

CAN WE TALK?

RECOGNATION[™]

Ruminations and information from our population to yours.

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DEAR FRIEND,

How many times over your lifetime have you been asked, “Who do you work for?” For the last 20-some years, I have always responded to that question with the name of company I work for and my title. The small talk might continue, with me returning the question. Usually, that leads the conversation to a place where we find some common ground on our interests and experiences.

Recently, after a very difficult week of work (yeah, we all have them), I was at a party, and someone asked me, “Who do you work for?” What came out of my mouth surprised both me and the person I was chatting with. My response was, “I work for my family.” Knowing that I was employed, he looked quizzically at me, and I quickly filled in the awkward silence by asking him the same. And, not surprisingly, he gave me his title and the company he works for.

The reason we work, is never singular. Our view on the importance of our work comes from many different sources and can change from moment to moment. At that moment, the importance of my work to my family was front of mind. Then, a few days later, the executive team was presenting at our quarterly communications meeting, and the message included the importance of focusing on our goals, having fun, and serving our community. At that moment, I thought what a privilege it is to “work for” Baudville...what an amazing company.

And, most recently, after having a conversation about my goals and ambitions

with Brad, our CEO, I thought wow, “I work for” someone who cares about me. How lucky am I? Whether it’s your personal life, the corporate mission, or your relationships at your work driving your perspective on work today, the real story is that they are all OK...and really, it is the fluxes in those values that keep us coming back day after day.

Inside this issue of RecogNation you are going to read about issues that happen in the workplace, why sometimes people’s perspective on their work can change, and how you can capture an innate sense of engagement that lasts through the cycles of your employees’ careers.

Happy Reading!

Kristy



Kristy Sherlund
VP of Product & Merchandising
Baudville

ENGAGEMENT.

WHY DOES IT MATTER? AND HOW CAN WE HAVE MORE?

If you’ve been keeping up on your business reading, you’ve probably noticed that employee engagement is the topic du jour. Why? Much like the tolls of a natural disaster, we can’t help but talk about it. The numbers are shocking. At their worst, the stats show:

\$450-\$550 BILLION

is being **lost** annually to lack of engagement.

70%

of American workers are either **not engaged** or actively disengaged.

39%

of actively disengaged workers will **switch jobs** this year.

That last one makes you think doesn’t it? What’s worse: that they’ll quit your company, or stay? Faced with the costly options of present-but-absent or simply absent workers, your only choice is to act. But act on what?

The stats are everywhere, but they largely come from Gallup, whose “2013 State of the American Workplace Report” details them in 68 pages of detail. How do they come to these results? In part, they use Gallup’s Q12®—a collection

of 12 questions that measure employee engagement based on workers’ responses. Each question represents a workplace element that has a proven link to performance outcomes.

The subjects of these questions range from understanding their employer’s expectations of their work, to having opportunities to learn and grow, to feeling a sense of faith and confidence in their peers, to having some kind of working relationship with their supervisor.

In this “Issues” issue of RecogNation, we’ll discuss the core elements of engagement, based on what we know drives it. We’ll also provide real world examples that we’ve used first hand, and give you ideas for how to make these ideas work for your organization. So, read on—and let’s get engaged!

60%

OF WORKERS **DON'T KNOW**
ABOUT THEIR CORPORATION'S
GOALS, STRATEGIES, AND TACTICS.

source: <http://www.bain.com/about/people-and-values/our-team/profiles/chris-zook.aspx>

PURPOSE.

WHY ARE WE HERE? AND WHAT DOES IT ALL MEAN?

WE ALL HAVE DIFFERENT WAYS

of answering who we work for, and why. While our reasons may change depending on the moment, we show up every day because that's part of the agreement. But, what happens when we get there? More than battling a spreadsheet, connecting Part A to Part B, or picking up the phone before its third ring, why are we here?

It turns out a staggering number of workers don't know their business purpose beyond the immediate task at hand. That means that their ability to affect change and to think about the bigger picture are largely lost to the immediacy of the moment. There are only seas of trees; no forest.

As a business leader, you need everyone on your team to understand how they fit into the puzzle. And, what happens when their work leaves their hands and the life it takes on from there. How?

Think about times you've introduced a new initiative: the decision to develop a new product, launch a new sales tactic, or add an extra assignment to an already full schedule. How often are these projects met with grumbling, dissonance, and, occasionally, a collective eye roll from your team? You wanted enthusiasm, but you got exasperation instead.

What you might have been missing was the "why we're doing this." In your mind, it's quite obvious: you've researched it, you've met with leadership about it—it makes good business sense, so you must go ahead. If you don't deliver that reasoning when you make your announcement to your team, you've missed the opportunity to bridge the connection between the undertaking and the results you hope to achieve. The work then is only more work, not a goal to be working toward.

Provide the "why" and you'll be pleasantly surprised. You might find that your team wants to be a part of a project that will make a difference. You might find that they rise to the challenge. Some will even go above and beyond to ensure its success. And there it is: the enthusiasm you were looking for.

How do we communicate the "why" at Baudville? While our quarterly communication meetings are all about high-level data and long-term strategies, our department meetings are where we focus in on the day-to-day details. We use this time to talk about our immediate goals and what we hope to achieve with the current projects we're working on. We analyze our work based on what we think will create the response we want from our customers—often adjusting our approach once we've viewed it from that perspective. By linking the effort to the result, we know the "why" and "what for."

TRY IT

Have you ever asked your employees why they're here? What they feel their purpose is at your organization? Have you ever asked yourself? Why not take a poll? The exercise itself will help you and your team think more deeply about your roles. There are no right or wrong answers, but the answers can tell you a lot about how connected everyone feels to their results.



ASSIMILATION.

ARE YOU HIRING FOR NOW? OR HIRING FOR “WOW!”?

THE JOB MARKET IS SHIFTING.

At the peak of its volatility, companies looking for talent had the luxury of being choosers, not beggars. Now, as opportunities for job seekers increase and the pool of qualified candidates shrinks, companies need to be more diligent and selective in their hiring. In short, it's not going to be as easy as it once was to get the right foot in the door.

We've all been there: a key position becomes vacant and needs to be filled immediately. The temptation might be to recruit now and ask questions later. But, using this philosophy, you may find yourself in the same predicament in six months. According to the Society for Human Resources Management, turnover costs are estimated to be 100-300% of the base salary of the replaced employee. Do you really want to spend that kind of money—potentially again and again? Wouldn't it be better if you could invest that kind of money back into your team, your resources, or your business?

Finding a candidate with long-term potential has more to do with attitude than aptitude. Of course, you need someone who has the skills to do the job, but if they don't blend with your employees and your company culture, the relationship is likely destined for trouble.

On the reverse, a good cultural fit can result in increased job satisfaction, higher performance, and a stronger commitment to your company.

The most important part is to go in to your hiring process with a good understanding of your culture and its individual ecosystems. If you have clarity on your inner-workings, you'll be able to envision how a candidate fits in and what their interactions will be like—before, not after, they're on board.

At Baudville, we have a rigorous hiring process. Candidates interview not only with top leadership and HR, they also meet with potential peers and coworkers—not just from the department they'll be placed in, but from other departments, as well. Commonly, a candidate who shows promise will work in house for a couple of hours to evaluate work style and compatibility. If it feels right, we can see the magic happening right away; if it doesn't, we keep searching.



How do you define your culture? If you can't answer this, you'll need to do some homework before your next interview. As you evaluate it and build your 30-second elevator pitch, be honest. Don't think in terms of what you want your culture to be, but what it is. Your culture is what it is for a reason. Hold out for the candidates who see themselves thriving in it.

82%

OF PEOPLE **DON'T TRUST**
THEIR BOSS TO TELL THE TRUTH.

source: <http://www.forbes.com/sites/tykiisel/2013/01/30/82-percent-of-people-dont-trust-the-boss-to-tell-the-truth/>

TRANSPARENCY.

CAN YOUR TEAM SEE RIGHT THROUGH YOU? AND DO THEY LIKE WHAT THEY SEE?

Keeping a business running means sometimes learning from the past and sometimes looking to the future. It also means looking around at what's happening right here, right now—and if you've been paying attention, you may have noticed a shift in human behavior over the last several years. As participation in social networking becomes the norm for everyone from tweens to grandmas, the way that we share information has evolved, as well. In fact, in our desire to be liked, shared, re-pinned, or re-tweeted, we've made a conscious decision to have a lot fewer private thoughts and actions.

As a result, our collective consciousness now anticipates, and even expects, a level of transparency from everyone we interact with. This is especially true in the workplace, where gone are the days when closed doors, confidential agendas, and the restrictions of a "need-to-know" mentality are accepted. We all feel like we need to know. Period.

As a leader, you're better off embracing this trend rather than trying to fight it. After all, once popular opinions advance, they rarely retreat. And, by providing that clarity, you're seizing an opportunity to build a powerful trust and confidence in yourself.

What does being transparent look like?

It's not really what it looks like, but what it sounds like—and that's the sound of people talking.

At Baudville, we've had good years, great years, and good grief! years. None of this is a secret. We all meet—every one of us, every quarter—and look at the charts and graphs; the peaks and dips. And we talk openly about what we think went right and what went wrong. Sometimes those conversations are met with applause and other times a bit of fidgeting in our seats. Either way, we're all the better for having them—out loud, with each other.

If you don't currently have a consistent and open flow of information at your company, it's time to start. Start opening those doors. Start routing those hush-hush reports. Start SHARING your concerns, your fears, your ambitions, and your dreams. When people know what's happening, they can contribute to it in a meaningful way. And they will come to believe and respect you—and want the things that you want.

**AND, YOU CAN
TRUST US ON THAT!**

**TRY
IT**

If you've been keeping your inner workings all to yourself, it's going to be a transition to change to a more open communication strategy. You don't need to start spilling all at once. Focus on one delivery channel, like creating an internal company newsletter. As you become more comfortable sharing news and information, you can expand your initiative to create two-way conversations with your teams.



75%

of people who voluntarily leave their jobs don't quit their jobs; they quit their bosses.

LEADERSHIP.

ARE YOUR MANAGERS LEADING THE CHARGE? OR LEADING YOU TO RUIN?

In this publication, we like to take an optimistic approach, focusing on the positives not the negatives. But, one of the topics that's been surfacing year after year in workplace studies is that bad managers are seriously bad for businesses. No one wants to talk about it, but, when facing the challenge of keeping your workforce engaged, it simply needs to be addressed.

Much of the information out there about employee engagement revolves around the topics we've been talking about in this issue. But what if, as a company, you've provided all or most of the essential elements for a great place to work, but poor leadership undermines all of your efforts?

According to Gallup, you've got bigger problems than you think.

Their research draws a direct link between how well a team is managed and how engaged that team is. What they've found is that, compared to the worst managed teams, the best managed teams have nearly 50% fewer accidents and 41% fewer quality defects.

The best managed teams also incur far less in healthcare costs. According to Jim Clifton, Gallup's Chairman and CEO, "Having too few engaged employees means our workplaces are less safe, employees have more quality defects, and disengagement—which results from terrible managers—is driving up the country's healthcare costs."

Now we have your attention...but, it's complicated, isn't it? In most organizations, our managers have earned the level they've achieved, and it's likely they possess more good qualities than bad. You may view this as a time to pick your battles—and not make this one of them.

But, if you don't hold your managers to the high standard fitting of their role, you might be sending the message that they are beyond scrutiny. If this is the perception, your employees aren't going to feel comfortable talking to anyone about struggles with their managers. If they feel they can't resolve their issues, they'll hunker down and start looking for a way out.

So, how will you know?

High turnover will tell you something is going on, but isn't that a little late?

If you're a manager of managers, it isn't just a good idea to keep tabs on and develop your managers into effective leaders, it's truly your duty. Your department, as a whole, relies on you to be minding the store, and that means minding that those you have put in charge are growing, learning, and getting better—just like you expect everyone else to.

Too often, after demonstrating strong ability and receiving a promotion in response, managers are left to fend for themselves—and they sometimes end up struggling with one aspect or another of their new role. But you're not going to let that happen, are you?



Managers are often evaluated on their personal performance and their team's performance, but not necessarily on their interactions with their team members. You can learn how engaged your managers are with their direct reports by delving more into those relationships. For example: include specific questions on their performance reviews about their team members. How, and whether, they are able to answer will be enlightening.

CHALLENGE

DO YOU HAVE A CORPORATE LADDER?
OR A BRIDGE TO OPPORTUNITY?

“WHERE DO YOU SEE YOURSELF IN FIVE YEARS?”

Ah, yes, that favorite interview question that you expect your interviewees to be ready to answer if asked. And most do have an answer of some kind—after all, it’s rare to go in to any situation not thinking about what it will look like in the future. Some will have more nebulous visions, while others are precise and driven. Either way, these days, few young professionals care as much about moving upward than they do about expanding their horizons outward. They’d much rather have knowledge than power, and experiences rather than experience.

This is actually good news for most companies, considering that many positions don’t have advancement opportunities. If there’s no where to go, how do you compel your team members to stay?

The promise of challenging work and the ability to reach a level of professional mastery can be pretty appealing, but it’s more than just offering your employees training opportunities—it’s truly about becoming the steward of their success. Not what success means to you, but what success means to them. Make the effort to learn how each individual defines their fulfillment and you

can provide an environment of continuing and tailored growth. Few companies realize that by investing in and cultivating their employees, they are getting a bigger return on that investment than likely any other investment they make that year.

At Baudville, our managers start the new year working with their team members to set goals for the next twelve months. Above and beyond traditional sales goals, these are professional goals that pertain specifically to the way an individual can grow for themselves as well as for the company. Some goals are measurable and evaluated on metrics, and others are designed to stretch the individual’s capacity and viewpoint—often pushing outside the range of normal expectations. Team members benefit from a more broad and marketable skill set as well as a deeper understanding of how their efforts contribute to their success.

AS A COMPANY, HAVING GOAL-DRIVEN EMPLOYEES NOT ONLY DRIVES ENGAGEMENT, IT RESULTS IN A MEASURABLE RETURN.



83%

OF WORKING PROFESSIONALS
CONSIDER THE ABILITY TO
LEARN AND GROW ESSENTIAL
TO THEIR IDEAL JOB.



Employee reviews should be more than just an evaluation of performance over the last year; they should be a time of reflection, conversation, and planning. If you don’t know what your employees want out of their careers, don’t guess: ask. Start and keep a dialogue with your team members so that their appraisals become moments of action, not reaction.

KINSHIP.

IS IT ALL ABOUT ME? OR ALL ABOUT WE?

YOU KNOW THAT

teamwork isn't just important, it's essential. It motivates individuals toward a common goal, it grows your team members' ability to cooperate, it creates a reciprocal learning environment, and it ensures projects stay on track, even if part of the team is absent.

A study done by the University of Phoenix reveals that while most people acknowledge the benefits of collaboration and teamwork, they'd still be happier working alone. Not because they think they're more effective alone, but because they have experienced first-hand the challenges of working with a team of others. Conflict. Imbalance. Distrust. Dysfunction. All of the elements that work against what teamwork is supposed to be about.

How does it fall apart? Or, a better question might be, "How can you keep it all together?" You can start by making an effort to staff your department with the right team members (remember what we said about successful onboarding?). Not just a balanced blend of skills, but a harmony of personalities. The kind of group that complements each other; that learns from one another; that might actually LIKE each other. Does this sound unimaginable? You may not be able to have



every element, but the more you work toward this kind of compatibility, the more you'll achieve the collaborations you're looking for.

The next step is to foster a mentality of abundance. That is, one person's success never steals from another's. The ability to achieve, grow, and be acknowledged is not finite—there is always enough to go around. Too often on teams, we see jealousy and rivalry among members. Sometimes, it's simply a matter of maturity. But, even those who are more refined can fall prey.

Your job is to help every individual appreciate what their peers bring to the table. And, to help them understand that an entity with two heads (or more) is not an unwieldy beast, but a being that has the ability to see every option, no matter where it's standing.

Few initiatives at Baudville are put in the hands of one person to achieve. Not only is it not practical, it's not effective. Why tap in to one brain when you can draw on the ideas of many? Recently, we challenged our entire staff to invite one coworker to lunch and return with an idea to grow our business. Imagine how tough this would have been had we asked each person to achieve that task alone. The collaboration and idea sharing that resulted was phenomenal, and each duo got to enjoy the pride and accomplishment of presenting a thoughtful idea. Moreover, acknowledgement for the outcome was shared, and not able to be owned solely by either person.

76%

OF AMERICAN WORKERS
PREFER NOT TO
WORK ON **TEAMS.**

TRY
IT

If you want to help your team appreciate the benefits and value their peers bring to collaborations—as well as why these collaborations are important—try a simple exercise. Ask team members to complete this statement for each of their immediate coworkers: "Our team is better with _____ on it because _____." By compelling your team to consider their coworkers' contributions, you help them see that, as a whole, they are better together than on their own.



JENNIFER D. KLUGE

PRESIDENT AND CEO
101 BEST AND BRIGHTEST
COMPANIES TO WORK FOR



Jennifer Kluge oversees all the advisory boards and programs of the 101 Best and Brightest Companies to Work For awards competition. Read on to learn her insights...

When looking at employee enrichment, engagement, and retention, what are some of the characteristics that are common in your winners?

Many of our winners take an all-encompassing approach to these areas. They don't silo retention from engagement; they know they go hand-in-hand. The best performers look at not only keeping an employee engaged in their position, but also engaged in the company directives and goals. At the same time, they understand employees' individual needs and care about what concerns they have in life, not just in their position.

While you base the award on total performance, are there any individual areas that you are seeing companies working to improve?

We have ten categories that we score on for the overall performance, but most companies struggle with strategic planning and including human resources as strategic partners in accomplishing company goals. HR should have a seat at the table and HR executives must understand company objectives and their role in driving company performance.

What topic seems to be the most challenging for applicants this year?

Keeping good talent and obtaining talent as they grow...there is a talent shortage across all sectors that is creating a needs crunch as the economy becomes more service and technology driven. Talent, Talent, Talent.

How does completing the application process for the 101 Best and Brightest benefit an organization?

Just the process of completing the application has value. It forces executives to look at all areas of their operations, know their numbers, and identify their goals. Once completed, applicants will have access to employee engagement and performance feedback, and have benchmarked their performance not only in their local region, but with how they compare to the national scores. They can see their top-performing areas and their weakest areas in detail, with historical year-over-year data. It's valuable from a data and return on investment perspective. Anyone that completes the application is invited to participate in year-long educational opportunities and learn from overall winners.

**READ JENNIFER'S FULL INTERVIEW ONLINE AT
BAUDVILLE.COM/RECOGNATION-BAB**