



Understaffing: A Risky Proposition



Listen Closely.

Can you hear it? It's the echo of the “do more with less” mantra – ringing among empty cubicles, offices and production lines across the country.

Years of slashed budgets, staff reductions, fierce competition and survival-mode thinking have placed unrealistic expectations on our nation's workforce. Do it faster. Do it better. Oh, and do it all with fewer people.

It's hard enough for a fully staffed team to meet its goals and stay competitive. It's nearly impossible for a chronically understaffed one. So if your human resources have been stretched too thin for too long, spend five minutes reading this eBook. You'll learn why understaffing is a risky proposition – and how your company can better manage your workforce to your workload.





The Numbers Tell the Story

Consider these statistics:

- 63% of enterprise executives and technology decision makers listed “lack of staff (an understaffed security team)” as a challenge or major challenge.
- In a survey of 500 small business owners, 35% said they were somewhat or significantly understaffed – but 70% percent of the respondents said they plan to maintain their current employee levels.
- 54% of employers experiencing a talent shortage say that it has a medium or high impact on their ability to meet client needs.

In some cases, talent shortages are the cause; in others, the problem stems from a misdirected attempt to improve profitability by controlling employment-related expenses. But whatever the reason, chronic understaffing has become the operational norm for businesses from coast to coast.



Penny Wise, Pound Foolish

Employing too many people (especially in non-revenue-driving positions) drives up overhead and eats away at profits. Obviously, that's not good for business.

But neither is understaffing. While “running lean” can temporarily boost productivity and profits, those gains are usually short-lived. Over time, understaffing may expose you to unforeseen and unacceptable risks, including...





People Problems

Overworked, overstressed employees.

As employees stretch to meet job requirements, stress levels rise and job satisfaction levels plummet. Playing a perpetual game of “beat the clock,” they’re incapable of working at their highest performance levels.

Higher personnel costs.

Stress increases expense. As tension in the workplace rises, so do absenteeism, workers’ compensation claims, healthcare expenses and the need for more management.

Higher turnover.

Burned-out employees don’t stay complacent. Even the best compensation packages may not be enough to keep them working for you. It will cost you plenty to lose and replace employees, especially high performers.

Can you really afford to lose your best people – when top talent is becoming harder than ever to find?



Business Problems

Lower quality.

Stressful deadlines, demanding projects and volatile workloads are just the nature of doing business in today's economy. But if employees are constantly under pressure to deliver beyond their abilities, attention to detail takes a back seat. More mistakes happen. Those mistakes wind up costing you money – and customers.

Missed deadlines.

Being understaffed can seriously impact production capabilities, hindering your team's ability to meet critical deadlines and adhere to project schedules.

Dissatisfied customers.

Delivery and quality problems invariably lead to lower customer satisfaction – which may be compounded by the poor service from overworked, disgruntled employees.

Missed opportunities.

A company hard-pressed to meet its current commitments can't expect to undertake new endeavors successfully.

Competitive disadvantage.

Our economy is improving. Companies that fail to ensure exceptional quality and capitalize on new opportunities put themselves at a significant, long-term disadvantage to those who staff their businesses adequately.

Can your company afford to understaff any longer?



Turn it Around

Running lean isn't always the best way to run your business. The costs associated with lost revenue, reduced productivity and quality, and increased workplace stress are often far greater than the opportunities adequately staffing your company presents.

So, regardless of the reason you're understaffed – talent shortages, hiring freezes, rapidly changing workloads – use these practical ideas to get back to good...



Beat the Talent Shortages

If you're short-staffed because you just can't find the right talent, try one of these ideas:

- **Tap your network.** Ask former employees, suppliers, customers and social media contacts to spread the word on your behalf and refer potential candidates.
- **Cast a wider net.**
 - Maximize job boards. Post on smaller, niche job boards to widen your pool of candidates and decrease competition. Make job postings stand out by selling the opportunity – not just the responsibilities – and optimize content for search engines.
 - Leverage LinkedIn. Conduct an “Advanced” People Search for candidates. Then, dig deeper. Once you've created a primary list, go to each candidate's profile and use the “People Also Viewed” bar (on the right) to develop a secondary list of candidates.
- **Use specialized recruiters.** Find a staffing or recruiting firm with expertise in the areas where you're most understaffed. They leverage vast candidate networks, advanced recruiting technologies and economies of scale to:
 - Improve candidate quality
 - Shorten time-to-hire
 - Lower cost-per-hire
 - Reduce hiring risks and ensure compliance
 - Free you to focus on critical business responsibilities



Thaw Hiring Freezes

Still not hiring full-time staff? Be proactive – and get creative – to acquire the human resources you need:

- **Make your case.** If you don't make staffing decisions in your business, explain the negative consequences of understaffing to the people who do. Use this eBook to illustrate how expanding your staff can help you improve quality, retain high performers and key clients, capitalize on new opportunities, and build a profitable business in this economy.
- **Use temporary or contract professionals.** If you still don't have the go-ahead to hire, bring in qualified contingent workers to help complete projects, meet deadlines and alleviate stress on your direct employees.
- **Use payrolling services** to retain a qualified worker you recruit until you can hire him directly.
- **Interns.** While interns often require fairly heavy supervision, they can be a low-cost or even no-cost way to support your team – without adding to headcount.





Changing Workloads

Do sudden surges in volume or busy seasons cause understaffing issues?

- **Plan your workforce needs.** If your business has predictable surges in demand, develop a workforce plan to forecast expected staffing needs and the timing of those needs. Reduce core staffing to levels necessary to maintain normal operations. Then, proactively bring in trained supplemental help to meet peak production demands as needed.
- **Use just-in-time staffing.** If a big project, huge order or tight deadline stretches your staff too thin, on-demand can provide the support you need without impacting fixed expenses. Just-in-time staffing keeps your workforce lean, while delivering the flexibility you need to rapidly scale your workforce.





Understaffing is Risky – and Unnecessary!

If you're struggling with understaffing, your staffing partner is ready to help. Together you can assess your needs, brainstorm options and design smart alternatives that alleviate the personnel and business problems chronic understaffing causes.

In the long run, a well-staffed team will allow everyone within your organization to do their best work – giving you the best foundation for a successful business.



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