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Find and Keep the Best People within the Organization

Retaining talents within the organization is probably one of the most difficult issues to cope with in management. Some management thinkers are arguing that instead of the traditional focus on employment, the focus should be on employability. People should forget about clinging desperately to one job or one career path and instead they should get accustomed to the reality of acquiring the competitive skills required to find work when they need it, wherever they can find it. Ultimately, the market, not the organization wherein an employee works, will determine the movement of the employee.

The covenant for competitive advantage through people instructs the employer and the employee to share responsibility for maintaining—even enhancing—the individual's employability inside and outside the organization. Employers should give individuals the opportunity to develop greatly enhanced employability in exchange for better productivity and some degree of commitment to the organization's purpose and community for as long as the employee works for it.

It is the responsibility of both the employer and the employees to keep a career-resilient workforce within the organization i.e. keep the employees dedicated to the idea of continuous learning and ready to reinvent themselves to keep pace with change; to keep the employees responsible for their own career management; to keep the employees committed and accounted for the organization's success.

Organizations that are competitive in the market have shifted from using and harvesting employees to constantly renewing employees. This approach requires that the traditional definition of:

- Loyalty has given way to a new one in which employability supersedes to employment.
- Career path has given way to a new one in which employees are highly valued because of their cross-boundary functional skills.
- Organizational success has given way to a new one in which the purpose is to provide stakeholders with customized and personalized products and services for as long as there is a need in the market.

More often than not talented employees leave organizations because their job does not match their deeply embedded life interests. Deeply embedded life interests are long-held, emotionally-driven passions, intricately entwined with employee's personality. Deeply embedded life interest do not necessarily determine what people are good at, but rather they determine what kind of activities make them happy. Happiness at work, i.e. job satisfaction, translates into commitment.

Matching people to jobs, offer employees job satisfaction, and make them committed relate to the art of forging a customized career path in order to increase the chance of retaining talented people. It requires employers and managers to play both detective and psychologist. Employers and managers must have a strong interest in motivational psychology of their employees.

Timothy Butler and James Waldroop of Harvard Business School developed and tested a model of what they call "Business Core Functions" which represents the way deeply embedded life interests find expression in business. According to Butler and Waldroop's model, employees in an organization are motivated by:

- Application of technology
- Quantitative analysis opportunities
- Theory development and conceptual thinking opportunities
- Creative production
- Counseling and mentoring
- Managing people and relationships
- Enterprise control opportunities
- Influence through language skills and ideas opportunities

The most common findings regarding employees' commitment and loyal behavior in their working environment are related to people who are motivated by a mix of:

- Enterprise control & Managing people and relationships. These are people who enjoy managing other people and running a business daily.
- Managing people and relationships & Counseling and mentoring. These are people-oriented professionals who enjoy customer-contact environments.
- Quantitative analysis opportunities & Managing people and relationships. These are people who enjoy managing other people in finance-related environments.
- Enterprise control & Influence through language skills and ideas opportunities. These are people who enjoy sales, as well as charismatic leaders in organizations.
- Application technology & Managing people and relationships. These are people who enjoy engineering and peer contact in R&D environments.
- Creative production & Enterprise control. These are people who enjoy starting new things and dictating where projects will go.

Organizations with a market-driven approach for retaining talented employee deploy mechanisms to build loyalty and keep the best people within them. These mechanisms include:

- Personalize compensation and pay packages that are weighted heavily towards unvested options or other forms of deferred compensation.
- Customize job design which considers carefully employees' critical skills and customers' critical needs.
- Cultivate meticulously social ties among key employees that help create a community within the organization.
- Encourage bonding through closely knit teams of employees to carry out particular projects within the organization.
- Choose carefully the location and the work-sites for the key employees.

- Standardize cross-training and continuous skill-enhancement of employees.
- Prefer organizing work around short-term projects with clear end points.
- Make extensive use of information technology to support the organizational knowledge bank.
- Deploy information technology to support online community activities among employees, internal and external stakeholders, and the organization.
- Leverage on information technology online practices to manage perception of trust. Price does not rule the web; trust does.
- Communicate explicitly what works successfully for the organization and why.
- Express explicitly emotional intelligence to support employees at the most difficult times, at least.
- Establish the perception of an organization in which personality counts as much as quality and reliability.
- Encourage communication through a low-cost, high-frequency point-to-point system rather than a hub-and-spoke system.
- Encourage job-security through employability rather than through employment.

Employees' loyalty will always be affected by the words and deeds of committed employers and managers who have personal integrity. Frederick Reichheld of Bain & Company describes six principles of employees' loyalty directly related to exemplary corporate leaders. These are the following:

- Preach what you practice [and practice what you preach], i.e. talk the walk and walk the talk.
- Play to win-win, i.e. focus on mutually beneficial relationships between employer and employees.
- Be picky, i.e. cultivate the working environment for long-term satisfaction.
- Keep it simple, i.e. simplify the process for decision-making regarding employees' development.
- Reward the right results, i.e. emphasize rewarding for activities that build long-term value for the organization compares to activities that contribute short-term gains.
- Listen hard and talk straight, i.e. engage in true, two-way communication that promotes trust and engenders loyalty.

The common notion that an organization cannot treat people right unless it can afford it is correct. However, high standards of decency and consideration are never only a matter of an organization's cash flow. They are always a matter of

leadership competency. The center of gravity for business loyalty is always the personal integrity of the senior leadership team.

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