



**JOHN HACKETT**  
DIRECTOR, EVENT  
RECRUITMENT

## retaining your team IN THE ECONOMIC DOWNTURN

DO YOU REALLY have to let staff go because of the current business climate?

**A**s employers it is sometimes necessary to let a staff member go because of underperformance or disciplinary issues, but thankfully many of us have not had to make a capable and well-liked member of our team redundant because of depressed trading conditions.

Of course, in the current economic climate this is becoming a difficult reality for some. If you are presently considering this course of action let's just stop a while and consider some issues that might impact on your decision making.

Downturns are temporary so if the market recovers in the short term, can your organisation handle the cost of retaining its workforce? Can you employ alternative cost saving measures within the organisation or look at restructuring positions and teams to avoid redundancies. For example, will your staff accept reduced working hours over a defined or short term period? Importantly, you need to assess whether redundancies will affect the long term survival of your organisation. If you can focus on keeping skilled and valued team members on board then you will certainly be in a much better position to take advantage of a market upswing when the economy finally recovers.

I'm sure, if possible, all employers will try and avoid retrenchments. When we come out of this economic downturn and staff are unable to be retained we will either lose them (along with their in-house knowledge and client relationships) to a competitor, or they may exit the industry altogether. This could potentially lead to future skills shortages which could, in turn, impede our industry's recovery and will no doubt require you to spend a lot of time, effort and money recruiting and retraining replacement staff.

If you can avoid redundancies at this time there is still the need to address the best strategies to retain your existing staff. In these tough economic times workforces are highly susceptible to stress. With many employees currently experiencing change in their company - restructuring of their team, new or altered job roles and working hours - stress and burnout is becoming more prevalent within the workforce.

Engaging your staff and communicating openly will help to foster a

sense of security, which will not only reduce stress, but may increase your staff's feeling of loyalty and commitment - reducing the risk of your top employees seeking other employment opportunities. By focusing on effectively communicating with staff, rewarding any achievements and providing training and support, you will more likely retain your key staff and have a loyal and productive team when you need it most - during the market recovery.

Remember that a less stressed workforce is more likely to remain upbeat and determined despite current difficulties. Motivated and supported employees are more likely to focus their attention on making a difference rather than on complaining about things they can do nothing about, and are more capable of handling greater challenges, pressure and demands.

A downturn period is also an opportunity to focus on your team's career and personal development and to consider whether their capabilities remain an ideal fit for your organisation's goals and vision. By looking at your team and their associated skills, you can maximise their value by considering where they may work better within your company.

If employees no longer meet current needs you can consider re-training or restructuring the team. New skills can be learned and responsibilities shared between the team and this, in turn, will sow the seeds for a more coordinated, cohesive and better performing workforce into the future.

The current economic downturn isn't all doom and gloom. During these times of hardship, businesses can re-invent themselves - take a look at what isn't working and start thinking creatively in order to generate new processes and prospects which will be of benefit in the longer term. Here is the opportunity to review, re-connect and motivate your team so they will perform at their peak when the market turns a corner.

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