

The recession's talent pool: Smart Md. firms dive in to hire former

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One benefit of the recession for small businesses is that it has created a talent pool of skilled and experienced employees who have lost their jobs and are looking for new positions. It's a pool that companies weathering the storm should tap, especially if the jobless once worked for companies that were competitors.

Even the owners of competing companies that closed their doors could be valuable resources. "Your best salesman could turn out to be the guy who owned the business that went out of business," says Anthony Ruiz, regional director of the Maryland Small Business Development Center Network-Capital Region. "He's probably one of the best salesmen you could buy -- and who knows? A new partnership might come out of it."

Ruiz acknowledges that small-business owners typically are wary of former competitors. "To a fault, entrepreneurs like to run the business themselves and don't work in teams very well," he says.

They also might fear that the former competitor will try to steal their business. But the former owner "lost his company, lost all his infrastructure," Ruiz says. "You're the stronger one. You have the advantage. He's no longer your competitor."

Hiring people who once held specialized positions at other companies can pay off. An experienced purchasing agent can negotiate well with suppliers -- and reduce inventory costs. A chief financial officer can effectively manage a business's cash flow.

Another approach is to share business talent with one or two other companies.

"It's been done in prior recessions," Ruiz says. "Two or three companies hire one guy and split the cost. The individual doesn't necessarily have to be on a company's premises. They could share him virtually. They would get a lot of value from the arrangement while paying a fraction of the cost" of hiring a full-time employee.

A number of programs have been created to help Maryland businesses retrain middle-aged workers. Partnership for Workforce Quality, a business development program for small and midsize Maryland manufacturing and technology companies, provides matching training grants and support services to help businesses upgrade their workers' skills.

Another program, Maryland Business Works, provides financial assistance for work-force training to businesses with fewer than 50 employees. Also, work-force investment boards led by private industry in Baltimore City and several other parts of the state offer training funds.

Meanwhile, Gov. Martin O'Malley launched a work-force initiative in March to meet a demand for middle-skill jobs in Maryland companies. (Middle-skill jobs are those that require more than a high school diploma but less than a four-year college degree, such as insurance claims adjusters, computer support specialists and health-care technicians.) "Even in this tough economy, I hear every day from employers who are willing to expand but can't find the workers with the right skills and credentials to fill their job openings," O'Malley said in kicking off Skills2Compete-Maryland, part of a national campaign to boost the training and competitiveness of the country's work force.

"It's an initiative to give people the skills they need to work in what is going to be a new economy," says Lester S. (Casey) Willson, the Maryland Small Business Development Center Network's retail industry and sustainability program manager. "Middle-age people need to be able to continue to work and this will help them be prepared to do that."