

Hiring Freezes Chill Worker Morale, Productivity



How a flexible workforce strategy can help you hold on to top talent

by Celeste Gudas

Attention hiring managers: The “wait and see” attitude that you have about staffing just may wind up costing you your top talent in the long run. Caution about the bottom line has led to strict hiring freezes and mantras of do more with less. Lost in the mix here, however, is the negative impact this approach may have on staff.

In your earnest quest to control costs are you ignoring the long-term consequences to your most valuable employees? Sure you’re banking on their loyalty to get you through the lean times, but are you also setting them up for burn out? People are generally able to buckle down and take on more in the short term but as the fatigue factor amps up, they may well start to question **your** loyalties to them. Put

yourself in their shoes for a moment: Being one of the “lucky ones” to still work at your company now means:

- Increased stress; it’s not just about the job, it’s about **no margin for error** and more riding on deliveries and service;
- No work-life balance;
- No immediate opportunities for compensation incentives or increases;
- Low morale and productivity (no end in sight);

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There’s also a whole psychology to the situation. For example, when employers lay off staff and put a freeze on hiring, key positions remain open and morale drops. Those left to carry on are never quite certain when their

number will come up, or if the company will be acquired or, worse yet, close its doors. Feeling insecure about the future, they start putting their feelers out for openings at other companies. If you are assuming the current uncertainty in the market will hold them back from taking another job, think again. Check in with a recruiter who can confirm the interest he or she gets from gainfully employed candidates. Highly skilled talent can move anytime and be assured of finding an opportunity elsewhere.

This high stakes workforce plan will send the wrong message to your team. Staffing setbacks are entirely avoidable if companies use interim solutions which offer long-term benefits. The answer? Cost-effective, outside staffing resources that fill in the ebb and flow of labor needs around seasonal initiatives. Hiring managers argue they can’t afford the costs associated with highly skilled freelancers. Clearly, they haven’t weighed the costs associated with replacing game changers at their companies.



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Leading Causes of Workplace Burnout

Lack of control.

Workers are unable to influence decisions that affect their job, such as: hours they work, the assignments they get, or lack of control over the work coming in;

Unclear job expectations.

Uncertainty over the degree of authority they have; the absence of necessary resources to do their jobs;

Dysfunctional workplace dynamics.

An office bully, being undermined by colleagues or having a micro-manager boss contribute to worker burnout;

Mismatch in values.

Worker values differ from the way their employer does business or handles employee grievances;

Poor job fit.

Working in a job that doesn't fit worker interests and skills adds to stress over time;

Extremes of activity.

A monotonous or chaotic job requires constant energy from workers to remain focused, leading to energy drain and burnout.

Source: Mayo Clinic

Reconsider your strategy

If you're among those managers gambling with these dynamics, you may want to reconsider your strategy. If you do a true analysis you'll find that interim freelance talent will:

1 Help avoid workforce burnout.

Your employees understand the big picture better than you know and will be watching for clues that they are valuable too in your game plan;

2 Provide skilled talent when you need it.

Skilled freelancers can help you meet the demands of the peaks and seasonal cycles of your business;

3 Deliver highly qualified staff without violating your company's hiring freeze.

No new FTEs. No benefits to pay. Skilled staff when you need it and only when its necessary;

4 Preserve productivity.

Extra helping hands will preserve morale and foster the well being of your core staff helping you avoid an increase in sick days and loss productivity due to burnout;

5 Expose your company to new talent.

Hiring freezes are temporary and market cycles eventually turn. This too shall pass, but in the meantime freelancers give your management team the chance to preview new talent without having to "buy;"

6 Enable your company to emerge from the downturn in a competitive position.

Overburdened staff is bound to drop the ball on important initiatives as the recovery drags on. By keeping your team fresh and tapping into the creative pool of outside resources your company will be better poised to maintain its innovative edge at the time it's needed most.

Don't fall into the we-can't-afford-this mindset which keeps your brand stuck in the same place. Check in with a staffing firm that has the industry expertise you need and a track record in challenging economic environments; do the numbers with them. Chances are a flexible workforce strategy which includes outside resources is not outside your budget reach; particularly when you weigh the alternative costs to replace key talent. Invest the time and do the research. The effort is well worth it and may ultimately help you hold onto the people you'll need most when the market turns around.



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