

To Hire or Not to Hire...

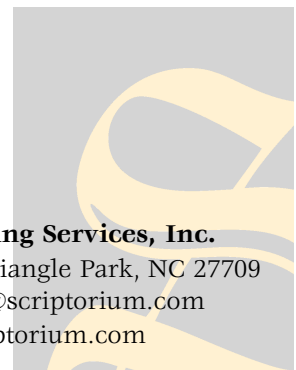
**A White Paper for Managers
Responsible for Technical Documentation**

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“Get it done.”

That’s about all the help many managers get with their technical documentation responsibilities. The staff assigned to the project becomes critically important to the project’s success or failure. This white paper outlines the options available to a manager assigned a documentation project and provides solutions to some common dilemmas.

Two of the most common situations that cause the need for documentation personnel are:

- *Heavy demands on a small company*—the company’s engineers or software developers initially handle the technical documentation in addition to their other duties. As the company’s products near delivery, this setup becomes unworkable, and technical communicators are needed.
- *Overflow work*—a larger company’s technical documentation department cannot handle the work that needs to be done.

In each case, the responsible manager usually has two options: hiring more employees to handle the increasing technical documentation needs or using vendors.

Personnel Choices

Once you’ve established that you need more people to take care of your requirements, you have a wide array of personnel choices:

- Staff employee
- Leased employee from staffing agency
- Temp-to-perm employee
- Freelancer
- Scriptorium Publishing Services, Inc. (a technical documentation company)

Each of these choices has advantages and disadvantages.

Myth: Contractors are always cheaper.

Staff employee

This is the traditional and perhaps most obvious solution.

Advantages	Disadvantages
Builds your corporate knowledge with in-house expertise.	Adding employees is expensive.
The employee is always available to you.	It can be difficult to find qualified candidates in a tight labor market.
	You must make a long-term commitment to the employee.
	You pay for any training that's needed.
	You must supply equipment, software, and office space.

Leased employee from staffing agency

The leased employee is very popular right now. You pay a staffing agency to provide one of their employees to you. The person is an employee of the staffing agency, not of your company. This eliminates the expense of payroll taxes and benefits for you; however, you pay the agency a high rate.

Most agencies prefer to set up contracts for a minimum of three months.

Advantages	Disadvantages
Agencies can often supply personnel very quickly.	The agency's screening process may not be adequate for your needs.
You pay set rate to agency; no payroll headaches.	The hourly rate is often very high.
	Because of the high agency markup, many experienced individuals avoid this option.
	Many agencies prefer three-month minimum contracts.
	You must supply equipment, software, and office space.

Temp-to-perm employee

When you hire an employee “temp-to-perm,” you start out with a leased employee as described earlier. After a set term indicated in your contract with the staffing agency, you can then hire the employee directly onto your payroll. (In some cases, you also pay a “buyout” fee.) This lets you see a person in action before you make a hiring decision.

Advantages	Disadvantages
Agencies can often supply personnel very quickly.	The agency’s screening process may not be adequate for your needs.
You pay a set rate to agency; no payroll headaches during trial period.	The hourly rate is often very high.
Trial period lets you see whether an employee is a good fit for your company before you make a permanent commitment.	Because of the high agency markup, many experienced individuals avoid this option. Some candidates may insist on an immediate, permanent offer. You must supply equipment, software, and office space.

Freelancer

Freelancers are available for contract work, but generally not for permanent employment. They are often described as *independent contractors*. They generally have many different clients.

Independent contractors are subject to heavy IRS scrutiny.

Advantages	Disadvantages
Freelancers are often highly skilled specialists.	Their availability is limited. If the freelancer is already working on another project, you may not be able to get any time for your project.
Once your project is completed, the freelancer moves on to another project and another client. This is cost-effective for you.	The independent contractors are subject to heavy IRS scrutiny.

Advantages

You do not have to provide equipment, software, or office space.

Disadvantages

It can be difficult to find a freelancer.

The freelancer is unlikely to accept an offer of full-time employment.

Scriptorium Publishing Services, Inc.

Scriptorium Publishing offers a new alternative to your documentation needs. We give you the advantages of staffing agencies (flexibility and handling payroll matters for you) combined with the advantages of the freelancer (highly qualified specialists who have their own equipment).

Our employees are highly skilled specialists.

This arrangement provides you with the best of both worlds.

Advantages

Our employees are highly skilled specialists.

Disadvantages

The individuals assigned to your project are unlikely to accept full-time employment with you.

Once the project is completed, the people assigned to your project move on to another project and another client. This is cost-effective for you.

We handle personnel issues, which eliminates payroll and tax headaches for you.

Because we have a core group of employees, plus a number of highly qualified freelancers, we can handle your project requirements.

You do not have to provide equipment, software, or office space.

Analyzing your requirements

Contrary to popular myth, a contractor is not always cheaper than a full-time employee. If you have enough work to keep a single person occupied full-time, you will probably save money by hiring that person (except in situations where the work is very seasonal). At the other extreme is the one-time project. If you have a one-time, extra project, it doesn't make sense to hire permanently. In that case, consider the various temporary options, and pick the one that best meets your needs.

If you can keep a person busy full-time, you will probably save money by hiring an employee.

Permanent increase in the amount of work

If you have enough work for a full-time person, and this work will continue indefinitely, then you need to consider a permanent solution. This means hiring a new employee, either directly or via a temp-to-perm contract.

If your increase does not require a full-time employee, consider either hiring a part-time employee or using Scriptorium Publishing to handle the overflow work.

Hiring a freelancer in this situation is inappropriate because it can lead to problems with the IRS. One of the infamous "20 Questions" that the IRS uses to determine whether an independent contractor will be reclassified as an employee looks at the ongoing relationship between the client and the contractor.

Using a leased employee (not in a temp-to-perm arrangement) is unwise, because you may lose the employee to a permanent position elsewhere.

A single project

If you have a project that you cannot handle in-house, the approach depends on the length of the project. If the project will last less than three months, you need a freelancer or Scriptorium Publishing. If the project will last longer, you could also consider the staffing agency options.

Recurring overflow projects

If you have a recurring need for personnel to handle overflow projects, you should probably consider only freelancers or Scriptorium Publishing. This is because you want your vendor to learn from each project and become more efficient. It is highly unlikely that a staffing agency will send you the same contractor

You want your vendor to learn from each project and become more efficient.

again and again because of their high turnover. The freelancers and Scriptorium Publishing, however, can take advantage of what they learned on earlier projects. This reduces your costs.

If your overflow projects are so big that you need more than one person at a time, consider using Scriptorium Publishing, which can provide more than one person and shift responsibilities among team members as project needs change.

Analyzing the costs

Before you decide which approach to use, you need to calculate the true cost of your employees. Your Human Resources department can probably help you with this. The cost of a permanent employee includes the following:

- Employee salary and benefits
- Training
- Office space, equipment, software
- Other employee expenses (check with HR)

You should be able to calculate a yearly cost for an employee, and, from that, an hourly cost. You can then use this number to compare your in-house costs to the cost quoted by the various outside vendors. You may be surprised at the results.

And finally...

The scenario in which you need to hire a full-time employee is fairly straightforward. If your project requires steady, full-time work over an extended period of time, hiring a new employee is appropriate. If your requirements are different—and you don't want to worry about payroll, finding more office space, or buying computer equipment—Scriptorium Publishing offers you an effective, professional solution.

Documentation doesn't have to be a problem for you.

Contacting us

If you have any questions about Scriptorium Publishing Services, Inc., contact:

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