

Flexible Staffing – The Key to Delivering Shareholder Value

Workload peaks, troughs, interruptions, and poor staffing scheduling all contribute to low productivity and high costs. You would never order more or less raw material than you need for production, so why do so with your human capital?

Across the business community, the terms 'temporary help', 'contingency staffing' and 'flexible staffing' have often been used interchangeably. Yet, according to Drake, a global leader in human resource solutions, there are dramatic differences to the practical application and the business impact of these three business services. While temporary help and contingency staffing have often been utilized by companies to meet staffing needs, "flexible staffing" sets itself apart by delivering measurable shareholder value.

To understand the advantages of flexible staffing, it is necessary to identify the distinct differences between the three services. Temporary help is a concept where companies hire staff, traditionally administrative or clerical staff, on a short-term basis to meet an immediate staffing vacancy. They are needed by companies requiring help during vacations or when permanent employees are absent due to illness or maternity leave. Put simply, they became a makeshift measure used during a company's brief but critical period of staffing need. As a result, the quality of the temporary help has often been secondary to their availability.

In comparison to temporary help, contingency staffing covers a broader spectrum of types of work – from professional to clerical – and is applied in a more strategic way within organizations. They are generally hired for longer periods and may include consultants, contractors and freelancers who meet higher strategic business needs than temporary staff. Originally, contingency staffing was a way for businesses to streamline operations and reduce fixed costs in order to compete. Indeed today, the practice of contracting staffing firms to provide workers with the skills necessary to perform non-core business functions on an ongoing basis has become essential for every business leader to achieve greater flexibility, productivity and competitiveness.

Flexible staffing is a strategic business concept where companies first analyze their unique business workload and then hire staff to supplement their permanent workforce in order to maximize profits and productivity. Flexible staffing wraps up the concept of 'temporary help' and 'contingency staffing' in a strategic parcel. This came out of a need by organizations who deliberately planned to have a portion of their staffing requirements filled with contingent employees, but who frequently ignored whether these workers were necessary all of the time. The organizational leaders did not truly consider how their company needed to balance their workforce with their workload.

Managing the balance between a company's workforce and their associated workload is challenging at best. Companies often staff for peak periods. When the workload declines, staff are simply not able to utilize their time effectively. Flexible staffing addresses this concern by considering WHO is utilized within a workforce on both a permanent and a contingent basis, and WHEN a company should utilize those people. The key to achieve measurable results and cost savings is to strike the perfect balance between the varying workloads and staffing levels. When Drake analyzes an

organization's most effective blend of permanent and contingent workers, they are able to conclude if the company's workforce is overstaffed or understaffed, and if any permanent headcount adjustments should be made, along with when and where contingent staff is required.

Drake utilizes Workplace Optimization Solutions such as Top Performing Profiling and the Drake Productivity Planner to assist in achieving the profit gains promised by flexible staffing. Top performer profiling creates an "ideal" employee profile based on a company's top performers which allows them to identify who a company's workforce should be. Then the Drake Productivity Planner analyzes an organization's fluctuating workload and determines when and how many contingent staff are required to maximize productivity. Utilizing this unique methodology, Drake has the ability to take the guesswork out of staffing level decisions, which in turn minimizes labour costs while maximizing staff utilization and productivity.

Understanding their company's workload patterns gives business leaders the information required to plan and implement workforce requirements that will meet their dynamic business needs. Every business experiences workload peaks and valleys to some degree and so it is important to analyze these patterns and how their staffing strategy embraces these workload swings. Therefore, executives that utilize a proactive approach of 'blending' their use of permanent and contingent workers to staff 'flexibly' will shift a company's use of labour from one of cost, to one of maximizing profit and return on investment.

To effectively execute a company's strategy in the current global economy, business leaders must have a fully productive workforce. Utilizing a permanent workforce of top performers supplemented with a blend of the right contingent staff at the right time can create a workforce who will drive a strong return on investment. A 'flexible staffing' solution can be tailored to meet the normal peaks and valleys of a business' processes. It is this strategic concept that holds the key to delivering measurable shareholder value.

To learn more about **Drake's Workforce Optimization Solutions** to help you achieve the optimum balance of staff and do more with less, please call Paul Hindle, V.P. of Sales and/or Louisa Jewell, Consultant - **Drake Solutions Team at 416-216-1000**.