# Staffing Issues in the New Millennium
## #013
## Diane Amos, CPC
## Amos & Associates Inc.
## 633-B Chapel Hill Rd.
## Burlington, NC 27215
## 336-222-0231
## 336-222-1214 FAX
## diane@amosassociates.com
## www.amosassociates.com

People run companies – not technology!  Successful companies are those that have figured out how to have happy, productive, loyal employees who take ownership of their jobs and help the company grow and thrive.  In this new millennium, it's more about "people" now than ever.  We've learned that newer and better technology isn't the answer, if the people behind the technology cannot or will not use it effectively to achieve the desired results.

So let's talk about three (3) major staffing issues and the problems and solutions connected with each: Finding and hiring employees, keeping them and then working effectively with them.

<u>Finding/Hiring</u>

We all know that we have been in a low supply/high demand employment market for some time and it will continue.  I don't need to spout the statistics because you've heard it all before.  More importantly, you are "feeling" it in your workplace.  Most I/T departments are running extremely lean.  And despite the warnings from a few years ago about the importance of establishing balanced workplaces with less overtime to allow "quality of life" for I/T professionals, the reality is that you are working harder and longer than ever.  Right?  Many companies wish they could cut back on workloads, but with a shortage of top I/T talent available, they are short-staffed and have to spread the workload around.  So my point to all of this is that "finding and hiring" good employees is more crucial than ever.

As the I/T hiring manager for your department or company, what can you do about this?  The good news is that there are several things you can do that will impact your ability to find and hire good employees.  The hiring part is even more important, because just finding them but not following through to the hire, results in only wasted effort, which you can't afford.

**The Internet:** The Internet has boosted the ability of companies to "find" candidates simply because of the abundance of resumes to review. There certainly are thousands of I/T resumes out on the Internet on various resume sites as well as on individual websites. There are Internet search companies that are willing to train you to find those resumes. That is the good news. The bad news is that these Internet candidates are often barraged by numerous companies just like you, and therefore your company is often lost in the numbers game. Or the candidate isn't really serious about changing jobs but using this method to get a counter offer at their present company. If you do use candidates off of the Internet, it will take much more "pre-screening and qualifying" to verify that you indeed have a serious candidate who isn't just "shopping". As a busy I/T professional who is overloaded with work due to being short-staffed, it may also be impossible to "weed" through all of the inappropriate candidates to find that one match. Partnering with a competent internal HR recruiter who really knows what you're looking for may help with this workload.

**Outside Recruiters:** If you use outside recruiters, the best way to maximize your efforts and achieve your desired results is to partner closely with them. The more they understand your requirements, company culture and personality match, the better they can identify and attract the appropriate candidate. The advantage of using a recruiter in this wild time of Internet searching, is that they can spend THEIR time weeding through all the Internet candidates and qualifying for the serious ones. More importantly, through the contacts in their given industry they can recruit passive candidates who may not be actively looking but find your opportunity attractive. Serious candidates want to remain anonymous; work with recruiters they trust and typically would never put their resume out on the Net for all to see. Outside recruiters can be your resource for these candidates.

Whatever method you use to "find" the candidate, it is imperative that you think of ways to distinguish your company from your competition in order to "hire" that good candidate you found. This is where most hiring managers drop the ball. They don't take the time to really think about this issue and how to "attract" a good candidate. A starting point is to ask yourself: 1) Why am I still here? What do I like about this company? 2) What are the challenges I can offer someone? 3) What is special about my workplace or how can I make it special? 4) How can I make it a fun place to work? 5) Do I offer training opportunities? 6) Is there a good career path here? 7) Is the pay competitive with our industry? 8) Is our technology up to date? These issues are what candidates are looking for when changing jobs and the more you can articulate these positives to the candidate, the better your chances of landing them for your company.

I've given many presentations on How to Interview Effectively, and it is not the purpose of this presentation to examine that in great detail. My website has my Hiring Handbook for all to see and you are welcome to use it. Suffice it to say, it is more important now than ever to conduct a solid interview where the candidate

feels wanted and thoroughly understands the benefits of coming to work for your company.

Another extremely important part of hiring is the speed with which you go through your hiring process.  In this new millennium, candidates are snatched up by some companies with lightning speed.  Because of the Internet, everything moves faster now.  The companies that "do it the way they've always done it" are losing out.  You don't have the luxury of sifting through resumes one week, taking two more weeks to phone interview, having face to face interviews the next two weeks making sure you have plenty to "choose from".  This reality doesn't exist anymore.  The real reality is that you may find one or two really good matches, and if you don't move forward quickly to interview and decide on them, another company will hire them.  Most candidates have multiple opportunities to choose from.  You are not the only game in town!  So it's imperative that if you find even one solid candidate who you think can do the job, move quickly to secure them.

A final issue that many of you may be ignoring is the dreaded "counter offer".  You may think you have hired someone and they will report to work in two weeks.  But in that two weeks time, most candidates in this marketplace WILL receive a counter offer.  Why?  Because of the low supply of candidates in the I/T field.  It is cheaper for the company to counter offer than to replace that employee.  In studying the hierarchy of employee needs, a "sense of belonging" is at the top of the list.  So where do you think that employee will have their sense of belonging?  You as the stranger, or the company they have been working at all these years?  Do everything you can to shift this sense of belonging over to your company as soon as possible and don't wait until they show up (or not show up) for work.  Call them to tell them how much you're looking forward to having them on your team.  Send them emails of information that may be useful to them.  Make sure their relocation is being handled smoothly by HR!  Make sure they get all their benefits questions answered satisfactorily.  Show your excitement and interest in having them join your company! This "counter offer defense" is imperative in today's marketplace.  Stay in touch with your candidate/new employee often until they show up for work.

<u>Keeping Them</u>

I've given many presentations before about "retention" of employees, my favorite being "Don't Be Cruel to a Heart that's True".  Retention issues have changed in the 25 years I've been a recruiter, and they're even more critical now in this fast-paced, job changing environment.   I have maintained for years that money was not the major issue for employees leaving, but that it was secondary to the real issue (whatever that real issue was).   The "real issues" are still very important to review and correct, but I *am* seeing employees changing for higher dollars now more than ever.  Salary administration is in chaos.  Some companies have kept up with competition and escalated salaries for the "in demand" positions.  Others have counted on the 3-5% yearly increases, which have not kept up with the 20% increases of some positions.  A good example is the going salary for HP-UX system

administrators.  Because of the demand and low supply of this position, I have watched these salaries go up $10K per year for the last 4 years.  Where a salary of $55K was appropriate 4 years ago, I am now placing some of these people at $85K.  And these are in normal cost of living areas – not CA or NY.  This is a real thorny issue for companies and there are no easy solutions.  Certainly it is incumbent on the I/T manager to convince those responsible for salary administration that certain creative things must be done in order to attract new employees as well as keep your loyal ones.  Many companies are offering "sign-on" bonuses to attract new employees without having to pay them a salary more than their existing loyal employees.  This is working in some places and is a temporary solution.  A more permanent solution is to increase the budgets of your I/T departments to be competitive with the marketplace.

Another retention issue in the year 2000 is "training".  If your company has a solid training program for technical skills as well as personal skills, this will help you keep your employees.  The Gen X'r especially wants to have training.  They love to learn and grow, and will stay put as long as they feel they are doing this.  Training budgets should be the last thing cut when you're looking to save money.  The fallout is that you may also lose your employees.  Yes, your employees will be more attractive to other companies with the solid training that you paid for.  But if you are providing a stimulating, challenging, fun workplace as well, they will not be tempted to leave.  Remember the hierarchy of needs – "a sense of belonging" is what you want to foster.  Understanding the needs of employees and finding ways to fulfill them will not only make you more attractive to potential employees but also aid in their retention.

Without going into great depth on this issue, other ways to retain your employees is to check your "management style".  Are you clear in your communication and do you give good direction?  Do your employees trust you?  Check your workplace environment.  Is it conducive to productive work and comfortable?  Check your policies.  Do you allow "fun" in the workplace?  Peak performance is where people are "mentally engaged and physically relaxed".  What are you doing as a manager to create an environment where peak performance can happen?

## Working Effectively with Them

I've given you some ideas on how to work effectively with your employees in the retention section.  What I want to focus on here is how to effectively work with the new Generation X employee that most of you are now hiring.   In fact, I'm seeing very little hiring of "baby boomers" except at the senior management levels.  The Generation X employee has different values and needs than us "baby boomers" and there has been a lot of miscommunication and misunderstanding because of those differences.

I take my information from a book by Dr. Jim Toole, called Xtreme Leadership.

In order to work effectively with "generation X'rs", it's helpful to understand their core values and what motivates them.

**Values:**

"People matter more than work".   You will be more successful with a Gen X'r if your department is like a family with management that really cares.  Having team events and parties where people can get to know each other will foster this "family" feeling.

"I'll work in order to enjoy life more".  Flex time and telecommuting options attract these people and will keep them around.  They are not the workaholics of the baby boomer age, and will not sacrifice their personal life for work.  If you set that correct expectation for yourself, you won't be disappointed.

"I really don't want to grow up".  Making work fun and challenging will foster loyalty at your company.

**Motivation:**

"Train me".  These people are the information generation.  The more they learn, the happier they are.  This is good news because you can train them to be highly productive.  Offer job related training, but also team building, leadership and people skills training.

"Let me be a part of something bigger".  Show them the whole picture and help them understand how their task impacts the next person as well as the company. Show them how important their role is.

"Let me be in control".  Give them the ball and let them run with it.  Don't micro-manage! If they can find a better way, let them try it.  They want to work hard and reach the company goals, but they want to do it THEIR way.

"Tell me what's going on".  Empower them by sharing the knowledge you have and keep them informed of changes.  The more information you share, the more they'll trust you.  With the information to do their job, they'll also feel more confident about their work.

"Just ask me".  Don't discredit them because of their age.  They might be right.  Ask their opinion and together you may come up with a workable solution.  Talk to them like you would talk to your peers, not like you talk to your children.  Treat them like a true team member with open, honest, adult communication.  But don't assume that you speak the same language.  Ask if they understand you and get feedback.

"Mentor me".  A mentor is someone who listens first, is available, is a person of integrity, doesn't hold something against you, and is honest and authentic.

**"Challenge me".** Gen X'rs love the opportunity to demonstrate that they can do more than you think. Give them a shot at going above and beyond their comfort zone and watch them shine. Then acknowledge their accomplishment!

**"Tell me my options".** These people want to advance with a company, so it's important to keep them informed as to how they can advance. Discuss what kind of future they have in your company and what specifically they need to accomplish to reach their goals.

With the Generation X'r it's important to remember that people tend to live up to their labels. If we focus on the differences and negatives of their generation, none of us will succeed. How we lead and label this generation will determine our comfort in retirement, since this generation will one day put us out to pasture.

As we have gone through these issues, you can probably see that they are all interrelated. How you attract someone to your company will also be the way you keep them, and the Generation X issue has forced us to look closely at how we do both of these. Many of these issues are things that you can change as the manager of your department or company. In doing so, I hope that these insights will help you to also achieve your goals as managers and allow you to enjoy your job more. Thank you for the gift of your time!