



## Attracting & Retaining Better Employees

**B**ecause we are a business development-oriented organization, I spend a lot of time in this column -- and with my clients -- discussing **how to get and retain better customers**. This month, however, we are going to be a little more introspective and talk about **how to attract and retain better employees**.

Whether you are currently feeling it or not, there is a global labor crisis going on and it is only going to get worse before it gets better. There are several steps that you can take to proactively minimize the impact of the labor shortages and also improve the retention and motivation of your existing employees at the same time. **Not surprisingly, it all comes back to managing relationships properly.**

One of the most powerful and least-understood aspects of business is **how a sense of connection among people affects their success in life**. Employees in an organization with a high degree of connection are more engaged, more productive in their jobs, and less likely to leave the organization for a competitor. "Connection" describes something intangible in relationships. When it is present, we feel energy, empathy, and affirmation. When it is absent, we experience ambivalent or even negative feelings.

Although we know what it's like to feel connected on a personal level, few among us understand the effect of connection on us and on our organizations. The studies that have been done are extensive, however, and **you will likely be as surprised as I was by their results ...**

The Gallup Organization tracked over 8,000 U.S. organizations over a seven-year period before publishing the results of its Q12 survey which asks questions about whether other people in your workplace care for you, help you grow, and consider your opinions and ideas. Business units with higher Q12 scores -- **in other words, higher "connection"** -- experienced higher productivity, higher profitability, and higher customer satisfaction, as well as lower employee turnover and lower rates of days lost to sickness and other reasons.

In 2004, the Corporate Executive Board group did a global study that concluded that the most committed employees outperform the average employee by 20% **and are 87% less likely to leave the organization.**

A Hewitt study of 1,500 companies over four years showed that companies with higher employee engagement realized higher total shareholder return. That's the good news for the companies whose leaders are engaging their staffs, listening to them, actively involving them in the process, and helping them reach their full potential. Simply put, if you invest in them more than just issuing them a paycheck, most people will invest in your company right back, **actually conveying more value in the process than they receive.**

For those who don't lead their companies in this fashion, which is by far the vast majority, the results of these surveys are disturbing. Results from the Q12 U.S. survey consistently indicated that approximately **75% of workers do not feel engaged or connected at work**. The 2004 CEB global study of employee engagement revealed even more dismal results: 76% of those surveyed had a moderate commitment to their employers and 13% percent had very little commitment.

**Widespread disengagement is a waste of human talent and energy**, and it is not healthy for employers or employees. Eventually, when people develop options, they leave instead of remaining frustrated. And given two other major trends -- globalization of the workforce and the shortage of skilled labor in the disciplines for which we are all recruiting -- employees and candidates will have more options and better opportunities to call their own shots over the next five-to-seven-year period.

To keep your company more attractive to them than any others they might be considering, they need to feel that their future is bound up in the future of the company, that their work environment is both enjoyable and challenging, that they have a voice that matters in decision-making (even one of disagreement), and that they trust their future to their leaders. **Here are some of the ways we accomplish this at FOG**, and I hope this inspires you to engage in dialogue within your own organizations to develop higher degrees of connection and success:

- FOG's mission and vision statements are based on the FIT concept of **Fairness, Integrity, and Trust**.
- All FOG team members are expected to share these values and evidence them in their personal and professional relationships inside and outside the team.
- Each team member has a say in the hiring and firing of other team members.
- Each team member participates in profit sharing annually via a fixed percentage tied to their roles and responsibilities on the team. The better the company does, they better everyone does.
- Each team member has annual goals they must complete for the good of the group as a whole that determine what percentage of their profit-sharing percentage they actually realize. These goals also include personal growth goals and skill enhancement. In other words, you don't realize your full potential without developing your full potential as well.
- Each team member is mentored and cross-trained by the other team members, and gets personal attention from me.
- Everyone receives annual reviews that critique their strengths and weaknesses and help them define plans of actions to further refine their skills.
- Everyone comes together once a year for a two-week planning summit for the company during which we cover changes in process based on lessons learned. This, of course, goes on informally throughout the year too, but the formal review always reinforces and expands on actions taken at other points. During these two weeks, we also collaborate to set our objectives, goals, and strategy for the organization over the coming year.

There are others as well, but this should be enough to get your juices flowing. I can't emphasize enough the importance of involving the entire staff in planning, as you will see huge dividends when initiatives begin at the grass roots level of your organization instead of as mandates from above.

If you want to learn more about motivating your team toward these ends, **please allow me to recommend two good books** I have read recently, both of which inspired me to write this month's topic. They are <http://www.amazon.com/Its-Your-Ship-Management-Techniques/dp/0446529117>

“It’s Your Ship: Management Techniques From The Best Damn Ship In The Navy,” by Captain D. Michael Abrashoff, one of my classmates at the Naval Academy, and

<http://www.amazon.com/Fired-Burned-Out-Creativity-Productivity/dp/0785223584>

“Fired Up Or Burned Out: How To Reignite Your Team’s Passion, Creativity, And Productivity,” by Michael Lee Stallard.

See you next month folks and, until then, **Good Hunting!**