

## How to Develop and Retain Key Talent

Dave is an outstanding performer who is well known in the industry. His passion for cars shines through in his work. It's easy to see that he enjoys everything about the industry; the people, the cars, and the challenges. Although Dave is only forty, he has worked for six different employers. His length of time with each employer ranges from six months to six years. He recognizes the fact that job hopping does not look good on his resume, but he has never had a problem finding work. He's never been fired from any position; rather he makes the choice on where he's going to work and for whom.

Dave started working in the industry at age twenty. He really lucked out when he made friends with a guy who worked for Joe's Turbo Shop. Joe started the business 20 years ago and has grown it steadily. Dave applied for a position at Joe's and got the job. While there, Dave learned everything he could about how to work with the guys, vendors, and customers as well as how to run a 20 employee shop.

After six years of working with Joe, Dave had become his right hand man. Because there was no room for growth at Joe's, Dave left to work for one of Joe's competitors at Franks Faster Turbo Shop. Dave missed working for Joe, but felt he needed to continue to develop his skills so he would always be employable. He was convinced he had learned all he could from Joe.

Franks Faster Turbo Shop offered Dave a VP title, equity in the company and four weeks of vacation. After six months at Frank's, Dave was performing well in his position, but was unhappy with Frank's "my way or the highway" management style. From that point on, Dave expected a lot from his employer because he was giving so much of himself to perform well in his job.

Had Joe realized Dave's need to move up and develop his skills, he could have done many things to show him how he was valued and what he could provide.

### **What are Key Employees?**

Key Employees are those who consistently achieve and exceed their position's responsibilities. These employees fit into your culture and do whatever it takes to get the job done. Fellow employees may go to them for advice and help with job duties because they have the answers and can always be counted on.

### **How can you Develop your Key Employees?**

Identify the employees you want to develop, or those Key Employees. Try to understand the qualities and behaviors that make them key to your business success. Once you have

identified them, work with those employees to create a development path. This could include putting them on projects that will give them more exposure, participating in the SEMA organization, outside training etc.

### **How can you Keep your Key Employees?**

What key employees want more than anything is to be a part of something great while being appreciated for their contributions. Of course they expect to be paid fairly and rewarded for their hard work as well. Here are some tips for retaining your Key Employees:

- Communicate your vision of the company's future so employees can see, feel, taste, and touch their growth potential. This is especially important for smaller business owners. It's difficult to compete with a company that has a shared vision where all employees understand their potential growth.
- People leave managers not companies, so before you promote your superstar employees to management positions, be sure they have or can develop good management and leadership skills. Provide regular management and leadership training to all of your managers. Research has shown that employees want their managers to know how to manage as well as be leaders of the organization.
- Create a high-performance culture. Do this by linking your performance reviews to your compensation, bonus, and rewards program. One way to pay for high-performance is to allocate a higher salary increase % to employees who exceed the job expectations than to those employees who meet the job expectations. For example, if you use a performance review system with a 1-5 scale, where five is excellent and one is not performing, pay those employees who receive a five the highest % increase, those who receive a four the next highest % increase, and those who receive a three a little more than a cost of living increase.
- Regularly review your key employee's development plan. That way you can ensure a regular discussion will occur regarding the employee's growth within the company. This will keep you in the loop with your key employees.
- Whether you're a small, medium or large employer, pay competitively within your market. If you can't pay competitively, provide other incentives that reward your employees.
- Consider giving your key employees equity in your company. This can be accomplished through a phantom stock program or other equity sharing programs.
- Promoting from within is one of the best ways to show your employees you care about their development. If you have an open position and a key employee has the personality and most of the skills to do the job, ask them to apply. Let them know you will hire the most competent person for the job, and you may want to interview other candidates; however you believe they can do the job. Remember, you will not have to train your existing employee on your company culture, processes, and policies.
- Have competent human resources professionals help you develop your people programs. Many good intentions can turn into programs that look and feel like favoritism, discrimination or are just poorly developed and end up costing the company a lot of money in the long run.

Had Joe been aware that Dave was looking for much more than a paycheck, he could have taken steps to prevent his leaving. As Dave developed further in the company, perhaps Joe would have dubbed him his successor. With a vision of the future, Dave could have seen his growth potential and understood that Joe truly did value him as a Key Employee.

Tune in next month to find out more about Joe. This time, we will be looking at how he manages conflict in the article “Dealing with Conflict and Your Customer”.

*MetaForce is a Customer Care, Human Resources, and Leadership Consulting and Training Company based in Long Beach, California. Our mission is to help small companies become better places to work and buy from. To that end, we offer professional consulting services and high-quality training programs at affordable prices. This enables small companies to benefit from programs that have helped propel many larger organizations. MetaForce is dedicated to long-term relationships, which we accomplish through our unique service skills, depth of experience, and dedication to follow through. MetaForce has had the honor of working with companies and the people they employ since 2001.*

Photograph 1 caption: Key employees are those who consistently achieve and exceed their position’s responsibilities.

Photograph 2 caption: Create a high-performance culture. Link your performance reviews to your compensation, bonus and rewards program.

Photograph 3 caption: People leave managers not companies, so make sure your managers have the training they need to develop good management and leadership skills.

Photograph 4 caption: Communicate your vision of the company’s future so employees can see their individual growth potential.

Photographs courtesy of King Tec Communications.