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Focus: Retention

To keep people, everyone says you're supposed to communicate with them. Communicate what? (P. 3)

Communicating with Retention in Mind

3

by Stephen Balzac

Also in this issue:

The "Softer," Grey Area: Social Media

7

by John Zappe

How Technology Can Help Customize the New Hire Experience

12

by Madeline Laurano of Bersin & Associates

Your Internship Program: A Look Back Before Looking Ahead

19

by Lauren Berger

Proving Your Value to Senior Management: How an Internal Executive Search Function Makes You a True Business Partner

25

by Mat Apodaca of Lockton Companies

Recruiting Leaders Who Preach Quality but Practice Quantity Need to Read This

30

By Stephen A. Lowisz of Qualigence

Communicating With Retention in Mind

Numerous speakers and authors claim that one way to keep valued employees from leaving is to communicate more, and better. But what exactly should you be saying?

By Stephen Balzac

Some years ago, I was working at a high-tech company during a recession. Granted, it wasn't a Great Recession, but it was bad enough. There came a certain point where an employee who had not had a raise in two years went to the CEO and asked for a raise. The CEO's response: "I agree that you're one of our top performers. But, in this economy, you have nowhere to go, so I'm not giving you a raise."

The CEO had forgotten one little point: when we least expect it, economies get better. It's exactly when things are looking worst that the opportunities start to appear. In this case, the employee left and had a new job with a 50% raise within a couple of weeks. He told me later that if he'd received almost any raise, he'd have stayed. It wasn't about the money.

Now, when I tell this story in training exercises or when I'm giving a talk, someone always says that if the CEO and the employee had only communicated, then the situation would never have come up. That's a nice sentiment, but not one that quite makes sense. The two people in this little dance were communicating. Unfortunately, the content of their communication led them down a path that did not benefit the CEO or the company at all; in fact, the loss of that employee at that time set product development back six months.

Fundamentally, communication has both context and content. It's not enough to say that if you want to keep the best people when the economy improves, you just need to communicate more. It matters what you say and how and when you say it. Communication occurs in the context that you've created over time, and how your communications will be received will depend a great deal on that context. If you want to keep your best people, then you need to do your homework. (Or, conversely, if you want to recruit some-

one else's key people, find companies that did not do the homework suggested in this article.)

Fortunately, it isn't terribly difficult to communicate better. It does, however, require recognizing that emotion, not logic, is the driving force, and it requires starting now -- not next week, next month, or next year. If you wait until people are leaving, it's too late.

The first thing to realize is that people will preferential-

ly remain at a company where they perceive they have invested a great deal of themselves in the product, service, or culture of the organization. The more someone can see their contributions, the more emotionally invested they become. Similarly, the more you can highlight someone's contributions to the product, the more invested they become. For example, at one startup I worked for, I stuck it out well past the point of stupidity. I had written well over half the software -- probably several thousand lines of code. I was the principal designer and architect for the product. I was, in short, emotionally invested in it. I wanted that product to succeed. I stuck

it out until the handwriting on the wall had gone from permanent marker to chiseled in stone, at which point I reluctantly recognized that the company was going to go under, and nothing was going to change that fact. As the company spiraled down, people left in the reverse order of the size of their contribution to the product.

So how do you highlight someone's contributions? Take the opportunity to praise them in public. Note that this does *not* mean comparing them to others on the team; that only creates resentment and embarrassment for all concerned. Talk about the importance of the effort they've put in, and find small ways of demonstrating your appreciation. It doesn't have to be fancy, especially in a time of tight budgets. Honest appreciation goes a long way. In the example I start-

If you aren't hopeful about the company, why would the employees feel hopeful? If you aren't enthusiastic about what the company is doing, why would they be? If you don't believe in the future, why would anyone else?

ed with, as the employee said, it wasn't about the money. The fundamental issue was that he didn't feel that his work for the company was appreciated. He left because he felt that he was being treated like a commodity or a tool. Practically anything that would have demonstrated that the CEO valued his contributions and, moreover, valued him as a person, would have kept him there.

The next step in keeping people is to make sure that their contributions are not just recognized, but are also important. Visible contributions that are not valued by the company are not going to be very compelling. Likewise, contributions that someone does not perceive as important will not serve to keep them at the company. A cousin of mine worked for NASA in the early 1970s. He was part of the team designing the space shuttle. Due to security issues, he and his team had no idea what part of the shuttle they were working on; it was the quintessential "clean room" project, where they would be given instructions and specifications, but no context. When the day of the grand unveiling arrived, he found out that he had been designing the door lock. He walked out of the unveiling and out of NASA.

If you want to keep someone, make sure you frequently highlight how their work fits into the long-term vision of the company. Help them see that their work matters to the team and the company. Build a sense of partnership and status. They're not a hired mercenary; they're a trained professional providing valuable services. Again, demonstrate appreciation whenever possible. Find ways to reward people for their efforts, but don't make the rewards the point of the work.

A compelling vision is vital whether times are good or bad. Tom Watson's vision of IBM carried the company through the Great Depression and on to become one of the most successful companies in history. At a small company, the CEO may be the primary evangelist; in a larger company, the CEO and senior management on down need to transmit the vision. The vision is your chance to reinforce the ideals and goals of the company, to get people excited, and to help them see how they fit into something bigger than they are. Inviting employees to contribute to the vision reinforces both the vision and their sense of emotional investment in the company. Visible contributions are good. Visible, important contributions are better. Visible, important,

contributions that help employees see how they are helping to bring a larger dream to life are best of all.

To be effective, and to create the appropriate context for communication, the vision must be optimistic and conveyed with enthusiasm. This seems to be one of the most difficult tasks for leaders at all levels, from the CEO on down. They are much more comfortable acting logical and unemotional; optimism is seen as foolish or childish. While that may be important in some obscure circles, as a way of creating an environment that will convince employees to work hard when things are bleak or stay when the opportunities are abounding, it leaves something to be desired. If you aren't hopeful about the company, why would the employees feel

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hopeful? If you aren't enthusiastic about what the company is doing, why would they be? If you don't believe in the future, why would anyone else? Being the Chief Enthusiasm Officer doesn't mean being Pollyannaish; it does mean letting your enjoyment and your excitement shine through. Nobody wants to stay at a depressing company.

At a certain technology company, the CEO's initial vision attracted a great many enthusiastic employees. As the company ran into some unexpected challenges, the CEO became increasingly cautious and pessimistic. Several of the most ardent supporters of the original vision were the first to depart, complaining that if the CEO no longer believed, why should they risk their careers? In the end, the company failed not because it couldn't meet the technological or market challenges, but because too many people followed the unintentional lead of the CEO and gave up too soon.

If you don't have a vision, or if your style of communicating your vision is along the lines of describing sushi as "cold, dead, raw fish," then you have some work to do. The remaining areas and content of effective communication all require that vision in order to be most effective.

A very powerful element in keeping someone at a company is a sense of community. The more that people feel they have in common with the other members of the team, the more likely they are to stay. The vision can provide the core of that common ground. Teams will always unite around something: it can be the long hours, it can be the lousy pay (a sentiment, I hasten to point out, that seems to exist quite independent of the actual pay), it can be the rotten economy, or it can be the excitement of building the product,

COMMUNICATION

of making a difference to someone, of working together to overcome obstacles. The items listed first will create a team united only by their unhappiness and in which that unhappiness is constantly reinforced. The subsequent items will keep people focused on the future and on one another. They will be united by excitement and hope. Building this camaraderie and team spirit is especially vital if you've had to lay people off: losing people from a team will damage the team structure. If those emotional holes are left unfilled, they can easily lead to increasing unhappiness and guilt on the part of those remaining. Given an option, most people do not choose to remain in an environment in which they feel guilty or unhappy.

Another reason why communicating your vision will help you keep employees is that the better you can communicate the vision and the long-term goals of the company, and the better your employees understand that vision and their place in it, the more freedom they have in how they do their jobs. No one likes to be micromanaged, especially not top performers. The more freedom they have to structure their work day to best suit their needs, the happier and more loyal they'll be. Happy people are not as likely to spontaneously start hunting for a new job, and are more likely to ignore messages from recruiters.

A further benefit of communicating long-term goals is that people can see the opportunities for growth that lie in their future. One of the biggest reasons people change jobs is because they see the move as an opportunity for growth. The more you can create and show people the growth opportunities they have where they are, the more likely they are to stay. It's when people don't see themselves as having room to grow that they start looking outside for opportunities.

Finally, make people feel competent and appreciated. No one likes being reminded of embarrassing incidents, of failures, of things that didn't work out well. On the flip side,

practically everyone loves to be reminded of successes. As the old saying goes, nothing succeeds like success. As the lesser-known corollary goes, nothing keeps people at your company from leaving like the feeling that they're in an environment where they'll be successful. Although the corollary lacks the pithy ring of the original saying, it is nonetheless valid. Create an environment where people can see their own competence and measure their own success toward creating something larger than themselves and you've gone a long way toward keeping them at your company. And, of course, providing opportunities for growth also helps build that feeling of competence and further increases the attractiveness of staying. An additional side effect is that the more competent people feel, the more secure they feel. The more secure they feel, the harder it is for someone else to pry them away.

So yes, in the end it really is all about communications, provided that you are communicating the right things. Think about how you are communicating the following things:

- Your recognition of the contributions of your employees
- Your appreciation for their contributions and the personal sacrifices they are making
- Your own enthusiasm, excitement, and positive vision of the company and its future
- The goals of the company and how each employee fits into bringing those goals to life
- The common ground and ideals that will unify your team
- The information your employees need to work and grow most effectively
- The feedback that will make your employees feel successful

If you can address those seven points, odds are you'll keep your top people as the economy improves.



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