



# Think good employees are expensive? Then look at your bad ones

Two elderly successful business owners are sitting in a bar chatting about their business, work and the inevitable employee discussion opens. One gent offers... "You are always spending money on training and educating your staff, aren't you afraid they will leave?" The other gent pauses, then looks at his colleague and states – "Well, honestly no. I am more concerned about not training and they stay!" The implication is clear. Trained, knowledgeable and effective people are your business's best asset. Yes, I can imagine that statement will raise a few eyebrows, so, let me explain.

## Is the real value in your hard assets?

The common accepted viewpoint is the primary tangible assets are the business's plant, equipment and even your building premises. By way of example – we could debate the investment in wide format digital printing equipment easily achieves a quality return on investment when fully utilised. It is reasonable to accept the same equipment will significantly reduce in saleable value over the lease term to virtually nothing. Yes, the price of high output technology driven equipment is reducing, while the speed of the output increases massively.

Perhaps you have invested in your own premises? Theories abound as to the capital return and many have found real estate investment may double in prime locations every 10 – 15 years – if you are playing the long game – you will be well in front.

I hope you don't have an issue with those facts. However, machines don't run themselves and an empty building will not offer you much in rental return. People, yes people are the cornerstone of commerce.

## What about the customer value?

Of course, without quality customers with regular sales, well, you don't have a business! Customers can bring pleasure or pain. The right customer who brings the right type of work generally offers any business a highly

successful pathway to success. Agreed? However, you need people to manage the customer's request, delivery dates, educate your customers to new products, best options and the myriad of high level areas which can set your business apart from the pack.

Where is the real value in your business? Well trained people are a huge part of the formula. You can look back over centuries and reflect how nations, economies and society grew as humans embraced technology advances and harnessed it. There are many parts to that simplistic overview education, living standards and wealth are all a part of the mix.

As are building those well-trained people into developing effectiveness, responsibility and pride in the work they perform. The true constant is change!

In the press recently was information on the changes in a successful company's viewpoints as to what percentage of turnover is typically being reinvested back into the infrastructure of the business. The report covered many areas from premises, capital equipment through to investment of growing knowledge and wisdom in people. There is proven statistical facts that over the last couple of decades the percentage across many western economies was generally static at 1%.

Surprisingly, several fast moving Asian and EU Countries had grown their percentage to around 4 – 6% of revenue for education of staff. The reasoning is profoundly simple – Why NOT invest in people – the return on investment is one of the easiest to quantify!

The successful economies world-wide have generally been dragged kicking and screaming into the realisation of 'people value'. Yet, proof abounds if you turn the tables on traditional thinking about the employees. You don't have to look very far to find shining examples of the new thoughts on people value. To see notable examples at the top end of town you just have to take a look at businesses like – Virgin, Google, Facebook and Domain.

## Good versus bad employees

Warren Buffet of Berkshire Hathaway's great quote was "Price is what you pay. Value is what you get". The message is clear.

When it comes to people it is prudent to look for the attributes your business needs and accept the general rule of 'you get what you pay for!'. The simple lesson is – Don't skimp on a few dollars as the well selected employee will generally offer better return on investment than a poorly chosen one. Especially if the only consideration is 'how much?'

## Think Win-Win

The improvement, investment and focus on how to help your employees will build value into their skill set and knowledge. Knowledge is a journey or quest – you can see it in a winner's eyes, feel it in the energy they display to take on a task.

Sure, personality profiles are certainly a factor. The skill you need is choosing the right person for the right role.

Choosing the wrong person is all too easy to do, I constantly see potentially great employees or at least one with a very good track record become confused with the white noise of climbing the ladder of success as they see it. Without training, mentoring, natural drive and commitment the odds are stacked against them. Worse, far worse is their inability to step back mentally as it poses too many issues and results in the likelihood of an unhappy, disengaged and frustrated employee.

I don't see a lot of value in writing on what the negatives are, as you already have experience with them. Let's just focus on the positive attributes.

### This is my top 25 attributes of what good people bring to the table:

- **Communication** – Typically the number one skill is related to creative pursuits.
- **Listener** – Taking time to listen and understand the project will save rework.
- **Organised** – Never underestimate the benefits to all with an organiser on the team.
- **Confidence** – Self-faith, opens doors, builds intelligence when self-managed.
- **Humble** – An ability to be open to ideas will encourage team spirit.
- **Self-motivation** – One's own enthusiasm, passion or interest, without needing pressure from others.
- **Enthusiastic** – A live wire, a sparkle in their eyes can build eagerness and enjoyment.
- **Hard Working** – Delivers energy, commitment and diligence to the process.
- **Positivity** – The capacity to overcome obstacles and have an optimistic view.
- **Commitment** – An intelligent stance that offers dedication without blind faith.
- **Cooperation** – Without it you will have little progress in most roles.
- **Team spirit** – Call it culture, camaraderie it is all about caring and working together.
- **Self-managed** – An ability to accept autonomy and control with capacity to deliver.
- **Presentation** – Relative appearance balance to the need – best dressed than worst.
- **Problem Solving** – A natural or trained gift to see issues as just a simple challenge.
- **Pro-active ability** – Anticipation rather than just responding to it after it has happened.

- **Flexibility** – The art of the diplomat – willingness to change or compromise.
- **Integrity** – The quality of being honest and having strong moral principles.
- **Professionalism** – Ensuring skill is balanced by competence of a high level.
- **Creative thinking** – Applies to design, the process and ability of lateral thinking.
- **Goal-Oriented** – Driven, the need to achieve and in a form relative to the project.
- **Dependable** – There is little that surpassed trustworthiness and reliability.
- **Ambition** – Drives expectations, promotes awareness while inspiring others.
- **Intelligence** – The ability to acquire and apply knowledge and skills.
- **Passion** – If you love what you do, you never work a day in your life.

Now, you may have other attributes and please add the key ones to your list. Nevertheless, remember no one is perfect and we all have our own life experiences, therefore no one I have met to date possesses all of these qualities or features you may regard as a characteristic or inherent part of their makeup. However, if they can be taught, if are they willing you are on the right track. Your careful assessment will pay dividends if you back it up with education, training and support.

### Outcomes rather than chaos?

In the world of 'making stuff' most people who chose this many disciplined sign and print industry have a creative focus. They absolutely love 'making stuff'. The flip side is for many creatives is they are not so great at 'managing stuff'. The real trick in employing 'Creative Professionals' is truly – the right person for the right role.

The prudent business owner keeps a careful eye on the reality that chaos can slowly creep into your business or explode like fireworks simply by a subtle change of the mix between your clients, employee and culture. The manifestation is a ruined culture, unhappy staff or the multitude of countless problems like good clients leaving, good employees get demotivated and quitting, increasing spike in errors or any number of seemingly unstoppable issues. Here are some real case observations I have witnessed.

An excellent business development manager will produce huge sales and new business, while a poor performer will bring in unsuitable projects, low margin projects, and potentially difficult or price driven clients.

An excellent account manager will service the client proactively and deliver on their needs. While a bad one will not have any consideration as to the havoc created by not

ensuring all the I's are dotted and the T's are crossed in the production area.

High level production staff will have large outputs of work while the same may be the case for low skill floor staff however their characteristics are the rework, timeline blowouts and low quality experts!

### What is the take home?

Yes, it is back to human nature and gut instincts working on "People are your best asset" however if you choose the wrong person, or neglect the planning, investing and nurturing the consequences will be dire. The title of the article says it all – if you Think good employees are expensive? – then look at your bad ones – my observations and experience is higher salaries are typically balanced by better value and output.

- Good employees stay when the company fulfils and inspires them – live, breathe and think the leader mantra!
- The company will create opportunities for them, and give them opportunities to grow.
- The company and owners respect them and support them.
- The employee can count on being treated fairly and is mentored.
- Together you build skills, tackle any problem, take risks and plan the future.

Remember – you can sit and enjoy the shade of a tree because someone planted it long ago!

### Actions for you to do today!

Think and develop practices that encourage leaders and problem solvers. Employ engaged and passionate team players who love what they do. Take a look at my top 25 in this article and develop your own rating for current and all future staff as a key performance indicator and review people at least annually with a sensible KPI form designed to suit.

Richard Branson has a wonderful saying along the lines of 'hire the right person, pay them the right money, offer the right support and just let them do their job!'

We are offering a full day's training, quality documentation on employee induction, employee interview form, key attributes checklist, personality profiling documentation and training plus KPI documentation for your staff future development – around 30 pages of Word© Document for \$1000 valued at \$1800 – backed up by our long-standing money back guarantee T&Cs apply. Email me on [john@controlzone.com.au](mailto:john@controlzone.com.au) with "Make my Employees Wonderful!" In the subject line for an information sheet on our offer.