

## Achieving Appropriate Staffing Levels

One of the greatest challenges for a manager is allocating the appropriate resources for accounting projects: You must assign enough people to meet business requirements, but you can't afford to overstaff and exceed budget. Developing a 12-month plan that takes into account the ebbs and

flows in workload can be useful in preparing for anticipated and unanticipated projects.

Start by analyzing your department's workload trends. Look at ongoing projects, and consider how many labor hours are required to complete them each month. Tax compliance might take 30 "person-hours," reconciliations might take 60 hours, and so on. Also identify larger initiatives—such as preparation of quarterly financial statements—that affect workloads. For instance, you may determine that there is an average of 900 hours worth of activity during the month of November.

Once you've assessed your group's typical workload, consider the internal resources available to meet those demands. Calculate the number of hours your team works each month. One accountant working eight hours a day, with 20 workdays in the month, works a total of 160 hours. If you have a staff of five, then you would have access to 800 person-hours—not enough to handle the anticipated requirements in November. Should additional demands arise, you could be even more understaffed. So you'll need to consider other personnel options to bridge the difference.



### Narrowing your staffing choices

There are four primary ways to address peak workloads: rely on existing employees, add full-time personnel, bring in temporary accountants or project professionals, or hire an accounting firm. Most managers employ a combination of several resources. Here are some questions to help you determine the appropriate human resources strategy for your department:

- How long do you expect to have additional personnel needs? Is there enough work ahead to necessitate hiring an accounting firm or a new full-time employee? For instance, you may have a long-term need for an accountant to oversee the integration of new financial systems. On the other hand, you may only require short-term assistance from a project manager skilled at pre- and post-ERP (enterprise resource planning) implementation cleanup and optimization.
- What are your budget considerations?
- Does your analysis show regularly occurring workload peaks and valleys throughout the year? If so, you may need to bring in temporary accountants for the

duration of the project. This will help you keep labor costs variable.

- Are there qualified internal resources to manage upcoming projects? If not, can individuals on your team be trained to meet those requirements?

- What is the impact on financial results and productivity if existing staff members fail to complete upcoming assignments?

## Evaluating strategic staffing

By definition, human resources management is a fluid process. You should be reassessing your staffing practices regularly in order to meet changing business needs. For instance, you may find that you need more full-time or temporary support than initially forecast or that someone you've hired for one proj-

ect can be equally valuable to you on a different initiative.

If you've brought in interim professionals, consult your team about how their workloads have been affected. Has the person helped to ease the burden, or is more assistance needed?

At least once a year you should also conduct a more formal assessment of your human resources needs. Ask yourself if productivity has increased and whether the performance of your core personnel has improved by following a 12-month plan. Determine any cost savings as well as areas where you could further reduce expenses. The insights you gain after this review will allow you to fine-tune your staffing strategy for the next year.

Achieving appropriate personnel levels takes time, practice, and constant reassessment. By addressing staffing issues proactively, however, you'll help your firm maintain the necessary resources available to meet changing business demands and remain competitive. At the same time, you'll keep employees motivated by ensuring they have the support they need to complete their work successfully. ■

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