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Keeping workers happy

It isn't about the money

BY MICKY BACA



PHOTO/ATLANTIC CONSULTANTS INC.

Bonni DiMatteo, president of Atlantic Consultants Inc. of Wellesley, says studies show the better you take care of your employees, the better your company's customer satisfaction will be.

Have you made your employees happy today? As more companies begin to ponder that question in an improving job market overshadowed by the imminent exodus of retiring baby boomers, human resource experts say the answer depends on more complex factors than salary and traditional benefits.

A flurry of studies earlier this year report that many employees plan to search for new jobs in 2006. Companies are beginning to pay more attention to whether or not their valued workers are content, according to HR consultants and executives. And, they say, there are many things employers can do to

retain what's expected to be an increasingly valuable asset in a more competitive workforce.

What a worker wants

Studies indicate and experts agree that salary and traditional benefits are important but don't top the employee wish list.

What does? Feeling appreciated and recognized as a valued contributor to their company or organization is one of the top things employees want, experts say. Opportunities to advance, to learn and grow in their career and to keep up with the latest technology are also key employee priorities.

Workers also want to feel included in the company's visions and goals, to feel listened to and respected, to have good communication with their bosses and fellow workers and to be able to have a work/life balance that provides time to spend with their families.

Renee Gilson, senior vice president and managing director for Lee Hecht Harrison LLC, with offices in Westboro, says employees' job expectations have shifted, in part, in response to the changing corporate approach to their workforce.

Corporations didn't do the best job, she says, in dealing with employees in the downsizing and restructuring of recent years. As a result, workers no longer view their relationship with their company as a matter of loyalty. Instead, they are focused on their individual needs, including opportunity for advancement and positive feedback.

Among employees' top gripes is that they don't know what their opportunity for advancement is in their current job.

Gilson cites a 2005 study by her company that showed more than half of workers surveyed would accept a job with less than their current salary for a better corporate culture and improved work/life balance. Among employees' top gripes, she says, is that they don't know what their opportunity for advance-

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ment is in their current job.

Pamela Lassiter, principal of Boston-based Lassiter Consulting, says the No. 1 reason people leave their job is because of their manager, though she says it often doesn't show up on exit interviews. The No. 2 reason, she says, is they aren't satisfied with their job content.

Why you should care

Besides competing for skilled

workers, there are many reasons - including the bottom line - that companies should care about keeping workers happy.

Bonni DiMatteo, president of Atlantic Consultants Inc. of Wellesley, says a recent GAP report shows that companies that maintain an employee-recognition program have a decrease in employee turnover, an increase in attracting talent, better safety and productivity

levels and, most of all, increased customer satisfaction.

What's more, Lassiter points out that employers must spend two to three times an employee's annual salary to recruit a replacement for that person. And developing a company's employees essentially develops the company itself and builds its reputation. Employees that get out to professional events get your company's name out as well.

Woodmeister Master Builders:

Mastering worker happiness

Workers at Worcester-based Woodmeister Master Builders Inc. don't fill out time slips. They get together regularly for poker night, ski night, potluck lunches and deep-sea fishing trips. When they make a suggestion that makes work practices more efficient, they are rewarded with a gift certificate to Home Depot. When they go the extra mile in their work, they are recognized in "kudos" sessions. And they can enroll in a one-year leadership program to receive individual and team coaching to improve their success in work and in life.

As one of the best in the business, Woodmeister needs to attract and keep the best employees, says Woodmeister President Gary Ludden. So the 25-year-old custom woodworking company spends some \$500,000 a year and a lot of hard work on programs to motivate, train and keep its 150 workers content.

In return, says Ludden, the growing company, which does customer jobs around the world and did \$25 million in revenue last

year, gets a happier staff that is more dedicated. It also get calls from talented applicants drawn by its reputation as a great place to work.

Nine-year Woodmeister veteran Dave Adams, a customer care technician now in the leadership coaching program, says it has helped him with work skills as well as his personal life, particularly in relating to his 14-year-old daughter.

Adams says the Woodmeister's investment in advancing workers, as well as the cooperative and caring environment, are what makes him want to stay with the company. "They really look out for their employees," he says. "It's kind of like family."

Companies face a changed work culture from 20 years ago, Ludden says, when workers less focused on their own interests and more dominated by the company's needs. "Employees don't want to be employees anymore," he says. "They want it to be more of a partnership; they want to have a say over their future."



Woodmeister Master Builders President Gary Ludden says his company's investment in training and worker recognition pays off in keeping his company on top.

The best way to keep employees motivated, Ludden says, is to keep helping them expand and grow. Those that undergo the leadership coaching program, he says, can use it for whatever they feel they need it for. If the focus is more personal, that's fine with Ludden. "They don't owe us anything for that program," he says. In fact, one employee told him the program saved his marriage.

Ludden says it's hard work keeping employees connected as the company grows. But, he says, it's worth it. The company has seen a 20-30 percent reduction in worker turnover since the efforts began.

The Commerce Group Inc., the state's leading private auto insurer — which has gained accolades as a good place to work — is creating a branding program around its pro-employee culture.

Carolyn Burke, employment manager, says the 1800+ employee firm will spend the next six months to two years on the effort to promote itself as an employer of choice. Commerce, she says, will highlight its long-time programs such as employee stock ownership, flexible work schedules, its team approach and an on-site child care center. The campaign is expected to distinguish the company as a good workplace when that's becoming critical, as baby boomers retire.

Lassiter and other experts say that companies' focus on employee satisfaction is definitely cyclical, noting that during the dot.com frenzy of the late 1990s, companies went overboard throwing big salaries and stock options at high-tech workers.

The better course, experts say, is to put systems in place to be responsive to workers' needs on a consistent basis. Patty Bautz, vice president of corporate employee services at Natick-based Cognex Corp., maker of machine vision technology, urges companies to create employee satisfaction programs for the long haul.

For the past 15 years, Cognex has provided its 800 workers with many recognition programs and an open-communications culture based on fun-filled events that sound more like Club Med than the office.

While such programs cost money, Bautz insists they are a "part of doing business" and are much less expensive than turnover of their

highly skilled staff would be. She sums up the worker-satisfaction issue this way: "You spend most of your waking hours at work. If you don't enjoy it, there's something wrong."

Steps to happiness

Companies may be taking some of the steps needed to address employee satisfaction. But most, experts say, they could do better.

Gilson says the process starts with company leaders and providing clear direction and positive feedback. In a time of cutbacks and doing more with less, she questions how many managers have been sitting down on a quarterly basis with individual employees "to talk about how they're doing and their career advancement."

Companies are beginning to reach out to workers more. Denise Donnelly, a principal at Mercer Human Resource Consulting Boston office, says many of her clients are using surveys, focus groups and on-line exchanges to build communication programs. If, for example, a company is considering a change in benefits, more of them will seek worker feedback first.

Other things companies should consider, experts say, include:

- More flexibility: Allowing workers more flexible schedules and the ability to work at home to accommodate family needs keeps workers happy and productive, says DiMatteo. More companies may also use flexibility to hang on to skilled baby boomers who don't want a traditional full-time schedule.
- Bonding activities: Company outings, parties and team building

activities bring employees together to improve worker collaboration and company culture.

- Better meetings: Companies need to better manage meetings to keep them interesting and relevant - and even fun.
- Improved communications: Managers need to improve their communication skills and rely less on e-mail and more on personal contact.
- Ask high performers: Ask them what they like and don't like about their jobs and work to make improvements.
- Joanne Derr, associate vice chancellor for human resources at UMass Medical School, says the byword for companies and organizations shouldn't be retention but employee engagement. Derr, who has been getting positive response to her 15-month effort to bring HR "to the next level" for the non-profit's 5,300 employees, advises companies to "Get their opinion, hear their reaction. If you don't, people don't thrive, people don't produce and people don't feel a part of something bigger than themselves."

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Web resources

- Atlantic Consultants:
www.atlanticconsultants.com
- Lee Hecht Harrison:
www.lhh.com
- Lassiter Consulting:
www.lassiterconsulting.com
- Mercer Human Resource Consulting: *www.mercerhr.com*