

Human Resources Outlook For the Year 2000 and beyond...

By Wolf Gugler

Ok, Ok - I know we have all been Y2K.O.'d to death - but the human resources aspects of your business are no different than any others. We are already experiencing a number of changes to the dynamics of how companies go about hiring, developing and retaining winners. How do we "Y2K"- proof this area?

The use of technology in the Human Resources field

Recruiting on-line assists forward thinking companies who are looking to hire high quality people quickly and cost effectively. Long gone are the days where a company runs a newspaper ad for an Enterprise Systems Manager and expects to fill the position. Everyone is utilizing on-line recruiting; even the National Football League uses Internet technology to bring prospects upstream. The same can be said for companies such as Canadian Tire (www.canadiantire.com), where one can apply on-line and see immediacy to their actions. Also, prospective candidates using Internet for their job search usually possess higher education and computer literacy levels than non-users. Time and costs are factors, too...the time saved in opening letters and envelopes can also be reduced through this medium.

Companies are also using satellite technology for video interviews. Again, there can be a considerable time and cost saving attached to this, while still maintaining the opportunity to observe body language and a person's image and demeanor. The Home Depot is fully satellite-interactive, and uses this to their human resources benefit.

The Labor Market is tight and will continue to get tighter

How could we be suffering a shortage of qualified talent when we went through such a horrendous recession and downsizing in the nineties? Many reasons. Some we lost simply through attrition, early retirements and the like. Others retrained or relocated out-of-country to where there was employment. Many saw the technology age coming, and re-educated in this area. Then, companies started to re-hire and "backfill" positions once eliminated due to increasing workloads, and in many cases, because Customers demand more attention be paid to them. This area comprised a high percentage of our '99 search workload.

In the Retail field, the rejuvenation of Consumer confidence and spending, and the resultant expansion by many Retailers has also led to a candidate shortfall in this area, whether the requirement be for senior buying staff or Associates alike. Joshua Mendelsohn, CIBC Chief Economist recently predicted annualized Y2K Canadian growth in the order of >3%. He also observed the loss of Canadian brainpower to the U.S. due to our lag in the integration of information technology into the manufacturing sector. John Roth, Northern Telecom CEO backs this statement up with more plant closures in Canada, and jobs relocated to the U.S. and Mexico.

Organizational Structure

Hierarchical changes occurred, too; gone are the top-heavy companies with multitudes of Vice Presidents; we now see a leaner organization with free-flowing communication, team-managed and run, and an ability for each employee to step outside their job description and make a difference to their organization. An example of this is the \$1BB maker of Gore-Tex fabric found in all types of outerwear, W.L. Gore. "Here, there are no titles, no special offices, no big perks", says Sally Gore, daughter-in-law of the late founder Bill Gore. "There's the ability for anyone to talk directly to anyone. Not just the ability, the assumption you are responsible for talking to those who can help you problem solve." Everyone is an Associate, bosses are nowhere to be found, and company facilities are limited to fewer than 200 people, so everyone can get to know one another. No wonder their turnover rate is less than three percent annually.

So, how do we go about keeping our talent here where we need them?

Hire Smart. When going through the interview process, remember the following:

1. Treat candidates like prospective employees. Use a candidate-company "courtship" so that you will have the pick of the crop when it comes time to make a job offer.
2. Know, and communicate clearly (to internal and external parties) what qualifications and skills and competencies you require. If you aren't clear in your own mind, how will a prospective candidate know what is required of him/her on the job?
3. Be honest about your company's culture and work environment. Don't hide skeletons or pretend that your organization is something you're not. These are the same qualities you seek out in the individual.

Employee Retention is the Key

- Recognize it's not all about money. While the bottom line is important, employees are looking for environments that reward performance with developing their competencies and skills, and launch them in new directions. Training

- (whether skill or industry-based) should, in some cases, be mandatory - but at the very least encouraged (both on company and personal time).
- Salary is important - but so are team-based bonuses that can be based on bottom line enhancement, market share growth and division performance. Company-funded pension plans for Boomers are also a high attraction factor.
 - Don't let progress reviews slide. People who are uncertain about where they stand with their current Employer are receptive to the lure of another organization that appears to value and appreciate their Employees. Counteroffers, when they announce their intended departure lead to uneasiness on both sides from that time on. Imagine your spouse telling you "it's over", and then announcing they changed their mind. Your joint chance of long-term success under the counteroffer circumstance is greatly reduced.
 - Listen and be prepared to change. Nothing is ever perfect; leaders in human potential development like General Electric subscribe to and adhere to this philosophy.

Y2K is here; in today's unbelievably competitive retail home improvement landscape, many bricks-and-mortar announcements have been made. The people who staff these structures will, to a large degree, account for a Company's success in these endeavors.