



# The A to Z of Employee Retention

Employees rarely leave without a good reason

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*The following article is an aggregate of several articles on employee retention that I have clipped over the years, results from internal surveys conducted at past employers, and my personal experience – all given wine industry context.*

While there are sometimes strictly personal reasons why employees change jobs, work-related issues are most often what cause staff to resign. Personal reasons can include a spouse's new job in another city or a wish to have more time for family and friends. Such reasons are sometimes beyond an employer's control, but a firm can usually do something about work related issues, which provide the main impetus for staff to move on. Employees most often give these three reasons for leaving:

***An inadequate career path.*** They feel there isn't enough advancement opportunity. Their work does not provide a sense of accomplishment. Employees often say their jobs under use their talents and, because there isn't enough variety, they are unsatisfied. An employee who thinks he or she isn't being given a chance to grow on the job is also likely to conclude that he or she isn't being realistically trained for future promotion.

***Management style.*** Management's relationship with employees significantly influences how long they stay on the job. A brusque, impersonal, quota-driven style can drive people away.

***Lack of fulfillment.*** Most employees want to make a meaningful contribution and have impact, and they will go where they can do so.

## **EMPLOYERS CAN TAKE ACTION**

More than one employee survey has concluded that salary is also important, but not as much as how employees are treated on the job. Teamwork and respect for people count highest with most employees. It stands to reason that a winery that offers a good career path, provides variety and finds ways to use the talents of its people will keep them longer and get more and better work from them. Nevertheless, when a winery is too small to provide enough growth opportunities or work variety to please everybody, the better it treats its people the longer they will stay.

A culture that emphasizes respect, trust, teamwork and civility over rigid quotas and systems will hang on to its employees (and its training investment) longer, minimize the upheaval of high turnover and benefit a firm's bottom line. Good employers do this not only because they believe it's a "nice" way to conduct business but because it serves their financial interests as well.



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## THE A TO Z OF GOOD EMPLOYEE RELATIONSHIPS

*This fun list was adapted from a recent article on CPAs. These principles can apply to all types of employees.*

Here's a primer - from A to Z - on what winery managers can do to improve workplace culture.

**Acknowledgment.** Greet each employee you see. Get to know all of them. At least twice a week, try to chat with them about family, sports or something besides work. Be as gracious to them as you would be to your best client. Ask them, "What is up?" Listen hard when they answer. You can learn a lot.

**Balance.** Create a work environment that helps employees balance work and family. Be flexible and permit employees to take care of personal needs by coming in early or staying late to complete an assignment, for example. Staff members value employers who make it easier for them to manage important non-job-related responsibilities.

**Communication.** Discuss with staff what is happening at the winery. Use monthly meetings, e-mail, newsletters, Web pages or brown-bag lunches. These methods of communication encourage employees' sense of being a part of the team and give them a broader perspective.

**Development.** Encourage employees to help create an individual professional development plan that reflects their desires and the best use of their talents. This type of planning lets you know what their priorities are and allows you to support their development needs in the context of your winery goals (and minimize surprise departures).

**Education.** Teach employees how to do a better job. Send them for special training or instruct them yourself. Staff members who develop higher skills feel increased satisfaction; personal instruction helps employees to feel more valued. Focus on your best performers, not your weakest. Build on their strengths and not on remediating their weaknesses, however counterintuitive. Your time is scarce; so devote it to boosting your best people.

**Family.** Nurture your employees as though they're family – a good, functional family where respect, trust and relationship is paramount. Assign mentors to new staff members; it will help them have confidence about their place in the firm.

**Generosity.** Be magnanimous with praise and attention. Pay staff a little more than you need to, not just what you can get away with in your market. Good employees appreciate it when their employer takes care of them. You will pay a lot more when you lose a good employee who does not feel like they are properly compensated. You can build loyalty to the company through easy-to-implement practices that can include profit sharing.



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**Helpfulness.** Reward employees who help one another. Publicly praise such efforts. (At my current job it greatly helped me when a colleague spent extra time diagramming a client's estate holdings, so I could be more effective in advising that client on business strategy.) Give a prize such as a gift certificate for helpfulness.

**Individuality.** Respect your employees' characteristics and preferences. One winery I know lets morning people come in early and evening people come in later. Even though staff schedules will overlap less, more gets done when employees work during their most productive hours of the day.

**Justice.** Be fair. If Superman would get only a 4.5 on your 5.0 evaluation scale, then your system is unfair. Employees who feel their hard work is acknowledged and rewarded will continue to do their best. Similarly, constructive correction is critical when an employee is not performing. This type of feedback helps focus this employee on being more successful. Lack of justice is when an employee does not receive this feedback.

**Kindness (and sincerity).** Be considerate of staff members. There isn't ever a good reason to be loud or abusive with someone who works with or for you. If you have a serious grievance, express it calmly, sincerely and firmly to let the person hear and absorb your issues rather than your anger. Make liberal use of "Great, but..." statements: 'You did a great job with the part for our key customers, but I had really expected more of them to attend'.

**Laughter.** At wineries that stress interpersonal relationships, you're likely to hear the sound of laughter during the day. Encourage it. It helps employees relieve pressure and makes them look forward to coming to work.

**Motivation.** Great leaders know each individual is different and must be inspired in a unique manner. Look for clues about what makes your staff tick. Some may need to be pushed, others to be led. You can learn how to motivate your employees only by first getting to know them. A personal touch can prompt people to try harder.

**Navigation.** Employees need clear, dependable directions on how to do their jobs. Each project should provide an overview of the results you expect of your employee, as well as the expected timeline. Workers who are given a road map with each new task will not feel overwhelmed.

**Opportunity.** Most employees want to grow on the job, to learn, assume more responsibility and get credit for their greater contribution. Even in a small winery employers make sure they have such opportunities. One such winery has broken down the organization into cross-functional teams to work on important winery projects, such as cost containment. This allows employees to experience non-typical projects and work with professionals from other departments. Good employees get better when they can grow professionally.

**Promotions.** Smart wineries primarily promote from within and make sure employees' assignments provide enough variety to prepare them for advancement if a slot opens. It energizes all employees when someone from the ranks moves up, assuming the promotion is deserved.



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**Quality.** While both work quality and quantity are important, the former matters more. Firms that stress this priority won't have employees who cut corners to meet quotas. So, if customer service is more important in the tasting room, tasting room staff should be incentivized on service first, and sales second.

**Recognition.** Find ways to recognize staff members who do good work. Employees work with more enthusiasm for a firm that recognizes their outstanding performance. Take your high achievers to a special lunch once or twice a year. You can also build loyalty through celebrations, by recognizing employees' years of commitment to the winery. For example, celebrate work anniversaries, with a \$100 bonus for year they've worked for the winery.

**Supervision.** Model the way. Show your staff by example the professional behavior you want them to exhibit. Employees benefit by having a role model to emulate.

**Training.** Provide a work environment that encourages employees to stay on top of their profession, furnishes continuous training and rewards them frequently. This type of culture better prepares the staff to handle new tasks. Employees that keep current are ready for the next staff position.

**Unity.** Help employees to understand that their efficient teamwork creates momentum for the firm. A friendly professional environment encourages staff members to work together as part of a team, not undercut each other. Team-building projects can make a huge difference, such as rotating jobs every Friday. This will minimize the we-they syndrome, improve communications and build better teamwork.

**Validation.** Give positive feedback. Praise good work performed in accordance with the firm's policies - as often as a staff member merits it. This behavior encourages employees to work with confidence. So often outstanding performers are taken for granted.

**Willingness.** Be accessible and pleasant in helping employees. Your winery can avoid mistakes if staff members are comfortable asking for assistance when they need it.

**X-factor.** Use the depth that comes from the talents of all employees. Successful wineries have staff with a wide range of professional abilities. Carefully cultivated diversity helps a winery be more flexible in response to market changes and challenges.

**Yes.** Great organizations affirm the excellence of their employees. In turn, employees will speak highly of their employer. It all helps business.

**Zeal.** Good employers are zealous about developing their most valuable resources: their people. Communicate your enthusiasm for excellence to employees to inspire their best performance.



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## **DO UNTO OTHERS...**

Whether winery is small or large, it's only as good as its staff. And, no surprises, employees want fair compensation, opportunity to learn, advancement and to experience a feeling of accomplishment. They want to work for well-managed firms and have their efforts be meaningful to others. Business realities may not let you give them everything on their professional wish list, but if you treat them well and permit them to grow professionally, they'll perform better and stay with you longer. Not one of the suggestions in this article is difficult to apply. Smart managers at successful wineries treat their employees the way they themselves would like to be treated.

## **HIDDEN COSTS**

Staff turnover is part of any workplace, but in excess (say, higher than 20% annually) it wastes winery resources. The cost of interviewing and training new recruits is significant, as well as the potential cost incurred during separation from the departing employee.

But there are also costs to the new employee. These include their investment of time (from months to years) to learn the winery's way of working before they're fully productive and on track with their advancement and achievement goals.