

# Look for signs it's time to hire or risk burning out your employees

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After months of recession, the economy is beginning to show signs of life. But businesses aren't quite yet ready to start hiring again. However, there will come a time when the existing employee base can no longer handle the increasing workload. Knowing when it's time to hire in this still-anemic economy can be tough. One sign employers should be looking for is the need for an increase in overtime to get the work done.

Covered, non-exempt employees who work more than 40 hours in the work week have to be paid overtime. According to the Fair Labor Standards Act, "the work week is seven consecutive 24-hour days, or 168 hours," said Bob McKenzie, president of **McKenzieHR**. "If the pay period is like a normal week, Sunday through Saturday, that's pretty easy. Others start Monday through Sunday; for some, it's a good idea to split the work week from the normal week for business reasons. Regardless, when overtime starts picking up, it's a sign that business is picking up or the people are getting lazy and not doing their work."

When deciding whether to hire, it's important to take into account current revenue, orders and long-term goals, all with the understanding that these plans need to be revisited often, as the economy is still shaky.

"GDP is back up, but unemployment is still getting worse," said Paul Mason, professor and chair of the Department of Economics and Geography at the **University of North Florida's** Coggin College of Business. "I think maybe by the middle of next year, unemployment might be down a couple of percentage points, maybe three locally; right now it's over 11 percent. There's been a structural shift in hiring. Firms have decided they can increase productivity and profitability" at current staffing levels.

Some businesses are now hiring part-timers and temporary workers to cope with added workloads. Others who aren't sure the economy has stabilized are simply loading any new or additional work on current staff. Businesses using that last option need to be watchful that they aren't pushing their employees too hard.

"They'll start coming in late because they are just tired," McKenzie said. "You'll just see them dragging toward the end of the workday. You have to keep an eye on your employees or the next thing you know, they are starting to get burned out. You'll hear some complaining, although not so much in this economy. They don't want to make any waves. They would rather have any job than no job."

That doesn't mean there aren't ramifications to piling on more and more work.

"There is a limit to that," said Suzi Lemen, chief executive officer at **Dynamic Corporate Solutions Inc.** and owner of Idea Staffing, "Last week, I had lunch with a couple of people, good

people who work hard, but they both said to me the minute the market turns around, they are going to run for the exit doors. People are so overloaded and feel unappreciated because their employers just keep piling on more and more work, but there's no additional compensation and they don't even say, 'thank you.' And business owners and managers are running around under such stress because of the economy, they aren't paying any attention to employees. Good managers in these times need to look for the warning signs of overload and stress and prioritize" so workers don't become discouraged and so that people won't make the mistakes they'll make when they have too much work.

For businesses seeing an increase in new work but unsure whether it's just a temporary blip, temps are a way to supplement the existing work force without the full cost of hiring a new employee. For a fee to an agency, the businesses get the use of a qualified worker, without paying benefits and taxes. Furthermore, when the job is done, or if the work dries up, the agency removes them.

"For a lot of companies that have been cutting manpower to save on labor costs but still need people, they will hire temps when they are uncertain about future demand for their product," Mason said. "So you can see temporary employment going up both as the economy is weakening and as the economy is strengthening."

Lemen said Idea Staffing is seeing an increase in business that could be the first hint of an economic turnaround. "There is still a lot of fear in the marketplace," she said. "But the tipping point for business owners is when they are going to lose revenue. If they are going to lose business, that is what is going to push them to hire. We're having people call and get temps, and [owners] need to take advantage of that especially if they are not sure if the uptick in business is just a momentary thing or whether it's more long term. We are also getting requests for more temp-to-perms where they want to bring someone in and possibly consider making them a regular employee."

Tom Kustura, CEO of **Kustura Technologies**, added two new positions in the past two months via temp-to-permanent placement. He anticipates more hires in the coming months.

"We've been growing and we just needed more help," Kustura said. "We actually grew our business and added some new customers and expanded our business with the existing customers. We really worked hard to sustain our business and grow it despite the economy and we were successful."

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