

All Of Us Are In “People” Businesses, So Act Like It

Reduce turnover costs by making sure your supervisors can inspire their staff

By Bryan Rader ■ *MediaWorks*

How many companies start their sales pitch by saying “we have the best people in the industry”? Or that, “our people are our biggest asset”? Or my favorite one: “We are in a people business, and it takes good people to be successful.”

Of course they’re in a “people” business. We are all in “people” businesses. And most senior managers will speak highly of their people, and how important they are to the organization. But how many of them really believe it?

Employee turnover is one of the most costly (and hidden) expense items in business today. Yet, few companies can quantify the expense of losing a valued associate. Many experts say it can cost a company over \$10,000 to replace a good person. The recruitment process alone can eat up a lot of your staff’s time.

Why don’t more companies worry about turnover of staff? Don’t they realize that the continuity of good staff can make them much more successful and profitable?

I believe that we are getting further and further away from effectively managing our “people” resources. Many companies seem to treat staff members as if they are commodities, easily replaceable, interchangeable, discardable. How deplorable!

Sure, there is always someone waiting in the wings to replace an employee. And that someone may be cheaper and very eager. But constant turnover of staff is usually a bad sign for any company, especially in a service industry.

Take PCO’s for instance. There is something remarkable about a service technician who serves a particular mar-

ket for a long time. He (or she) builds a rapport with each staff member. The technician knows the ins and outs of each cable system. He has a strong understanding of his company’s procedures and its corporate culture. He knows what is important, and most importantly he knows how to satisfy customers.

Contrast this with a service technician who is the third one in six months on a particular route. He doesn’t know his systems, his on-site staff, his competition, or his company’s culture. He is simply a commodity, fulfilling work orders. And usually he is thinking about how quickly he can finish his route and get home early.

The long-term employee thinks like an owner or shareholder of the company. The high churn employee is simply clocking in and clocking out. This minimal effort hurts your reputation, your service performance, and ultimately your bottom line, even if the stated service “goals” are being met, on paper.

So how do you create loyalty? After all, the best way to avoid turnover is to satisfy your current team, right?

The answer actually begins earlier in the process than that. What do you value in a new hire? Are you looking for someone who can grow with your company, be part of a team, and contribute to the overall effort? Or, are you simply replacing a position because Marilyn decided to move back to Florida, and you need someone to answer phones on Monday? In other words, do you hire people who are genuinely looking for a career, or simply for a job?

A robust recruiting and careful selection process will give you a staff that has

the potential to be loyal. The rest of the equation is up to you.

Did you know that the number one reason an employee leaves a company is because of his or her relationship with an immediate supervisor? This one factor drives employee satisfaction more than money, perks, benefits, or recognition.

That’s why it is very important to have a strong and loyal management team. The team sets the tone for the entire organization. If your staff members see a steady, stable senior leadership, they are more likely to remain loyal for many of the same reasons. There is nothing more powerful than a long-term, upwardly mobile, promote-from-within organizational culture.

At MediaWorks, our first employee is now our Vice President. One of our first CSRs is now the Manager of our Customer Call Center. And our first service tech is now our Director of Construction. This loyalty is critically important to our success. It shows everyone in the organization that this is a great place for a career. Every long-term person begins to think like “an owner.” And that’s valuable.

After all, we are in a people business. And people are our biggest asset. And it takes good people to be successful. We’ve heard that before, haven’t we? ♦

About The Author

Bryan Rader is President of MediaWorks in Atlanta, one of the fastest-growing telecommunications providers serving multiple dwelling unit developments. Mr. Rader is also President of the Independent Multi-family Communications Council (IMCC). He may be reached at 678-366-9900.