

Keeping the Best When Times are Tough

By [*Kevin Wheeler*](#)

Even though there are layoffs announced every day, organizations I am speaking with still need to keep the people who generate sales, create new products, or have the intellectual capital the organization needs to continue functioning. Good people know that even in these difficult economic times, they can find another position. They are most likely being actively recruited without your knowledge.

I had lunch a few days ago with a recruiting leader who expressed his concern over the spike in turnover among the most critical segment of his company's workforce. After we chatted for a while it became clear to me that this organization was not doing very much to encourage these people to stay. According to him, even though the company was doing well financially and expected to meet its sales goals for at least the first quarter, many employees were just waiting to be laid off. No information was being shared, and executives huddled in their offices all day.

Employment is about relationships, and the strongest relationships are built on trust, respect, and open communication. When things are [difficult](#), it is more important than ever to make sure your management team is present, is as upbeat as it can be, and that every member of the executive staff is visible and concerned about every employee.

To maintain the employment relationship, employers have a huge responsibility. First of all they need to clearly know who their best employees are, keep them informed, help them maintain and develop skills, and encourage them to build networks and internal relationships.

None of these things costs much when compared to the cost of recruiting and developing new employees, and none of them are really very hard to do. But, to put them into place does require a change of mindset and a willingness to break (or at least stretch) the usual policies and rules that exist in many organizations. Good HR and good recruiting is all about treating people fairly — not necessarily the same.

Here are four ways to build and maintain loyalty and a strong employee-employer relationship.

First of all, keep employees informed. Silence is the greatest enemy of [retention](#). When management does not update the employees on the financial and business state of the company and when rumors can be counted by the minute, turnover goes up and productivity goes down. While some people (usually the “B” and “C” players) hunker down and hide, the best ones start looking. I can't tell you how many excellent employees who are highly valued have left their employers because of business uncertainty. No one expects assurances or guarantees; what they hope for is an understanding of trends — are things better, the same or worse? Are customers leaving? How is sales volume?

In this age of open Internet discussions and the transparency of information, employees may now more about your organization's profitability, sales, or potential than you do. That's why keeping anything from them is very hazardous and, if employees discover that they have been lied to or not informed, they can quickly lose their motivation and start looking for new opportunities.

Secondly, have a fair and clear performance management system. Let employees know where they stand and how they are performing. Be clear about performance and layoff criteria and explain the reason why certain people or types of employees were laid off and why others weren't. Be clear about what weight individual performance had in decisions about people, and what weight was placed on circumstances such as a function being changed or eliminated. I know that sharing this information is discouraged for legal and other reasons, but it is more and more important to share what you can given the changed expectations and lower tolerance that employees have today.

Offer your best employees an opportunity to move [within](#) the company to jobs that may fit their skills and interests better, if that is possible. It is also a good idea to keep the bureaucracy to a minimum and remove time constraints. A major reason for employee unease and anger is insecurity over how their performance will be assessed. Very few employees have strategic performance objectives or spend time periodically reviewing their achievements with their boss.

Many employees, unfortunately, have goals and objectives that are not strategic and that lead to fear and self-doubt. For example, a colleague told me about a recent layoff she was part of. While the employee who was being let go had an excellent performance rating, so did almost every other employee in the organization. The way performance was assessed provided no meaningful information to either the organization or the individual.

Relationships thrive on the exchange of information, and two-way communication between employer and employees is as critical as is performance management.

Help every employee build a social network. Employees make friends and build [relationships](#) that can be strengthened or damaged during stressful times. Many employees stay at an organization because of who they get to work with, and many leave for the same reasons. We all know how powerful social networks such as LinkedIn, Facebook, and even Twitter have become, and companies can use these networks to promote employee interaction and teamwork.

Good organizations can even develop networks for those who have been laid off so that they can help each other and retain the connections they had when employed. By making these kinds of assets available, organizations not only improve their own reputation and brand and help former employees, but also reinforce the loyalty and motivation of employees who are still working.

Encourage internal blogging, the use of virtual communications tools like SMS or IM, and the use of video conferencing to strengthen networks and extend them globally. Knowledge is a powerful retention tool and naivety and ignorance can best be combated by sharing of ideas and experiences between people from many different firms.

Educate employees all the time. In bad times, employees have time to soak up new information. Education and development are the cheapest retention tools in your arsenal. Locking people into degree or certificate programs is almost a guarantee that they will remain with your firm until they complete the program. Most will be loyal and thankful. And all of them will be better-educated and hopefully more productive employees. This is a *big* plus for large organizations, and you should be capitalizing on this right now.

But development can also occur through on-the-job development and through many informal networks and conversations. Every employer should encourage employees to share knowledge using social networks or communities of practice, and employers should reward managers who encourage their employees to take classes or take on new responsibilities.

Many employees who leave organizations are simply looking for a bigger challenge or the opportunity to use new skills or degree. Smart organizations will encourage this and motivate managers to source and hire internally whenever possible and even if it will require a bit of training.

None of this is new or unique. Much of retention in good and bad times is treating employees fairly and as mature adults. Sharing information and being transparent is the best thing any of us can do.