

2005 Industry Forecast

OEMs Look to the Year Ahead



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Show Them You Care

You, too, can reduce employee turnover

by: John C. Gordon, Gordon Document Products

urnover is that dreaded word that has plagued our industry for years. In fact, it has both given our industry a bad name and benefited legions of sales forces in the medical, pharmaceutical and investment fields as we witnessed our reps leave for "greener pastures." As our business model has changed, so must we.

Four years ago, we decided we would no longer train salespeople for other industries. Hence, we began a program to retain our people. We recognized that employee retention actually begins with hiring. You must hire right. In this article, however, I would like to focus on retaining the employee after you have made that good hire.

Jack Welch, the former legendary chairman of General Electric, says you have to "go out and care about [your] people or they won't do things for [you]. You have to constantly show that you care." ("Jack Welch Speaks," by Janet C. Lowe, John Wiley & Sons Inc., 1998.) Welch must have done something right; during his tenure as CEO, General Electric grew from a market cap of \$12 billion in 1981 to \$200 billion in 1997.

Hassle Busting

According to Welch, one of the most beneficial ways to let employees know you care is to remove the impediments to performing their jobs. At Gordon Document Products, we call these impediments "hassles." As part of our culture, we routinely, consistently and proactively seek our employees' feedback on things that hassle them at work. It then becomes management's responsibility to bust the hassles. At GE, they call these "Workouts." On "Workouts," Welch says: "Workouts (are) nothing more complicated than bringing people of all ranks and functions — managers, secretaries, engineers, line workers and sometimes customers and suppliers — together into a room to focus on a problem or an opportunity, and then acting rapidly and decisively



on the best ideas developed, regardless of their source.

"At these workout sessions, all the things that people used to mutter about around the water cooler ... were finally brought up openly, and in many cases, resolved on the spot. These meetings are predicated on a belief that the people closest to the work know it best and are best qualified to make it better."

It is exciting to watch what happens when you clear the path for your employees to be productive. As Welch points out, busting hassles for your employees has several benefits, including: building trust, empowering employees, eliminating unnecessary work and creating a boundaryless organization. That's what we're after!

Employee Satisfaction

Unfortunately, employee turnover showed up on our first Hassle List. We resolved to fix it. To address this hassle, we formed our Employee Satisfaction Committee. This committee, now in its fourth year, studied and drew on several outside resources, including books titled "Love 'Em or Lose 'Em," "Workforce Stability" and "Fun Works." Rather than the owner and managers assuming responsibility for employee retention, we share the responsibility with everyone. Today, it is the Employee Satisfaction Committee's and each employee's responsibility to foster a stable environment yielding employee satisfaction and retention.

As part of our initiatives, we instituted our twice-annual Employee Satisfaction Survey, straight out of the book "Love 'Em or Lose 'Em." We poll our employees on 23 separate issues and invite them to respond to three open-ended questions. They also stack rank their top ten interests. As the authors of "Love 'Em or Lose 'Em" point out, "just asking employees how they feel about their employer makes them feel cared about, valued and, hence, becomes a retention program in and of itself."

The Employee Satisfaction Survey has several other additional

benefits. While we conduct the survey anonymously once every other time, on alternate surveys we ask employees to indicate their names. Most recently we had an employee who was particularly negative in his survey. This seemed out of character for him in the broad context of his 10 years of good service with our company; although candidly, we had recently received some complaints from some customers.

With survey in hand, we gently approached him about his survey. We learned his problems were actually outside of work. This gave us a chance to demonstrate our friendship and we offered him some help. This person, according to our customer surveys, is now one of our top technicians. We all won!

In four years, our employees have gone from ranking "job satisfaction" at 7.1 to 8.8 on our most recent survey. We are aiming for a perfect 10. And while an ambitious goal, even if we fall a bit short, we are determined to get to well over 9 and stay there.

360° Review

Recently, we instituted a 360° Review process. In conjunction with our traditional annual performance reviews, we have added (for all managers and senior players) the opportunity to share feedback (give and receive) with their colleagues.

We recently were confronted with the very high class problem of having to choose between two highly qualified individuals for a promotion. While we collected considerable data and considered many traits and factors to arrive at a decision, it was good to see the 360° Reviews confirmed and validated the other data. It also brought a wide range of people into the process — including peers and subordinates — thereby facilitating a consensus and lots of ownership. Both candidates remarked they considered the process imminently fair and non-subjective. We plan to continue this process.

Having Fun

We have now embarked on a new phase in our evolution. We want to have fun at work. Today, our employee survey ranks "fun in the job" at 8.6. Not bad, but we are going to push this over 9.

Some of us come by this skill easier than others. But, again, one person does not have to do it all. The first step, according to "Fun Works," a recently published book on the subject, is to give your employees permission to bring their whole selves to work — translation: Let them have fun. That's usually all it takes to get started. I take pride when I hear our employees laughing and enjoying their time at work. I consider it everyone's roll to participate. Our Employee Satisfaction Committee is running with it.

Fun at work should not be an occasional thing. It should be part of the culture. As "Fun Works" points out: "True fun is not something you choose to do, it is something you choose to be." Fun at work should not be an occasional thing. It has got to be part of the culture. As "Fun Works" points out: "True fun is not something you choose to do, it is something you choose to be."

To get the ball rolling, we watched a great video about the famous Pike Place Fish Market in Seattle. They've figured it out. Order the video and watch it with your employees. You will have fun just watching it! Then, you might come up with your own

angle. We've adopted a mascot — Flash — my year-old black Labrador. In addition to attending our company meetings and outings, he has even joined us on some sales calls (so far he is batting a 1,000). Flash is helping us have fun. Equally important, he reminds each of us to follow our company motto to "Respond in a Flash."

The Results

I am pleased to report that hassle busting, employee satisfaction and having fun at work are now part of our culture. And while these approaches appeal to all of us on several levels, I have to confess, I have a selfish motive. I am looking for "stretch." As Jack Welch states: "Stretch occurs in an environment where everyone is totally committed to a rigid set of core values — integrity, trust, quality, boundaryless behavior — and to outperforming every one of our competitors."

It's working. Seriously. Both morale and customer satisfaction (we measure it, too) are up. Turnover is down. And every measurable productivity number we track is both up and trending higher.

So, if you want to get started, here's what I recommend:

First, commit to employee satisfaction;

Second, determine what your employees want by asking them;

Third, structure programs responsive to your employees — bust hassles, solicit feedback and have fun:

Fourth, measure results; and

Finally, celebrate successes!

Before you know it, those pharmaceutical salespeople who you trained several years ago will be back knocking on your door.

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Gordon will be among the panelists in a "Dealer Best Practices" education session at the 2005 ITEX show, scheduled for Feb. 2-4 at the Las Vegas Convention Center. The session is scheduled for 8 to 9:15 a.m., Feb. 4.

