

3 Staffing Resolutions

It's a new year; time for a **new set of resolutions.**

The question: which resolutions will help you improve your staffing practices during these troubled economic times? Here are **three strategies to consider.**



in a Slow Economy

BY ADRIENNE HEDGER

FOR MANY STAFFING PROFESSIONALS, work has slowed somewhat—and uncertainty is a constant. But a market this challenging also presents compelling opportunities. More talent is available. More time is available. And staffing professionals finally have a chance to pause, analyze their staffing practices, and make sure they are laying a strong foundation for the future.

While some industries (think healthcare) are very much in need of workers, overall employment statistics are bad and seem to be getting worse. According to UCLA's Anderson School of Management, unemployment is expected to climb to 8.5 percent by late 2009, and two million jobs are expected to be lost in the next 12 months. Mercer, meanwhile, is reporting that over one-third of employers expect to reduce headcount in 2009.

“Now is the time to start planning to be one of the survivors and thrivers in the tough days ahead,” says Barry Asin, chief analyst, Staffing Industry Analysts. “Lots of companies will be ducking for cover, but those who are in this for the long term will be building their strategies and positioning themselves for the upturn.”

Here are three resolutions in particular that can position you for success this year and beyond:

1: Improve the Way You Work

2: Build Relationships

3: Assess Your Bench Strength

“Many of us have been through these cycles before,” says Michael Goldman, director of consulting services at Assess Systems. “The economy will recover—and the improvements you make now can give you a clear competitive advantage when that happens.”

**Resolution #1:
Improve the Way You Work**

One way to improve your staffing activities: Take a fresh look at all the processes that go into hiring a candidate.

“It’s very eye-opening when you diagram all the steps required to hire someone,” says Stephen Lowisz, president and chief executive officer of Qualigence. “You suddenly see all the ancillary steps that don’t add value.”

Indeed, the concept of LEAN thinking traditionally applied in manufacturing settings is now being applied to HR processes (see box page 38). At its root, LEAN thinking is all about maximizing value to the client, whether that client is internal or external.

In staffing, for example, the hiring manager wants the best candidate in the shortest amount of time. That is the deliverable. Numerous processes go into creating this deliverable—some of them valuable, and some not. The goal is to identify the non-value-added steps and eliminate or streamline them.

Zachary Misko, global director of the Outsourcing and Consulting Group (OCG) in Kelly’s RPO practice, has led several LEAN Workshops and

exercises for staffing groups. “LEAN thinking isn’t something you start, then finish,” he notes. “It’s a different way to think about your work. It’s an ongoing search for a better way to do things.”

If your team isn’t prepared to tackle the end-to-end staffing process, pick a specific process that is slow, cumbersome or frustrating. Map out every step and look for ways to streamline and improve. Ask yourself, “Why do we do it that way?”

**Resolution #2:
Build Relationships**

A slower economy is also a great time to build relationships with potential candidates. You have more time to focus on networking; and people are more receptive to hearing about job opportunities.

Even if you’re not currently hiring, you can still establish relationships with people you would like to one day bring on board.

“In times like these, it’s more important than ever to reach out to passive candidates,” says Lowisz. “You want to build your pipeline now, so it’s ready when the economy begins to improve.”

A difficult economy can affect passive candidates in different ways. On the one hand, people may be more reluctant to leave their job and try something new. “On the other hand,” says Goldman, “talented employees might see that their company isn’t doing well—and they might be more open to hearing about new opportunities.”

Passive recruiting requires a unique approach—it is significantly different than working with an active candidate. But not every recruiter is skilled in this area. “Recruiters may be very good at working with active candidates,” says Lowisz. “But you can’t apply those same techniques to a passive recruiting. It just won’t work.”

In its training workshops, Qualigence talks about the five steps to successful selling: (1) build a relationship, (2) identify the need, (3) overcome the objections, (4) fill the need, and (5) close the deal. As Lowisz notes, the tendency in recruiting is to skip from step one to step five. But step two—

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finding out what the person wants or needs—is one of the critical pieces when it comes to building a relationship with a passive candidate.

Most important, keep the contact going. This will help you build a strong pipeline of candidates—something that adds value to your company during bad economic times as well as good.

Resolution #3: Assess Your Bench Strength

“Several clients have talked about assessing their bench strength,” says Goldman. “For one thing, it’s important to identify your top talent and figure out who is at risk of leaving. In addition, it’s a good way to identify any gaps you need to fill, because more talent is available right now to close those gaps.”

Companies are using formal assessment tools to help select between several talented candidates—and make sure the right person is hired. But organizations are also assessing existing employees to identify talent that can be redeployed if a division is eliminated or downsized.

Being able to make effective assessments also improves efficiency—particularly in organizations that hire large volumes of employees. Companies in the retail and manufacturing sectors, for example, may be reducing their workforces today, but rapidly rehiring when the economy turns around. Assessment tools can accelerate the entire staffing process—and ensure that the right people are identified out of a pool of candidates.

“You’re not wasting time and energy on people who should have been screened out earlier,” says Goldman. “You can also use the assessment results to create specific interview questions.”

Ideally, any assessment system you use would work with your Applicant Tracking System or HR system. If it’s not, now is a good time to determine how to make that happen. For companies that don’t use a formal assessment tool, it may be a good time to investigate the options.

A New Year, New Opportunities

While the world of staffing may seem slower than usual now, we can be sure that in the not-too-distant future recruiting will once again become an urgent business priority.

“Smart companies are not focused on what’s going to happen tomorrow,”

says Goldman. “They know things are going to turn around, and they are preparing for that. It’s like taking a ‘time out’ in sports. This is a time to huddle, make plans and refocus. Then when the whistle blows, you’ve taken the right steps and you’re poised and ready to win.” ■

Applying “LEAN Thinking” to Staffing

In an ongoing project with a Fortune 10 company, Kelly RPO is demonstrating the power of learning and utilizing LEAN thinking to improve staffing activities.

“This company’s Healthcare division wanted to improve its staffing processes,” says Zachary Misko, global director of the Outsourcing and Consulting Group (OCG) in Kelly’s RPO practice. “Together we analyzed all the processes from the job posting through the first paycheck. Typically, the organization hires 4,000 people per year.”

Using the tools

In one of the first steps, the KellyOCG and client team created a Value Stream Map that captured every step in the staffing process. The effort took three full days, and outlined everything in detail, down the smallest step. It was evident right away that employees were spending time on some processes that didn’t add value.

“We were able to reduce the number of steps it takes to hire someone by 50 percent,” says Misko. “The process today is faster, easier and far more efficient.”

The staffing team has also learned how to hold Kaizen events (Kaizen is Japanese for “continuous improvement”). Employees identify a specific activity or process that needs to be improved, then they bring a small team together to make the improvements in a low-cost, rapid manner.

“More than 50 improvements have come out of the Kaizen events,” says Misko. “Recently, a team consolidated several staffing forms into one, simple form. This saves time and money and reduces the risk or errors. We’re seeing this type of activity happen all over the department.”

As the staffing group has embraced LEAN thinking, it has also changed the way it functions. There are a set of clearly defined standards, so everyone follows the same streamlined processes. Goals and progress charts are posted where everyone can see, and quick huddle meetings are held daily to address issues and share important information.

Seeing results

The results so far have been impressive. For example, the department cut cycle time (from job posting to offer) by nearly 35 percent, and reduced the number of errors in offer packages by nearly 83 percent.

“There’s no endpoint with LEAN thinking,” says Misko, “you just keep improving. It’s great to see the team become engaged and empowered. They recognize the benefits that a LEAN mindset delivers and they know they have the potential to continue to reach higher and higher levels of performance.”