

Staffer getting overloaded

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"One of my staffers gets so many calls from other employees requesting help that he can't concentrate on his work. He's getting stressed about the work piling up on his desk. So am I, because I'm his backup and I see the backlog growing."

There are several things you can do to keep the workload manageable: Figure out who's momentarily stressed and who has a real ongoing problem, look for load-balancing options inside the company and make a list of vendor services to investigate. Start with temporary and part-time workers if you're not sure how much help you need. Hire at the bottom of the pyramid and create opportunities for current staffers to move up. Monitor your productivity levels to be sure you don't over/under hire.

Expand capacity

Ask current staffers to keep track of what they do for a week. Have them make a list of basic, routine tasks that they could teach someone else. Look for opportunities to upgrade existing staffers into performing higher level tasks. Downgrade lower level tasks to someone who you hire at, or close to, entry level.

Ask for employees who are looking to move up. Find out who's willing to put in time to learn new tasks. Search for individuals who have the ambition and drive to consistently excel at what they do. Give those people a chance to learn what they need to, so they can backfill for staffers who are overextended.

One way to expand capacity without hiring additional people is to bring in vendors, either short or long term. If you have a list of tasks that are not core to what your company does, vendors may be the best solution. It can cost a little more to hire vendors. You'll have to weigh that against productivity gains that come with experts doing things more efficiently. Specify work that needs to be done and ask vendors for firm quotes, including add-on fees if the workload exceeds the estimate.

Compare the cost of hiring a vendor to your internal options two ways: What could your employees generate in revenue with the time that gets freed up and how much time would it take? Include estimates for fixing breakdowns, working through a learning curve, etc., for an employee to accomplish the same outcomes as the vendor. Multiply the hours needed by average salary. Mark up direct salary by 1.3 to account for benefits and taxes. If the costs are close, hire the vendor. You'll have an expert on your team that you and your staff can learn from.

Temps, FTEs

One way to begin hiring is to bring in part-time and temporary workers. Avoid the temptation to reach back into past hiring mistakes. If those people were let go because they weren't completely productive, you're probably trading a short-term fix (finding the next employee) for a long-term problem (managing someone who isn't optimum).

When you're getting ready to hire, ask around for recommendations to good people who match your desired skill set. Post ads and interview lots of candidates. Hire a temp-to-perm agency and try people out. Whatever you do, hire the best people possible.

Avoid over/under hiring by monitoring productivity levels. A good rule of thumb is to take gross profit and divide by \$150,000. That's the optimum number of FTEs, full-time equivalents, you want in order to run the company efficiently.

Convert your payroll hours/week (full and part time) into FTEs by dividing payroll hours by 35, 37.5 or 40, whichever is your standard work-week hours. Compare that to the optimum number of FTEs to see if you're over- or under-staffed. If you dip below \$125,000/FTE, your company is less efficient than it should be, and at \$100,000 or less you're starting to red-line into unprofitable – time to cut staff. Over \$175,000/FTE staff is starting to juggle too much and is in danger of dropping balls – it's time to hire.

Looking for a good book? Try “Zapp! The Lightning of Empowerment: How to Improve Productivity, Quality and Employee Satisfaction,” by William Byham and Jeff Cox.

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