

## Contract Staffing Partnerships

Kerry Taylor

Assistant Vice President for Research (Animal Care), Kansas State University

One of the most critical challenges confronting progressive research institutes is the rapidly growing necessity of a mixed population of employees from several sources in order to meet research objectives. In a perfect world, assuming funding was no object, and that is a giant assumption when one considers the balance required for winning the current economic contest, animal-based research programs would be conducted by willing and cooperative teams of technical professionals squarely focused on the mission. Apart from the adventure of a novel or movie melodrama, putting together a coterie of the finest scientists and support staff doesn't happen as readily as Hollywood or Congress would have us believe. It does not matter what organization we describe, be it academia, the federal government, or emerging biotechnology venture capitalists, recruitment of a highly trained and motivated staff is a continuous struggle.

First and foremost, there is a need for complete and honest appraisal. Despite the hard push for outsourcing the federal research work force, and regardless of whether this is advantageous or less than optimum, we must ask the tough question: is this the correct approach for our research program? Can we get the job done in a tightly controlled biosafety environment using contract personnel? In my opinion, the answer is a resounding yes. But the solution is not about better contracting or outsourcing. From a global perspective, it's about partnership. It's putting together the best and the brightest, regardless of organizational connection, into winning teams. Intelligent individuals placed in the right positions, under the direction of managers who can balance mission with

quality of life, can meet the challenge when leadership affords them the opportunities as well as the benefits we seek in a modern capitalistic society.

### **Outsourcing Options**

Why should we venture outside our organizations for staff? In a naive sense, research organization approaches to staffing are somewhat counter-intuitive and sometimes clueless. They often fail to recall that people are not robotic, actuarial automatons, but the cry of "more for less" still reigns. Reality then takes hold after the first thoughts of easy money, and the long forgotten complexities of human endeavor eventually surface. However, that is not to say costs can't be controlled and even reduced, you just have to think long term. Beware of those who offer immediate savings, especially for

personnel involved in biocontainment environments.

There are many reasons for outsourcing staff, as shown in Figure 1 [1]. And experience has demonstrated that improved quality is a very real result. As mentioned, outsourcing has often been presented as an opportunity to reduce overhead costs while

simultaneously achieving better service support. However, a survey from the consultant firm Deloitte<sup>2</sup> suggests that not all companies have received what they expected from their outsourcing experience. In fact, most surveyed were actually disappointed – they hadn't managed to cut either costs or complexity.

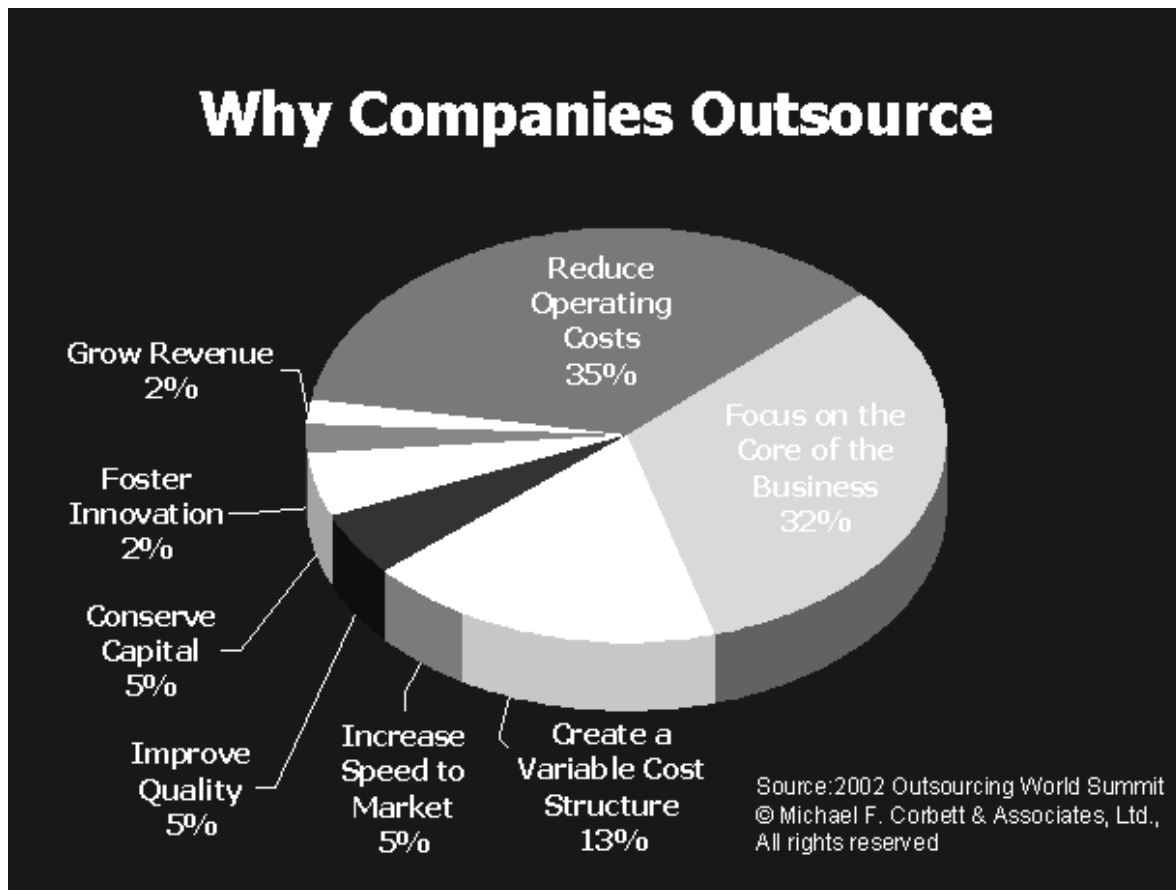


Figure 1. Outsourcing World Summit, © Michael F. Corbett and Associates, Ltd., All Rights Reserved, 2002

So, what's the problem? To reiterate, the effort must be a true partnership. Contract staffing will all but fail if the client does not endorse this concept without hesitation, and believe in an honest, forthright relationship, and the partners will likely not meet the level of trust needed to balance in-house staff

with contract employees and outsourced work to get things done efficiently or effectively.

Perhaps it's the realization that just because personnel are contractors or a service is outsourced, it doesn't mean the laboratory can forget everything about personnel oversight– the relationship

has to be managed and modified as the environment changes. If contract staff are hired to service problematic areas the laboratory has previously failed to satisfactorily address, you will end up still managing the problem – you just have to manage it at a slightly longer range.

And cost shouldn't be the only motivation – especially if the position or service is vital to your organization and the research enterprise. Would you want the contractor scrimping and cutting corners to make an unrealistic profit margin because you've screwed the contract down tight? It might be attractive at first, but what if this means your service levels start to degrade? Again – think long term!

An important consideration, and often the baseline priority, is reaching a thorough understanding of programmatic needs before you start the process, and then ensure absolute clarity as you move carefully forward to your contractor of choice. Make an honest appraisal of what the work is; be accurate and complete. And understand what your selected contractor can honestly deliver. This is especially important for the laboratories and safety parameters of biocontainment facilities, to ensure contractor managerial staff are both experienced with biosafety parameters and can provide the required training. If you are not completely forthright with what you expect from contract staff, it is inappropriate to demand perfection.

Biosafety and biosecurity are the top issues of concern for many institutes. Therefore, due diligence is an important step before the vendor presents a final

staffing proposal. While you, the client, may have selected a vendor on defined criteria based upon institutional requirements such as select agent experience, it is also logical that the contractor will require certain data not contained in a request for proposal. Establishing this back-and-forth information dialogue is a significant piece of the vendor's due diligence, and offers direction to fine tune the final proposal which will become the basis of the relationship. And though the institute may select a seller or contractor on certain predetermined criteria, laboratories requiring the service now must vet the vendor's capabilities through the due diligence process as well. Only when the organization has examined the final proposal from the vendor against the initial scope of work, can the contract staffing project be finalized.

For both the vendor's and seller's due diligence process, the set of activities will likely be similar: cross-referencing, personally meeting key staff or physically viewing infrastructure and documentation. However, the outcomes will differ. For the vendor, this exercise will lend comfort to sufficiently outlining performance of the services to be provided. The vendor uses this opportunity to evaluate the proposal and assess the validity of the assumptions, scope and size of the engagement (type of solution offered, at what cost and based on what assumptions, terms and conditions such as regulatory compliance and medical surveillance.) For the buyer, the findings are weighed and linked to the desired outcomes, goals and objectives of the

outsourcing initiative. Regardless, due diligence is an opportunity for fine tuning outsourcing objectives (set by the buyer) as well as the final proposal (proposed by the seller) and this process generates the baseline for evaluating the outsourcing relationship.

### **The Human Element**

Building the human component of research endeavor is the singular most visible and often misunderstood resource allocation exercise in today's dynamic employment market. When choosing to outsource staff, trust in the function of the contractor's human resources department is a critical factor, because it's all about people. The supporting elements for contract staff active in effective recruiting, hiring, benefits and career development, to mention a few, are no different and no less important than the programs offered to in-house employees.

Again, caution is warranted. The low price vendor may save up-front dollars in the short term, but after the budget party is over and services suffer from lack of management oversight and human resource support, the long-term result is the last minute call to the institute for additional funding to avoid mission failure and, particularly, investigative wrath. After all, service is the cornerstone of a long term relationship, and trust in the human resources component of the chosen contract cannot be underestimated.

Contract employees can become your laboratory's sustainable, competitive advantage if they are considered as talent rather than labor. The synergy created from informed and involved contract staff will have an

exponential impact on optimization of research productivity. Once again, partnership is the key, because employees organic to the institute or contract are a laboratory's greatest asset. The ultimate goal is trained and qualified staff for the long term.

Based upon economic reality, we now know that a perfect world of institute-only employees does not exist - having been replaced by increased outsourcing of both skilled and unskilled labor, in addition to aggressive downsizing. All you have to do is read the newspaper: reduction in force programs, cuts in health benefits and decreased retirement benefits. The resulting reality, paradoxically, is increased demand for superior service, while levels of employee commitment have dropped dramatically and with a corresponding high rate of turnover.

But the research employment experience can be different. Careful selection of the contractor, based upon depth of support, industry savvy, biocontainment experience, and a commitment to research mission success, is a good start. However, placing a high level of importance on recruitment and staffing coupled to a strongly structured training process is fundamental to continued success and uninterrupted operation of the laboratory. Effective staffing and employee recruitment depends on seeking a winning combination of demonstrated positive behavior, accurate determination of the applicant's past performance and level of commitment, and the willingness to do whatever it takes to attract the best individuals for skilled workforce positions.

Baseline skill sets and credentials are evaluated through the hiring process. But adaptation to a laboratory culture and ensuring competence for research specific tasks frequently requires additional training and continuing education. A solid commitment to internal and external training opportunities and the resources to make it happen are fundamental beliefs of the best contract companies - looked for and demanded. It is important to realize that best fit is accomplished by the application of adult-based learning to a workforce of multi-cultural dimensions. English as a second language is the norm, not the exception. In the end, a balanced approach of realistic expectations, based upon individual development plans, will best meet institute needs. Training is no doubt a critical motive for long term results and an investment well worth supporting, for both in-house and contract employees.

### **Contract Oversight**

Perhaps no other concern is addressed and reinvented more. Whether we address the apparent lack of federal oversight in the development of new drugs, contract overage charges in Iraq, or research consulting; the broad reaching issue of adequate accountability for outsourcing services is a hot topic.

As part of the contract oversight solution, one essential best practice is to recognize the fact that as a partnership, responsibility for contract performance is a shared responsibility. Communication must be the top priority. Hidden agendas, delayed response, and failure of honest self

reflection, wastes time and stops solutions cold. Good communicators continue to define precise goals and provide unambiguous plans to carry out research objectives. Only by providing a well-communicated plan of action, which details workforce requirements from beginning to end, will contract employees clearly understand their roles.

Mission motivation is a no brainer. Failure to recognize that contract employees are as qualified as the laboratory personnel they support, and are just as committed to success, places the highest barrier to achieving the research objective desired. Remember, it's all about team. Learning to let go and to accept the fact that not every member of the team can play the same position will go a long way toward establishing realistic benchmarks for measuring performance-based contracts.

Finally, a revisit on why institutes should consider contract staff as members of the research team. Do these questions look familiar? No. 1: Are people hired for their skills and experience only to be burdened with their behavior or attitude? No. 2: Is the program faced with the challenge of program growth with fewer resources for customers who demand more for less? No. 3: Are conflicts within the organization focused on who was involved rather than what is involved? Reports from employers indicate that although science graduates consistently receive stellar marks for their technical knowledge, those same employers often express concern about underlying abilities such as listening, interpersonal

effectiveness, intercultural sensitivity, and teamwork.

What are the answers? For starters, recognize there are strategies to develop and acquire fundamental soft skills to better prepare technical and professional staff for success in the contract staffing arena. There is also an increasing body of hard research on productivity and the impact of soft skills on performance [3, 4, 5]. Productivity differences of those with highly developed soft skills exceed the average new hire by a factor of as much as 10 to 1. So it's important to accept the obvious inference, soft skills are the hard skills. Technical ability and professional credentials, while certainly a baseline requirement, do not necessarily equate to managerial expertise or the gift of leadership. Thus, recognizing that soft skills are vital, and that characterizing and managing the hiring process to capitalize personnel selection based on such skills is a must, institutes can only gain by placement of this task into the

hands of a good human resources department and then actively engage in the process to ensure success.

#### References

1. Outsourcing's Next Wave, International Association of Outsourcing Professionals (IAOP) as reported at the Outsourcing World Summit, © Michael F. Corbett and Associates, Ltd., All Rights Reserved, 2002, [http://news.Thomasnet.com/IMT/archives/2002/10/outsourcing\\_the.html](http://news.Thomasnet.com/IMT/archives/2002/10/outsourcing_the.html).
2. Deloitte Says Outsourcing Doesn't Always Pay, Timothy Prickett Morgan, The Four Hundred Newsletter, Volume 14, Number 18, 2005, IT Jungle, <http://www.itjungle.com/tfh/tfh050205-story04.html>.
3. Focus on Soft Skills: A Leadership Wake-up Call, in Growth and Leadership , Carole Nicolaidis, 2002, Business Know-How®, <http://www.businessknowhow.com/growth/softskills.htm>.
4. Soft Skills Training Becomes Essential for India Software Inc, Rajneesh De / Mumbai, Express Computer, 2002, <http://www.expressitpeople.com/20020610/cover.shtml>.
5. Soft on Soft Skills, Neelima Mahajan, Businessworld Online, 2003, [http://www.businessworldindia.com/b\\_school/news\\_articles10.asp](http://www.businessworldindia.com/b_school/news_articles10.asp).