

Mutual Attraction

How to get the attention of top performers who fit



According to the Bureau of Labor Statistics, by 2008 there will be a labor shortage of six million workers. That shortage will continue to increase until sometime between 2015 and 2025, when there will be between 10 million and 16 million fewer workers than there are jobs.¹ Downsizings, offshoring, and other micro trends won't have much of an impact on the larger economic and demographic picture. Between now and 2012, forecasters anticipate "continued growth in the demand for goods and services that has driven our economic expansion since the end of World War I."² When the 76 million baby boomers, most of whom are between the ages of 45 and 54, retire or renegotiate the terms on which they'll continue working, there simply won't be enough people to replace them in the workforce, regardless of the economy's dips and turns.

Knowing that a company's success is closely tied to having not just people, but the right people on board, experts are sounding the alarm. When it comes to hiring, they say, organizations may be in the driver's seat right now, but they shouldn't bother getting comfortable. A widely quoted study of 77 large U.S. companies' "talent-building philosophies, practices and challenges," conducted by consulting firm McKinsey & Company, concludes, "What we found should be a call to arms for Corporate America. Companies are about to be engaged in a war for senior executive talent that will remain a defining characteristic of their competitive landscape for decades to come."³

Beyond demographics, McKinsey identified several reasons for the coming shortage. The more complex economy demands a new kind of leader—one who has an understanding of business, organizations, technology, and various cultures, as well as the ability to manage organizations with "flat" structures. Furthermore, large organizations are now competing for these people with small- and medium-sized companies; top performers like to make decisions that have an impact, and smaller companies offer just that kind of influence. Finally, skilled workers are transient, staying with a company only for as long as the company meets their needs. A Whiteway Research International survey of 1,000 "high-flyers" showed that they plan to stay with their current employers just three years, although only 8 percent completely ruled out "staying for the long term."⁴

High flyers, the right people, top performers—the terms and their definitions vary and depend largely on the type of person an organization believes it needs to meet specific business goals. Generally speaking, however, the most sought-after workers are self-starters who are good at working collaboratively to come up with creative solutions to difficult problems. They have a natural drive to learn, which may be even more valuable than their considerable work experience. Says author Claudio Fernandez-Araoz, “previous experience, once the ‘sacred cow’ of successful hiring, can be meaningless in an era when organizational forms are continually being invented and reinvented and job responsibilities sometimes change overnight.”⁵

Savvy and highly adaptable, top performers are the people who consistently make a noticeable difference in an organization—“people who are successful in jobs today but also have the potential to move into greater areas of responsibility in the near term and generate even greater success for the organization tomorrow,” says Scott Cohen, national practice leader of talent management at Watson Wyatt Worldwide. “These are the people organizations cannot afford to lose” or pass up.⁶

Strong Culture, Strong Employer Brand

Already 90 percent of human resources executives report having trouble getting and keeping good employees.⁷ To remedy that and to prepare for the larger impending shortage of workers in general and top performers in particular, some companies are positioning themselves as employers of choice. Much of this is being done through “employer branding,” what Kennedy International, a consulting and recruiting firm, calls creating “an emotional relationship between an employer and employee, one that radiates out from its core to other stakeholders, to the community at large, and obviously to potential employees.”⁸ Done right, a strong employer brand will catch the eye of top performers, even in a crowded employer marketplace; engage employees in ways that make them want to stay; and improve public, media, and stockholder perception of the organization.

At its heart, employer branding is about demonstrating, extending, and leveraging corporate culture and conveying it to the outside world so that candidates can select the company they feel provides the best opportunity for success. When a company “walks the talk” and when the way employees feel about and live the experience of working for a company aligns with what the company stands for, e.g., its goals, values, and practices, then employer branding can be very effective.⁹ But the effort can backfire for companies who look for shortcuts, who create an image in the marketplace that doesn’t match the reality inside the company. In this age of interconnectivity and online communities, a potential employee is likely to know someone who knows someone who works inside and can give the applicant the real story. Far more damage is done by promoting a workplace culture that doesn’t exist than by waiting until it does.

An organization that doesn’t have a good corporate culture needs to do the painstaking work of building one before it undertakes an employer branding initiative.¹⁰ Indeed, one of the most valuable benefits of an employer branding effort may be what the organization learns about itself as a result of creating it. An organization must know what the company stands for, what it does well, and which of its attributes are most likely to attract new employees before it can create an employer brand for itself.

Starbucks does. Treating others with respect and providing a great experience for people are part of the Starbucks corporate culture. Customers seemingly can’t get enough of the Starbucks experience, and they extend this favorable impression to Starbucks-the-employer. The point is not that those customers want a job serving up coffee—although some of them may. It’s that the experience Starbucks creates for customers reflects and reinforces the Starbucks brand, and can therefore help attract the right kind of people into all kinds of jobs at Starbucks—front office or back office. That’s why corporate culture is the basis of employer brand. It’s because of the culture that Starbucks employees “...know how to behave in a way which supports the brand, in their attitudes to customers and each other...All of these say something about their brand and help fulfill the brand promise.”¹¹



Building the Employer Brand

Like other brand-savvy companies, Starbucks realizes that people who can pick and choose where they'll work next, i.e., top performers, will be gathering information about companies, and making "fit" assessments based on what they learn even before they begin to think about a job change.

The national, local, and civic organizations and causes that a company supports, its reputation in the industry, and its reputation as an employer all contribute to the employer brand. Organizations can build an employer brand in much the same way as they build a larger brand—by being consistent in the message they send about the company and by sending that message in a variety of ways. Herman Miller, for example, believes it has a responsibility to care for the environment. This belief is reflected in every part of the business—from the way the company designs, makes, and ships products, to the environmentally friendly facilities it builds and the environmental conferences it hosts.

The more clearly a company communicates about its true self, the more likely the right candidates are to find it. The authors of the McKinsey study found that executive talent care about culture, values, and autonomy, yet the importance that individuals place on those things determines which kind of company is most attractive. The person who places a premium on a known quantity will choose a "go with a winner" company, while one who values compensation and career advancement over company success will gravitate toward a "big risk, big reward" company. A strong sense of mission will lead a third person to a "save the world" company, while the individual who most values work that fits with his life outside of work will choose a "lifestyle" company.¹² Corporate cultures are multifaceted, and companies sometimes deliberately emphasize a particular aspect of the culture in order to attract the type of applicant they want, according to Jim Harris and Joan Brannick in *Finding and Keeping Great Employees*.¹³

To increase the likelihood of attracting not just top performers but top performers who fit the culture, human resources consultant Roger Herman recommends "pre-employment bonding," such as

newsletters and informational interviews, to give the potential employee a greater sense of who the company is. If a mutual interest develops, then the company will always have a pool of prequalified candidates that it can call. During the informational interviews, while the company is busy kicking the candidate's tires, candidates will be doing a little research of their own, trying to crack the culture code. "The folks that are sharp will probe," says Herman.¹⁴ "They'll ask about the decision-making process, whether communication is all one-way, if there's opportunity for lateral movement, schedule flexibility, and dress code."

Buildings and offices reveal a lot about culture if candidates know what to look for, and top performers do. They'll use the tour to make cultural assessments for themselves, including the degree to which the company values collaboration (are there plenty of team spaces?), whether individuals are allowed to be creative (are office spaces personalized?), and how the company supports people in their work (how old is the equipment? Is the furniture ergonomic? Can workers see daylight from where they sit?).

In reflecting the corporate culture, facilities also reinforce the employer brand. Monster.com, a job-posting firm, has a common area called the Monster Den, where "employees are encouraged to relieve stress at any time with a game of ping-pong, Foosball, or pool," says Colleen McGrath, senior manager of Strategic Communications at the company. "I think it really is just part of Monster's culture to have fun, to work in a place with yellow, green and purple walls. That alone lets you know that you are working somewhere that values your workspace."¹⁵ At Monster, where "...new employees frequently cite the creative culture as a principal reason they joined the company," the link between corporate culture and employer branding is clear.

In sorting through all the clues, the astute candidate is looking for answers to the larger questions: Will I fit in here? Will I be successful here? Do I agree with what this company stands for? What they are looking for is connection, say Harris and Brannick, and because a strong corporate culture gives employees a way of connecting, it's a "significant competitive advantage in finding and keeping great employees."¹⁶

If top performers feel as though the company is a good cultural fit and are intrigued enough to continue down the employment exploration path, they'll start looking at specifics. Pay is a factor, but as long as the pay is competitive, it's usually not the deciding one. In fact, reputation is a bigger factor than salary for 78 percent of the respondents of one survey.¹⁷ And in the instances where a great pay package is the deciding factor, pay alone is not enough to keep a top performer for long. In a Cornell University study, "high pay" came in tenth on a list of things executives take into consideration when weighing a job change.¹⁸

What do top performers want? The top four characteristics executives chose in the Cornell study were pride in work, interesting work, challenging work, and "a job well done regardless of rewards or recognition." According to the McKinsey research, the room to maneuver in the organization, the authority to make decisions, challenging work, the opportunity to work with great people, and "a clear link between daily activities and business results."¹⁹ Roger Herman says that top performers are looking for a strong corporate culture, enlightened leadership, meaningful work, growth and opportunity, a work environment where they feel "cared for," and a place where they feel they are making a difference.²⁰ And a *Harvard Business Review* article claims that jobs that match top performers' "deeply embedded life interests" are the only jobs they'll really commit to.²¹

Organizations that deliver a satisfying employee experience tend to be more financially successful than their counterparts, in the same way that companies who exceed their customers' expectations are successful. Watson Wyatt Worldwide's research found the companies who scored high on employee commitment (pride in and satisfaction with company), line of sight (understanding one's role in achieving the company's business objectives), enablement (receiving the resources needed to do one's job), and integrity ("winning the right way") had almost double the return to shareholder over a three-year period than companies who scored low on those measures.²²

Best Staffing Practices

An organization that has the fundamentals in place can use specific staffing practices to increase its ability to attract and retain, and it will strengthen its employer brand in the process. Authors Harris and Brannick say the first step is to align staffing strategies with corporate culture: "Aligned organizations know their purpose, and they incorporate it into everything they do related to staffing."²³ For example, Recreational Equipment (REI), which makes outdoor products, hires people who "live the lifestyle that REI sells" by asking candidates questions such as "What's your favorite alpine lake?" and "What kind of tent do you use?" Hiring people who know the conditions under which REI's products will be used "results in a level of customer service unparalleled in most retailers."²⁴ Harris and Brannick recommend other best practices, as well, including:²⁵

Treat applicants as customers. Research and target ideal applicants and figure out how best to reach them; then make it easy for them to apply.

Be open and honest about organizational weaknesses. This manages a candidate's expectations—after all, no company is perfect—and maximizes the likelihood of a good fit.

Don't wait for a job opening to hire someone who is a good cultural fit, although other experts support this tactic to varying degrees. Watson Wyatt's Scott Cohen, who thinks that one of the things that makes a candidate "top talent" is that she can hit the ground running, says that the first screen should be for skills, and the second for culture. "If the person doesn't have the skills to do the job right away, then they don't fit the culture," he says. "If we only focus on people who fit the culture by doing things the right way but don't get results—they are nice people to be around, but what have they done for the business lately?"²⁶ On the other hand, Roger Herman of The Herman Group says that companies still put too much emphasis on job-and-skills fit. "If a candidate fits with the culture and has the right attitude, you can teach him the job," he says. "If he knows the job but doesn't fit, it won't matter because all he's going to be doing is running into obstacles."²⁷



Use multiple methods, people, and departments in the staffing process. Classified ads, the corporate Web site, job fairs, and networking can all be effective, depending on the target audience, and having candidates interview across departments can ensure a good fit.

Create a “great employee” profile. Information about job requirements and expectations, as well as personal characteristics that are associated with the company’s culture, should all be included in the profile. Good profiles can lead to hires that reinforce the culture, thereby helping the organization maintain its core focus.

Strive for continuous improvement. Don’t become complacent if a staffing practice is working well and don’t rely too heavily on what’s working for other companies. Instead, develop new and better ways to attract top performers—and retain them.

In fact, many organizations are realizing that the best solution to the dilemma of how to attract top performers may be to develop the talent they already have. According to a Towers Perrin talent-management study, “42 percent of respondents have created staffing programs specifically targeted to retain top performers.”²⁸

The Watson Wyatt research shows that organizations who have “talent development and management” programs in place are doing the right thing. “Thirty percent of employees claimed that if they had other opportunities, they would leave,” says Cohen, who advises executives who wonder about the value of such programs to consider how devastating it would be to lose one-third of their management team.²⁹ “If you haven’t done the right things to retain [top performers], they are going to be the first ones out the door. Figure out what turns your talented people on and give it to them.”

Notes

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