



CHRONICLE

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Special points of interest:

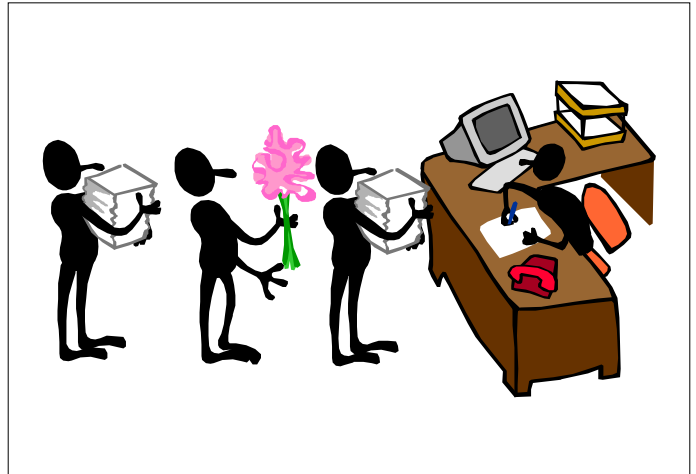
- Provide career advancement
- Communicate the business condition
- Listen, listen, listen
- Promote choice

EXECUTIVE RETENTION

“If you’re not re-recruiting your existing employees, then you’re the only one who isn’t.” Dr. Beverly Kaye, President of Career Systems International, knows that the only way to retain great employees is to continue to show your interest in them. Let every employee know how essential they are to the organization and how they fit into the future plans. Hold on to your people and celebrate what you have. Companies go to great lengths to hire their executive team, spending a lot of time and money to find the right people to fit in with their culture and vision. It takes 1.7 times an executive’s annual salary today to find a replacement. Executives should be recognized for their accomplishments and acknowledged for the skills and abilities they gained since joining the organization.

Providing a career advancement strategy is critical for retention. Job openings should be posted and made readily available to all employees. Career development discussions and recommended courses of action should be held at least annually or whenever the employee requests it.

Communicating the business condition of the company to the employees is valuable for several reasons. It can help provide a link between the employees’ job and the success of the company. It gives employees a sense of stability of the organization because the employees can see that someone is in charge and worrying about the big picture. Don’t be afraid to communicate bad news. Employees want to



Great executives keep great employees.

hear the truth and no matter how bad it is, it is still better than the grapevine. The state of the business should be communicated on a regular basis. A group presentation from the head of the organization is best, but written communication will also work. In addition to the regularly scheduled communications, good news should be celebrated and problems should be discussed. Two-way communication is the key to developing a trust culture. An interactive voice must be encouraged and can be accomplished via an intranet. Net based surveys and discussions of important topics or events speak volumes for a company that cares. By listening to ideas from all areas of the company and promoting group cooperation, management will be able to develop the most comprehensive data to make the best decisions.

From past experience we know that Americans unite when danger strikes. They are inventive in

a crisis and will disregard past squabbles with coworkers to work together to pull out of a tough situation. They crave information about what’s going on and what needs to be done. They don’t want to be told how to get the job done; but prefer to be on their own to try new ideas and beat the odds.

See the website: employee-retentionstrategies.com for the full story.

Cutting red tape will promote creativeness. Long approval chains, excessive paperwork and long time lags in order to implement changes removes the urgency and stifles initiatives. Shorten the path from idea to action so that people can respond quickly to the crisis situation. In this era of fast food, fast information and instant communication, people are impatient and want fast results.

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WHAT DO EMPLOYEES WANT?

A survey by HRfocus magazine (June 2000) listed the following benefits and perks that work for retention:

<u>Retention Event</u>	<u>% of Companies using</u>
More office social events	46%
More flextime options	44%
More input sought from workers on policies and procedures	41%
Performance bonuses added or increased	39%
Casual dress days added or expanded	34%
Higher raises	28%
Vacation/leave-time added	23%
Telecommuting allowed/increased	21%
Employee entertainment/service discounts	20%
Job-sharing allowed/increased	14%
In-office services (e.g. dry cleaning pick-up, etc.)	13%
Comp time offered/increased	12%
More diversity initiatives added	12%
Sabbaticals offered/lengthened	3%
Employees allowed to bring pets to the office	2%



“It takes 1.7 times an executive’s annual salary today to find a replacement.”

WHY DO EMPLOYEES LEAVE? - DR. JOHN SULLIVAN, HEAD AND PROFESSOR OF HUMAN RESOURCE MANAGEMENT COLLEGE OF BUSINESS, SAN FRANCISCO STATE UNIVERSITY

- A feeling of isolation and lack of recognition
- Not identifying with the organization
- No personal ties to the team
- Not asked what motivates them
- Unhappy with the mix of job responsibilities
- Lifestyle/ work/ family conflicts
- A lack of resources or support
- Not empowered, appreciated
- No compelling vision of the future
- No pride in the products/company
- A lack of authority/control/autonomy
- Not enough “toys” and great working conditions
- Lack of equity
- No prospects for a “new” job/promotion/growth
- Having a “bad” manager
- Perception of low pay/benefits, rewards or no vision of wealth
- Retention efforts came too late

COLLABORATIVE RECRUITING

The ASLON Group was hired by a technology services firm to find them a world-class Chief Operations Officer. Before we start to recruit, our standard operating procedure is to interview the current executive team. Through this process, we learned more about the perceived company culture the team thought was in place and the direction they thought the company was headed. We recognized a bit of a disconnect in their views

and that all the members did not buy into the need for this new role. We were able to suggest ways to communicate a clearer strategy and corporate vision so that everyone was working toward the same goals. We suggested ways to get everyone playing on the same side and helped them appreciate the role the new COO would have in the company.

Once we laid the groundwork we were able to recruit a COO that fit into the direction the company was headed and had the support and encouragement of the staff to create a smooth transition.



COACHING: A KEY TO RETENTION

Uncovering the personal requirements and motivations of the individuals on an executive team is not openly apparent. People are reticent to share their concerns with others who may not have their best interests in mind. That is when having an expert from outside the organization come in to interview the team is beneficial. Through this one-on-one assessment, the coach can evaluate their desires and concerns. He will observe their daily interactions and the impact they have on other members of the team. Suggestions would be made on ways to interact with staff and peers to motivate them to mutually obtain the goals and visions of the organization. The assessment may reveal blind spots of

potential concern and may highlight the strengths and weaknesses of the current human capital position.

Some of the guideline questions to ask management and employees include:

- Are you proud of your work and of your company?
- Do you receive feedback and praise on a regular basis?
- Do you experience a sense of camaraderie with your colleagues?
- Are you challenged about growth potentials at your company?
- Does your job afford you the compensation you must have to survive?

- Where does this job fit in your life and career goals?
- Do you understand and agree with the company's mission and values statements?

Managerial coaching is about getting the most out of your people by showing them that they are respected and valued. Try to uncover the opposite of so-called shortcomings and reveal the potential for these hidden talents. This may lead to redefining a role but the talents put in practice will add value to the organization.

EMOTIONAL INTELLIGENCE

The latest Gallup Poll portrays caring bosses as more important than salary. From his book **Primal Leadership**, Daniel Goleman states that "how people feel about working at a company can account for 20-30% of business performance." If your findings show that some team members are labeled as non-caring, something must be

done immediately. Compassion is a learned skill. It means "sympathetic consciousness of others' distress, together with a desire to alleviate it." Great leaders move us through our emotions and this emotional intelligence must be learned to establish this relationship. People need to learn how to use their emotions instead of ignoring

them. Once they have tapped into their emotions and are in touch with what they want out of life, they will have a better handle on helping to develop their employees and creating a "trust culture" in the organization.

"Instant gratification on a job well done is more appreciated than end of the year bonuses."

EXECUTIVE RETENTION (FROM PAGE 1)

Listening to employee ideas and complaints sends the message that they are valued and provides them with a sense of control over their work situation.

Promoting choice gives employees this control. Allow people to choose new ways of working, saving money, selecting medical benefits, streamlining procedures and decorating their office. One of

the reasons flextime is such a popular benefit is that it gives employees the ability to choose.

Providing recognition to employees is another aspect of communication. Types of recognition can range from a simple "thank you" for a job well done, to formal presentations or financial incentives.

With the recent market down-

turn the offer of equity incentives does not motivate as it once did. Companies need to come up with new and exciting compensation packages. Some project-based compensations that can start half way through a process and culminate on completion are a way of enticing people to see a project through to the finish. Instant gratification on a job well done is more appreciated than end-of-the-year bonuses.

The ASLON Group

8401 Chagrin Road, Ste. 3
Cleveland, OH 44023
Phone: 440-543-0334
Fax: 440-543-0314
www.aslongroup.com



King Aslan from the CS Lewis children's classic, **The Lion, the Witch and the Wardrobe**. The leadership and character represented by the great King Aslan not only models how we want to do business as an integrity based search boutique, but also the type of executives we plan on finding for our clients

The coach assists the client in establishing an agenda based on their particular mission and goals.

The coach guides the individual to tap into their own creativity and expertise, enabling them to develop an action plan to achieve their goals.

The ASLON Group

Our mission is to be a leading integrity-based retained search firm focused on identifying, assessing and hiring world class leaders.

Our reputation is built on our ability to see a search through from the initial meeting with our client to the assimilation of the finalist into the position. We operate under very strict standards of ethics and methodology to identify the right person to fit the culture and vision of our client. Our integrity-based mission is simply knowing and choosing what is right as we search for leaders. This mentality will also be reflected in the type of leaders we find for our clients. This means leaders that are passionate, have a strong value system and a high emotional quotient to accompany their intelligence quotient.

We deliver our services with an extraordinarily high level of honesty, performance and commitment. We are small enough to have a low overhead structure and the flexibility to provide a high level of service in less time than the national firms. We are large enough to have the dedicated resources to tailor our services to meet our client's needs.

TIMOTHY C. SMITH, CEO



Timothy Smith is the Chief Executive Officer of The ASLON Group, whose mission is to be a leading integrity-based retained search firm focused on identifying, assessing and hiring world class leaders. Mr. Smith specializes in CEO assignments and building high-quality executive management teams for clients ranging from Fortune 100 corporations to venture-backed startup organizations. His entrepreneurial understanding stems from his past experience as the founder of a services company that he

grew to over 100 employees and his training as a financial manager with the Brunswick Corporation, a Fortune 500 manufacturing company.

Mr. Smith utilizes a strategic, swift process-oriented approach to each assignment that includes a thorough assessment of the client's needs prior to initiating a project. He is known for his personal service and his understanding of the candidate's expectations. His clients have described him as reliable and highly focused, with an ability to communicate with everyone involved in the search process.

Mr. Smith has built the management teams of several young growth companies who have enjoyed successful IPOs including Net Perceptions, ShowCase Corporation and Active Power. He has also found leaders for more established, multinational clients that have migrated toward technology such as Bell & Howell, American Greetings, A.B. Dick and Hoovers.

Previously, Mr. Smith spent eight years with the international retained search firm of Christian & Timbers where he led a global practice finding officers for companies in the technology, industrial and service sectors. Before that, he spent ten years with a national recruiting firm where he was the managing partner for two Cleveland offices.

Mr. Smith obtained his BS in Business from Miami University. He serves on the board of Fellowship Bible Church and previously on the board of the Entrepreneurship Institute of Cleveland.