

HR: Not Just a Department

It's the People that Make Your Company Succeed



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Whether you are a small start-up or a Fortune 500 corporation, one of the keys to surviving and thriving lies in the quality, training and retention of your human resources. Period.

The Caribbean island of St. Kitts has this lesson down pat. Their transformation from a 350 year-old sugar producing economy to a service industry of hospitality and financial services will be dependent on the island's human resources. Shawn Lake, Director of the Department of Marketing and Development at the Ministry of Finance stated that the basket of services they want to offer is contingent upon the development of the island's workforce. Lake said they must invest in their people, who are the main resource, equipping them with adequate knowledge of the services sector. Only then can they be competitive. Hmm... the transformation of a whole island resting on the training and development of their human resources.

In his Founder's Forum presentation on "The Three Levels of Business Ownership," Shayne M. Wetherall, CEO of Enright Partners, LLC in Melbourne, Florida, said, "Hiring the right talent is one of the keys to moving from an early stage startup to Level 1. At Level 1 the entrepreneur is learning the ropes, has cash flow, but survival is still low. The move up to Level 2 requires objectivity and expertise. It means hiring people better than you for your management team and using a higher level expertise in your advisors, attorneys and accountants."

Very few companies reach Level 3 where real wealth is created. "You have cash flow, profit and very good management led by a true CEO who creates and builds shareholder value," said Wetherall. In his work with corporate turnarounds and emerging technology ventures, Wetherall strives to ensure he has the right human resources, individuals who are masters in sales, have analytical and systems building skills, and can put measurement and management systems in place.

St. Kitts' transformation of its economy depends on its human resources. Wetherall is doing turnarounds and working with early stage companies focused on the right human resources and systems. Yet leaders and management regularly do things to kill the human resources they have worked so hard to attract. Companies in trouble typically cut staff or layoff workers. This is probably not the best move in a crisis when you need action and ideas.

Remember there is no such thing as happy customers with unhappy employees.

Five Ways Employers Kill Their Human Resources*

Most discussions of management and leadership talk about what to do to help people be their best. Here are five ways executives and entrepreneurs routinely do the opposite.

Failing to Provide a Vision For the Company

Most companies have a vision, one that employees scoff at. But without a clear and compelling company direction, employees have no real freedom of action. Without a north star to follow, the best they can do is what they are told - a rather low performance position.



Saying Things Only Once Thinking That's Enough

Americans are hit with 30,000 commercial messages daily, so saying something once is not enough. Employees didn't hear it. Employees don't understand everything the first time. If something is important, it bears repeating and repeating.

Not Holding Employees Accountable

Accountability has to be built into the culture. People need to know you expect them to do the things they say they'll do. Either people are held accountable, or they aren't. Start by doing all the things you said you would do. Then make sure everyone else does. This will pass through your organization like a virus.

Trying to Improve Employees' Weaknesses

Don't worry about weaknesses; instead, figure out what employees are already really good at and train them to be brilliant. Not only does this create more value for your company, it is far easier. Wouldn't you rather have a brilliant salesperson that was not a good administrator rather than winding up with an average administrator?

Failing to Give Employees Enough Room or Giving Them Too Much Room

A fine line separates accountability from micro-managing. Spelling things out in great detail can work, especially when people don't fully grasp the task at hand. But that same detail can limit spontaneity and flexibility needed to deal with changing business issues.

Asking only for the desired result, giving people lots of freedom for action, may be opening the door to a path contrary to your values and goals. People may be left directionless. Or worse, if they don't really understand the challenge before them, they may really screw things up. Either way has perils.

**Excerpts from "Ten Ways Employers Kill Employees,"
by Paul Lemberg, Quantum Growth Coaching.*

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