9 Reasons to Rethink Your Approach to Staffing

How to Move Forward, Increase Productivity, and Minimize Risk

Bryan Miles

Produced by Ben Stroup
9 Reasons to Rethink Your Approach to Staffing

How to Move Forward, Increase Productivity, and Minimize Risk

BRYAN MILES
Reason One
It Takes Forever to Find the Right Person

Reason Two
Employees Cost More than Their Salary

Reason Three
You Have to Find a Place to Put People

Reason Four
You Need to Keep the People You Have Busy

Reason Five
Availability Isn’t the Same As Competency

Reason Six
Employees Don’t Really Work Eight Hours a Day

Reason Seven
Firing People Is a Hassle

Reason Eight
Your Personnel Budget Is Suffocating Your Margin for Growth

Reason Nine
An Affair Will Cost You More than You Think

Next Steps

About the Author
It Takes Forever to Find the Right Person

Hiring employees stinks! Maybe not all the time. But more often than not, hiring someone comes with A LOT of risk and takes A LOT of time. When it’s time to hire someone, we start asking ourselves these questions:

- Will I have time to conduct a search?
- How will I get things done while I’m looking for my next hire?
- What if I can’t find the right person?
- What if I hire the wrong person?
- Can I find a quality person who can scale with me?

You’ve probably asked yourself these questions as well as many more. My experience tells me that the person doing the hiring is sometimes just as uncomfortable with the process as the person looking to be hired.

There is an inherent problem when it comes to hiring employees: It’s difficult to get rid of the wrong person.

Plain and simple. The reason why so many organizations fail to hire all open positions is that sometimes it’s easier to get by with who you have versus taking a risk and hiring someone new.

The hiring process is designed to vet candidates, but it’s not always nice and clean.

- There are people who present well on paper but won’t function well in your culture.
- There are people who say all the right things but morph into a totally different person once hired.
- There are people—good people—who are identified as “ideal” during the hiring process but just don’t work out for a variety of reasons.

Finding the right person is an overwhelming hurdle that some organizations choose not to attempt and other organizations must endure hoping to find the right fit.
The good news is that new approaches to staffing are emerging to help businesses connect with the right person, minimize risk, save time, and ultimately move you closer to accomplishing your objectives.

It starts with focusing on the project you want to accomplish rather than worrying about the seats that need to be filled.
REASON TWO

Employees Cost More Than Their Salary

Personnel budget is often the largest expense any business has. Unless you’re a one person show, it is likely that you are spending a lot of money on people.

That is good and bad.

The bad part is that you have to make payroll. (It isn’t optional.) There are so many rules and regulations surrounding payroll that it makes my head spin. It’s enough to make a business of any size fearful of expanding its workforce and increasing the responsibility of leading and developing employees.

The good part is that people help you spark ideas, produce products, and offer services that generate revenue and help you accomplish your organizational objectives.

When it’s time to hire that next person, the first thing you’re going to want to understand is how much this hire is going to cost. So you calculate the salary and realize that the best candidates are probably going to want . . .

- health insurance,
- life insurance,
- short-term disability,
- and more . . .

. . . just to name a few. And don’t forget about worker’s compensation costs! (See “Know Thy Employee Burden Costs” at eaHELP.com for a more complete list.)

A general rule of thumb is to add 35 to 50 percent to the salary you intend to pay. This is the “true cost” of your next hire. (And probably a number that is going to turn your stomach inside-out.)

The cost of even one full-time employee can be discouraging. For growing businesses and organizations who need help, adding employees means accruing fixed costs versus variable costs.

The Great Recession is still fresh enough in our minds to cause us to pause before committing to any growth or activity that provides fixed costs such as employees. That’s why businesses are relying on freelancers and outsourced services more than ever.

Today’s business climate demands agility —especially in the area of staffing. But there is nothing agile about the true cost of hiring employees.
REASON THREE

You Have to Find a Place to Put People

Good for you! You’ve found the right person. And you feel good about the additional fixed costs that will come with your next hire. The next step is to find a place to put them.

Wait! What do you mean?

Now you need to...

- designate an office for them,
- give them a computer or laptop,
- add an additional phone line and/or cell phone with data and text messaging,
- set up their e-mail,
- order basic office supplies,
- provide them with an ergonomic desk chair and accessories . . .

I think you get where I’m going. Once you have that new employee, you have to find a place to put them.

If you’re a large organization with plenty of office square footage, this shouldn’t be a problem. Most organizations (at least growing ones) don't always have extra space.

- What if you’re a startup?
- What if you’re an independent consultant?
- What if you don’t have any office space?
- What if you’re building a business while working from home?

Those fixed costs keep going up, don’t they?

Finding a place to put people can be a challenge. It might even mean a complete relocation or new approach to work space. That could mean thousands of dollars. That’s money you never intended to spend in the first place.
Employees need space and supplies (not to mention travel costs and continuing education) to accomplish the job you just hire them to do. As the employer, that’s your responsibility. Not theirs. And if working conditions aren’t acceptable, you could be in a lot of trouble.

Putting employees in the closet is generally frowned upon, no matter how “roomy” you might think it is.
REASON FOUR

You Need to Keep the People You Have Busy

Employees need employers to tell them what to do.

I'm not talking about barking orders at people or morphing into a quasi-dictator. Employees are expensive. That means you have to keep them busy to make them worth the cost.

It took me forever to realize that not everyone works as hard as I do. When I was younger, I assumed that hard work was what everyone did. I thought everyone wanted to get ahead.

Wrong!

My experience as an employer has been that most people are content with doing as little as possible, getting a paycheck, taking their vacation time, and going home.

Yes, I'm jaded. If you've been hiring for any length of time, you're probably a little jaded about the process too.

Don't believe me? Just walk around the office and watch people looking busy. There are employees who make a career out of looking busy. (You know exactly what I mean. You're probably reciting their names in your head right now.)

You've made a full-time hire. That means you've purchased forty hours of their time in daily blocks of eight-hour segments. The employee is not going to feel bad if they only use twenty-five of their allotted forty hours. They did what they were told was expected of them. The one who loses is you!

What if you needed someone to fill a position but only had enough work to keep them busy for twenty hours a week? You'd have to go searching for a part-time employee. Many times the best, most qualified people aren't looking for part-time work. That means you have to settle for less.

Ouch!

The end result is that you have twenty hours of work but hire a full-time person for forty hours a week plus their employee burden costs. You lose . . . again . . . on every front.
REASON FIVE

Availability Isn’t the Same As Competency

Never confuse availability with competency. The reality is that you need to expand your workforce to accomplish your business objectives. That means you need the right person at the right price—today. (I’m confident in making that assumption because you’re probably not reading this for pleasure.)

Just because someone is available for the time you need them, at the rate you can pay, and for the tasks you need completed, doesn’t mean they are the best person for the job. In fact, sometimes the person you need to hire is most likely already employed by someone else. (Did you just hear the universal cash register in the sky ringing, adding the pile of money necessary to lure you’re next hire away from another employer?)

When you make the investment in hiring an employee, you deserve to get the best person available on the market. I want that for you too. All business owners want the best their money can buy.

Remember, the end goal is not to hire people for the sake of hiring them. You’re hiring them because it’s part of the process of moving you toward you business goals. (If you confuse one with the other, your business will go broke—and quickly.)

If reaching your business goals is the end game, then why would you settle for someone who is AVAILABLE instead of the BEST person for the job?

You shouldn’t! I want you to know it’s possible to have the most competent person available for the price you can afford and for the amount of time that you need them.

Seriously.

You can have your cake and eat it, too, if you’re willing to think about staffing slightly differently than employers did during the industrial era.
REASON SIX

Employees Don’t Really Work Eight Hours a Day

There have been countless studies conducted on the eight-hour workday trying to determine how many hours a day employees are productive. Some of those studies suggest employees max out their productivity at four hours a day.

Some large companies have used this data to create variable work schedules for their employees as long as their business units continue to meet their productivity goals. Unless you’re Best Buy, you’re probably not sitting around thinking up creative work schedules for your employees.

As the business owner, you have a lot invested in what you’re doing. The most difficult part about staffing is coming to terms with the notion that no one else—no matter how much you pay them—is going to care as much as you do about your success and future.

Employees most likely aren’t given any ownership of the company unless you’re talking about senior executive positions in large, publicly traded companies. (And if that’s the kind of staffing you’re doing, I have to ask . . . Why are you reading this eBook?)

Employees don’t have the same “skin” in the game you do. The idea that employees work every hour they are “on the clock” is ludicrous. It just doesn’t happen. If that’s true, why is the only staffing option that you consider legitimate one that requires a fulltime employee who works eight hours a day, five days a week?

• What if you’re an independent consultant who needs help coordinating travel, setting appointments, or managing paperwork?
• What if this function only required five hours of help each week?
• What if by offloading this task-related work, you could add one new client to your list?

My guess is you’re probably doing things right now that are taking you away from your core work, the stuff that makes clients want to hire you. You know there is more opportunity out there, but you’re stuck in the middle because you don’t want to hire a full-time person.

If you’re spending time completing work-related tasks instead of work that creates revenue, it’s time to add staff. But hiring a fulltime person is NOT your only option.

You have options . . . if you’re willing to consider alternatives to traditional staffing models.
REASON SEVEN

Firing People is a Hassle

What happens when you . . .

• make a bad hire?
• can no longer afford to fund a full-time position?
• discover that an employee is not a good fit?

Yep. You guessed it. You have to fire them. (Or let them go. It’s all the same thing.)

Even when letting someone go is the right decision, it’s not an easy one. To look someone in the eye and tell them they no longer have a job is so hard that most employers tend to put off making that decision too long.

Once the hard part is over, now you get to start the hiring process all over again. (Yeah! Yippee! Awesome! . . . That’s exactly what I was thinking, too.)

I’m certainly not suggesting that every employee you hire is not going to work out. Nor am I suggesting that traditional staffing models are entirely defunct. I’m merely trying to underline the idea that hiring full-time employees comes with a lot of baggage. Sometimes it’s worth it. And sometimes it’s not.

What’s worse is that there are businesses who are being held back because they can’t afford to expand their staffing levels or simply don’t want to incur the risk of doing so.

• This hurts the business owner.
• This hurts the job market.
• This hurts the economy.

Hire enough people, and you will have to fire someone. It’s usually not pretty and is often very uncomfortable. This is why so many businesses choose to leave seats empty rather than risk that next new hire.

It doesn’t have to be that way. The disruption you should be worried about is achieving that next level of growth and success, not making the decision to fire and re-hire someone.
I've worked in small and large companies. I'm now the co-owner of a growing small business. I understand what you're going through because I've been there. In fact, I'm there.

One thing I've learned along the way is that businesses that succeed always have time, focus, and money for . . .

1. revenue/sales generation,
2. internal systems and process developments,
   and
3. leadership development.

If you're not spending the time you need to get in front of people and connect with your core audience, you won't have a business for very long. (Unless you sell something that people have to have and only can get from you. My guess is that is highly unlikely.)

That means when you're not spending money gaining market share, your competition is. Can you spell d-i-s-a-t-e-r?

Even small businesses need to be one step ahead of the marketplace. If you're not, you'll be left behind.

Why is the conversation about investing money in marketing, advertising, and research & development important? Because if all your money is tied up in personnel, you will choke on your own payroll.

• Growth is what created the need to expand and reconsider your staffing strategy.
• Growth is what led you to hire new employees.
• Growth is what will continue to propel you forward.

If you stop growing, you die. If you spend all your money meeting payroll, your business will slowly fade away.
Remember, the end game is about accomplishing your specific business outcomes, not subsidizing the lifestyle of others. Staff should help you grow your business, not inhibit it from doing so.

I wonder if what’s holding you back from continuing to move forward and maximize marketplace opportunity is the fact that your “growth” dollars are tied up in payroll.
REASON NINE

An Affair Will Cost You More Than You Think

It still amazes me when it happens. It shouldn’t shock me, but it does. It shocks a lot of us for good reasons. Leaders have “moral failures” with their staff all over the U.S. and around the globe.

Sure, you can convince yourself that this never will happen, but the truth is . . .

- A lot of leaders who have affairs are visibly arrogant people. They believe their own press and they think everyone else does too. They are only fooling themselves and catering only to people who fuel their ego. Show me an arrogant leader, and I will show you a leader in an affair or about to have one. Their arrogance, if left unchecked, will impact their success.
- Leaders need distance from their staff, especially those they work the closest with. Distance is called “forced accountability” or—in simpler terms—boundaries, guardrails, or margin.
- During temptation or as the “innocent flirting” heats up, leaders gain convenient “amnesia.” They need to remember that a decision to cheat or have an affair can be a career-ending move.

My goal is to help businesses and their leaders stay on track to meet their objectives. It’s very difficult to do this when personal relationships with staff get in the way.

One of the most requested positions we help businesses staff is the executive assistant. And you guessed it. This is also the one staff position that can create the most disruption in any business or organization . . . whether you’re the pastor of a church, the CEO of a growing company, or an official seeking or holding public office.

Don’t let poor decision making—whether that means hiring the wrong person, committing to a payroll you can’t afford, or putting yourself in a potentially compromising position—be the reason you don’t succeed. You’ve worked too hard and come too far to let your efforts end like that.

Traditional staffing works until it doesn’t. It’s not the only option available anymore. If the goal is moving your business or organization forward, then the path to success becomes more about getting there than simply relying on tradition and precedent.

Maybe it’s time to rethink your approach to staffing.
Next Steps

If this eBook has helped you start to rethink your approach to staffing, then . . .

Contact Us

Website**: www.eahelp.com

Telephone: www.eahelp.com

Email: info@eahelp.com

** Click the Get Started button to immediately schedule a time to speak with a Business Development Representative
Bryan Miles is co-founder & CEO of Miles Advisory Group and eaHELP, which he is blessed to run with his wife, Shannon.

Prior to starting MAG, he worked for companies in the tech and construction industries, including Cogun, Inc., a national church construction company as the VP of Consulting.

Bryan obtained his B.A. in Business from Mount Vernon Nazarene University in Mount Vernon, Ohio. Bryan, Shannon, and their daughter Rainey and son Harper attend church at the Browns Bridge Campus of North Point Community Church. Bryan also enjoys backpacking and mountain climbing. You can connect with Bryan on Twitter (@BryanMiles), Facebook (MilesAdvisoryGroup), LinkedIn (BryanMiles1), or e-mail (Bryan@MilesAdvisoryGroup.com).

He blogs regularly at miles.ag/blog/.