



## **Hire Smart: Staffing Strategically for Cost Effectiveness**

*Provided by the workplace experts at Robert Half*

Effective management of human resources is one of the most important elements of a competitive business. In lean times and periods of economic uncertainty, it's especially critical to carefully monitor and manage your biggest expense: labour.

By staffing more strategically, companies may be able to reduce the potential for burnout and high turnover among employees, issues that could be extremely costly. This can be accomplished by carefully evaluating workload levels based on both immediate and long-term objectives, and then determining the optimal combination of full-time and temporary staff to best meet them.

This staffing method is strategic and cost-efficient particularly in an environment in which many businesses are striving to accomplish major initiatives with fewer resources. It allows companies to turn fixed costs into variable expenses tied to workload peaks and valleys. It also helps businesses avoid the damaging cycle of overhiring followed by layoffs. Here's a closer look at how to implement a strategic staffing plan:

### **Analyze Your Needs**

First evaluate the functions and duties of all full-time positions at your firm, taking into account varying workloads throughout the year, vacations and anticipated overtime, so you can adjust your staffing needs as necessary.

Next, determine how many "person hours" you have available by calculating the number of hours each staff member works each month. For instance, if you have two full-time staff members who each work eight hours a day, five days a week, you have 320 person hours available.

Then, list the recurring projects and the amount of time required to complete each one. If you have three major initiatives that will take up 300, 100 and 60 hours respectively, you know

you'll require extra help at certain points in the year: You have 320 people hours available for 460 project hours. In a case like this, you could bring in a temporary professional to ease the burden on your full-time staff.

Once you've determined your staffing needs, develop a budget for the entire year. Part of this strategy should include creating separate line items for temporary employees for both planned and unanticipated workload peaks.

### **Choose Your Players**

Once you know *when* you'll need additional help, your goal should be to clarify what specific skills you will require. This can usually be classified into three broad categories:

**Pinch hitters** can close the gap during peak business cycles, vacations or medical leaves. They're also useful in filling protracted vacancies when it's critical to keep productivity and morale high. Perhaps you recently promoted your administrative assistant and can't employ a permanent replacement due to a hiring freeze. Bringing in a temporary administrator provides you with the needed expertise at the right time, and helps you avoid overburdening your existing staff.

**Technical experts**, or professionals who can help with specific new initiatives or projects, provide skills that you don't already have in your department. (Or maybe you do, but the employee is currently overbooked and needs help.) Perhaps your full-time staff is working at capacity, and you need someone experienced in using database management software to run special reports. Temporarily hiring a professional experienced in that area takes the pressure off your full-time staff.

**Special-project professionals** are individuals who may work with full-time employees or with the technical experts mentioned above for one-time, labour-intensive tasks. For instance, you might need additional staff to provide support for an annual conference or assistance during a new product rollout.

The strategic use of temporary professionals for project needs helps keep your employees' productivity and morale high, regardless of economic conditions. Your company has the flexibility to react to the ups and downs of business cycles by tapping into a highly skilled

talent on a just-in-time basis. These professionals can be brought in for an hour, a day, a month or longer, and this approach offers a cost-effective way to access the specialized experience when it's needed most.

A careful assessment of staffing needs will pay off many times over, and put your company in a strong position to meet the challenges of your business.

## **Sidebar**

### **Look for Warning Signs**

How do you know if it's time to staff more strategically? This checklist can help:

- Excessive and costly overtime
- Employees whose skills don't match the job requirements
- An inability to remain technologically up to date
- Repeatedly missing project deadlines and poor quality output
- High staff turnover
- Unusual absenteeism levels
- No regular discussion, analysis or planning for staffing needs or departmental mission
- Last-minute "shopping" for temporary staff
- No annual budget line item for flexible staff
- Low employee morale

Robert Half International was founded in 1948 and is traded on the New York Stock Exchange. Its financial staffing divisions include Accountemps, Robert Half Finance & Accounting and Robert Half Management Resources, for temporary, full-time and senior-level project professionals, respectively. The company has more than 360 staffing locations in North America, South America, Europe and the Asia-Pacific region, and offers online job search services on its divisional websites, all of which can be accessed at [www.rhi.com](http://www.rhi.com).