

Are You Winning **The War?**

It may be time to reexamine your strategies for recruiting and retaining employees.

WRITTEN BY **MARY SEDOR**
ASSOCIATE EDITOR

Year after year, dealers who face the task of recruiting and retaining highly motivated and skilled employees may feel they're fighting an uphill battle. But the construction equipment distribution industry is about people, so if you struggle with recruitment and retention, perhaps it's time to rethink your strategy for "winning the war."

Christine Corelli, author and founder of Christine Corelli & Associates, says it's a company's human capital that holds the key to sustainable, long-term growth.

"Businesses don't do business – people do," says Corelli. "They create the force that ensures an organization's successful future."

From finding ways to improve productivity to building customer loyalty, it's your employees who hold the solutions to move your dealership forward.

"In the end, the success of your business does not hinge on the quality of your equipment, your brilliant strategic plan, your marketing and advertising sense or the power of your machinery," says Corelli. "What matters most is that you are profitable, have happy employees and provide jobs to your community. To accomplish this you must be surrounded with quality employees who help carry you into a successful future."

So how do you find the best and brightest? Take time to put structures

in place for recruitment and retention and these two reoccurring "battles" won't seem as looming as before.

Battle I: Recruitment **Identify Your Candidates**

Hiring the wrong person for a job can cost as much as half of their first year's compensation; that's why it's important to determine the type of candidate you need and where you might find them.

After creating a job description defining the primary tasks and responsibilities for the open position, determine the qualities you're looking for in your ideal candidate. It may be helpful to consider the qualities your

best employees have.

"Hiring and Keeping the Best People," published by the Harvard Business Review maintains it's the candidate's personal characteristics that will tell you how a person will approach the job. Before you interview, itemize the characteristics that fit the job:

- Analytical and creative abilities – A candidate's abilities in these areas will determine how he or she assesses problems and determines how to solve them.
- Decision-making ability – Is a particular decision-making style required? Is it ok if they make decisions based on intuition, or would you rather have someone who is more structured and analytical in their thinking?
- Interpersonal skills – Think about the tasks this person will perform. Which traits will translate into good performance?
- Motivation – The candidate's personal goals, interests, energy level and job progression often demonstrate the level of motivation.

Understand what attracts these highly motivated quality people to choose one organization over another. Put yourself in their shoes. Money talks, but quality employees evaluate more than just salary when looking for a new job.

According to Corelli, some of the top attractions are:

- Compensation – A competitive wage is very important
- Bonuses – Provide bonuses tied to dealer profit, team achievement and/or certification
- Benefits – Health, dental, short-term disability, life insurance, 401K, tuition reimbursement
- Perks – A pickup for personal use
- Work/life balance – Flextime is always a plus. If you demonstrate a respect for this delicate balance, you'll

attract quality people and obtain a higher level of performance

- Opportunity to learn and grow – High-quality employees thrive on learning new skills and expanding their responsibilities
- Reward and recognition – Quality people want to be recognized and valued for their hard work. Rewards should be cash and gifts for individual performance
- Training and development – Allow your employees to hone their skills

Where To Look

First look inside your dealership, promoting from within whenever possible. If you have an established leadership development process, you likely have a candidate in your dealership.

If no one is ready to assume the job that's open, your best employees are still your best bet for finding high-quality employees. Implement an employee referral program.

"Your employees have a stake in the continued success of the organization," says Christopher W. Pritchard in "101 Strategies for Recruiting Success."

"Logically, therefore your employees can be a powerful recruiting source." Pritchard suggests when formulating an employee recruitment program that you offer clear, concise instructions, offer incentives, time-stamp every submission and tie incentives to a clearly defined retention period. And then follow up.

"Your employees will feel justifiably upset if you drop the ball and fail to follow up on their referrals," he says. "Keep things simple, well-organized and well-executed."

Employees who have left your company on good terms are another great resource. At the exit interview, ask if you can contact your departing employee in the future for referrals.

Then keep in touch with them.

If that fails, advertising online and in local newspapers are great ways to find employees, but they aren't the only ways. Most companies by now have realized the advantages of online recruiting. The Internet allows you to cast a larger net when looking for a new employee and your web pages are available 24/7. The large Internet recruiting sites are a great place to put your ad, but your message could get lost in the crowd: Target smaller sites and place a link on your website to allow users to submit resumes directly to you.

The AED Foundation can help when it comes to online recruitment.

AEDworkforce.com, a free service available exclusively to AED members, hosts applications from technicians across the country. Here you'll find transitioning military personnel, post-secondary technical school graduates, and others whose technical skills and knowledge translate into a heavy equipment technician career path.

Technician applicants on the site come from many backgrounds, have varying levels of experience, and may be from related industries such as auto, truck, and aircraft. AED member dealers can search the listings and contact applicants directly. In addition, once you register on the website, the names of new technician applicants in your area will be automatically emailed to you.

Pritchard also suggests:

- Placing an ad in a church/synagogue bulletin
- Running an ad in the high school football team's season program
- Placing a "we're hiring" message in the Welcome Wagon
- Sponsoring a summer internship
- Connecting with your local technical school and/or the military

Bad bosses often punish good employees, giving them more than their share of the work.



To get your new hire off to a good start, make them feel welcome. Build a sense of community within your office.

Battle II: Retention Create A Great Environment

You searched high and low, interviewed dozens of candidates and viola! You found the best person for the job. Congratulations. Now your top priority is to keep them.

To get your new hire off to a good start make sure you're ready for them to begin working for your company.

Make them feel welcome. And team them up with a long-term employee that can give them the lay of the land and be an ongoing resource.

Build a sense of community within your office. Not only will this help keep your employees on the right track, it will be a great teambuilding experience. Some suggestions:

- Celebrate birthdays and work anniversaries
- Reward, reward, reward
- Create company sports teams
- Hold family and company picnics and outings
- Support local charities with company volunteer groups
- Keep communication open
- Develop a mentoring program
- Have productive meetings
- Have an employee of the month/year award
- Give gift cards for great performance

Don't Be A Bad Boss

The number one reason employees leave is management.

"If they're working for a boss who doesn't respect them or treat them well, they'll look elsewhere for employment," says Corelli. She recommends adopting a zero tolerance policy for bad bosses.

According to Corelli, bad bosses display these negative behaviors:

- Micromanager/ bureaucratic management style – Quality employees need little supervision. If their leader micromanages, quality employees feel as though they aren't trusted or respected.
- Insincerity – A leader who gives lip service will lose the trust of quality employees looking for an open, honest leader who will follow through on commitments.
- Do as I say, not as I do – If a leader insists employees treat customers well then that same leader should treat his/her employees well.
- Incompetence – Nothing frustrates a good employee more than ineptitude.
- Inaccessibility – Whether a manager intentionally brushes off employee concerns or is too busy, the message is the same: The leader doesn't care enough about people to give them the attention and respect they deserve.
- Tolerates underperformers – If a leader thinks he/she can avoid dealing with a weak employee because the work is getting done, they're setting themselves up for far worse problems.
- Unappreciative – Quality employees want to hear praise.
- Unequal distribution of work – Bad bosses have a tendency to punish employees for good performance by giving them more than their share of the work.
- No conflict resolution – A good leader heads off problems or works quickly to resolve them. Bad bosses do not.

Cost of Employee Turnover

In addition to the disappointment of losing a valuable contributor, consider these costs involved with employee turnover, as stated by Christine Corelli:

- Recruiting and advertising costs – You have to advertise to attract quality employees.
- Training time and pay – There are costs associated with bringing new employees up to speed, whether it's training or certification.
- Cost of lost productivity – When you're between employees or your new employee is still in the learning phase, your company's productivity will suffer.
- Cost of possible mistakes – When other employees pick up the slack, the added workload makes mistakes more probable. And your new employee is likely to make a few mistakes.
- Stress on management and employees – Overworked employees and managers picking up the slack will feel heightened stress.
- Loss of customers – Hopefully the loss of a key employee will not mean your current or future customers will leave.
- Loss of knowledge former employees take with them – A new top performer needs time to learn your business and perform at his or her top proficiency.

“To motivate employees, managers need to recognize and reward achievements.”

■ Delegates task, takes credit – Quality employees will not tolerate a boss who does not give them credit for their hard work.

“Whether you like it or not, it’s always up to the leaders in the organization to provide the motivation and set the tone for a positive attitude,

Tips for Detecting Potential Defectors

Are some of your people thinking of leaving? If you see any of the following signs, provided in *Hiring and Keeping the Best People*, published by the Harvard Business Review, get right on it. Ask your employee how you can work together to create a better work experience.

Look for these signs:

- A change in behavior, such as coming in later or leaving early
- A decline in performance
- Sudden complaints from a person who has not been a complainer
- Wistful references to other companies
- Withdrawal
- Talk about burnout

strong work ethic, team spirit and quality work,” says Corelli.

According to authors of “The Management Bible,” Bob Nelson and Peter Economy, you get what you reward. “When you reward certain kinds of behavior – whether it’s good or bad for the organization – that’s what you’ll get more of.”

Rewarding your employees with anything from verbal praise to cash rewards and extra vacation days will ensure you’re getting the results you’re looking for and you’ll have happy employees.

“Employees don’t leave their personal lives at home when they head to work each morning,” writes Pritchard. “They need to feel safe and valued. We tend to have little difficulty finding ways to ask our employees to improve performance. ‘Catching’ them doing something right is a simple but effective way to convey that we also recognize their positive contributions.”

According to *The Management Bible*, cash isn’t a motivator.

“To motivate employees, managers need to recognize and reward achievements and progress toward goals by employees on a daily basis,” write Nelson and Economy.

What motivates?

- Praise: Whether personal, written, electronic or public, your employees yearn for praise. This small act ensures that the good results will continue.
- Support and involvement: Employees want to know how they are doing in their jobs. Involving them in decisions and supporting their mistakes increases their commitment and ease when working and making changes.
- Autonomy and authority: Allow your employees to do their best job. Let them decide how to get the job done. This is the ultimate form of recognition because it shows you trust them to act in your best interest.
- Flexible working hours: Time is the new currency. More than 80 percent of workers want more time with their families. Accommodate this with flexible hours.
- Learning and development: Employees value learning opportunities in which they can gain skills that will enhance their worth and marketability.
- Manager availability and time: Taking time with employees is of the utmost importance, especially in today’s busy environment. It’s critical for long-term relationship building.

Additional Resources For Recruitment And Training

AEDworkforce.com features a variety of resources designed to facilitate technician hiring, employee professional education, and information on working with students and local technical schools to “grow your own technicians,” including:

- Student Recruitment Guidebook for AED Member Dealers
- Dealer/student employment and loan/scholarship repayment agreement
- Dealer/student technical school internship agreement
- Pre-employment technician assessment
- Questions for interviewing technician job applicants
- Service technician position description
- Student technician recruitment video
- AED Foundation annual Workforce Needs Survey
- AED Accredited Technical College list and contacts
- Dealer workforce needs planning form (Microsoft Excel) with instructions
- AED Member Dealer and AED Accredited School online locator
- Online locator for high schools with tech programs in auto, truck and/or heavy equipment
- AED Foundation publication: “Standards for Construction Equipment Technology;” industry technical standards developed by the Foundation by industry representatives