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# Putting a Plug on the Brain Drain

If you arrive at the office one morning and discover that your desktop computer and confidential files are missing, you would probably

- (1) call company security and the local police,
- (2) launch an investigation to determine who and what is responsible, and,
- (3) develop a plan to ensure that such a loss doesn't recur.

Now think about the last time one of your company's bright employees (your most valuable asset) was stolen by the competition or just walked out the door.

Was an investigation launched?  
Were the root causes identified?  
Were measures implemented to prevent a recurrence?

Or did the loss of a \$60,000-\$120,000+ asset set off no alarm bells?

What's the price tag on the loss of an employee? Research shows that replacing a key person (defined here as someone whose departure would disrupt work flow, delay projects, etc.) costs between 70% and 200% of the person's compensation.

Aside from the psychological and cultural implications, "brain drain" can have a dangerous impact on your organization's bottom line. Now and in the future.

Research shows that employees don't want to be regarded as mere "stomachs." They can't be motivated only with salary and benefits. In

today's highly competitive environment, the old notion of "just be grateful you have a job" is a fast ticket to low performance and high turnover. Successful organizations lead the *whole* person, acknowledging that employees have heads and hearts.

Many studies on retention agree on what influences employees to stay: meaningful, challenging work ... a chance to grow and learn ... a good work environment ... recognition and respect. Notice how many of these fall under the umbrella of "psychological ownership."

## What matters most

It's easy to blame organizational policies or pay scales for the loss of talent. Although these are certainly part of the formula, the fact is that *the manager* is what often matters most. Moreover, most proven retention strategies are within the circle of influence of *the manager*.

The good news is that most proven retention strategies cost very little, if anything, in real dollars. The investment is in caring and commitment.

Here are just a few of the things that are known to work –

## Leverage the manager-employee relationship

All of The Duncan Company's studies of organizational culture show



that “Colleague Relations” are often the most positive of all the cultural assumptions measured. Unfortunately, trust and confidence often sharply erode just outside the small circle of colleagues.

This shows an opportunity – a requirement, really – to use the manager as a credible conduit of messages and symbols to make your environment an increasingly attractive place to work. Mentors, trainers and other models have their value, but it is the employee’s *manager* who seems to have the greatest influence.

### **Energize the jobs**

It’s common for people with solid potential to suffer discontent yet stay on the job. Instead of leaving, they simply find ways to disengage. Their departure is psychological rather than physical. It’s sometimes called “retiring in place.”

Clearly, disengagement can be just as costly as departure. Plausible approaches to this challenge include combining tasks, forming self-directed teams, increasing clients contact, rotating assignments, job sharing, etc.

### **Hire for fit**

While it’s true that many of the good people companies are losing these days are relatively “old timers,” it’s also true that today it’s harder and harder to keep the new hires.

Getting the right people in the door in the first place is obviously a key to increasing the odds of keeping them. Are you using pre-hire personality assessment tools? There are some excellent, very inexpensive ones available.

Also, how are job candidates specifically screened for a good fit with your organization’s professed values and emerging culture? There are some simple interview techniques that help.

### **Conduct an expectations exchange**

A common reason for high turnover is the violation of an employee’s expectations. We recently heard of a bright young hire who waited a month to get a computer (he expected one the

first couple of days), then was transferred to a work group that was never mentioned in any of his interviews. He had barely broken a sweat in his new job, and his trust of his new employer was already very fragile.

### **Offer a bounty**

While building his EDS empire 30 years ago, Ross Perot offered a bounty to employees who referred job candidates who were hired. The bounty was paid in stages – when the person started work, when the person passed his first anniversary, when the person received a promotion, etc.

The system not only generated a terrific candidate pool, it clearly motivated employees to help their new colleagues “feel at home” in the EDS culture. That simple system supported the EDS slogan that “Eagles never flock. You must find them one at a time.” And the small investment in keeping good employees was *much* less costly than replacing them.

### **Weed out the jerks**

Even when they’re well paid, receive recognition and have opportunities to learn and grow, people will leave if they don’t like their boss.

This is not to suggest that you send your managers to charm school. But it does suggest that you make it crystal clear what your company stands for and what it *will not* stand for.

What do jerks do? They intimidate, condescend or demean, swear, behave rudely, belittle people in front of others, give only negative feedback, lie, act sexist or racist, withhold critical information, blow up in meetings, refuse to accept blame or accountability, gossip and spread rumors, use fear as a motivator, etc., etc.

Not a single one of these behaviors fosters respect, trust, or good performance.

Unfortunately, these behaviors are not at all uncommon, and sometimes they are exhibited even by high profile managers. It’s a message with pro-

foundly negative consequences.

### **Inject fun into the workplace**

Many people tell us their workplace is a fun-free zone. They’re not looking for constant laughter and water balloon fights. They’re just looking for a fresh twist on things, a little spontaneity.

Studies show that fun enhances creativity and it certainly does not diminish productivity when everyone’s work and collaboration goals are clear.

Let fun happen. Example: Fluor Corp. invited a group of young, gifted children to a management training meeting. The kids sat with one group of Fluor managers while another group of managers worked independently. At day’s end, the mixed group of managers and children had generated far more innovative ideas than the managers-only group.

### **Upward mentor**

Considering all the hubbub and investment in mentoring these days, companies obviously see the value. But should it be only *downward* mentoring?

How about trying “upward mentoring” on a trial basis? You really can teach (some) old dogs new tricks, and probably one of the best sources of those new tricks is the younger people in the organization – some of the very people you can least afford to lose. Inviting some of the young bucks to mentor some of the older ones would likely be good for all involved. (A fresh approach to “seek first to understand, then to be understood.”)

### **Differentiate!**

One of the most disheartening things that can happen to a good employee is to perceive that not all co-workers are held accountable for excellent performance. Be sure your performance review system fairly addresses issues under the employee’s control. Clearly link work to business objectives. Remember that “they treasure what you measure.” Then be sure that high achievers get the credit they deserve.

