

UPDATE

AN ELECTRONIC REPORT FROM THE CUNA HUMAN RESOURCE COUNCIL

METHODS FOR INCREASING RETENTION

By Harris M. Plotkin

As a result of a study we were asked to do by CUNA's HR Council on recruitment and retention, we identified a number of different techniques that are being used to recruit and retain quality employees. Of these techniques, by far the most significant one was creating a great work atmosphere. The top one hundred organizations according to employee satisfaction had twice the number of applicants and half the turnover of the other organizations. It is clear from those findings that if you create a great work atmosphere, people will want to stay and word of mouth will bring more quality applicants.

How do you create a great work atmosphere?

1. SHOW INTEREST IN THEM AS INDIVIDUALS

Any manager that will take the time to get to know their employees; find out what's important to them, and find ways to help them reach their goals as well as meet the organization's goals; is going to have a **very happy employee**. One of the main reasons given by employees for leaving an organization is that they did not have a meaningful relationship with their immediate supervisor.

2. BUILD MEANINGFUL LONG-TERM RELATIONSHIPS

Just as you would do what it takes to make your significant other happy and create a great future for your children, if you can develop the same attitude for your employees, you'd have a very happy workplace.

3. APPRECIATE THEM INDIVIDUALLY

Go out of your way to be the one-minute manager and thank them for what they have done as soon as possible, and as often as possible. If you are not sure whether you give as many compliments as

you give criticism, put a roll of quarters in one pocket and a roll of pennies in another pocket. Every time you give them a compliment put a quarter in your pocket. Every time you criticize them, put a penny in your pocket and see which pocket has more coins at the end of a day or a week.

4. SOLICIT THEIR OPINIONS

Again, this is one of the top complaints identified by our attitude surveys, "that management does not care enough to hear what they have to say, or even ask their opinion on different issues." They are especially concerned that management does not talk to them about changes that will affect the way they do their job. They feel they know more than management about their tasks, and that any changes considered in their way of doing work should be discussed with them before the change is made.

5. EMPOWER THEM

You can't empower everybody. If you have idiots or crooks in your organization, empowering them would only multiply your problems with them. Empower those who show promise. Do it in small amounts until you see how well they can do. Next, keep giving them more and more to see how much responsibility they can take on and how they deal with complicated issues and decisions.

6. RECOGNIZE THEM PUBLICLY

Not everybody needs public recognition, but most individuals like to be recognized publicly for a job well done. It can't hurt.

7. HELP PLOT THEIR CAREER PATHS

Again, another reason for employees leaving companies is that no one in management told them or even showed them how to move up in the organization. Furthermore, no one helped them by identifying what kind of additional education or train-



ing they would need to move to the next career level.

8. PROVIDE TRAINING TO HELP THEM

If you want to build loyalty, training is one way. Too many employees are leaving organizations to get training elsewhere because the organization no longer provides training, thinking that employees will not stay there long enough to make training a worthwhile investment.

9. IMPROVE ALL METHODS OF COMMUNICATION

Newsletters, bulletin boards, e-mail, voice mail, weekly department staff meetings, quarterly organization meetings. All of the employee attitude surveys we have conducted for over 30 years have always identified that among the top three problems is, “employees do not feel they receive sufficient communication of what is going on in their organization, their division, their department, or how they fit into the organization’s long range plans.” You can not tell them enough to ever satisfy them but you must try.

10. MOST OF THE OTHER ITEMS WE REFER TO AS HYGIENE FACTORS

Clean, well lit, reasonably spacious offices or work stations. Employee lounges with microwaves, refrigerators, etc. Daycare not only for kids but also for elderly is becoming a big perk.

11. GETTING RID OF LAZY, INCOMPETENT, DISHONEST PEOPLE

This was a surprise finding in some of our recent attitude surveys, but employees know who is not pulling their load, who is stealing, who is abusing the system. They will not snitch on them, but they want management to deal with them so that the good employees don’t have to take on the workload of the lazy employees.

12. PERKS

Other issues to consider in retention are to offer perks similar to those of the competition. You don’t have to exceed what they are doing but being competitive would certainly put you in good stead **as long as you are treating your people well.**

13. COMPENSATION

It is rare that employees leave for compensation, but you **must be competitive.** It is an employee’s market and if they can make more money and get the type of job they want with another organization, there is a chance you will lose them.

14. RECRUITING

Recruit early and often, and use every method possible. Some organizations are recruiting in high school and even offering student’s college scholarships if they will work for them for a few years after they graduate from college. Companies are **giving out bonuses to employees** who bring on other people. Companies are having **open houses** where they invite applicants to come by, meet the managers, meet the personnel, and see what it is like to work for this company. Companies are also using all kinds of **innovative measures on the web** to attract applicants. Keep in mind, it is most important during the selection process that you do not raise the expectations of your potential employee to something you can’t meet—that is just building in turnover. In an effort to sell your company, **don’t oversell** the things you don’t think you will be able to provide that employee. Otherwise, when the employee comes to work for your credit union, and he doesn’t get all the things you promised, he is going to be a very unhappy person and leave.

15. HIRING PROCESS

Design your hiring process so that you not only make sure you get the right person in the right job, but most important of all, you hire people **whose values and attitudes fit the values and attitudes of your organization.** It doesn’t matter how skilled, experienced, talented, or motivated employees are, if they are not compatible with the culture and personality of your organization, they will not last. Bad recruiting and hiring lead to decreased retention.

If you can do all or most of the aforementioned, this will significantly increase your retention and as a very significant by-product, increase your chances of recruiting better quality personnel. ♦

About the author... Harris Plotkin is the author of the recently published book, BUILDING A WINNING TEAM, and creator of the ABOVE and BEYOND customer service training program. For more information about employment tests, call Harris Plotkin at (800) 877-5685. He is the founder of The Plotkin Group. This 3-year-old management consulting and training firm uses the latest scientific employee testing programs to help organizations select and develop employees. They have several thousand clients in a variety of industries including numerous credit unions, throughout the nation.

TIPS ON EMPLOYEE LEGAL TRAINING

By Michael Patrick O'Brien, Attorney
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Introduction

Until recently, workplace employment law training rarely covered topics other than sexual harassment prevention and usually employment law involved only employees in upper management. Recent court and administrative decisions, as well as the current epidemic of employment litigation, have prudent employers rethinking this training strategy. At the turn of the decade, century and millennium, training may be the ideal vaccination for the employment litigation epidemic.

Is the Training Necessary?

In 1998, the United States Supreme Court decided three sexual harassment cases. These cases expanded liability by covering same sex harassment and making employers more responsible for the actions of supervisors. Nevertheless, the Court also concluded that employers could avoid liability altogether if they set up an effective system for preventing and remedying problems and if an employee unreasonably failed to use such an internal resolution system.

In 1999, the Equal Employment Opportunity Commission (EEOC) issued guidelines to help its investigators apply the principles the Court had articulated. The EEOC stated that as part of an investigation into whether an employer has put into place an effective harassment prevention system the EEOC will look to how much and what kind of employment law training the employer has conducted. Thus, the EEOC's mandate to employers is plain neglect training at your own peril.

The Supreme Court confirmed this point in a 1999 decision. Deciding the circumstances in which an employer could be held liable for punitive damages, the Court concluded an employer would not be liable if it had undertaken good faith efforts to comply with the employment laws and if it could show that a supervisor's alleged misconduct violated the employer's policies.

A number of other federal courts, deciding

cases brought under all the different types of protected classes, have interpreted the phrase good faith efforts to mean training.

Employers who can show they have trained and educated workers about the employment laws will likely not have to pay punitive damages even if found to have violated the law.

So, what should a prudent and proactive employer do in order to follow these legal mandates, minimize its legal liability and implement an effective training program? The focus should be on three points: the workers trained, the topics covered, and the training methods used.

Who Should be Trained?

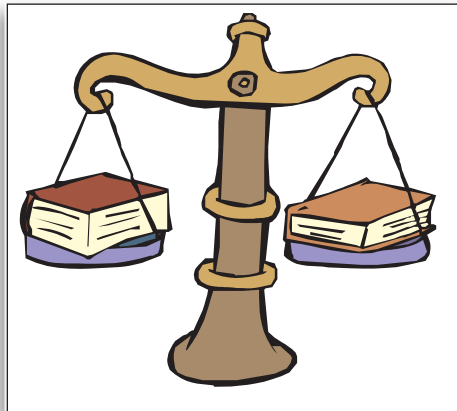
First, who in your organization should be trained? Both supervisors and regular employees should receive training, but different kinds of training.

General employee training should expressly teach that company policy precludes discrimination and harassment and should outline clear and practical examples of prohibited conduct. The trainer's first goal should be to help employees understand what not to do or say to coworkers and what inappropriate conduct directed at them violate company rules and should be report-

ed. The concept emphasized should be RESPECT for coworkers.

The trainer's next goal should be to ensure that all employees know how to report inappropriate conduct and understand that the company expressly prohibits retaliation against persons raising complaints. Thus, the employer's internal resolution system should be fully described. All employees should receive a copy of the employer's policy and resolution procedure.

The training provided to general employees should be carefully documented. The topics covered, the date and the name of each employee attending should be noted and retained. Annual group training may be best, but these matters should also be discussed at individual employee orientation.



Supervisor training should cover all the topics of general employee training, but also some additional points. Supervisors must be taught to pass on to the human resources department any and all observations and information, be they formal, informal, direct, or indirect, and from whatever source, that suggest a possible violation of the company's anti-harassment and anti-discrimination policy. Supervisors should also know about what role they will play in investigations, what are the hazards of romantic relationships with subordinates and that they must set the example by not engaging in inappropriate conduct.

It is also critical that supervisors understand that they will be evaluated based on how well they implement the company's equal employment opportunity policy. As the eyes and ears of the company, they must understand that their progression in the company depends on their active promotion of equal employment principles and prevention of discrimination problems.

As with general employees, supervisor training should be fully documented. Such documentation will help prove an employer's commitment to complying with the employment laws.

Topics to Cover During Training

Second, what topics should be covered during training? To borrow a phrase, training is not just about sexual harassment any more.

Yes, employers should continue to do sexual harassment training, but they should also train to prevent discrimination or harassment based on sexism, religion, national origin, disability, age and all other characteristics protected by federal, state or local laws. They should also train to prevent retaliation.

Supervisors should also understand their duties and obligations, and employee rights, under such laws as the Americans with Disabilities Act, the Fair Labor Standards Act, the Family and Medical Leave Act, the Labor

Management Relations Act and other significant employment laws. In fact, all supervisors should be required to regularly attend a short, comprehensive course covering all these laws—if you will, call it Employment Law for Supervisors 101.

Employers should also train their supervisors how these laws will apply to various employment contexts. This includes hiring (e.g. proper and improper inquiries), discharge, performance evaluations, leave requests, equal pay, general co-worker interac-

tion and all other terms and conditions of employment.

Finally, some employers have included within their legal training programs wisdom from management gurus such as Covey, Blanchard and Drucker. Such presentations often enhance the effectiveness of training because good management practices usually lead to fewer legal problems.

Training Options

Last, but not least, an employer must consider how it goes about doing training. Training success often depends as much on how something is said as much as it depends on what is said.

Needless-to-say, training should be done in an interesting way and free of legalese. Trainers should strive to hold their audience's attention, and even entertain a little, because such programs are more likely to be remembered by those being trained. Audience participation can also be beneficial. Many effective trainers use interactive techniques, like practical case studies, to make training more meaningful and useful.

When designing a training curriculum, considerations of corporate culture and very important. Training also must be done with a certain seriousness, lest the participants think it is acceptable to might light of the employment law mandates. Nevertheless, a serious message can be conveyed in a manner that is neither boring nor dull. Remember that the goal of training should be to educate and change behavior, not to anesthetize.

In Conclusion

Even just a few years ago, legal training was considered a luxury, something that perhaps could be done in flush economic times, as long as it did not cost too much or get in the way of the productive business day. Today, training is an essential investment in legal risk management—the pound of prevention that is much cheaper than the ounce of litigation cure.

Indeed, without legal training, the so-called productive business day will likely be one spent dealing with the disruption and lawsuits spawned so frequently in a workplace not conversant with the employment laws. Quite simply, smart and proactive employers today train their employees to understand, comply with and flourish in the highly-legalized workplace of the new millennium. A prudent investment of time and money in legal training is really the prerequisite to the truly productive business day. ♦

HR IN THE NEWS

We Need Your Help

The CUNA HR Council is seeking members who have certifications or training programs that are already developed in conjunction with the start of a new program called the Trainer's Co-op Program. After compilation of these programs/speakers, the CUNA HR Council will develop a Speaker's Bureau for utilization of the membership. This program will expand training opportunities amongst credit unions and enhance the importance of your membership.

You can help kick off this program by contacting the following Executive Committee members with the names of speakers and/or training programs you feel would be a benefit to this program. ♦

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Mark Your Calendar!

Just a reminder that you should mark your calendar for the CUNA HR Council 2000 Summit. The event takes place April 12 - 15 at the Hyatt Regency Hotel in San Antonio, Texas. Where else can you network with 150 of the top HR executives in credit unions today? And, hear some of the top speakers on

human resource issues such as Peter Block, well-known consultant and author of *Flawless Consulting*, *The Empowered Manager* and *Stewardship: Choosing Service over Self-Interest*. Listen as he describes how employee empowerment is the driving force behind an organization.

Breakout sessions and workshops are also on the agenda. All of this, plus a down-home Texas barbecue at a real working ranch. Make sure April 12 - 15 is on your calendar and join us for education, networking and good old-fashioned fun! ♦

It's Membership Renewal Time

What's the best way to continue receiving benefits of HR Council membership? The answer to this ever-important question is renew your HR Council membership today! In November we completed the first mailing of renewal invoices to all current HR Council members. A second notice was sent to all members that did not respond on December 13.

Who has returned the greatest percentage of renewal invoices to date? The answer to this ever-important question is the HR Council! As of mid-December, 44 percent of HR Council members had returned their invoices. The Marketing Council is nipping at your heels with a 43 percent return, so keep up the good work and keep those invoices rolling in. By doing this you will receive uninterrupted service and continue to reap the benefits the CUNA HR Council provides. ♦



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CUNA HR Council Update is a web-based newsletter published bi-monthly. Send news and HR Council information to: Todd Surline, VP/HR, MSU FCU, Lansing, MI, phone: (517)333-2201, fax: (517) 333-2223, e-mail: surline@msu.edu; or Kent Streuling, HR Administration, America First CU, Riverdale, UT, phone: (800) 999-3961, ext. 8634, fax: (801) 778-8447, e-mail: gkstreuling@americafirst.com. For Council membership and administrative information, contact Bobbi Freund—council administration, phone: (800) 356-9655, Ext. 4018, fax: (608) 231-4061, e-mail: bfreund@cuna.com.

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