

BUSINESS ADVISOR

STRATEGIES & SOLUTIONS FOR SMALL BUSINESSES FROM WELLS FARGO

LOWER YOUR TAX BILL
TAKE ADVANTAGE OF TAX
BREAKS NOW

WHAT TO ASK BEFORE
BUYING REAL ESTATE

IS SPYWARE SAPPING
YOUR SYSTEM?



Build Your
Dream Team

RECRUIT TOP PERFORMERS

Marsha Petrie Sue
MPS Inc., Scottsdale, Ariz.



Robert Redwitz,
GDR Group, Irvine, Calif.

PHOTO © NICK SOUZA

build

your dream team

By Peter Fretty

Poorly planned hiring programs result in lost productivity and time wasted managing mediocre employees. Here's how to recruit top performers.

Most small businesses can point to a short list of attributes that contribute to their successes. Typically, a dynamic team of professionals tops that list.

But how does a small firm with limited time, resources and money build a dream team that can differentiate it from the competition?

Fortunately, a business does not need deep pockets to build its optimal team—it just needs a well-planned hiring program and an unwavering commitment to follow through with its implementation.

The Right Fit

The 34-year-old Fresno, Calif.-based Denham Personnel Services built a team that has stood the test of time. The average length of tenure for a placement professional in the marketplace is three years; at Denham, the average tenure is 14 years.

Because the firm recruits in the industries of accounting, engineering, information technology, human resources, health services, legal, production

management and office administration, its team members must be dynamic enough to deal with an array of personalities. As a result, the company's president, Kathy Bray, involves as many people as possible in the hiring process. "When we hire, everyone in the department interviews the candidate and the hiring is a group decision," she says.

Bray also utilizes behavior-based interviewing to get the personality match needed in each position. "Because recruitment, interviewing and placement are our business, we are able to find the personalities that fit in our office," she says. "We have found that by hiring the right personality and giving extraordinary benefits our employees are tougher on themselves than we would ever be."

GDR Group found a winning formula. The Irvine, Calif.-based IT support organization grew from three employees in 1997 to 50 in 2004. In his pursuit of adding new team members, chairman Robert Redwitz implemented a strategy of hiring IT profes-

sionals with a noticeable entrepreneurial spirit.

"This can sometimes be difficult, but rather than focusing on details, we look to hire people with the instinctive ability to locate opportunities whenever they walk through a client's door," Redwitz says. "We know that once we're in, we have an instant opportunity to sell additional services on the back end, so the people we hire need to have that attitude and be comfortable with it."

Debbie Seplow, president of the Phoenix franchise Home Instead Senior Care, which provides nonmedical home care and companionship for the elderly, has learned to be patient in the hiring process. "Don't be afraid to pass on the candidate who appears to be the most skilled or experienced but won't gel into the culture created within your administrative staff," Seplow says. "Hold out until you have a highly skilled and experienced candidate who also has a great attitude, a passion for the work and a strong sense of teamwork."

Seplow's best results often come from current



Learn how to recruit individuals who fit in well with your corporate culture. Read "Attract and Retain Employees," one of the many Business Tips at wellsfargo.com/biz.

"When we hire, everyone in the department interviews the candidate and the hiring is a group decision."

Kathy Bray, Denham Personnel Services, Fresno, Calif.



PHOTO © BYRON MEDINA

"Relationship and chemistry are important, but if they don't have the actual skill, passion and drive, then they are not a good fit into the environment."

Marsha Petrie Sue, MPS Inc., Scottsdale, Ariz.

7

[Ways to Keep Employees Happy]

A dream team takes time and effort to build, and once the team is in place, it's important to keep it together.

According to Todd Walther, director of organizational development at Jackson Hole, Wyo.-based training organization Grand Dynamics Inc., the best incentive is to keep employees engaged in meaningful work.

"While most managers report that money is the reason that they lose their employees, the employees themselves report a different story," Walther says. "The No. 1 most important factor in job retention is a positive relationship between an employee and his or her supervisor."

For the manager facing retention problems, Walther offers the seven following general principles to keep employees happy.

- 1. Celebrate Small Wins.** Provide positive reinforcement on an ongoing basis.
- 2. Consistency.** Maintain consistent and effective discipline.
- 3. Equity.** Treat employees fairly.
- 4. Seek Feedback.** Ask your employees what they need and help them get it. Also ask for feedback on your management style.
- 5. Stretch Goals.** Set challenging goals that give employees a sense of accomplishment.
- 6. Match Jobs with Skills.** Restructure jobs to take advantage of new skills or desires.
- 7. Performance.** Base company rewards solely on job performance.

“Employees need to be the driving force behind goal setting.”

Debbie Seplow, Home Instead Senior Care, Phoenix



employees referring friends and others they feel would be a great fit. “This approach helps us reach individuals who understand our culture and mission before they even come in for their first interview,” she says. As an added incentive, some companies offer employees a “finder’s fee” or similar reward if the firm hires a referral.

Lee Dodd has found that approach to be successful. As president and CEO of Wills Point, Texas-based Teletech Plus, he works in the heart of the telemarketing industry selling both equipment and services in a field where it is difficult to attract and retain high-quality personnel, yet Teletech has virtually no turnover.

“Fortunately, by offering small incentives and maintaining a comfortable work atmosphere, employees have no qualms about coming forward and recommending people they feel would blend well with the team,” Dodd says. “The office environment has always improved as a result.”

Trial and Error

Rather than growing the management through the ranks in Irvine and moving

them to a new location in San Jose, Calif., GDR’s Redwitz hired managerial talent from the outside. But the new managers did not work out. He now considers that approach as a last resort.

Redwitz recommends training and promoting existing employees to management level rather than hiring from the outside.

“People need to understand the organization, have a sense of belonging and have an opportunity to improve their skill set,” he says. “That is difficult to accomplish if they are not trained within.”

Seplow agrees that growing managers from within is critical to retaining great people. “It brings out their best because they know there is potential for advancement,” she says.

Bray learned the hard way that pay structure plays a significant role in team development. “We have varied through the years between salary plus bonus at one end to straight or partial commission at the other,” she says. “Every time commission has become a part of the equation, we have seen a corresponding degradation of the team effort. It has

always been true that even the saintliest of employees cannot resist the temptation to think of themselves first rather than the good of the team and our customers.” To be able to build sales without the incentive of commission presents an interesting conundrum, but it’s possible with the right personalities, Bray says.

Marsha Petrie Sue, president of Scottsdale, Ariz.-based MPS Inc., adds that trusting an applicant after a single interview—even though there seems to be a connection—also can be a big mistake. “Relationship and chemistry are important, but if they don’t have the actual skill, passion and drive, then they are not a good fit into the environment,” she says. “Instead, hire people on a 60- to 90-day trial basis, which allows employees to see if the position is a good fit or if they are able to meet expected outcomes while enjoying the position.”

Like many business owners, Dodd resorted to the usual routine of placing help-wanted advertisements, and the results were mixed. “It was always too time-consuming and the

[Train Well]

Recent research by the Alexandria, Va.-based American Society for Training and Development has shown a positive relationship between an organization’s investment in employee training and its financial performance, so businesses should give the investment careful thought.

Training programs and exercises should be stimulating to reap long-term benefits, says Todd Walther, director of organizational development at Grand Dynamics Inc., Jackson Hole, Wyo.

Here’s what to keep in mind while you’re creating teambuilding exercises.

- **Make it experiential.** People often learn best through experience and being held accountable for their decisions.
- **Make it dramatic.** Exciting and emotional activities focus attention and sharpen minds—this makes people remember what they learn.
- **Make it new.** An exercise that is unfamiliar to everyone, including managers and supervisors, tends to equalize people and break down the hierarchical barriers and apprehensions that often exist in teams with a chain of command.
- **Make it consequential.** The group’s errors have potential ramifications in exercises so that the team knows its decisions affect outcomes.
- **Make it metaphorical.** Behaviors demonstrated by individuals and groups during activities are parallel representations of the way they act and what happens in professional situations.
- **Make it transferable.** Build in meaning so people will draw upon their experiences and approach their work roles from a fresh perspective.

quality has never been there,” he says. “This is especially true in a down economy where the quantity of available people in the workforce is high.”

If possible, dedicate certain times of the year for recruiting efforts and plan accordingly. Have the resources on hand to conduct a thorough interview process for each candidate.

Values and Goals

Bray’s advice to others trying to build a winning team is to look closely at business values and long-term goals when designing a hiring program. “We have found that employees thrive in situations where company values, as well as servicing customers and the community, are paramount,” she says.

Seplow adds that successful teambuilding does not

happen if management tries to force team events and camaraderie. “It really doesn’t take hold until employees choose to create a team environment on their own. They need to be the driving force behind goal setting,” she says.

A prime example occurred four years ago, when Seplow brought all administrative personnel into the process of developing the firm’s annual business plan. “When they took ownership and set goals for their department and themselves, they realized that no goals were going to be met unless we all worked together to reach them, anticipate and stretch,” Seplow says.

When MPS’s Sue reviews job duties with employees, she evaluates each by looking at consequences and rewards. “Then I ask employees what the consequences should be

if the responsibility is not met,” she says.

At the heart of every dream team, there is a solid recruitment and hiring process that brought it together. If you don’t already have one, creating an effective hiring program may be the most important short-term goal for your company. ■

Peter Fretty is a freelance business writer and author based in Whitehall, Mich. His works have appeared in more than 30 trade and consumer publications.

How we can help you ... Build Your Dream Team.

» Your employees are the lifeblood of your organization, so make building and retaining a dynamic team a top priority. In addition to employee training and incentives, consider offering your employees a no-cost package of free and discounted personal financial services with *Wells Fargo Membership*® banking service. For more information, contact your nearest location, call 1-800-35 WELLS or visit wellsfargo.com/biz.

Find out what potential job candidates find important at the workplace. Read “What Employees Value,” one of the many Business Tips at wellsfargo.com/biz.