

a MANA resource for principals and reps

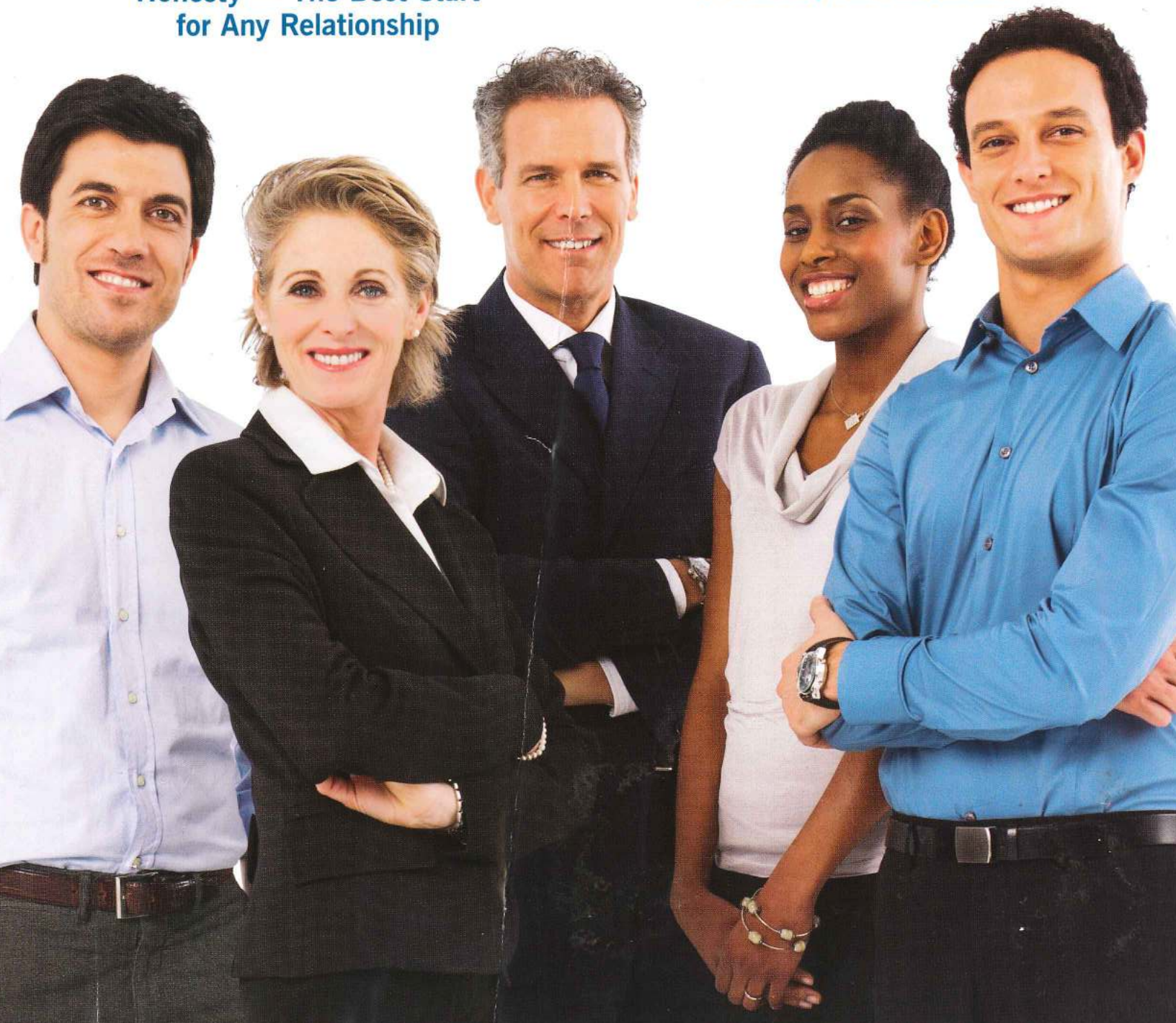
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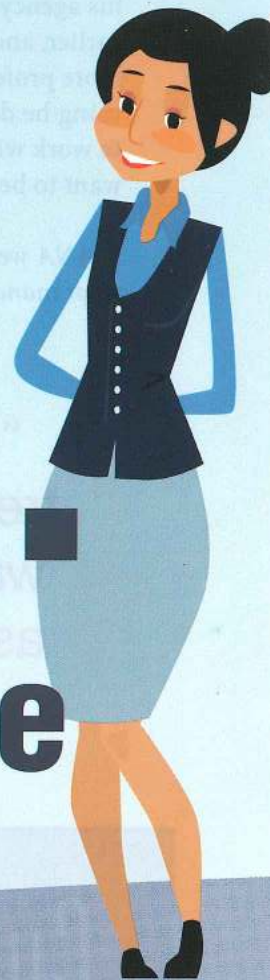
**Principals Should Tailor Their
Approach to Prospective Reps**

**Honesty — The Best Start
for Any Relationship**

**Protect Your Company:
Understand Product Liability,
Indemnity and Insurance**



Your Best Bet for Success... Hire the Right People



BY JOHN TSCHOHL

All of your locations are up and running. You've done all you could do to advertise and get a jump on your competition. So now, the only thing you have left to do is the hiring. Plus you must retain good employees.

Success includes retaining good employees. Turnover creates inefficiencies that cost companies major dollars every year, so it's important to pay employees for the efficiencies they create and for staying with the company. Success is hiring and retaining good employees and — training them.

Treasure Your Best Employees

In 1994, Cary Albert and his wife Jacquelyn began Schlotzsky's. At Albert Enterprises, the owner claims labor costs as a percentage of his business are some of the lowest in the Schlotzsky's system, but that he pays some of the highest hourly rates. Why? "Because we retain great peo-

ple and reward them with higher pay. You can't put a price tag on this." Albert Enterprises, which landed at No. 1,372 on *Inc.*'s list of the fastest growing companies in America. It grew to 845 employees and annual revenue of \$21 million in 2015, up 280 percent from \$5.5 million in 2012 when it employed 125.

Teamwork

The Alberts are actively involved in all facets of their businesses. Having grown at an eye-popping 100 percent over the past few years was a remarkable feat. This is a testament to the amazing team assembled by this ownership. "Our people truly do make the difference."



“We retain great people and reward them with higher pay. You can’t put a price tag on this.”

Training is vital, as it gives the employee all the tools needed to perform to the high standards set by management.

How to Find Employees

Interviews are awkward because you're having an intimate conversation with someone you just met, and the candidate is in a very vulnerable position. Hiring decisions are too important to be left in the hands of a manager who may or may not have a stake in the employee's success a year later. That's why at Google they set up the process so that the hiring decision is made by committee. If you want to hire someone, the decision needs approval from a hiring committee, whose decisions are based on data, not relationships or opinion. A great guide to hiring is the book by Alan Eagle entitled *How Google Works*. At Google, they grade interview candidates on a scale of 1 to 4. The average score falls round a 3 which means the applicant is okay but they would like to have another opinion that would possibly rate them higher.

On the product management team, the score of 4.0 means the applicant is perfect for the role and should be hired. They believe every interview must lead to a decision, and that decision is personal.

At Google they break down candidate evaluations into four different categories:

- Leadership: They want to know how someone has flexed different muscles in various situations in order to mobilize a team.
- Role-Related Knowledge: They look for people who have a variety of strengths and passions, not just isolated skill sets.
- General cognitive ability: They're

less concerned about grades and transcripts and more interested in how a candidate thinks.

- Googleyness: They want to get a feel for what makes a candidate unique.

More Important Than Money

Clear and obvious commitment and examples by top management and supervisors to quality service and a broad-based employee training and expansion of development programs are a motivational condition that can exist in any organization. Training is vital, as it gives the employee all the tools needed to perform to the high standards set by management. It also encourages personal empowerment to make decisions based on customer satisfaction and experience.

Hire for Attitude and Train for Skills

The Hay Group is a leading management research firm that specializes in tracking employee attitudes. It has found that employees do not value money as the most important aspect. Edmund A. Pinelli, the vice president of research for the Hay Group, has said that "money is important but not an end-all as long as they understand why they get paid and what they get paid."

Employees are proud to work for an organization that is committed to excellence in service to people. Performance improves. Turnover drops.

MANA welcomes your comments on this article. Write to us at mana@manaonline.org.

"Employees find satisfaction in performing to the best of their ability because they realize that they are building their own future."

— John Tschohl



John Tschohl is an international service strategist and speaker. He is founder and president of the Service Quality Institute in Minneapolis, Minnesota. Described by *Time* and *Entrepreneur* magazines as a customer service guru, he has written seven books on customer service. The Service Quality Institute (www.customer-service.com) has developed more than 26 customer service training programs that have been distributed and presented throughout the world. His monthly strategic newsletter is available online at no charge. He can also be reached on Facebook, LinkedIn and Twitter.