When Should You Add a New Position to Your Organization?

4 questions that should be answered prior to creating a new position within your organization

The option to bring in a temporary, contingent, short-term or freelance worker is one many organizations are considering in the uncertain days following the great recession. Many organizations are also deciding to make 'do' with their current employees, asking them to work harder and do more. However both of these options can come with a cost. Employee morale and engagement are not what they used to be. When Canadian's are surveyed they generally report they are 'satisfied' with their current jobs but they also overwhelming say they would like to change jobs. Reasons often cited include job insecurity, stagnant careers and being overworked and unappreciated.

As an organization it can be difficult to determine when the time is right to create a new position. Hiring presents a myriad of challenges that make working with a temp agency seem like an attractive option.

Hiring presents the following financial challenges: the cost involved in a candidate search (one that includes financial cost, resources and time), and also the cost associated with training and possibly managing fallout if the wrong person is hired.

Before you make the decision to create a new position there are a few questions you should try to answer.

4 Questions to Answer Before Deciding To Create A New Position

1) ***Does your organization really need more staff or a re-distribution of resources?*** Take the time to investigate if everyone is working to full capacity. Consider if people are becoming increasingly overwhelmed or stressed. Look at the amount of sick, vacation or overtime being used. Ask managers if they want additional staff, and if so, ask for how long. If they tell you they need someone for a few weeks until they get caught up you may not need a new position. However if there are tasks they cannot be completed because employees lack the time or the right skills then it may be time to consider creating a new position. But, before you do look around and see if all teams are at full capacity. Moving staff or moving work to a new team a better solution over creating a new position.

2) ***Is the current financial state of your business changing?*** Consider how much money a new position will cost and how much money the new position might save. If a new position increases efficiency or can generate income it might be worth it. Look at projections for 12 – 24 months, anything less will not help you differentiate between a temporary hire and bringing in a new position. Look at your projects for sales and new business. If you are worried your current team cannot manage a workload increase, building a bigger team is likely a worthwhile investment.

3) ***Could a temporary hire or external partner get the job done with less expense?*** Ask yourself if the increase in workload is seasonal or temporary due to a new project or the temporary loss of an existing employee. Really consider if your organization can support or needs a new position to solve a temporary problem. Consider a time frame of up to 12 months as potentially a temporary need.

4) ***Is there a problem that needs to be addressed with existing staffing or positions?*** Is the need driven by inefficiencies or problems with existing employees or positions? If a team is not producing or is complaining that they need additional help investigate if there is a problem on the team that is holding them back. Poor leadership, poor time and personnel management or lack of appropriate skills might be the culprit over lack of resources.

You May Be Ready To Create a New Position When:

1. Improvements in the economy or your business are putting pressure on you to grow to meet new demands.
2. You have observed an ongoing increase in workload and employees who are struggling more on a consistent and continual basis
3. You find you are regularly bringing in contract, freelance or temporary help, not just seasonally but all of the time. The cost for a new position may be less than the cost of hiring temps on a regular basis
4. You are missing skills, resources or knowledge to innovate, change direction, solve problems and stay ahead.

Timing is Important

Can you wait until the next quarter or do you need to start now? Before a new position is absolutely required, can you hire a contract or part-time worker? Do not hire a temporary or part-time employee just to save short-term money if you do need a new position. You may not be able move part-time employees to full-time and when that happens you may find yourself incurring additional costs of hiring and training again.

Finally, if you create a new position look inside and see if there are existing employees who can be trained and moved into a new position before you search externally. You may be able to move an employee and eliminate another position. Sometimes if you look at people or positions from a new or different perspective you find you already have what you are looking for, you just need to see the possibilities from a different angle.