

AFTER THE FALL

retaining and inspiring top talent during tough times

If you've watched the news lately, or followed the markets, you've probably found the economic data quite puzzling. Up one day, down the next. One economic analyst touts the strengthening recovery, the next warns of the impending shocks to the market. The roller coaster we're on isn't showing any signs of smoothing out thus leaving companies—and employees—wondering what's next?

The honest answer is, no one knows. And for the people who work in your organization, that may be the most stressful part. Uncertainty breeds fear. And fear breeds discontent. When people are unsure of their future, they will fill their minds, and waste time, with irrational fears and “what if's.”

People are worried, and it's up to you to control the outcome.

Love 'em or Lose 'em

During hard times, companies rely on their employees to help them pull through. But that's precisely when the top performers are most likely to quit. According to Sharon Jordan-Evans, a Silicon Valley management consultant, “6 to 12 months after a layoff, some of the most talented people become overworked and demoralized. So they leave.”

HR guru, Dr. John Sullivan, encourages organizations to fight the exodus by aggressively re-recruiting their existing employees, investing in formal retention programs. According to Dr. Sullivan, the cost of turnover of an average employee can easily exceed \$50,000 with that figure being three to seven times higher for a top performer.

Want to retain and inspire your best employees? Follow this advice from HR practice leaders:

Be Open and Honest.

When times get hard, there's a natural tendency to buckle down, work harder and avoid others. That's a deadly mistake. If you

want to start the rumor mill flying, let people see you running from one closed door meeting to the next. Without information, people will draw their own conclusions. It is far better to be forthcoming—even about bad news—than to withhold information.

Involve Top Performers in Developing Solutions.

You do not have to be the hero. When times get tough, rally the troops. Enlist the support of your top performers to develop solutions. Some companies go so far as to present employees with their business plan and challenge them to improve it.

Invest in One-to-one Management.

Layoffs, customer attrition, and other sources of bad news tend to create a turbulent workplace. Calm the waters by scheduling one-on-ones with each of your team members. Review the current situation, improvement plans being enacted, and the challenges and opportunities ahead. Outline clear expectations for the employee's performance and the outcome that will occur if that performance is achieved. And if layoffs are likely to occur, clearly delineate the situation that will trigger the cuts and what must occur to avoid them.



Bring your TOP resources together to retain your TOP people!



Define Career Paths.

As part of your one-on-one meetings, invest time to help people review their career plan. Ask people what they want and how you can help them accomplish it. By focusing attention on an improved outcome, you create the proverbial “light at the end of the tunnel.” In the process you change the focus from what’s wrong to what do we need to do.

Offer Market Pay.

While this may not be the ideal time to consider increasing personnel expenses, don’t short-change yourself by under-compensating your staff. Evaluate your pay and benefits package to ensure it’s competitive. While money alone typically won’t spur high performance, a compensation package that is perceived as being unfair will create resentment.

Keep the Department Focused.

When people feel stressed, big projects can become overwhelming.

To keep the work manageable, break big projects into phases and tasks that are less intimidating. As the manager, your role is to maintain the focus on corporate objectives while encouraging employees to concentrate on the next task to be accomplished. Also, be sure to celebrate the milestones as they are accomplished to create positive reinforcement for the work that has to get done.

Actively “Re-recruit” Top Performers.

If you don’t already do this, this practice may sound strange. But think of it this way...your company

surely invests in marketing to existing clients. Why? Because it costs five times more to get a new customer than to retain an existing one. The same is true of employees. Top performers are incredibly expensive to replace. Rather than take chances, be proactive about keeping them satisfied. Dr. Sullivan’s recommendation to employees is to “drop loyalty from your vocabulary and assume you must continually excite top talent if you are to keep them.” Here are the steps he recommends for re-recruiting:

1. Identify which employees are in high demand.
2. Ask employees to help keep the team together by identifying those they feel are at risk of leaving.
3. Identify the elements of typical offers for each key position by looking at other offers that your new hires have received.



4. Tell your employees how much you value them on a periodic basis.
5. Ask top talent to describe their dream job and where they would like to be next year.
6. Ask your employees what frustrates them in their job.
7. Prepare a personalized offer for each of your top employees and deliver it to them once a year.
8. Prepare an instant counteroffer strategy in case this process fails.

Who's Driving the Ship?

It is during times of crisis and uncertainty that true leaders emerge. Sure, you can sit back and wait to see what senior management decides as the course of action. But while you wait, your team may disintegrate. Now is the time to re-solidify your team's commitment to the organization's core purpose and values. It's time for you to take charge! Get out of your office and invest in your people. Let them know that they are more than just survivors, they are the champions who will create the company's future success!

Sources:

A World-Class Retention Strategy: Letting Recruiters Recruit Internally. Dr. John Sullivan and Master Burnett, April 8, 2002.

Retaining Employees After Layoffs. Aubrey Daniels, Entrepreneur.com, December 3, 2001.

OK, So You Don't Have to Be a Complete SOB. Bonnie Rochman, Business 2.0, July 2001.



How Altres Staffing Can Help Retain Top Talent:

Looking to re-recruit and retain your top performers? Call on Altres Staffing. We can provide temporary employees to relieve stress on overworked personnel, and also offer information on competitive pay and benefits packages.

And of course, if all else fails, we can greatly simplify the process of hiring qualified replacements.