

By Margaret A. Williams, C.P.M.

Just-In-Time Work Force

Once upon a time there was loyalty and stability.

Once upon a time things were different.

As companies rightsize and use outsourcing, they become leaner, more flexible, and proficient at reducing operating costs. And so emerges the Just-In-Time Work Force.

Charles Handy, author of *The Age of Unreason*, states: "If the new way of doing things is going to be different from the old, not just an improvement on it, then we shall need to look at everything in a new way."

And in Rosabeth Moss-Kantor's book *Where Giants Learn to Dance*, the author says: "In an effort to increase the value generated by their activities, [companies] are reducing costs by becoming leaner, changing the business mix to gain greater focus, discontinuing or contracting out activities unrelated to their core competencies, and more flexibly moving into and out of businesses."

To compete in the Corporate Olympics, Moss-Kantor suggests developing an organizational structure that produces synergies, not conflict; creating more alliances with suppliers and customers; and finding ways to maintain a flow of new ideas.

Today more companies are retaining their "core employees" and farming out their non-core activities, or

are bringing in temporaries to do the job.

According to a recent survey by Yankelovich Partners, in which more than 350 top executives responded, nearly half of the biggest employers predicted that they would have to lay off workers by this time next year. Further, about a quarter of the top executives surveyed were not sure they would hire more employees even if business conditions improved.

The survey also found that 86% of companies felt they would hire temporary workers for previously permanent positions a few years from now. But of the 350 companies surveyed, 59% said the temp workers did a worse job, 28% said they did as good a job, and only 2% said they did a better job than permanent workers.

This truly worries me. While I cannot fault companies for wanting to become leaner and more flexible, what price are they willing to pay to achieve that model?

Most companies invest time and money to train, motivate, and retain



At what price
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permanent employees. In return, most employees pay the company back with loyalty, hard work, and strong results.

But will a temporary work force invest in education as companies do? How loyal, hard-working, and dedicated will the transient employee be? What will happen to stability, consistency, teaming, partnering, and communications within the organization? How will we manage relationships with temporary co-workers? Can these people build trust fast enough to become effective?

This model could be very costly. And it could be the beginning of a big, scary problem.

I believe in change and in trying new and improved ways of doing things. But I believe this model is poorly conceived, not thoroughly thought out, and destined for failure if used without being mindful of the overall scheme of things.

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