

Keeping the Keepers: A Conversation with Beverly Kaye

Consultant, researcher, author, and speaker Beverly Kaye is one of the world's leading experts on career development, mentoring, and talent retention. She is the founder and CEO of Career Systems International, which delivers programs and instructional materials designed to promote the building of partnerships between employees and managers and to link the development of key talent to organizations' critical business needs.

*An updated and expanded second edition of Kaye's book *Love 'Em or Lose 'Em* (co-written with Sharon Jordan-Evans, president of leadership coaching and consulting firm the Jordan Evans Group), was published this year. Widely praised for its practical, accessible approach to retention techniques and strategies, the book runs through twenty-six alphabetically arranged points designed to help organizations and managers hold onto their top people. "A," for example, is for "asking people what keeps them in the organization" and "J" is for "jerk—don't be one." Kaye is also the author of *Up Is Not the Only Way: A Guide to Developing Workforce Talent*, which examines the effects of leaner, flatter organizations on individual careers, and ways for organizations to help their employees keep growing when climbing the career ladder is no longer possible.*



Managing editor Stephen Rush recently spoke by phone with Kaye, who was at her company's offices in Sherman Oaks, California.

SR: At the beginning of *Love 'Em or Lose 'Em*, a couple of the testimonials identify retention of talent as the most important business issue today. But with unemployment and the pool of available talent up and with recent developments in the corporate world and the general economy, has retention been supplanted by more urgent issues? For instance, in light of the

spate of corporate scandals, perhaps leadership ethics and integrity are the issues that deserve the most attention. Or, with the increased emphasis on globalization, maybe leadership across cultures is the dominant issue. Do you believe that retention remains one of the most critical business issues?

BK: Yes, I think it does, because retention is inextricably linked with, is a natural extension of, those other issues. If you drill down from those other issues, you'll find that retention is a critical element of them. If a company believes in a certain set of ethics, it wants the people who best represent those ethics to stay with the organization. If a company places a high priority on issues of globalization, it wants its smartest global thinkers to stay. Underneath all the other issues is the issue of what your organization is doing to retain the human potential, the brainpower, needed to move forward.

A lot of companies get lulled by the perception that with so many layoffs, there is plenty of talent out there, so there is no retention problem. But there are two things these companies should consider. The first is that even in a down economy there are opportunities for top talent, for key talent, to go elsewhere. The second is that when the economy comes back—and it will—key employees

who have been riding out the slow-down but have been unhappy with their work situation will start looking elsewhere the moment there's a shift.

I recently worked with the human resource department of a Fortune 100 company on retention. To prepare for my presentation, I interviewed seven of the company's most senior executives. Each of them told me that when I delivered their message to HR, to make sure to emphasize that HR should not lose sight of its retention initiative. These leaders are afraid that when the economy shifts, their key people who are even slightly unhappy will start to look elsewhere, and if the organization isn't ready and hasn't done its homework, those people will be lost. The second thing these senior executives said was to tell HR to start holding them accountable for the development and retention of key talent. They said that with the bad economy, everything is focused on numbers, numbers, numbers, and that if HR didn't tell them it was also watching their talent development and retention, they wouldn't pay much attention to those areas. So development and retention perhaps have to be HR-inspired, or HR-led, but they have to be owned by the leaders in the trenches. You can't take your eyes off the talent game while you watch the economic scoreboard. Talent is always going to be the crucial, competitive discriminator among organizations.

SR: Career Systems International and the Jordan Evans Group have conducted research on the factors that drive retention, with some interesting findings. The study participants were almost evenly split between males and females, came from all age groups from twenty-one to sixty-plus, and represented various job levels and industries. You found that overall, the category of "fair pay and benefits" ranked behind "exciting work and

challenge" and "career growth, learning, and development" as a reason why people stay in a job and an organization. Pay and benefits were the most important retention driver for the twenty-one to thirty age group, but for all the other demographic groups, pay and benefits were somewhere down the list. The study also found that about 20 percent of the respondents listed "supportive management/great boss" as among their top five reasons for staying with the organization. Do you think that most managers are aware that compensation in most cases is not the overriding determinant of retention and that their employees' perception of them as a boss is a big factor in retention?

BK: I don't think they are aware, although I think they should be because it has been hammered at them from the bulk of the research. However, I understand why they're not aware, and I can relate to it personally. They say, "I'm piled with tasks and work, and yet I'm supposed to retain my key talent." It is much easier for them to say, "It's out of my hands; it's a pay issue, a benefits issue, a perks issue, an HR issue," than to say, "I own this." But managers *do* own it; there is something they can do.

We collected another interesting piece of data when we looked at the retention drivers. We asked people to make a check mark next to each of the top five retention factors that they thought their manager could influence. Most participants checked at least two or three, if not four, of the five. So it proves two points: that managers have more influence than they think and that employees will leave money on the table and stay with a boss if that boss is a great one to work for.

SR: What can managers do to find out which factors employees con-

sider to be the most important for keeping them with the organization?

BK: The most important thing managers can do is the A-word: they should *ask*. Ask your people, "What can I do to keep you?" Say to them, "You know you are important to me, you are critical to me, and I want to know what I can do to keep your talent on my team." And if they say it's all about money, and you honestly have no latitude on pay, you have to say, "What else can I do?" You have to tell the truth and say, "My hands are tied on the issue of salary, so tell me what else I can do." It's a matter

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of communicating, being up-front, and telling the truth.

Career Systems International has a survey, called The Retention-Focused Manager, that leaders can use to determine which retention strategies are most important to use with specific individual employees. The survey is a 180-degree-feedback tool. It has twenty-six statements about retention strategies, such as whether the manager shares information with employees, talks with them about their career ambitions and goals, and recognizes and rewards them in multiple ways. Managers indicate how frequently they practice each behavior and identify the five behaviors that they believe are most important. Managers give the survey to their direct reports, who rate the

managers on the frequency with which they use each strategy. More important, the direct reports also select the five strategies that are most critical to retaining them personally. When managers know which five factors are important to each employee, they will have a much better idea of how and where to focus their efforts.

SR: Many organizations, when they identify the key talent they want to keep, focus on the top rung of high-performing or high-potential employees—say the top 5 or 10 percent. Do you think that organi-

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zations should go beyond that upper echelon when considering whom they want to retain?

BK: I think that organizations really have to look wider and deeper for key talent. Key talent should include the solid citizens in the organization who support the leaders-to-be. These solid citizens are often excluded from retention and development efforts. They don't receive the attention they deserve. If organizations disregard this talent, they can lose their critical support people, who are equally necessary for survival.

SR: What are some of the possible repercussions for organizations that fail to pay attention to and effectively address the issue of retention?

BK: Again, when the economy turns, anybody who is unhappy now is going to begin to explore alternatives.

Dissatisfaction factors are going to loom larger and will affect the discretionary effort that employees are willing to put into their work. Retention and engagement of employees are two sides of the same coin; you can lose people physically and you can lose them psychologically. It may be that the psychological loss is worse than the physical loss. Managers cannot afford to take their attention off the satisfaction factors and motivation factors that are important to their direct reports. Again, the discriminating factor between one company and another is simply going to lie in the talent, innovation, and dedication of its people.

SR: Is an organization whose culture promotes a strictly by-the-rules approach at a disadvantage when it comes to retention?

BK: Yes, and here's an example: if an employee comes to a manager and says, "I need an exception made to a rule," and the manager replies, "I'm sorry, but if I say yes to you I'll have to say yes to everyone else," it's a cop-out. If the request comes from a talented employee whom the manager wants to keep, then that manager is not being retention focused with this response. I think retention-focused managers have to go outside the box occasionally and fight for exceptions to the rule.

If somebody deserves an exception, I believe that managers need to fight for it. This is a difficult concept. Traditional managers are used to and comfortable with hiding behind policy. Policy is protection; it dictates when to say yes and when to say no. Now the difficulty is, it may not seem fair to make exceptions to the rules. But more and more we are seeing that it's a world of individual needs and individual differences and therefore individual requests. We all lead very complicated lives. I think that managers who recognize this and bend to the degree that they can are going to hang onto their key people longer.

SR: I think nearly everyone has worked for someone with qualities like those of the bosses you describe in the book chapter "Jerk—Don't Be One." At the same time, I believe a lot of people have been in situations where they have seen someone get ahead in the organization largely by acting like a jerk. If avoiding being a jerk is a critical retention factor, what can managers do to find out whether they are acting like jerks, then acknowledge and rectify their behavior? And if someone is convinced that being a jerk is an effective way to climb the career ladder, why should he or she be concerned about whether it has a negative effect on retention?

BK: There is a great range of behaviors—such as arrogance, micro-managing, intimidation, and sexism—that can drive the talent on a manager's team up a tree or, worse, out the door. One of the things managers can do, if they're willing, is to ask for feedback. In *Love 'Em or Lose 'Em* we offer a "jerk checklist." Managers can ask themselves, "Which of these things do I do, and how can I come up with a plan to stop when I hear or see myself doing these things?" They can ask their employees, "Do I do some of these things, and if so which one is the most upsetting to you?" If they are brave enough, managers can say to their employees, "I want you to let me know when I behave that way, and I'm going to try really hard to curb that behavior."

Of course we all know managers who behave like jerks yet rise in the organization. CCL's own research shows, however, that it eventually catches up. Managers can act arrogant when they're at lower levels in the organization and get away with it, but as they move up in the hierarchy, many of these behaviors become serious derailment factors. Senior leaders must identify the jerks who report to them and do something about them—

coach them, counsel them, or remove them from management jobs. The organization stands to lose key, talented people who will no longer tolerate working for those managers.

SR: The title of your book is *Love 'Em or Lose 'Em*, but with many companies seemingly obsessed with the bottom line and efficiently running day-to-day operations, I suspect that some managers might reject the notion of “loving” their direct reports and other employees. What exactly does it mean to love your employees, and is there a thin line between loving them and coddling them?

BK: Well, we could have named the book *Management and Supervisory Skills 101*, because I think that the twenty-six retention strategies are fundamental ways that employees should be treated. And they are not new. If you look at the history of our field, these factors are what Douglas McGregor talked about in his Theory X [autocratic] and Theory Y [democratic]; what Frederick Herzberg said in his theory of hygiene factors [those necessary to maintain a minimal level of job satisfaction] and motivation

factors [those necessary to produce high levels of job satisfaction]; and what Abraham Maslow talked about in his research on the hierarchy of human needs.

What these forefathers all said was in essence that these are human beings who report to you. Listen to them, pay attention to them, say thank you to them, and care about them. These are basic ways that human beings should treat other human beings. Retention and development are simply what a good people manager does.

The truth, however, is that sometimes you can love 'em and still lose 'em. A manager can follow all our retention advice and still lose a talented employee to a better location, a better salary, or a chance to pursue a passion. But if they do nothing about engaging and retaining key people, managers will lose them big time.

SR: So you can lose key talent to things that may be beyond your control.

BK: That's absolutely true. But if you lose them and have been a “love-'em” type of manager, they will be an ambassador for you and your organi-

zation wherever they go. This is something that organizations and managers don't always think about. In the past when someone left, the front door was closed. Now organiza-

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tions are beginning to leave the front and back doors open for people who leave and want to come back and for friends and colleagues of those who have left. This attitude contributes to making an organization an employer of choice [an employer that attracts, optimizes, and holds top talent for a long tenure because the employees *choose* to be there]. If organizations want to be employers of choice, they need to hold managers accountable for treating their people well. ✍

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ness environment, retaining key talent is important to not only organizational success but also survival. Demographics make it clear that retention will become even more critical in the years ahead. Yet retention alone is not enough; organizations also need to motivate and develop their key talent. Luckily, retention strategies also reinforce motivation and development.

Knowing what members of both the current generation of leaders and the generation of emerging leaders

want and need to stay with their organizations can help leaders in devising effective retention plans. Moreover, CCL's research suggests that what is important to Boomers and Gen-Xers may not be so different after all. In the final analysis the biggest key to retention is honest and open communication about what employees need and want and about what the organization can and cannot provide. ✍

Suggested Reading

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Three Keys to Development: Defining and Meeting Your Leadership Challenges.

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Deal, J., Peterson, K., and Gailor-Loflin, H. *Emerging Leaders: An Annotated Bibliography.*

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