

Chart Your Course International

Talent Management & Employee Retention

We are in a global economy where only the best will prosper. Whether you are a small company, non-profit, or a large corporation, success depends on your ability to improve productivity, manage change, and retain talented people.

Finding and retaining skilled workers is the number one issue most employers face today. An older, more diverse, and a less skilled population of workers is challenging employers worldwide. As a result, organizations are placing greater effort in creating better places to work.

Companies with high turnover are at risk for low productivity. Studies from the Gallup organization show employees who have an above-average attitude toward their work will generate 38 percent higher customer satisfaction scores, 22 percent higher productivity, and 27 percent higher profits for their companies.

The winners of today's business world are those that can create a work environment that attracts, keeps, and engages its workforce to stay longer and help them become as productive as possible.

Make your organization the best place to work by following the five-step PRIDE model:

- Provide a positive working environment
- Recognize, reinforce, and reward each individual's efforts
- Involve everyone
- Develop the potential of your

workforce

- Evaluate and measure continuously

Provide a Positive Working Environment

Creating and managing a good organization takes an entirely different approach. Indeed, one-third of the executives surveyed by Robert Half International Inc. now say the work environment is the most critical factor in keeping an employee satisfied in today's business world.

Happy employees make productive employees. Studies from the Gallup organization show employees who have an above-average attitude toward their work will generate 38 percent higher customer satisfaction scores, 22 percent higher productivity, and 27 percent higher profits for their companies.

Recognize, Reinforce, and Reward Individual Efforts

Money may attract people to the front door, but something else has to keep them from going out the back. People have a basic human need to feel appreciated, and recognition programs help meet that need as well as generating the behavior important for organizational success.

A successful reward and recognition program does not have to be complicated to be effective. An equipment dealership in Louisville, Kentucky has almost eliminated turnover by their programs. Incentives and benefits they provide include:

(Continued on page 2)



Gregory P. Smith
President & Captain of the Ship

Greg is a business growth consultant, and shows executives and business owners how to attract and keep customers and build organizations that retain and motivate their workforce. He has been featured in *Business Week*, *Kiplinger's Personal Finance*, *President and CEO*, and other publications. He has appeared on television programs including Bloomberg Business News and PBS television.

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Talent Management & Employee Retention Con't

(Continued from page 1)

- Twice a year employees' children receive a \$50 savings bond when they bring in their "all A's" report card.
- They reward employees with a "Safety Bonus Program." Each employee's driving record is screened twice a year. Anyone who has a citation is removed from the program. Those employees remaining at the end of the year split \$2000.00.
- To minimize the "we-they" syndrome, every Friday employees rotate jobs for one hour. For example, the person in the Parts Department becomes a service technician. This builds a stronger team, and improves communication within the company.

Involve Everyone

Average organizations make all decisions in the Board Room. Exceptional organizations involve the ideas and suggestions of everyone. The Sony Corporation is well known for its ability to create and manufacture new and innovative products. Founder Masaru Ibuka's philosophy for success is "never follow others."

In order to foster the exchange of ideas within departments, Sony's Corporate Research sponsors an annual Idea Exposition. During the exposition, scientists and engineers display projects and ideas they are working on. Open only to Sony's employees, the exposition lets individuals share ideas otherwise protected by departmental walls.

Develop the Potential of Your Workforce

For many people, learning new skills is just as important as the money they make. In a study by Linkage, Inc. more than 40 percent of the respondents said they would consider leaving their present employer for another job with the same benefits if that job provided better career development and greater challenges.

The National Center on the Educational Quality of the Workforce (EQW) found on an average, a 10 percent increase in workforce education level led to an 8.6 percent gain in total productivity. On the other hand, a 10 percent increase in the value of equipment only increased productivity 3.4 percent.

Evaluate and Measure Continuously

Someone said, "If you don't know where you are going, any road will lead you there." Evaluation and measurement must surpass normal accounting procedures like profit and loss, but include measuring turnover, customer satisfaction, employee attitudes, and management effectiveness.

La Rosa's Pizza Company completes a cultural audit once a year, which measures employee's feelings about pay and benefits, care and recognition, etc.

Making your organization the best place to work doesn't take magic, nor is it only about money. It is about creating a work environment where people enjoy what they do, feel like they have a purpose, and providing them the tools and training to reach their potential.

High Performance Organization



Provide a Positive Working Environment
Recognition, Reward & Reinforcement
Involve Everyone
Develop Skills & Potential
Evaluate & Measure Continuously

Job Satisfaction Survey

The following survey was conducted by Chart Your Course International.

What are the reasons you stay at your present job?

Challenging job assignments	59%
Salary	55%
Interesting work	53%
Benefits	48%
Flexibility in work hours	45%
Good boss	41%

To improve your workplace environment what would you like to see your executives/supervisors/managers do?

Better communication	69%
Set the example	46%
Be more appreciative of what I do	39%
Don't micro manage	37%
Show genuine concern	36%
Try new things	36%

What causes you the greatest dissatisfaction at work?

Lack of appreciation	33%
Too much paperwork	27%
Problems with supervisors	23%
Lack of training and development	20%
Pay and benefits	20%
Lack of opportunity	20%

What would be the greatest single thing your company could do to improve retention?

Train managers better	32%
Listen to employees more	28%
Be willing to try something new	24%
Pay more	23%
Select better managers	22%

How the Best Organizations Achieve Success



In my years as a consultant, I have identified eight basic elements essential to creating a high performance organization. While each one, like the sails of a ship, can harness the power of the wind, all eight are needed. A sail not properly set or missing hinders the progress of the ship and causes frustration among the crewmembers.

Number 1--A Clear Sense of Direction and Purpose. Everyone wants to be paid for what

they do, but good employees want to be part of an organization that stands for something and gives them personal fulfillment and meaning. When a business has a clear sense of direction and purpose, people are willing to give more. Many organizations are now allowing their employees to donate time to non-profit organizations, or spend their off work hours building houses for Habitat for Humanity.

Number 2--Caring Management. Interpersonal skills are an essential element of the high-retention culture. People want to feel management cares and is concerned for them as individuals. Yet, poor "soft skills" are one of the biggest factors that drive people away.

Number 3--Flexible Benefits and Schedules Adapted to the Needs of the Individual. In today's workplace, flexibility rules. One-size-fits-all approaches to benefits have long since lost their effectiveness. Workers will migrate to a company whose benefit packages and schedules help them meet the demands of their lives, whether they are single parents, adults who care for aging parents, older workers, younger workers, part-time workers, or telecommuters.

Number 4--Open Communication. In our technological age, people have a sizable appetite for information, and they want it instantly. High-retention workplaces set a high priority on deliv-

ering the right information to the right people at the right time using the right methodology. Companies that leave employees in the dark risk damaging morale and motivation—not to mention compromising their ability to make a quick course change in the marketplace.

Number 5--A Charged Work Environment. People want to enjoy their jobs. They shun boring, bureaucratic, lifeless work environments. That is why high performance work-

places do not bother with the traditional ways of doing things. They find new ways to make work mentally engaging and physically energizing. They also ask for, listen to, and implement the ideas and suggestions of those who work for them.

Number 6--Performance Management. It is becoming increasingly more difficult to find competent, motivated workers who have good attitudes and work ethics. Because of this, knowing how to manage performance is important. Performance management includes a new set of skills, tools, techniques, and processes to align an individual and his or her behavior with the goals of the business enterprise.

Number 7--Reward and Recognition. All humans need to feel appreciated. Reward and recognition programs help meet that need. A workplace that rewards and recognizes people builds higher productivity and loyalty, and can create consequences for desired behavior that leads to organizational success.

Number 8--Training and Development. Most people want to develop their skills and potential and enhance their ability to contribute and succeed. Training and development give people greater control and ownership over their jobs, making them capable of taking care of customers and creating better management-employee relationships.

Interpersonal skills are an essential element of the high-retention culture.

Top Ten Reasons People Leave Their Jobs

1. Management demands one person does the job of two or more people, resulting in longer days and weekend work.
 2. Management cuts back on administrative help, forcing professional workers to use their time copying, stapling, collating, filing and other clerical duties.
 3. Management puts a freeze on raises and promotions, when an employee can easily find a job earning 20-30 percent more somewhere else.
 4. Management doesn't allow the rank and file to make decisions or allow them pride of ownership. A visitor to my website E-mailed me a message that said, "Forget about the "professional" decisions—how about when you can't even select the company's holiday card without the President rejecting it for one of his own taste?"
 5. Management constantly reorganizes, shuffles people around, and changes direction.
 6. Management doesn't have or take the time to clarify goals and decisions. Therefore, it rejects work after it was completed, damaging the morale and esteem of those who prepared it.
 7. Management shows favoritism and gives some workers better offices, trips to conferences, etc.
 8. Management relocates the offices to another location, forcing employees to quit or double their commute.
 9. Management promotes someone to supervisor who lacks training and/or necessary experience alienating staff and driving away good employees.
 10. Management creates a rigid structure and then allows departments to compete against each other while at the same time preaching teamwork and cooperation.
- Interesting, isn't it, that all ten reasons begin with the word "Management....?"

Ideas to Energize Your Workforce and Have Fun at Work

The Talking Stick

Try introducing the “talking stick” into your office. This idea originated from a Native American tradition. Each month a different person in the office receives the talking stick, which provides that person certain rights and privileges. For example, the “owner” could provide fellow employees one hour a month administrative leave.

Employee Dollars

At Phoenix Solutions Inc. employees award an “employee dollar” to fellow employees who do something special or exceed company expectations. Each month the employee with the most dollars gets movie tickets, dinner, and a plaque with their name as “Employee of the Month.”

Management by Fooling Around

Herb Kelleher, former CEO and founder of Southwest Airlines, combines fun and hard work into something he calls “management by fooling around.” At the nonconformist airline, everything—from the tickets and boarding passes to the casual dress and

occasional costumes attendants wear—clearly demonstrates that something is different.

Payday

A Milwaukee office manager doesn’t just give out paychecks on payday—employees also receive a “Payday” candy bar with their check.

Man (Person) Overboard Award

CIGNA believes in rewarding employees who go above and beyond for their customers. The Man Overboard Award is a life-saving ring, which the president presents to an employee at a special ceremony. CIGNA also pays teams for implementing ideas that improve productivity with awards as high as \$25,000.

Choose Your Own Reward

A Miami-based business owner rewards her employees with parties, expensive dinners, chauffeured shopping sprees, spa sessions, and cooking lessons with Chef Paul Prodhomme. She lets her employees decide what they want, then figures out

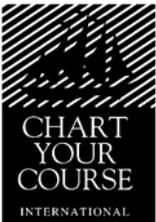
how much their package costs and also how much additional business they have to generate to cover those costs. Choose your own reward—sounds like fun!

Engineering Bucks

The technicians at the Weather Channel in Atlanta created their own recognition system called Tech Bucks. All they did was Xerox a dollar bill and give five of them out at the beginning of each month. They give them to each other for doing a good job. At the end of the month they tally up who got the most and the winner gets a special prize.

The Extra Mile

United Services Automobile Association (USAA) provides blank “Thank You” note stationary to their workers for a program called The Extra Mile. Employees are encouraged to say “Thank You” to each other for the help they receive at work. The most surprising thing happened on the first day USAA printed the notes. . . . They ran out! The company couldn’t keep up with the demand.



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We accelerate workplace performance

