

What EMPLOYEES want

SOME SURPRISING ANSWERS — AND SOME WARNINGS — FROM THREE EXPERTS ON EMPLOYEE HIRING AND SATISFACTION

By Al Tuttle, Associate Editor



Laughing as she paces back and forth onstage during a presentation to an association group, Christine Corelli asks, “Whose job is it, anyway? Just whose job is it to keep employees motivated?” she asks.

The surprising answer: The boss’s job. Despite expert opinions that say self-motivation and a positive attitude are the ways to employment fulfillment, each worker looks to the boss in times of crisis, she says. Corelli is a motivational and business speaker and author, and says that her most popular seminar is about bosses.

“Can you *give* someone motivation? I don’t believe you can,” she says. “Here’s ... an essential principle: The key to motivating is to keep people in the right frame of mind by making them feel they are working with you, not for you.”

Also a personnel consultant, she has a list of things that bosses say and do; she

juxtaposes them with a list of things leaders say and do, to draw a comparison. Some examples:

- The boss says, “Go!”; The leader says, “Let’s go!”
- The boss pushes; the leader pulls.
- The boss let’s you know where he stands; the leader lets you know where you stand.

People don’t trust big companies to provide the culture, security and long-term stability that they did years ago, Corelli says. Loyalty is a personal choice people must make every day. Managers don’t interview to the point that they are relatively assured the person can handle the stress, teamwork and dedication that is required for the position.

“Distributors often cannot afford to pay the type of salaries that high performers demand,” she says.

However, in a national culture that



Christine Corelli, author and speaker, says, “Bosses push; leaders pull.”

thrives on recognition and differentiation, employers who create their own culture of incentives will solidify employee respect and loyalty. Small breaks from routine, such as a planned cookout or surprise bonus, mean a lot. Younger workers especially don't believe they will be able to work in one place for many years, much less for an entire career.

As far as finding the right employee, Corelli has determined through interviews with supervisors that they don't interview a candidate deeply enough, using a team approach and evaluation criteria.

"I've walked into distributorships and seen people not doing what they should be doing," Corelli says. "In the competitor's business, I see people who are really on the ball. If I owned that type of business, I would offer those people a bonus and some perks to come work for me."

And it will work, for reasons that are all too clear: employees do not believe their efforts to build relationships with management has a payoff. They see bosses rather than leaders.

A fallacy revealed

There are some misconceptions about the hiring and retaining problem. One of the most widely held is that it is easier to find well-qualified,

experienced employees in slow economic times, when there are more layoffs, says Les McKeown, consultant and author specializing in retaining employees.

In his experience, McKeown finds that a large portion of employees who go to work for rivals do so through word of mouth. Many people who leave, as well as those who seek someone else to come work with them, are disgruntled ex-employees.

"Overwhelmingly, poaching – as it's politely put – is a leading way to get the person you want, or think you want," he says.

It's possible that the person will soon do to you what he did to his previous employer, but that's the way the game is played. In any case, changing the endless process of poaching would help stop the game, McKeown says.

Another widespread problem: In the

hiring process within small and mid-sized distributors, the owner/entrepreneur remains too long a part of the hiring process as the business grows, McKeown says. Having hired on gut feelings and first impressions for years, he continues to look for general attributes in people, even though he may be filling a specific job that demands specific skills.

The personality of a person who is ideal as an accounting manager may not appeal to the sales personality of the owner. That attitude can no longer be part of the hiring process, according to McKeown. At five years into a business and if the company makes \$10-\$12 million gross a year or more, the owner/entrepreneur should delegate that authority to a personnel manager, who then interviews using behavioral hiring techniques.

Behavioral hiring, in which the management team determines a complete, detailed set of qualities they want in the employee, is the result. It goes beyond typical job description parameters and

on a part-time basis, and hold a wealth of in-depth operational knowledge, most of which is not available anywhere else.

A crisis brewing

"By 2010, we will face a labor shortage of 10,033,000 people."

The Bureau of Labor Statistics/Department of Labor number alone is staggering, but according to Roger Herman, co-author of several books on employee retention and the national workforce, the problem is more acute for employers who need skilled workers in specific jobs.

"No employer has ever had to confront the employment conditions that will characterize this decade," Herman says in *Impending Crisis*, a book co-written with Tom Olivo and Herman's business partner, Joyce Gioia.

Those conditions include far fewer skilled people to fill jobs than there were in the late-1990's, a period that employers will remember as very difficult

for finding workers, Herman says. Employers must become aware of the problem and begin to incorporate strong employee measurement processes that include efforts to retain those with

valuable skills and recruit more, regardless of economic travails.

Those involved heavily in recruiting strictly from competitors' job roles do double harm to the system nationally, Herman says. Like McKeown, he contends that there are only a finite number of qualified, dedicated employees in the pool at any time, regardless of wide fluctuations in the economy.

Meanwhile, fewer people are entering the employment market. In order to stop the employee-snatching cycle, either all distributors must agree not to do it all the time (the impossible alternative), or gather as associations, alliances and regional competitors to discuss ways to deal with bringing new people into the business rather than poaching.

Herman realizes the competitive nature of entrepreneurs, but says that cooperation between Company A and

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— Les McKeown, Yellowbrick

gets to the heart of how and why an individual is ideal for a particular job, McKeown says.

Once hired, the top priority for employers should be to provide the right nurturing environment for all employees. "Employers can lock people in closets or they can provide an environment where in employees are not interested in being snatched," McKeown says.

A proactive teaching/mentoring environment, where employees are at ease asking supervisors and other employees for help, is the best platform for stopping the snatching cycle. Management must provide an environment where a coaching style can take hold and prosper.

"One area sorely lacking is the participation of recent retirees," McKeown says. "They are an enormous resource for training, especially for small groups."

Retirees will work cheaply or for free

Distributors: On employment problems

ID spoke with representatives of two distributors that acquired businesses and grew substantially in the last several years, assimilating employees into their companies and cultures.

Interline Brands, Inc.

The two most pressing employment problems at distributor Interline Brands are rising health care costs and retaining employees in its distribution centers, says Annette Ricciuti, vice president-human resources for the company based in Jacksonville, Fla. She says that the goals and working styles of younger workers are far different from those of the traditional industrial supply workforce.

Interline is the result of the merger of industrial distributors Wilmar, Inc. and Barnett Co.

"The perception exists that younger associates do not have loyalty to any one company and just want the higher wage and benefits packages," says Ricciuti. "Companies and managers must understand how to attract and motivate Generation X-ers and Y-ers."

Interline uses several methods to recruit employees, including employee referrals and other internal resources. Depending on the level of the position, they advertise on the Internet, in newspapers and use recruiters, Ricciuti says. The company has little trouble hiring, except for some technical or product-knowledge positions.

Open house opportunities, in which prospects can visit the facility and see operations, are successful, particularly on Saturday mornings. One key benefit for Interline: on Saturday, they attract employed as well as unemployed people, she says.

Employee retention is a more difficult issue. Larger employers compete for many of the same workers and offer within their benefits packages items such as wellness programs and fully paid tuition for education.

"Retention is an issue, especially in the distribution center, because of the environment and physical conditions of the job. Health care also can be an issue," she says.

Interline offers a standard benefits package that does not include items like full tuition and wellness programs, she says. They compete for administrative, sales and clerical employees with the insurance and banking industries, as well as larger distribution companies, which offer such items regularly.



Annette Ricciuti

Würth Group USA

At the Würth Group USA, the human resources department finds many employees through referrals, according to general manager Mark Alexander. Würth USA promotes a positive culture that emphasizes the company's growth and opportunities, Alexander noted. The company is a group of mid-sized distributors owned by parent company Adolf Würth GmbH, headquartered in Künzelsau, Germany. Its corporate culture is "decisively characterized by the motivation of the employees and the delegation of responsibility," according to the company's published policy.

Würth USA specializes in fasteners and other connection and assembly products. Its MRO business is growing as well, Alexander said. The company is hiring people

who worked at competitors, but were laid off due to the economy. Those employees are usually hired for technically specific jobs, requiring skills such as industrial sales engineering experience, Alexander says.

"Unfortunately, the economy has hit so many distributors that we have found some qualified people to take positions," Alexander said.

The situation is different when looking for mid-level workers in accounting, customer service and purchasing, he said.

"The old-fashioned newspaper ads work for that, but we get a lot of unqualified applicants. Those aren't jobs that get as many referrals as sales positions," he said.

Würth USA promotes a positive culture that emphasizes the company's growth and opportunities. The corporate culture is "decisively characterized by the motivation of the employees and the delegation of responsibility," according to the company's published policy. However, young people aren't exactly flocking to learn the industrial supply business, Alexander said. This makes it difficult to continue the mixture of motivation and delegation that the business desperately needs, he noted.

"Young people get into the business by accident. They know someone or have a relative in the business. Recruiting early on is difficult but needs to be done more often," he said. "Once they are into it, and find a livelihood, they're hooked."



Mark Alexander

Company B to find someone to fill an open job in Company A, benefits them both. In turn, A will help B when it needs someone with knowledge and experience. The process must be a deliberate plan with goals and objectives so each knows the parameters, he says.

Herman, CEO of The Herman Group, is one of several employee retention experts who note the fact that there are not fewer strong employees available in good times, just as there are not more available in bad economic times. There is always the same number, generally speaking. In a layoff situation, comprehensive employees who have been forewarned will plan accordingly and are less



Roger Herman, The Herman Group, notes an impending employee shortage.

likely to be available when hiring begins again.

Therefore, employers who start looking for those employees as a recession wanes will be disappointed. Likewise, employers who find ways to keep their most valuable workers in any case will be in a stronger position

when times get better. A vicious circle occurs when industries are hit with a sliding economy, begin to layoff, freeze salaries and demand more of its workers, who leave in frustration for other occupations.

By way of illustration, Herman points out in *Impending Crisis* that the problem of health care's lack of professional workers is a scenario that will play out in other industries in the coming years. The blame often goes to registered nurses, who leave the profession. Herman calls it the "tail-spin effect" on workforce stability.

"In actuality, there may well be plenty of people trained as nurses, but they're working ... in other occupations because they are so unhappy in the hospital working environment," he says.

In all employment situations, these experts agree that compensation issues are far down the list of reasons why people leave jobs. There are five principal reasons, explained by Herman.

- "It doesn't feel good around here."

Workers are concerned with physical and cultural problems within the organization;

- "They wouldn't miss me if I were

gone." Employees are not valued enough for their contributions and feel like bought-and-sold commodities;

- "I don't get the support I need to get the job done." People want to do a good job and are frustrated if they have too many roadblocks like poor managers and red tape;
- "There's no opportunity for advancement." This does not mean promotions

and raises. Rather, employees are not trained and have few opportunities to learn new skills or develop their ideas;

- Compensation ranks fifth in the chain. When fair compensation is taken as its own issue, money has diminished importance. However, if the four items above are less than excellent, employers *will* hear, "You can't pay me enough to stay here." ■