

ARE YOUR EMPLOYEES LOYAL OR SCARED TO LEAVE? Tips for Keeping Loyal, Motivated Employees

Since the downturn in the economy, most companies have experienced a reduction in turnover rates. That's a good, right? Maybe, but it depends on why your employees are staying. If they are staying because they are loyal to your organization, that's terrific. But, if they're staying because of limited job opportunities and fear of the uncertain economic environment, you could be in for trouble down the road.

Employees who are staying out of fear or inertia may turn into "mushrooms". They show up, do the minimum required, keep their heads down and hope not to be noticed. They want to avoid the light provided by energy, change and new ideas. They're not contributing their enthusiasm, creativity and ideas and if they are front-line service providers, it's almost guaranteed that customers will be negatively impacted.

As the economic picture turns a bit rosier, you'll likely be in for a wave of turnover among the staff you most want to retain. They will likely have the confidence, experience and skills to move on to another organization fairly quickly.

Loss of key players has a tremendous impact. Aside from "brain drain", you'll also be incurring expenses to recruit and train replacements, and a negative impact on morale and productivity among remaining staff. The "mushrooms" will retreat even further into the dark, and other staff will begin to think about leaving as well.

Unless the cycle is broken by taking steps to increase employee loyalty, you'll have employee churn, with a large crop of mushrooms, resulting in significantly lower levels of productivity and service levels.

Generating employee loyalty requires commitment, effort and consistency. Here are some tips to get you going in transforming your mushrooms into stars.

HIRING

Ensuring you have motivated and loyal employee starts during the hiring process. Some tips to get off on the right foot to having dedicated staff are:

- Keep applicants informed. Explain the hiring process to candidates, along with estimated time frames. If something comes up to delay the process, keep the applicants informed. Don't dampen a potentially great employee's enthusiasm by letting them think you are either disorganized or uncaring. If you treat applicants with respect, even if you don't hire them, you'll boost the reputation of your organization.

The way you treat candidates during the hiring process lets them know how they will be treated – with respect and consideration or as unimportant numbers.

- Be honest and candid. The best potential employees are not just being interviewed, but they are interviewing you. To maintain loyal staff it's important that there's a good fit between the employee and the organization. Telling a strong candidate "We value creativity and taking initiative." even though you know that the last time someone got away with taking the initiative on a creative idea was in 1974, you're making a mistake.

You may hire the candidate you want but when they find out the environment isn't what you described, they'll be gone. Making sure there's a good fit in terms of values, culture and style early on can prevent problems later.

- Skills and potential. It helps to know which skills are essential for the job you're trying to fill and which can be learned on the job. Sometimes aptitude and attitude may be more important than technical skills or knowledge that can be easily learned. The importance and complexity of the job will dictate how rigorously and formally you assess an applicant's skills and aptitude.
- Goals. Employees are loyal to employers who help them grow. Explaining career paths and development opportunities will ensure that the organization's goals and the individual's goals will mesh.

EVALUATE

Wait just a second here. Why talk about evaluation right after we hire a new staff member? They haven't even learned the job yet! Effective evaluation isn't an "after-the-fact" event, but an on-going process that should begin as soon as an associate is hired.. Here are some tips:

- Set goals and measures. One of the things that drives people nuts is not being sure what is rewarded and what is punished. Even worse is when the responses to any behavior seem to be random. If I do X today, I get a back on the back. If I do X next week, I get reprimanded. A fast way to drive a good employee crazy, or out the door. Set and communicate specific goals and measures, making sure they're observable and reasonable.

Align goals. Having goals and measures can be counterproductive if they are conflicting. For example, a customer service associate who is evaluated on the number of customers they can encourage to handle transactions at an automated point-of-service kiosk. The goal is to increase use of a less-costly service delivery channel.

But, the same employee is also evaluated on how many customers they serve, with the goal being an increased number each quarter. So, which is it? Serve more customers directly or shift more customers to the kiosk?

One of the things that tends to fall through the cracks when changes are made in

- systems or business processes is realigning goals, measures and evaluation tools. That will cost you valuable employees. They'll either quit or give up trying to meet goals that at least appear to be in conflict and become mushrooms.
- Do it often. Imagine raising a child by evaluating and giving them feedback once a year. Heck, make it even easier, and just wait until they turn 18 and let 'em know how they've done. Can you imagine? Kids need constant feedback to learn and develop. Employees aren't kids, but to feel comfortable, respected and confident, they need feedback on a regular basis as well.

In addition to formal evaluation sessions, you should regularly conduct more frequent, less formal evaluation and feedback sessions, including opportunities to discuss the employee's perceptions and career goals.

- Evaluation is a two-way street. Dedicated employees feel comfortable in saying what they need to be successful, asking for help and providing feedback on how they want to be coached. For the relationship between supervisor and staff to be effective, just like in any relationship, the communication needs to be two-way.

DEVELOP

Stagnant. What does that make you think of? Stinky, moldy ponds, perhaps?

Obviously, then, being stagnant is not a desired state! Here are some tips to help develop staff and help them avoid becoming stagnant:

- Provide current job skills and knowledge. This sounds pretty basic, but a lot of organizations assume that new employees will pick up the skills they need from their co-workers. That can work, but new staff may pick up bad habits, misinformation or only learn routine transactions. Training can be as basic as job aids, but giving staff the skills will also give them the confidence to do a great job.
- Prepare for change. When organizations make changes such as implementing a new software application, most of the focus is on developing and implementing the technology. All too often, the human side is forgotten. The message sent is "We're willing to spend time and money on equipment, but employees are on their own." Not likely to engender a warm, fuzzy feeling. To shorten the curve from implementation to full functionality, a two-pronged approach works best.

First, assess the readiness of staff for change and implement communications and other necessary interventions. Second, providing training on the new skills and knowledge required by the change.

- Tuition reimbursement, off-site educational opportunities, web-based training and after-hours classes can supplement traditional in-house training. Asking staff to share in the time and financial investment for the future helps create a sense of partnership – and loyalty.

You can also create loyalty and develop staff for future roles by providing opportunities to work on project teams, interact with other functions and take part in outside professional organizations.

- Develop the whole person. Companies with the highest level of employee loyalty address the developmental needs of the whole person, not just the “employee”. Developmental opportunities in stress and time management, personal growth and development and physical health not only create a sense of loyalty, but also have mentally, emotionally and physically healthier associates.

MOTIVATE

“Hey, they get a paycheck. That should be enough motivation!” Ah, the good old days when we could get away with the “Do it and shut up” style of management.

Unfortunately, some managers are still using that style and assuming that since their employees aren’t leaving, that it’s working. Boy, are they in for a surprise when the job market starts to open up a bit! Here are some tips for more effective ways of motivating staff:

- Encourage fun and laughter. “If you’re laughing, you obviously don’t realize how important this project is.” An actual quote overheard in a staff meeting. The individual who said that doesn’t understand that people who are relaxed and having fun are more creative and productive. Yes, work is serious, but that doesn’t mean that we should take ourselves too seriously.

You can encourage laughter by being supportive and encouraging, even if you’re not the “laugh riot” type yourself. Fun, unexpected surprises also work, such as personally distributing Popsicles or ice cream on a really hot afternoon, or having a staff meeting in a nearby park on a nice day set the tone for a fun and enjoyable workplace.

Toys are also terrific. At one company, an employee arranged a “bendee” in a humorous pose on his boss’ desk. Rather than being annoyed, the boss passed the toy on to another staffer, in a clever pose. In no time, bendee toys were springing up everywhere, and the challenge was one to see who could come up with the most humorous location and pose. Favorite toys even sent photos back from vacations!

Create an enjoyable environment. Most of us spend more waking hours at work than anywhere else. Look around your workplace. Is there color? Greenery? Places in the lounge or patio that have furniture and décor that encourage taking a few moments to physically and mentally recharge the batteries? Some service centers go gung ho on putting up colorful posters, banners and the like and then

- leave them. After a few weeks, they become just another invisible part of the cluttered décor. Ask for volunteers to look around with a critical eye to see how things can be improved. Frequently it can be done at no or very little cost.
- Create traditions, large or small. Having traditions that everyone knows and can count on help create a sense of camaraderie. They can be as simple as posting the “word of the day”, or beginning every staff meeting with five minutes of socializing. Other ideas that work include having “once a month salad Fridays”, when everyone brings in a salad to share; or “bubble gum Friday’s”, when each staff member is given a piece of bubble gum just before the end of the day. Small gestures, but something that people come to look forward to and builds a sense of connection.

As with all motivational activities, involve the staff in creating traditions to make sure that they are something they value and find meaningful. If you implement a “Salad Friday” tradition with a group of folks who hate salads and don’t like to do potlucks, your tradition will either fail or be resented.

- Reward and recognize: Formal employee-of-the-month programs have their place, but tend to become a sort of meaningless game in which everyone eventually gets a turn.

The most effective recognition meets three criteria: immediate, specific and meaningful. Recognition and rewards should send a message about what behaviors are desired and must be valued by employees to be meaningful.

Universally effective is a personal “thank you” to the employee. Words like “You did a great job on that presentation this morning. I appreciate all the work you put in on it and how well you represented our team.” are likely to make any employee feel appreciated and will help to increase his or her desire to hear words like that again soon.

Many managers reward employees by taking them out to lunch with other members of the management team. Some employees would view that as punishment, rather than a reward! Another option would be to have the management team cook and serve breakfast or lunch to staff, instead. The key is asking employees what they want, not just making assumptions.

Let employees know they are important. What makes people feel important? Being privy to information, having the authority to make decisions and try their ideas, and having input into how the job gets done.

You can provide information about your work unit, the company and the competition, and also encourage cross-functional sharing of information with brown bag lunches and staff meeting “exchanges”.

- Most employees appreciate a certain amount of autonomy and the freedom to make decisions. Setting reasonable guidelines for employee latitude encourages both staff loyalty and superior customer service. One company had a “\$100 or less” rule for front-line service providers. The guideline was that they could make any decision related to customer service that cost less than \$100. If a supervisor believed the decision was inappropriate, they would provide coaching, but never chastise the decision.

Encouraging people to ask questions and challenge the way work is done has a variety of benefits. Consistently, the best input to improving work processes comes from the employees actually doing the work. Plus, the ability to be creative and use their problem solving skills and contribute to making things run more effectively gives staff a sense of pride and loyalty. Phrases like “That’s just not the way we do things around here.” or “That’s against the rules.” don’t help improve operations and create mushrooms!

Leading economic indicators seem to demonstrate that are improving in most business sectors. That’s good news for everyone, unless your low turnover is based on fear instead of loyalty.

For more ideas on how to turn your workforce into a loyal, effective and highly motivated team, contact Nancy Magsig, Performance Innovations at nancy@performanceinn.com or (407) 321-3342