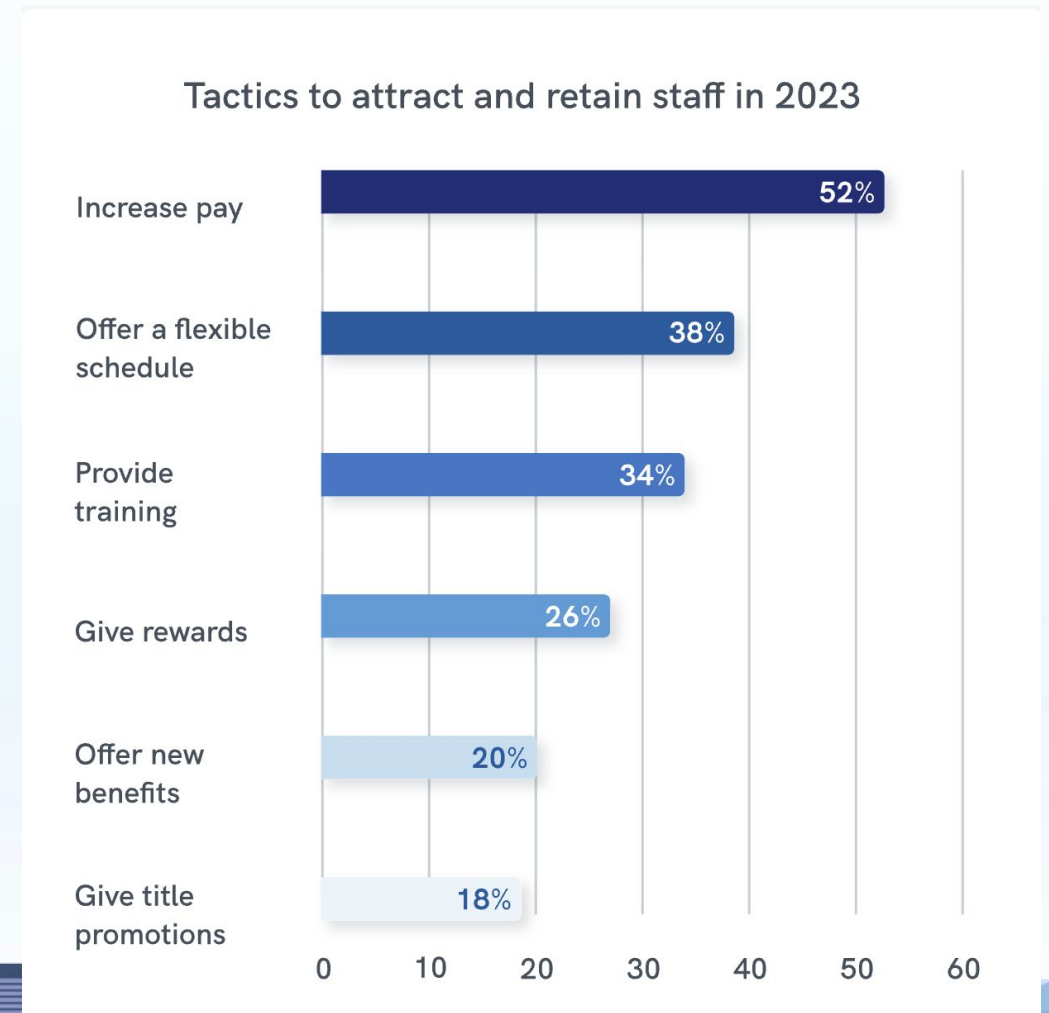


62% of respondents say **recruiting** will be as difficult **this year** as it was last year.

Source: 2023 Instawork State of Hospitality report

The big picture: Access to talent

- Majority say they will do more to raise pay
- Number of businesses giving raises dropped by over 10% over the last year
- Offering flexibility seems to be key





83%

of workers want flexible schedules
that fit their other responsibilities

Source: Randstad Workmonitor survey

50-70%

of candidates will only consider
positions with flexible schedules



53%

of active workers with at least six months on the Instawork platform have worked shifts in more than one industry

Source: Instawork transactional data

A Layered Approach to staffing



The *layered approach*: Is this approach for you?

You always have shifts for temp workers

It's hard to respond quickly to changes in demand

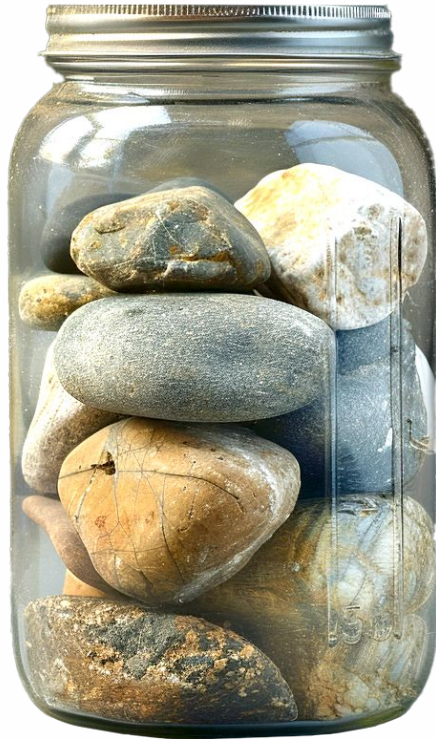
Overtime shifts are affecting your bottom line

Call-outs often lead to downtime or lower output

Your current labor pool isn't filling all your needs

It's tough to hold onto workers who want flexibility

Companies need *multiple types of labor to fully staff up* and meet the demands of their business



What you *think* you need



What you *actually* need

The best companies take *a layered approach to staffing*

Getting fully staffed requires multiple types of labor - like filling a mason jar



Your labor needs



Permanent employees
on fixed schedules



Long term staffing
for recurring needs



Short-term
for peak times & one-time work

The *three layers of shifts* to staff your hourly work

Type of work	Specifications	Value to business	Value to worker
Short term	<ul style="list-style-type: none"> • Temporary relationship • Peak times only • Fixed schedule 1099 or W2 • Limited benefits 	<ul style="list-style-type: none"> • Respond to short-term changes in demand without hiring workers onto core payroll • Access to a new labor pool of flexible worker • First look at potential new recruits 	<ul style="list-style-type: none"> • Work on your own schedule • Try different roles and employer • Work with different people • Create opportunities for permanent employment
Recurring	<ul style="list-style-type: none"> • Indefinite relationship • Every month • Flexible schedule • 1099 or W2 • Limited benefits 	<ul style="list-style-type: none"> • Access to a new labor pool of flexible worker • Experienced workers who don't need to be trained • Reduce risk of downtime by filling in for permanent employee absence • Reduce overtime among permanent employee • Closer look at potential recruits 	<ul style="list-style-type: none"> • Work on your own schedule • Try different role • Create opportunities for permanent employment • Work at a company you like and are familiar with • Build skill • Moderate income security
Permanent	<ul style="list-style-type: none"> • Indefinite relationship • Every month • Fixed schedule with paid time off • W2 • Full benefits 	<ul style="list-style-type: none"> • Most experienced and productive worker • Retaining institutional knowledge • Training and mentoring other workers 	<ul style="list-style-type: none"> • Work at a company you like and are familiar with • Build skill • High income security • Career advancement • Benefits

Benefits of the *layered approach* to staffing

More efficient operations

Reduce downtime

Experienced workers fill in for permanent employees

Reduce overtime

Recurring shifts for the roster can replace overtime shifts

Boost production

Replacing one-timers means less training and higher output

Benefits of the *layered approach* to staffing

Improved recruiting and employee retention

Access talent

Not all workers want permanent positions
- many want flexibility

Recruit easily

The roster contains a ready-made pool of tested candidates

Improve retention

Permanent employees don't have to leave to gain flexibility

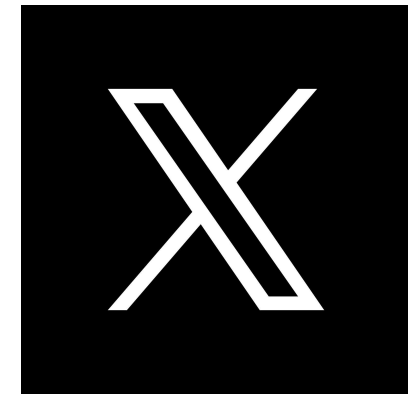
Benefits of the *layered approach* to staffing

Making recurring shifts available to replace overtime can save ~\$100 per shift

Role	Area	Industry	BLS rate	Instawork rate	Savings per shift	Savings per overtime shift
Event setup/ takedown	Dallas	Leisure and hospitality	\$23.16	\$20.17	\$24	\$95
Custodial	Las Vegas	Business services	\$21.15	\$16.33	\$39	\$97

Continue the Conversation

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Thank you!

