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# THE PLAIN DEALER

## The royal treatment

**Keeping good workers happy is crucial for any company, and pay isn't always the key**

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Janet H. Cho

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You have three key jobs that you can't seem to fill, a fourth employee seems on the verge of leaving, and all the applicants who have marched through your office have been rather, well, underwhelming.

So what's a boss to do?

The U.S. Bureau of Labor Statistics says voluntary employee turnover was more than 20 percent in 2004, meaning one out of every five workers quit during the year.

What's worse, the Department of Labor estimates that new companies spend one-third of a position's salary looking for the right employee.

All of which underscores why employers absolutely must invest more energy in keeping their most valuable workers loyal, satisfied and engaged.

Here, then, are 10 ways to hang on to workers worth keeping:

Appreciate your employees. Acknowledge their contributions. Say "thank you" regularly; don't wait for an annual performance review. Most people crave praise more than a raise.

Beverly Kaye, co-author with Sharon Jordan-Evans of the book "Love 'Em or Lose 'Em: Getting Good People to Stay," says companies of all sizes need to be more deliberate about nurturing and appreciating their most valuable employees.

When she asked more than 20,000 people why they stayed at their current jobs, the answers that cropped up most often were that their jobs challenged them and taught them new things, their careers were progressing, their colleagues were great or their boss was great.

"Pay is never No. 1," Kaye said. Rather, most employees want to hear someone say, "Good job," "Well done" and "Thank you."

Respect your employees as fellow professionals and give them the freedom and the means to do

their jobs.

Lauren Rich Fine, a Shaker Heights-based equity analyst for Merrill Lynch, lets the people who work for her do so from their homes, during whatever hours they prefer.

"I give my staff incredible flexibility," she said. "I am results-oriented, so essentially if they can get their work done on deadline, I am not concerned about where they are doing it or when."

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Once when she discovered her employees' year-end bonuses were less than what she thought they deserved, she tried to persuade her boss to give them shares of her own bonus. When he refused, she split her bonus anyway, writing them checks out of her personal account.

"I keep people longer than usual as they know I am willing to fight for them," she added.

3. Reward employees with both monetary and nonmonetary perks, such as prizes, vacation days, gift certificates and other benefits.

Google, which this year topped Fortune magazine's ranking of the "100 Best Companies to Work For," spoils its workers with free gourmet meals in the company cafeterias; on-site gyms, doctors and child care; free car washes and oil changes; foreign-language classes; and laundry rooms, according to the magazine. Employees who refer their friends to the company can get a \$2,000 bonus. Little wonder that Google gets 1,300 résumés a day.

4. Recognize that satisfied employees promote good business, not the other way around. Heinen's Fine Foods, the 17-store supermarket chain based in Warrensville Heights, teaches its 2,350 employees that they work for a company that puts people first — and also happens to sell food.

Not an easy task in an industry where half of hourly employees quit within the first three months on the job, according to a University of Dallas retention study.

"One of the things we try to help our associates understand is that they are what makes us different from our competitors," said Chris Foltz, director of operations. New hires spend their first two days on the job learning about the company's vision, history, traditions, values and emphasis on customer service.

"What we're trying to do is to get them really excited about us before they even step on the floor," Foltz said. "We try to make them understand you're not just a clerk or a bagger or a produce associate."

5. Ask your employees what they adore and can't stand about their jobs, and listen to their answers. Don't wait until the exit interview to talk about morale and motivation.

Instead of an exit interview, consider having a "stay interview" to find out what they think about their job, Kaye said. During the stay interview, ask questions such as, "What about your job makes you jump out of bed in the morning, and what makes you push the snooze alarm? If you won the lottery and resigned, what about your job would you miss the most?"

The objective is to find out "What can I do to keep you and what would entice you to stay?" she said. However, "you shouldn't do a stay interview unless you're willing to listen hard, take on some

of the things people want and deliver on it.”

6. Tailor your management approach to each person’s goals and priorities. While one person may want more flexibility in his work hours, his cubicle mate might crave a window office or a fancier title.

Erika Anderson, a Kingston, N.Y.-based organizational development consultant and author of “Growing Great Employees: Turning Ordinary People into Extraordinary Performers,” says a reward is a reward only if it meets someone’s needs.

“The degree to which you will find the right recognition immediately is equal to the degree to which you know the employee, you know their wants and needs,” she said. “Little things mean a lot to people, and this is all very individual. . . . I know of no better way to build trust than to actually listen to people.”

7. Celebrate individual and company milestones and successes. Recognize birthdays, anniversaries with the company, reaching sales goals, major client victories, etc.

Brown Flynn, a Highland Heights community-relationship firm, lavishes its all-female staff with jewelry, holiday outings, pajama parties, surprise shopping sprees and profit sharing. When principal and co-owner Margie Flynn asked her employees to describe the company’s culture, they told her it was one of mutual respect and freedom to take leadership roles and be challenged, rewarded and recognized for their hard work.

8. Acknowledge that employees have lives outside work. Know something about your employees’ interests and hobbies, the names of their children and significant others, what they do on weekends.

Pat Mullin, managing director of the Cleveland office of Deloitte & Touche USA LLP, a professional services firm with about 530 employees here, regularly encourages high-performing employees to take time off for “personal pursuits,” whether welcoming a new baby or hiking across Australia. Employees are guaranteed a job when they come back, and the company provides job training while they’re gone.

“We have found that there’s nothing more important than taking care of your people,” he said.

9. Invest in employees’ growth and leadership. Groom them for their next job. Provide professional development and training opportunities. Anderson says the ability to manage people is an underrated skill.

“Most managers think of managing people as a kind of necessary evil that goes along with the job,” instead of seeing it as one of the most critical things they do, she said. They might say, “What I really am is the CFO, but then there are all these people I supervise, too.” She compares managing people to gardening. “One of the things that it takes to grow a garden is consistency. It doesn’t take a lot of effort, just this reasonably consistent, gentle attention.”

Find out what each person aspires to, and give him an opportunity to pursue that goal.

“People really for the most part want to grow. They want to learn new stuff. That is one of the best ways to retain good employees: Help them grow.”

10. Prune staff members who drag down production and don’t pull their weight. Nothing

demoralizes high performers more than having to carry someone else's burden at work.

At Heinen's, which hires 1,000 people a year, "we believe the objective of retention should be to retain the appropriate people, people that align to our mission," said Foltz, the operations director.

"I've observed situations outside of Heinen's that have admirable retention rates, yet they are retaining people who are not helping them succeed."

The bottom line is that most companies focus too closely on getting results and not enough on the fact that to get the best results, you have to have great people, Anderson said.

To reach this Plain Dealer reporter: [jcho@plaind.com](mailto:jcho@plaind.com), 216-999-5069

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