



## Introducing Corporate Tax Departments to Bridge Staffing

***“The tax profession finally has a logical alternative for traditional loaner staffing. Now bridge staffing provides corporate tax departments with much higher quality interim and assignment staffing resources at a significantly lower cost.”***

### What is bridge staffing and how is it different from loaner staff?

Bridge staffing is the engagement of pre-screened, vetted and independent contractors that do not fall under the employment of tax service businesses. Bridge staffing has been a successful business model for years in many professions including information technology, medical, legal and even accounting. In tax, the traditional industry options for effective temporary contract staffing have been limited to pulling from the “Big 4,” national or local CPA firms, and occasionally boutique tax consulting firms.

***Bridge staffing is not a new concept. Many professions have enjoyed the benefits of engaging high level independent contractors at highly competitive rates. Now the tax industry has a viable, logical alternative to the traditional high-cost and less experienced “loaner” staff solution.***

There were two primary catalysts which drove the previously mentioned professions to transition to a bridge staffing model. The first was the need to expand the quality of the professional candidate pool, which is limited in the loaner staff model to the employees available at the given time of need. In contrast, bridge staffing opens the staffing pool to the best available tax contractors, both locally and nationally, that work independently. In addition, these independent contractors are screened and vetted to the same degree as a high-level retained executive search – ensuring that the best possible tax professional is properly matched to each assignment.

The second market catalyst was the growing pressure to limit or reduce costs while increasing productivity. Corporate tax departments have been specifically affected by an unprecedented pressure to balance risk mitigation and effective tax planning, placing tremendous pressure on internal budgets. The current quality and cost pressures now evident in tax have set the stage for a logical transition to bridge staffing.



## Why is bridge staffing so effective for tax?

Bridge staffing has many attractive benefits for tax departments. Bridge staffing professionals are always prepared for flexible contract engagements. Moreover, this group represents the top 20% of all contract talent available in the marketplace. The majority of bridge contractors have worked in corporate in-house tax departments, maximizing the overall integration speed, effectiveness and value – far beyond that of the typical “loaner” staff resources.

***Bridge tax contractors are well-seasoned and motivated professionals that have the corporate experience to deliver more service value on a lower cost basis. The combination of lower cost and higher quality makes the bridge staffing model a highly effective strategy for tax departments to adopt.***

Bridge staffing also provides corporate tax departments with “*just in time*” inventory, matching the right resource with the right project.

The cost savings from bridge staffing are derived from two primary areas:

1. **No Full-Time Employees:** Bridge staffers are independent, vetted professionals that can operate autonomously or within a project team and do not come with the related employee costs.
2. **No Significant Overhead:** The traditional tax loaner staff models are weighted heavily with tremendous overhead. From facilities costs to utilization gaps, these all must be covered in fees from any professionals the firms deploy. This increased expense is something clients must pay for and the individual contractors never see.

Bridge staffing professionals are also highly motivated. They are only compensated when matched to specific contract positions that suit both their abilities and interests. They are independent professional resources that have a personal interest to be engaged in the right contract assignment. They also benefit from a far better compensation structure, which in turn adds motivation and rewards them for higher performance.



## What advantage does bridge staffing have over the national tax firms?

Every successful business has its niche and the “Big 4” and national consulting practices certainly play a key role in effectively servicing large-scale customers with sophisticated complex projects. The area where these large entities fall short is exactly what bridge staffing offers – high quality independent talent at a reasonable cost for defined projects. These large

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firms carry with them serious overhead, utilization rates, and significant partner salaries that must be directly offset in every client activity – especially in loaner staffing situations. When these firms lend their staff, the client absorbs these costs at a very high-rate, far beyond what the actual professional receives as compensation.

Professionals employed by big national firms are not viewing these contract engagements as their path to success. In general, they did not join these big firms with aspirations of being assigned to contract engagements as loaner staff. Additionally, companies pulling loaner staff from the larger firms are only able to utilize a professional that may be “*on the bench*” at that time. These firms

are not interested in loaning staff as their primary business; however, they also do not want competition, so loaning staff has become almost a necessary industry evil. Lastly, the big national tax firms almost always recruit and train from an early stage of a tax professional’s career, which significantly reduces the number of candidates that have any corporate in-house tax experience. They lack the “real-world experience” that one can only obtain through dealing with the implementation and execution issues that a corporate tax department must handle.

The big national firms are also not in the business of finding bridge contractors. They are by nature highly institutional and operate with such magnitude that their loaner staff model becomes too costly a solution for many corporate departments to utilize. This scenario has been the standard industry practice for years and simply no longer fits in an age where cost reduction and performance quality are the key components to effective tax department operations. In the end, bridge staffing offers a much greater pool of talent that is more motivated and better qualified to handle contract assignments at a much lower cost.



## What advantage does bridge staffing have over local and regional boutique tax firms?

Like the big national consulting firms, local and regional tax practices also play a key role in supplying corporate tax departments with important services. These firms, though smaller, often times augment the larger national firms – assisting them with isolated or specialized

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projects that require focused attention and specific knowledge. Like their larger firm counterparts, when it comes to loaning staff, they are equally outmatched by independent bridge tax staffing due to their cost structure and limitations in access to qualified talent.

These local and regional firms also hire their staff as full-time employees and they must pass those added costs onto their clients. Because these smaller firms generally pay their professionals less than the larger, more prestigious firms, naturally the quality and skill levels of these individuals may not meet the needs of the assignment. The smaller firms also share a similar burden that larger national firms have with employee inventory. When the busy season hits or when the market spikes, the selection of loaner staff dries up and significantly reduces in quality.

The laws of supply and demand force these firms to offer only the non-engaged employees they may have at any given time. The chance of making a successful project and candidate match in this scenario becomes a significant challenge. In the end, these firms have little access to any significant pool of highly qualified talent. This limits the breadth of opportunity to finding the most qualified candidate for the assignment.



## Moving to a new era in tax bridge staffing

The corporate tax market is facing growing pressure to increase performance and reduce costs. These catalysts are driving the market for a new alternative for the tax industry in department

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staffing. The bridge staffing model is a proven, logical alternative that can seamlessly augment other tax provider services. The current market conditions in tax have created a large enough demand for this type of staffing solution to emerge. Introducing your tax department to the significant benefits of tax bridge staffing is a necessary step to increasing productivity while reducing costs.

The tax profession is a challenging and ever-changing market that requires progressive thinking and new methods for delivering deeper shareholder value. Bridge tax staffing can open your department to resources you need, at the time they are needed most. A national pool of independent and highly-qualified tax specialists are waiting to meet the demands of any interim project or assignment. Finally, finding top qualified tax

candidates for flexible contract engagements at a lower price has come to the tax profession – an option many tax departments now rely on every day.

*This article has been brought to you by Tax Force, matching top-tier independent tax contractors with prospective client companies. To learn more about bridge staffing solutions specifically designed for the tax industry, contact Tax Force at 843-216-7444, or visit [www.TaxForce.com](http://www.TaxForce.com).*