

It's Time to Get Strategic About Your Workforce!



An Abundant Talent Pool Offers Employers the Chance to Swap Underachievers for High Performers

By Celeste Gudas

OK, time for a reality check: On a scale from one to 10, just how “strategic” are you about your company’s staffing right now? Come on be honest. Do you knee jerk and react to every twitch and turn of the market? Or do you have a bona fide game plan that enables you to approach your workforce holistically and capitalize on the opportunities at hand?

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If you're in reactive mode like many senior managers are, you're missing out on the bounty of opportunities presented by this rare and difficult business environment. It's a buyer's market and the caliber of talent that is looking for work is simply astounding. Take a cue from the world-class brands that take advantage of this type of labor pool and trade out under performers for top achievers. It's called talent swapping and it's just the kind of strategy that can move a company from mediocrity to an off-the-chart performance. You must have a big-picture perspective, however, about where you want to go and what key people you need to help get you there.

While talent swapping can be accomplished in any environment, it is much easier to execute during market contractions like now. Here's why:

- **High unemployment = buyer's market.** Land- ing top performers is, of course, easiest when

unemployment is up. As employers cut budgets, lay off staff and table initiatives, top performers become more readily available.

- **No additional headcount.** No matter how attractive the talent pool is, your CFO is not likely to allow you to increase staffing levels. With a talent swapping strategy in place, your head count remains fixed as one employee is exchanged for another.
- **Increase productivity when you need it most.** As competition has increased and product cycles have gotten shorter, brands are under more pressure to maximize productivity. Doing more with less staff means that every employee needs to bring more to the equation. Replacing under performers with top talent WILL increase workforce productivity when you need it most.
- **Managers don't have an excuse to delay staff changes.** The beauty of talent swapping is that managers don't have to terminate a staff person until a capable replacement has been hired, making the change seamless and risk free.
- **In a down market you can't afford to carry under achievers.** Try calculating the performance differential of a below-average staffer and an above-average performer. The difference in productivity is often two to three times greater. Over time, the weaker employee winds up costing you more and in a down market, this is simply something your company can't afford.

Get the picture? The advantages of talent swapping are many, but you will need a tangible comprehensive plan to avoid making costly mistakes.

Talent Swapping Goes Smoothly When You Have An Action Plan

Talent swapping is straightforward and easy to implement, particularly when you have mapped out an action plan first. Here are some recommended steps you may want to include:

- 1** Develop a formal plan and get buy-in from HR, key managers and your CFO. You should also include your recruiting firm because it will have first access to a broad range of talent. This should include a performance management process to document the current poor performers.
- 2** Identify the business units and key jobs and weak performers where talent swaps will offer the most benefits. Come on, you already know who these people are and probably already work around them. Now's your chance to get rid of them.
- 3** Consult your legal counsel for advice to see if there are any actions that need to be taken before swaps are executed.
- 4** Define the skill sets that your potential new hires must have to make a significant difference in your company.
- 5** Work with your recruiter to build a “who's who” list of the top talent in your industry to identify targeted candidates. Your plan should include exact protocols for bringing these new hires on board. Your recruiter is already going to be dialed into who the premium talent is and what they want.
- 6** Be prepared to measure the metrics and the overall performance improvement and impact of your new team. Earn a few brownie points for yourself. This will be a great way to illustrate the benefits of a workforce strategy to your entire leadership team.

Whenever you terminate workers, there is potential risk involved. The key here is to build a plan, create consensus among your management team and take action. Now's the time to be strategic and proactive, if you want your brand to do more than just survive these tumultuous times.



ABOUT THE AUTHOR Celeste Gudas is a leading authority on workforce strategy for creative-driven companies. A distinguished entrepreneur and recruiting industry innovator, Ms. Gudas has grown 24 Seven from a single New York office to 7 US locations and internationally to London, and has expanded the industries the firm serves. Today 24 Seven is the go-to talent source supporting the world's top teams in Fashion, Retail, Advertising, Marketing, Design, Interactive/Digital, Media, Beauty, CPG and Entertainment. A certified Women's Business Enterprise by the Women's Business Enterprise National Council, 24 Seven is also a recipient of the prestigious Ernst & Young Entrepreneur of the Year Award. For more information about how you can create a successful workforce strategy for your company call your local 24 Seven office or email President Celeste Gudas at cgudas@24seveninc.com.

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