

Know your employees

Help your employees reach their goals. **Interviewed by Marcia Duffy**

Do you know where your employees want to be five years from now? Understanding your employees' career aspirations — and helping them to achieve these goals — is a little-utilized motivator in the corporate world.

"It's not just compensation that motivates employees," says Bob Holden, senior vice president of the Employco Group, a member of The Wilson Companies, which handles human resource operations for 400 small and medium-sized Midwest companies. "When executives in a company care about an employee's career goals, it is incredibly motivating for the employee. Regardless of where a business is in its growth cycle, it is imperative that employees are encouraged to set personal career goals and expectations."

Smart Business spoke with Holden about the importance of setting goals and how businesses can go about setting up a system for employees.

How can a business owner or manager go about finding out what employees' career goals are?

The best thing to do is to simply ask the employee about his or her career aspirations during the annual or quarterly review. Then the conversation can begin on how to help achieve those goals and how those goals fit in with the company's goals. Once the manager has that conversation with the employee, then goal-setting can begin.

How this process is done — formally or informally — depends on the corporate culture. It can be a simple conversation between an employee and the manager or part of a written plan with a regular feedback session. The point is that it needs to be on the agenda if it is going to happen.

Could you give an example of how goal-setting works?

During a performance review a manager discovers that the receptionist aspires to be an account manager, so the manager could sit down with the employee to go over his or her strengths. For example, the receptionist may be an excellent communi-



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cator, handles clients well, is an accomplished writer, etc.

Next, the manager would take a look at the employee's 'developmental needs' — which are usually labeled as 'weaknesses' but really should be viewed as areas where the employee needs more education or training. In this case, the receptionist may need more job knowledge or may require more training about the company's products.

The next step is to create 'action goals' for the upcoming year. Together, the manager and employee would decide how best to fill in the knowledge deficits that the employee may have so that he or she moves closer to the goal of becoming an account manager. The action goals could include signing up for product training, attending networking or client meetings, or attending development classes to strengthen customer service skills.

Once the career goals and action goals are set, what is the next step?

It is important to set goals on a yearly basis, then break it up into quarterly or monthly check-ins. The bottom line is that the employee understands the expectation

of the action goals and that there is a monitoring process to see if the goals have been met.

Another important aspect is a reward after meeting a goal. It doesn't have to be financial; it can be as simple as allowing the employee to attend a networking event he or she might not have had the chance to experience before. These simple rewards can be great motivators, and they create a sense of accomplishment for the employee.

What is the ROI for the company for this level of commitment?

Yes, we are all busy and doing this kind of goal-setting takes a commitment by the company and its managers. But in return, the company reduces recruiting costs and fosters a loyal work force. Employees are more satisfied when they feel they fit in to the company's overall big picture.

It is hard to find talent today. Not only do the prospects have to sell themselves, but the organization also has to sell itself to the prospects. When you can say to a job candidate that you promote from within and help with employees' career goals, it is a huge selling point.

Many companies are not using an employee's career goals as a motivator. One main reason is that the employee may be doing such a good job at the current position that the manager doesn't want to rock the boat or take the time to see if the employee has other aspirations. But it is important to know what an employee wants from his or her job because the employer can bridge that gap and create a highly motivated work force.

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