

# PHL|HP CONSULTING GROUP

Building and Sustaining High Performing Companies

## The Best Recruitment Strategy in A Highly Competitive "Hot" Economy: Staff Retention



A Message from  
Dr. Philip Levy  
Founder and President  
Newsletter 41

The most frequent question that I currently hear from clients is: "Where can I find quality employees in this hot economy?". I have always held the belief that the **best recruitment strategy is a highly effective retention policy**. There are never enough highly qualified employees, but in this economy, the competition for top-notch people has never been greater. Never before have so many of the best candidates enthusiastically accepted positions and then rejected them on the eve of their first day.

The dilemma is that as owners and leaders we want the hot economy to continue, but we are facing a severe shortage of high quality performers to satisfy our clients and the demands of the projects. So what to do? In an economy such as this, we must creatively recruit for talent not only to fill open positions, but more importantly, to continually identify talent wherever we may encounter them.

**Ongoing talent acquisition must be a top priority of the organization** and the responsibility of every employee from the CEO to staff at all levels. Word of mouth programs are highly effective in this type of market. Thinking outside of the box is essential. Leaders must always be looking out for talent, but we must never forget the importance of retaining our best employees. They are almost irreplaceable, not only for their talent, but for their institutional knowledge -- the keepers of intellectual property and the drivers of the corporate culture.

### Here are some tips for retaining your best employees:

1. **Never take them for granted.** Your competitors and their headhunters are aware of their value and are looking to recruit them.
2. **Have regular contacts with them.** Regard this as an important, almost essential, part of your job. Imagine how much of your time and resources will be required to recruit a replacement. Your relationship with key people is the number one reason reported as influencing job satisfaction and continued engagement and commitment. **Stay in contact and show interest in them as people.**
3. **Involve them in the decision-making process.** Seek their input. I call this "**participatory management**". This makes them feel valued and like a partner. Valued partners are less likely to leave.
4. Have a clearly articulated vision and organizational purpose that permits people to feel that they are **a part of something bigger than themselves. Connect the dots** for them so that they know the connection between the company's mission, values, objectives, and their responsibilities and contributions. Ensure that every employee can articulate the company's "differentiator". Make them feel special by rewarding their achievements and publicly and privately recognizing them. Everyone wants to feel important, respected, and highly valued.
5. Create an environment characterized by **respect, optimism, passion, empathy, and camaraderie** that supports ongoing **professional development, the pursuit of excellence, and teamwork**. People love to be part of **high performing teams** and they follow passionate, optimistic leaders.
6. **Establish trust.** Allow for, encourage, and reward initiation, autonomy, "outside of the box" thinking, and ownership. **Make it easy for employees to achieve success.**
7. **Don't micro manage** - Allow for flexibility of work style and schedule while holding people accountable, but in a highly supportive, compassionate, and encouraging manner.
8. Reward loyalty, hard work, and high standards.
9. Make work fun, interesting, and challenging. Try to be a "cutting edge" company where everyone can be part of something innovative.
10. Have a **compensation policy that rewards excellence**- a perceived **meritocracy**, one that is highly competitive in the marketplace. Reward them before they come to you seeking more.

**The best recruitment strategy is an excellent retention strategy. Maintain your best and brightest, the cost of replacing them is astronomical; the value of maintaining them is immeasurable.**