

Finding and Keeping Great Staff – A New Look

Today's labour market is like a beauty parade in reverse: the contestants do the judging and the judges do the parading.

It's no news to business owners that labour and talent are in short supply. If they're lucky enough to find staff, owners invest a lot of time, effort and money to keep them. In many businesses, staff are the biggest value driver: without staff you can't service customers or clients.

So it's a source of great frustration when it's so hard to find staff. It's easy and comforting to think that, because the labour market is so tight, it's a problem we all have to live with and that's that. The good news is everybody's got the same problem so nobody is going to get any advantage. That's a very good solution if we don't want to extend ourselves out of our comfort zone.

The problem is that some smart people refuse to accept the idea that the problem can't be solved. It's when everyone else has given up that successful business people find a way to compete and win. They do that by thinking differently from everyone else and then being prepared to act. They accept at the outset that the world has changed, that the cheese has moved. It's frustrating, unnerving and simply not fair, but there it is. Successful people don't spend time lamenting the good old days. They look to see if there are opportunities to create an advantage over everyone else who is in the same boat.

For example, some people take the idea of "treating staff like A Class customers" and really think through the implications. Some thoughts on this:

- 🔺 If we advertised for business the way we advertise for staff, how many customers do we think we would attract? If the point of advertising is to excite interest and desire, how do our "Sits vac" ads measure up?
- 🔺 Where have our best staff come from? Referrals from existing staff is a common source. Have we thought of asking our staff who they know who might be suitable? Even better, ask staff if they would recommend you as an employer and why (or why not!). You can use the answers to develop your pitch to good candidates – or to get your act together as a manager if your staff tell you they wouldn't recommend you
- 🔺 Some companies run very successful incentive schemes for their staff to provide referrals. If staff are the key to business growth and are our greatest asset, isn't it worth investing some money in finding the best?
- 🔺 Many companies are against the idea of headhunting. What's more important, the affection of your competitors or the prosperity of your business? If you're worried that they might then try to take your staff, it's a good incentive to make sure you treat your staff so well they won't leave you. In any case, the beauty industry is full of sole practitioners. Why not make them an offer that gives them the best of what they've got without the hassle and risk of running their own business?

Which brings us to another part of the analogy with A class customers. When we try to attract new customers, we work out what they want and try to give it to them. The same applies to top quality staff. What is your competitive point of difference as an employer? In other words, why would the best people in the industry come to work for you?

Just as you undertake market research with your existing customers to find out they came to you, have the discussion with your staff about why they came, and more importantly why they stay. Do we know what our staff want? A clue: it isn't always more money!

You can then use that information

- ↳ to help you form your proposition to candidates
- ↳ to develop strategies to retain your best staff

One of the key things that comes out of thinking of prospective staff as A class customers is this. To get great staff you've got to sell yourself as an employer with the same care that you market your business to customers.

Take it a step further. Successfully selling yourself as an employer means

- ↳ Identifying the kind of person who can really add value to your business. It's tempting in a tight labour market to hire someone who can pass the "fog test" (if they can breathe on a mirror it fogs up, proving they're alive). Forget it: a bad hire is much worse than a good vacancy
- ↳ Being able and willing to demonstrate a clear benefit of becoming a staff member
- ↳ Being passionate about your business. The key ingredient to successful sales is enthusiasm

Now that you've got them, you'll want to keep them. Again it's the same as for customers. People keep buying your service or product because it delivers on the promise. Use the information you got from your conversations with staff about why they came and why they stay to formulate a plan for each one of them. Peoples' motivations are different, and your role as a manager is to trigger those motivations. A recent study of 10,000 white collar employees across many US and European companies found that people stayed for one or more of the following reasons:

- ↳ Interesting work
- ↳ Career development
- ↳ Great people
- ↳ Fair pay
- ↳ Great boss

In many industries, flexibility is also likely to be important, but the point is you won't know until you ask.

I am constantly underwhelmed by the modesty of many owners' ambitions. Many business owners want to stay small and uncomplicated so they avoid the hassles (read challenges) of growth and success. But remember that staff are looking for three things:

- ↳ someone to believe in
- ↳ something to believe in
- ↳ someone to believe in them

The second is often overlooked. Are you building or running a business that's going somewhere, or do you intend to just stay where you are? Ask yourself this: if you were a prospective or existing staff member, how excited would you be by the prospect of doing exactly the same thing as you're doing now in 5 years time? Most employees want to

develop as people and professionals, but they often have to be led out of their comfort zone. For that to happen, you as an employer have to take the lead. How willing are you to move out of your comfort zone?

You probably have a written marketing plan. Do you have a written recruitment and retention plan? A simple plan would have the following headings:

- └ My point of difference: why somebody choose to work for me rather than a competitor
- └ What's my "go to market" strategy – referrals from existing staff? Referral bonus scheme? Agencies? A "nurture" programme for those who don't want to come aboard yet?
- └ What's my recruitment process? How many interviews, and with who? What's my script for "pitching" the company to the candidate?
- └ Retention strategy – why do staff stay? This could cover culture initiatives, regular performance feedback, career development and recognition programmes.

This article first appeared in Westpac's "Good Business" magazine.

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