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Employee Management for Small Businesses

Managing employees in a small business has both advantages and disadvantages. While larger organizations can provide employees more pay and richer benefits, small businesses can still be competitive by keeping employees engaged, productive, happy and loyal.

However, one big challenge many small businesses face is the lack of HR expertise or experience.

One of the biggest challenges nearly all small employers face is growing from a strictly entrepreneurial organization to one that suddenly finds itself subject to employment laws the founder may never have heard of. According to Elizabeth L. Malatestinic, an HR lecturer at Indiana University, the very instincts that make entrepreneurs successful in launching a business often conflict with the reality of managing operations and people in today's complex employment landscape.

Possible Problem

Hiring HR expertise may seem a logical solution, but, as Malatestinic points out, while acquiring HR expertise can create a foundation of long-run success, a knowledgeable and confident HR practitioner may have to tell small-business owners things they don't want to hear.

"There is no magic number of employees a company must have to need the assistance of an HR professional," says Chad Sorenson, president of SHRM, in Jacksonville FL. What matters most, he says, is ensuring that someone is assigned to handle such critical functions as recruiting and onboarding employees, managing daily performance, engaging and retaining employees, dealing with safety issues and complying with the wide, ever-changing, array of federal, state and local employment laws.

What are the options for covering these important activities? You can hire HR staff, outsource the work to payroll and other companies, or distribute the responsibilities among existing staff. Ultimately, though, nothing can replace the day-to-day interactions managers and supervisors have with their employees. If a company is going to commit funds to one area, after ensuring compliance with the employment laws, management training frequently provides the biggest return on investment.

Small Business Advantages

Small organizations do have some advantages over the larger organizations in competing for talent, and one of them is a heightened ability to make employees happy. Aflac's 2017 *Small Business Happiness Report* found that small-business employees were among the happiest in the workforce, with 85% saying that some or most of the happiness they have in their current job is because they work for a small business. In addition, 67% of respondents said that small businesses made them feel more appreciated.

The bottom line is that while small business owners need to handle HR-related matters, just as huge corporations do, they don't need to feel at a disadvantage in locating employees who will help their enterprise succeed. ▲

For More Information:

Economic Times: "Attracting High Quality Talent-The Challenge for Small Businesses"
http://economictimes.indiatimes.com/small-biz/hr-leadership/people/attracting-high-quality-talent-the-challenge-for-small-businesses/articleshow/56435921.cms

Forbes: Forbes Small Giants 2017—America's Best Small Companies
https://www.forbes.com/sites/boburlingham/2017/05/09/forbes-small-giants-2017-americas-best-small-companies/#491bc8894c32

Hot on the Inside

Stay Interviews 2
Interviews before employees decide to leave can make for fewer exit interviews.

Talent in the Digital Age 3
What kind of employees should you be hiring to take advantage of rapidly advancing technology?

The Summer Doldrums 4
Summertime creates staffing problems at most businesses. Here are some ideas.

Stay Interviews: What, Why and How to Conduct Them

According to the Bureau of Labor Statistics, the monthly voluntary quit rate is 2.1%. That may not seem like much, but consider the impact for a company like Walmart, with more than 2 million employees globally. That's 40,000 employees a month leaving, for various reasons.

Even in a much smaller organization of 100 employees, the loss of two people per month can create problems. Those problems increase if those departing employees are your best people. And the fact is, your best employees are the ones most likely to find great offers elsewhere.

Enter the *stay interview*. The idea is to connect with employees *before* they turn in their resignation notice. Stay interviews, for both star and struggling employees, can gain insights into what keeps employees happy, motivated and busily working away to help your business be a success.

Of course, after an employee gives notice of leaving for another job, you can always make a counter-offer. But the day after a resignation is not the best time to let an employee know that they're valued. By that time an about-to-be ex-employee has already rationalized leaving. A counter-offer is really swimming upstream.

Stay Interviews Are Positive

Stay interviews are one-on-one sessions between employee and manager that let employees share information about what they value in their current job and what opportunities or experiences they might find motivating or engaging in the future. They're positive, forward-looking, open-ended conversations that can help managers identify the things they can do to continue to keep the employee on board.

Stay interviews are totally separate from the employee evaluation process.

They should be structured and held frequently enough to provide ongoing insights into what matters to employees.

In a blog post for XpertHR, attorney Marta Moakley calls stay interviews one of five top techniques for retaining top performers and believes that conducting more stay interviews can result in fewer exit interviews.

How to select employees to conduct interviews with? Moakley recommends that value be determined by the particular worker's level of indispensability to the organization.

Are There Risks?

"Stay interviews can be useful tools to improve business operation," says Nannina Angioni, an attorney with the Los Angeles law firm Kaedian. But, she cautions, those involved need to be trained to ensure they understand what is appropriate to say and what should be avoided.

There are some risks, she says. "If the employees decides to stay, they may argue that they are now operating under a different set of rules." Companies don't want to turn an at-will employment relationship into something else.

Employee morale may be another factor to consider. If only high-potential employees are being engaged in stay interviews – and that's the way the process typically works – what kind of message is being sent to those who aren't receiving this kind of attention?

A best practice may be to have stay-interview types of interactions with *all* employees as part of other one-on-one meetings. After all, in today's competitive hiring climate, organizations can benefit from learning what's important to *all* of their employees. ▲

Temporary Staff vs. Student Interns

Both temporary staff and student interns can provide valuable assistance to your company. But there are significant differences:

Temporary staff already have the skills and knowledge to perform their work, while interns require special attention, guidance, training and direction.

Interns view the opportunity as a learning experience from which they may benefit more than you.

In either case, it's important to ensure that these important additions to your staff feel welcomed and part of the team.

We're real people here, and we're here to help you.

For More Information:

Entrepreneur: "Forget 'Exit Interviews.' Here's Why You Should conduct Stay Interviews Instead"
https://www.entrepreneur.com/article/248260

ERE Recruiting Intelligence: "Stay Interviews: An Essential Tool For Winning 'The Way To Keep Your Employees'"
https://www.eremedia.com/ere/stay-interviews-an-essential-tool-for-winning-the-war-to-keep-your-employees/

SHRM: "Stay Interview Questions"
https://www.shrm.org/resourcesandtools/tools-and-samples/hr-forms/pages/stayinterviewquestions.aspx

Searching for Talent in the Digital Age

What do the dizzying advances of today's technology mean for tomorrow's talent searches?

Laura Butler, Senior VP at Workfront, a project management software company in Lehi, UT, notes that "with the increased integration of technology into our everyday lives, professionals of the future will be digital natives, increasingly flexible and well connected. Technology, rather than being a threat, will be an important enabler."

With increased freedom and flexibility, employees can switch from working independently when needed to quickly collaborating with their larger team,

which may be working in various locations around the globe.

Butler points to millennials as an early indication of what the future may hold. They are "digital natives" and stay well-connected online, fully integrating technology into their work and personal lives. This, she says, has significantly accelerated remote work in recent years and created an "always on" working environment.

Kim Dawson, director of employee experience with YouEarnedIt, a recognition software company in Austin, TX, sees the remote workforce as an area of great opportunity for employers, but one with risks. Employers must work to keep employees fully engaged, especially when they are not physically located in the same places as their colleagues, customers or business leaders. "When we get technology that enables remote employees to feel like they are always in the room," she says, "allowing them to better engage with their colleagues while developing meaningful relationships, that's when the game will change."

But how will advancing technology affect jobs? Forrester, a major research firm in Cambridge, MA, predicts that "cognitive technologies such as robots, artificial intelligence (AI), machine learning and automation will replace 7% of US jobs by 2025."

Amir Husain, CEO of SparkCognition, an artificial intelligence company in Austin, TX, thinks that number is low. AI, says Husain, "could eliminate up to eight million transportation-related and administrative positions." Regardless of the numbers, these shifts, says Husain, require conversations about what makes people productive and what their value is in society. "We need to have this debate and have it quickly, because technology won't wait for us," he says.

So, is technology a threat or an enabler? Jean Martin thinks it's an enabler. A talent solutions architect at Gartner's Minneapolis office, Martin says, "Our data show digitalization may create many more jobs than it takes away." Look back to the 1990s, she says. Who could have predicted the millions of web programming jobs globally or the call centers at the heart of many retail businesses?

Martin says that well over half of all jobs have at least a third of their activities that can be automated. And that's based just on today's technologies. The scarcest skills in the future won't just be digital adeptness, though, she says. Tomorrow's organizations will need employees who possess soft skills, employees who:

- Can identify and initiate change, not just react positively to it.
- Will go beyond exercising critical thinking and bring clarity and resolution to complex issues;
- Have an appetite for lifelong learning that will let them keep up to date with the latest technological advances.

The Right Mix

As leaders think about building the right mix of talent for the future, Martin suggests that they:

- Conduct short-term, frequent forecasting;
- Tap into non-traditional hiring sources;
- Focus on screening for judgment, creativity, and flexibility;
- Insist that employees keep up to date with the latest technology.

Jill O'Connell, head of talent at Cengage, an education/technology company in Boston, is also optimistic about how technology will shape the employee picture tomorrow. "Technology will change current roles and create new roles for human employees. It's exciting and terrifying all at the same time. As talent needs shift at an increasingly rapid pace, attributes such as critical thinking and agility will set job-seekers apart." ▲

For More Information:

Network World: "Hot Jobs of the Future"
http://www.networkworld.com/article/3193978/careers/hot-jobs-of-the-future.html

Pew Research Center: "The Future of Jobs and Jobs Training"
http://www.pewinternet.org/2017/05/03/the-future-of-jobs-and-jobs-training/

Wired: "AI and Robots Will Take Out Jobs – But Better Ones Will Emerge For Us"
http://www.wired.co.uk/article/jobs-of-the-future

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Summertime Employment Woes

Summer brings warm weather and unique workplace challenges. From dress codes, to amped up "sick leave" calls, to scrambling to cover for multiple time-off requests, HR has a lot to deal with when the weather turns warm.

Phillip Bauknight is an associate at the Murray Hill, NJ, office of Atlanta's Fisher Phillips law firm. He points to three common challenges that crop up during the summer months:

DRESS CODES When summer heat and humidity are on the rise, some employers implement a summer dress code. Bauknight recommends not losing sight of factors that may affect safety. For instance, open-toe shoes may increase slip-and-fall dangers.

Since summer dress may lead to more skin exposure, he also recommends that employers have reasonable attire and appearance guidelines in places that provide examples of acceptable and unacceptable attire. The policies must be applied consistently.

SICK TIME Requests for "sick time" often increase during summer months. One good way to handle this is proactively through a single paid time off (PTO) policy. Often, says Bauknight, when there is a single policy for all PTO, employees are more hesitant to abuse their ability to call in sick because they may want to bank those days for an actual vacation.

TIME-OFF REQUESTS Too many time-off requests can wreak havoc on staffing and productivity. Plan ahead and set deadlines for how far in advance summer vacation requests need to be submitted. Employers should communicate such policies well in advance, in writing, and apply them consistently.

Summer Affects You, Too

Neither managers nor HR professionals are themselves immune from these summertime challenges. Yet these are the members of the workforce most tasked with helping to manage, and minimize, potential downtime. In addition to the policy considerations, previously mentioned, organizations can take additional steps to help manage the workforce during distracting summer months:

- Take time out for fun. Lunchtime pot-lucks, cookouts and other mealtime activities can break up the workday.
- Create and communicate tangible goals with measurable outcomes to keep employees on track – and consider rewarding success in some way.
- Ask employees for ideas on how to make the workplace more fun, and summer less distracting.

Finally, acknowledge, accept and plan for the inevitable summertime slump. With some pre-planning, a realistic mindset, and a commitment to taking extra steps to engage employees over the summer months, organizations can help to ease the burden of summertime distractions. ▲

For More Information:

Business.com: "How to Inspire Employee Excellence During the Summer Slump"
https://www.business.com/articles/stuart-hearn-employee-productivity-summer-slump/

TLNT: "The Summertime Livin' May Be Easy But Not So At Work"
https://www.eremedia.com/tlnt/the-livin-may-be-easy-in-the-summertime-but-not-at-work/

Harvard Business Review: "HR's Vital Role in How Employees Spend Their Time, Talent, and Energy"
https://hbr.org/2017/01/hrs-vital-role-in-how-employees-spend-their-time-talent-and-