Keeping the People Who Keep You in Business
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The Big Idea
In whatever business you choose to engage in, you need reliable and competent people. You have to invest in the right people - people who put their competencies and work ethics at optimal levels - in order to lead your business to victory. Like a well-oiled machine, these people contribute to the operation and to the eventual success of your business. As a matter of fact, these are the very people who keep you in business.

However, employees today are seeking better opportunities to career growth and development. They seek better opportunities for skills advancement and sometimes higher wages and benefits.

If you think you are losing the employees who keep your business working, then this is the book for you. This book, “Keeping the People Who Keep You in Business,” will give you tips and ways on how to hold on to the primary asset of your business - your workforce.

Why Good Performers Leave
Your employees are beginning to think twice about staying in your organization. The question is, where does this dissatisfaction originate and why does this dissatisfaction occur? Here are six frequent underlying reasons why good performers leave.

1. **They see no link between their pay and their performance.**
   Departing employees usually say that they are leaving to seek “better opportunities,” which means more than the phrase “more money.” Deeper motivations are involved in the process, like more lucrative positions from other companies, dissatisfaction in growth prospects, and the inability of the employees to see any link between his performance and his pay.

   Employees are demoralized when they see that they work harder and smarter and get better results than their co-employees, yet receive the same remuneration. But if the contrary occurs - when they know that they will be monetarily rewarded in proportion with the greater results they produce - they become motivated. This is because they see a relationship between their performance and their pay.

2. **They don’t perceive growth or advancement opportunities.**
   When employees do not “perceive” opportunities for growth in their field, employees conclude that these opportunities do not exist at all. Indeed, there may be hidden opportunities, but if the employee and the manager do not discuss career options and opportunities, the former, more often than not, will get dissatisfied and eventually leave the company.

3. **They don’t see their work as important, or their contributions are not recognized and valued by others.**
   All employees must believe that their work is essential to make their business a successful one. Fulfillment of the employee starts with the manager conveying that their employee’s contribution is indispensable to the company’s mission and vision. Once they recognize this, they become motivated to carry on with their tasks.

4. **They don’t get to use their natural talents.**
   Out of economic necessity, a lot of people get into jobs where they would not be able to utilize their natural talents and abilities. In the same manner, companies hire workers because they need a person to fill a certain position, even if he is not the right person for the said job.
5. They have unclear or unrealistic expectations.
   This often applies to fresh graduates, when they expect rapid advancement and immediate change. If this does not happen, most would likely “quit on the job” and seek other opportunities. It is also applicable to employees who only realize how dirty or greasy their job is once they assume their position.

   Indeed, employees must be given a realistic view of the job and its working conditions. In the same manner, employers must also be clear about the expectations that they have for their employees.

6. They will no longer tolerate abusive managers or toxic environments.
   Employees often stay in an environment where they must tolerate abusive treatment or unreasonable stress. This culture is often called the “Culture of Sacrifice.” This culture is characterized by the following:
   - Excessive demands for personal sacrifices.
   - Continual crisis.
   - Demands on employees to be available at all hours.
   - Employees subject to unreasonable deadlines.
   - “Pony express” management, or “ride ‘em ‘til they drop” mentality.
   o More often than not, this “Culture of Sacrifice” leads to the following results:
     - Employee stress, burnout, depression, and turnover.
     - Absenteeism, accidents, and costly mistakes.
     - No energy for idea creation and risk taking.
     - Poor quality of life and family conflict.
     - Retention of passive, dependent employees

Who Are the People Who Keep You in Business?

Due to the reasons mentioned above, it may be possible that you, the employer, is on the verge of losing the very people who keep you in business. What then should you do?

To begin with, you must first recognize and define the people who keep you in business. Simply put, these are the people whom you value the most. These are the employees you consider to be the hardest to replace, are indispensable to business operations and are considered most vital to the execution of plans for the success of your company.

Performance Standpoint Categories

You must proactively manage and work to retain your best and valued employees. You may classify your workforce among these four performance standpoint categories:

1. **Star Performers (top 10 percent or so)** - These are your “most important players” or the high achievers in your company. They often exceed your expectations and those of your customers. They are your future leaders in the company, and therefore, you must do everything to keep them in your team.

2. **High Performers (about 20-30 percent)** - They consistently perform high-quality work, but they are most likely not given as much attention as the star players. Because of this, they are most probably more easily recruited by your competition. Nonetheless, they are keys to your success because they usually meet and exceed expectations, and are optimally fit for their assignments.

3. **Steady Performers (majority of the employees, about 40-50 percent)** - These employees are usually competent, reliable, and loyal. They may not be great leaders, but they are excellent followers. Their contributions may not be as highly noticed than those of the star and high performers, but the steady performers are essential to keep your organization in business. As the largest segment of your workforce, you must never take them for granted.
4. **Poor/Marginal Performers (as much as 15-20 percent)** - Considered functionally ineffective, these workers were either mishired or misaligned into the wrong jobs. They may also have poor work ethics, and may cause majority of errors, accidents, absenteeism, and liabilities in your business, which in turn creates customer discontent and increases your costs.

Indeed, it is important for you to practice **selective retention** in your organization, in order to minimize the loss of the first three groups and to move the last group in other jobs where their potentials can be developed.

**Keys to Keeping the Right People**

Keeping the right people involves little acts that will enhance performance, motivate, and maintain job satisfaction among your employees. There are four keys to employee retention that you might want to follow to achieve the aforementioned goal:

**The First Key: Be a company people want to work for.** Your company must establish a culture that models, encourages, and rewards commitment of employees; and at the same time, attracts prospective employees by having the reputation of a “company that people want to work for.”

**The Second Key: Select the right people in the first place.** Recruiting, hiring, investing, and rewarding employees with the needed talent and skill will promote mutual benefit, both on the side of the employer and the side of employee as well.

**The Third Key: Get them off to a great start.** Welcoming, valuing, preparing, and challenging new employees at the very beginning will give them the necessary motivation and appreciation of the work that they will embark on for the years to come.

**The Fourth Key: Coach and reward to sustain commitment.** Maintaining employee commitment is an essential role that management must perform. Management must recognize the employee’s results and efforts, and facilitate career growth.

**Twenty-Four (24) Retention Practices**

The four keys mentioned above must be reinforced by concrete and clear plans of action designed to manage your employees. These are called **retention practices** that you have to continuously practice as a leader in the company. There are twenty-four retention practices that will lead to the accomplishment of each key to keep the people who keep you in business. These practices will be discussed in the next few pages.

2. Measure what counts and pay for it.
3. Inspire commitment to a clear vision and definite objectives.
4. Understand why some leave and others stay.
5. Redesign the job itself to make it more rewarding.
6. Define the results you expect and the talent you need.
7. Ask the questions that require Proof of Talent.
8. Give a realistic job preview.
9. Use multiple interviews and reference checking.
10. Reward employee referrals of successful new hires.
11. Hire and promote managers who have the talent to manage people.
12. Hire from within when possible.
13. Creatively expand your talent pool.
15. Communicate how their work is vital to the organization’s success.
16. Get commitment to a performance agreement.
17. Challenge early and often.
18. Give autonomy and reward initiatives.
19. Proactively manage the performance agreement.
20. Recognize results.
21. Train managers in career coaching and expect them to do it.
22. Give employees the tools for taking charge of their careers.
23. Know when to keep and when to let go.
24. Have more fun!

First Key: Be a Company People Want to Work for

Establishing a Culture of Commitment

Some companies are able to build the reputation of being a company where people want to work. Besides offering excellent products, they treat their employees with an attitude of respect and care.

However, thousands of companies continue to see their people as merely factors of production. Salaries, benefits, and overhead are treated as costs instead of investment. This is called a culture of sacrifice, where employees are given less importance and in return produces greater losses and liabilities to the company.

Companies must first and foremost promote a culture of commitment - a culture that creates an environment that attracts people and makes them want to stay. Employers should see their employees as assets rather than expenses, viewing them as partners where employee involvement in new ideas and innovation is definitely encouraged.

Retention Practice #1: Adopt a “Give-and-Get-Back” Philosophy

Companies have shifted their focus from giving importance to the customers to putting the premium on their employees. Instead of giving their customers the best while abusing their employees in the name of customer service, they treat their employees as number one, creating employees who will happily serve the needs of the customers.

Retention Practice #2: Measure What Counts and Pay for It

Money plays a very critical job in keeping the right people precisely because it represents what employers believe their employees are worth. Employee compensation is definitely a factor behind employees’ use of their talents, readiness to meet greater challenges, motivator for performance and commitment, and fulfillment at the workplace.

It is difficult to use money to purchase loyalty. Remuneration is just one of the barometers used to measure employee loyalty and commitment. What matters most is for you to let your employees feel that they belong to the company and that their hard work and efforts are appreciated.

Retention Practice #3: Inspire Commitment to a Clear Vision and Definite Objectives

Moving further, people want more than just material rewards. They want to belong to a company where their contribution will be vital to the company’s success. They just don’t want “something to do,” but they want to “do something” that is productive not only for themselves but also for the company. And so, it is important for you, as the employer, to continually inspire your employees to be committed to their work and tasks.
Having your employees live the very vision and mission of your organization will inspire them to be committed to their work. At the same time, you, as their superior, must lead the pack by example. When your employees see that you are committed to the job, most likely they will also follow you with the same or greater level of commitment.

**Second Key: Select the Right People in the First Place**

**Why Don’t We Select the Right People?**

Hiring the right person for the right position is your job as the superior of the company. In order to avoid pitfalls that your company might experience in the future, you have to do the necessary steps for it to be possible, and it begins by knowing, acknowledging, and avoiding the most common mistakes in selecting people for hiring.

Here are some of the pitfalls you should avoid:

1. Hiring for Experience and Expertise over Talent
2. Hiring in a Hurry
3. Hiring by Gut Feeling Alone
4. The “Search for Superman” Syndrome
5. Hiring in Your Own Image
6. “Politically Correct” Hiring

**Retention Practice #4: Understand Why Some Leave and Why Others Stay**

Another reason why good employees leave a certain company is because they can. It means that they have plenty of options that they can choose from and that they can move on anytime they want to. However, knowing and understanding the reasons why people leave the company and why they stay will enhance your ability to lead the organization and its employees to greater heights.

Exit interviews and employee turnover analysis are some of the practices you can use to determine the real reason why employees leave. Some organizations conduct “stay interviews” where they try to find out why some employees choose to stay.

**Retention Practice #5: Redesign the Job Itself to Make It More Rewarding**

Good people want good jobs; and so, when they find themselves in bad jobs, they either disengage or leave the company. A job can be considered a good one if it fits the individual’s talents and preferences. A job can also be considered good because of the way it is designed. Skill variety, task identity and significance, autonomy of the employee, and feedback are important in determining the way a job is designed and how you could redesign it better to make it more rewarding for the employees.

**Retention Practice #6: Define the Results You Expect and the Talent You Need**

As a manager, you must realize that every job in the company changes, as duties and responsibilities may expand depending on the needs of the organization. Defining the results expected from every employee and knowing the people who possess the necessary talent for the job will help you select the right people for the right job. For this to be possible, you have to determine the various competencies that an employee must have in order to deliver well on the job.

The competencies are: talents, knowledge, self-management traits and motivations. Use these competencies in order to retain you “water walkers,” or employees who are so consistently outstanding. You may also use them as bases for employee evaluation and motivation for employees who play a very essential role in the company.
Third Key: Get Them Off to a Great Start

The Questions New Hires Are Asking Themselves

The new hire’s first few days and weeks are considered critical, since during this stage, the employee gets to have a feel of how it is to belong in your organization. Making a good first impression is a must in order to promote employee loyalty and added value to the company. It is then important to answer certain questions new hires may be asking themselves about their expectations and possible contributions for the development of the company in general.

- Do I feel welcome and valued here?
- In what way is my job important to this organization?
- Exactly what is expected of me?
- Will I learn, grow, and be challenged here?
- Will I get to exercise independent judgment and creativity?

Retention Practice #14: Give New Hires the Red-Carpet Treatment

You will never get a second chance to make a first impression. Indeed, make the first impression a positive one. There is a need for you, as the superior, to avoid common mistakes employers make when “welcoming” new hires, which include:

- Having assembly-line orientations with long lecture sessions and fill out forms.
- Not having the new employee’s desk, phone, computer, and other office supplies in place prior to the first day.
- Ignoring the new hire or leaving the person to read manuals without one-to-one contact.
- Making new-hire orientation a strictly HR-run affair with little involvement of the new hire’s manager and department.
- Failing to have the new hire’s manager set specific performance objectives.

Retention Practice #15: Communicate How Their Work is Vital to the Organization’s Success

Having the new hire believe that his work is important to the organization is one of the most essential requirements to fulfill to move an employee to stay in the company. It is important for you to let the employee realize the significance of his tasks to the organization’s mission, and in turn make the employee fully appreciate the service that they conduct within the company.

Retention Practice #17: Challenge Early and Often

Which of these employees would you want to keep more: the one who wants to be challenged and tested, or the one who would rather be brought along slowly? Those who are eager to take on challenges are most likely to turn out to be top performers.

Fourth Key: Coach and Reward to Sustain Commitment

Employee and manager relationship

Fifty percent of work-life satisfaction is determined by the employee’s relationship with a manager or direct superior. It is important for you to foster this relationship and cultivate it through the following means:
Establishing a link between employee performance and reward.
Helping employees to perceive career growth and advancement opportunities.
Keeping employee goals aligned with team and organizational goals.
Making employees feel valued and appreciated.
Confronting nonperformance.
Giving the employee a manageable and sustainable workload.
Allowing, creating, and encouraging a fun and spirited work environment.
Treating all employees with respect and dignity.

Retention Practice #20: Recognize Results

As every person craves to be appreciated, you as a superior must also recognize, affirm, and appreciate the efforts of your employees. To be a smart manager, you must motivate to retain your employees. Start by giving them challenges that can be done and measuring what really counts.

While remuneration like bonuses, raises, and promotions are important for motivating and keeping good performances, it is also important that the employee be given the opportunity to be challenged, achieve results, and be recognized.

Remember, if you’re not sure what types of recognition to give to your “water walking” employees, just ask.

Retention Practice #22: Give Employees the Tools for Taking Charge of their Careers

Assist your employees in enhancing their skills and talents. Successful careers develop when people are prepared for opportunities in acknowledging their strengths, polishing their method of work, and cultivating their values.

As the superior, your main job is to help your employees to become outstanding performers by increasing their self-awareness, encouraging their ambitions, helping them set realistic and achievable goals, and coaching their career success.

As discussed in the previous retention practices, employee-manager relationship is very important to sustain employee loyalty and dedication. If you started it all out wrong, it will end up in the wrong side of things - either the employee will be stubborn or the manager will end up hardhearted.

So what shall you do? Obviously, it’s high time to promote career development in your company to sustain employee dedication and commitment. Here are some of the Cardinal Rules of Career Advancement that may help you in assisting your employees to be on the right track and be the best that they can be.

- Perform well in the present job. Fortune favors those who do a brilliant job today.
- If you are in the wrong job, change to the right one - love what you do, which first means figuring out who you are.
- Seek continuous training, both formally and informally.
- Support the organization as a team player.
- Develop an understanding of all areas in the company.
- Exhaust all options for seeking new challenges and more satisfaction in the present job before pursuing other alternatives.
- Be open to horizontal moves, projects, and assignments that will result in new skill acquisition and greater versatility, thus increasing your value and making mobility more likely.
Retention Practice #24: Have more fun!

To be a company that people want to work for, you must create an environment and atmosphere where working is fun. Often, workplaces are such toxic environments, where tension fills the air and stress negatively affects everyone’s morale. But you can change the situation by injecting the positive aura in your workplace.

Working in non-abusive workplaces is much more fun! You must balance stress and fun in the workplace in order to create higher productivity and improved morale on the workers. In the long run, a fun workplace is a healthy one, as it reduces absenteeism, turnover rates, and lower health care costs.

You must also consider these serious tips about fun in the workplace.

- What is fun for one person may not be fun for another. Your duty is to find fun activities that are compatible to your company culture.
- You need to do some lightening up for your employees to do the same.
- Workplace fun doesn’t need to be planned.
- You don’t have to make fun happen; instead you should let it happen.