

PHL|HP CONSULTING GROUP

Building and Sustaining High Performing Companies



A Message from
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NEWSLETTER, ISSUE 40 – PART 1 **WHEN MARKET CONDITIONS CHANGE**

In recent discussions with clients a **trend** is emerging:

- We are in the throws of a very hot economy
- This creates great opportunities for business
- The biggest challenge is to find, motivate, and retain capable staff
- Clients are being more demanding than ever
- Competition is at an all time high

I was struck by a statement by a CEO: "I'm having trouble finding employees who can pass a background check". While this was said somewhat tongue in cheek, it reflects the frustration that employers are having in attracting the "right" employees.

Another CEO, of a staffing company, said that she has 100 good jobs to fill and it's never been more difficult. The **demand is clearly far greater than the supply** at almost all levels.

When market conditions change dramatically, we as leaders have the option to adjust, innovate, and evolve or to relinquish our positions as industry leaders. I think **we are at one of those crossroads that will determine who emerges at the forefront of varied business sectors.**

What can you do?

1. Remember that the greatest recruitment technique is retention of your most valued employees. What do most employees say keeps them at a company? The quality of their relationship with their direct supervisor. What are you doing to train your managers on being better supervisors/mentors/coaches/role models? Second is the culture of the company. Does the company care about me and do I respect their values? "Are they investing in staff development and providing the necessary resources for me to be successful?"
2. **Have everyone in the company view themselves as a recruiter** and reward them for doing so.
3. **Avoid the "80/20 rule"**: Most managers spend 80% of their time with the bottom 20% of their workforce. Reverse it and spend 80% with the top 20%, inspiring and rewarding them. Treat your stars as if they were people you were trying to recruit or someone else will.
4. Spend more time with staff, informally and formally. **Utilize staff surveys** to measure the temperature out there. One of my clients, a CEO, is having lunch with every one of his 40 employees over the next three months. Yes, that's ambitious, but it can be coffee and it doesn't have to be with every employee, especially if you have thousands, but if you can't do it, then other leaders in your company can. That's why you have them. Have fun group events where you are visible and seen as a caring, approachable, and involved leader.
5. **Innovate--think outside of the box.** Don't focus on just what worked in the past, but engage staff in a brainstorming about what will work in the current environment. Staff like to be part of the problem solving process. It leads to engagement and ownership.
6. **Celebrate successes.** Morale starts at the top. Remain positive and optimistic and communicate your appreciation of staff efforts in meeting company needs. Treat them as your partners.
7. Money is important, but everyone is throwing money at the problem and money alone won't solve it. **Listen to those millennials.** They speak for staff of all ages. They want to feel heard, respected, appreciated and valued as people first. In an environment like this people want and expect more.

There is never a **simple solution to a complex problem** and this is a complex problem that requires a multi dimensional and innovative plan that utilizes all of your resources. Remember that **"staff is your greatest resource"**, so involve them in the process. This is the best time ever for **"Participatory Management"**.

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