

special advertising feature

HUMAN RESOURCES 2006

SOUTH WEST REGION

An Employer's Guide to Recruitment, HR Management and Compensation

The components of compensation showed differences in their rate of change. While increases in wages and salaries continued at a moderate pace, the sharp increases in benefit costs seen over the past several years began to increase at a slower pace. For civilian workers, wages and salaries rose 2.6 percent in the year ended December 2005, compared with a gain of 2.4 percent in December 2004. Benefit costs gained 4.5 percent for civilian workers for the period ended December 2005, slowing sharply from an increase of 6.9 percent for the year ended December 2004.

Job Title	AZ	CA	CO	HI	NM	UT
Marketing Mgr.	\$79,880	114,450	90,390	81,660	67,550	82,810
Sales Mgr.	\$81,100	109,150	150,520	71,740	71,930	80,440
Human Resource Mgr.	\$69,210	104,000	89,410	78,460	62,710	79,710
Education Administrator	\$75,700	88,360	73,020	86,850	84,350	76,340
Lodging Mgr.	\$42,050	49,310	46,550	55,960	37,390	44,650
Purchasing Agent	\$42,520	59,830	43,680	40,080	49,690	48,840

Source: U.S. Department of Labor
Bureau of Labor Statistics

BestCompaniesAZ, LLC

Building Great Workplaces: A Practical Guide to Recruitment and Retention

During the job interviews of the past, sweaty palms typically existed on only one side of the table. They belonged to the job seeker who was hoping to sell his or her skills and experience to a potential employer. In today's competitive marketplace, however, job interviews are a two-way street with equal emphasis being placed on the company's people practices, including staff morale, benefits packages and the company's overall corporate culture. Companies that excel in these areas not only attract the best workers, they also boost their bottom line and save time and money by increasing employee retention rates.

The benefits of a people-oriented workplace are clear, but exactly how does the average company make the transformation from good to great? Start by establishing a solid foundation with these five key steps.

Define Your Corporate Culture. Work with your employees to establish a clear set of corporate values and a shared vision. Doing so creates a positive corporate culture that drives the direction of your company and creates a feeling of ownership among employees.

Develop Dynamic Leaders. Great leaders train, motivate and empower their employees, which leads to increased pro-

ductivity, employee satisfaction and overall financial performance.

Build Progressive Human Resource Programs. Progressive HR programs and comprehensive benefits packages attract and retain employees and assist them in achieving their professional and personal goals.

Communicate Openly and Often. Great companies foster frequent two-way communication between manage-

"In today's competitive marketplace . . . job interviews are a two-way street."

ment and employees. This keeps everyone connected and moving in the same direction.

Support Community Involvement. Give back to the local community by offering employees time off for volunteer work or sponsoring charitable events. It's a great way to share your success!

Once you've built a strong foundation with these steps, you'll be well on your way to creating a great workplace and reaping the benefits that follow.

To read the full report, go to
www.expert-insights.com/walkerassociates.asp

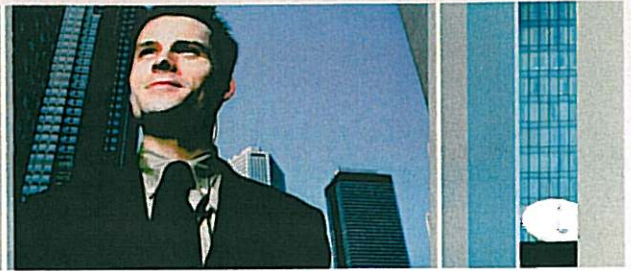


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BCAZ's specializes in a variety of HR services including organizational culture assessments, HR audits, "best practice" benchmarking, employee opinion surveys, HR customer service surveys, HR staff development, HR marketing, and setting up HR infrastructures. BCAZ's primary goal is to educate your human resource and management team on how to share the responsibility of managing the HR function that will most effectively cultivate and sustain a "best place to work" culture.

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Building Great Workplaces: A practical guide to recruitment and retention

By Denise Gredler, BestCompaniesAZ, LLC

During the job interviews of the past, sweaty palms typically existed on only one side of the table. They belonged to the job seeker who was hoping to sell his or her skills and experience to a potential employer. In today's competitive marketplace, however, job interviews are a two-way street with equal emphasis being placed on the company's people practices, including staff morale, benefits packages and the company's overall corporate culture. Companies that excel in these areas not only attract the best workers, they also boost their bottom line and save time and money by increasing employee retention rates.

Research in the United States over the past five years has demonstrated a positive correlation between progressive people practices and increased financial performance. For instance, publicly held companies on Fortune magazine's "100 Best Companies to Work For" list historically have far outperformed the stock market averages over recorded three, five and 10 year periods.

The same correlation can be found among regional companies. BestCompaniesAZ looked at a sample of 15 publicly held companies (approximately 20% of the total) from the Metro Phoenix area's 2005 "Best Places to Work" list and compared their performance to the S&P 500. These 15 Phoenix companies showed a return of almost double the S&P 12 month return.

Companies that are considered among the best places to work also realize increased employee retention rates and higher morale. The Ritz Carlton and Pointe Hilton Resorts in metro Phoenix, companies that topped the local "Best Places to Work" list in 2004 and 2005, have turnover rates that are less than half of the industry standard.


The benefits of a people-oriented workplace are clear, but exactly how does the average company make the transformation from good to great? Research conducted by BestCompaniesAZ over the past five years, which was inclusive of both local and national "best places to work" list winners and "employer of choice" companies, shows that these companies all possess the following five attributes of a great corporate environment.

A Clearly Defined Corporate Culture: Successful companies work closely with their management team and employees to establish a clear set of corporate values and a shared vision. By doing so, they create a positive corporate culture that drives the company's direction. "At the Scottsdale Convention & Visitors Bureau, we have a list of Core Values that all of our employees have agreed to uphold," says Rachel Sacco, president and CEO of the Scottsdale, Ariz. bureau. "These values not only give us a standard by which to measure employee performance, they've also fostered a feeling of ownership among our staff and created a supportive, nurturing environment in which to accomplish our shared goals."

Action Steps:

- Work closely with your management team to establish a set of core values.
- Share these values and your desired culture with all employees.
- Include your core values in your employee handbook, discuss them with new hires, post them visibly throughout the company and revisit them regularly.
- Link your company's core values to your hiring, training, performance management and compensation programs.
- Structure key interview questions around your core values to help determine if a potential employee is a good fit with your corporate culture.
- Ensure that all employees understand how the core values will be integrated in to the performance appraisal process.

A Dynamic Leadership Team: The quality of its leadership team can make or break a company. Dynamic leaders will embrace, support and promote your desired corporate values, vision and culture. They also will connect effectively with their employees to ensure that all members of the team are properly trained, motivated and empowered to carry out their jobs. Research has established the positive effect a strong leader-



ship team has on increased productivity, higher rates of employee satisfaction and better overall financial performance.

Action Steps:

- Ensure that your leaders understand their role in fostering the organization's desired corporate culture among the members of their team.
- Hold your leaders accountable for embracing and supporting your company's core values and make sure they hold their staff accountable.
- Work with your leadership team to create a work environment based on trust and respect. Make certain that leaders are fair to all employees, follow-through on their promises and practice what they preach.
- Great leaders take time to get to know employees – their strengths, interests and what motivates them – and show a genuine interest in their staff.
- Encourage leaders to cultivate an open-door atmosphere where all employees, regardless of their position, can feel comfortable talking with management.
- Foster communication by encouraging leaders to keep their staff informed on both good news and bad. At the risk of sounding cliché, honesty is the best policy.
- Provide your leadership team with opportunities for continued education in the areas of people management and leadership coaching.

A Progressive Human Resources Team and Programs: Another attribute that all truly great, or “best companies,” have in common is a progressive human resources staff that works closely with the CEO and leadership team to cultivate and sustain the desired culture that supports the business strategy. These HR professionals create flexible and innovative HR programs, comprehensive benefits packages and innovative work/life programs that meet the needs of a diverse workforce. They also work diligently to attract and retain great employees and assist employees in achieving their professional and personal goals.

Action Steps:

- An HR staff that truly cares about people and strives to help them achieve their professional and personal goals is integral to a company's success. Hire only HR professionals who have a genuine interest in learning about the heart of your organization and what makes its people tick.
- Establish a relationship with your HR team that is based on trust and respect. This will allow them to effectively balance the needs of both employees and managers.
- Make sure your HR team adds value to the bottom line by being strategic as well as culture-focused and people-oriented.
- Help your HR team stay abreast of HR trends and the demographics of a changing workforce by offering opportunities for unique benefits, continuing education and flexible work environments.
- Ensure that HR professionals consistently provide employees, managers and leaders with the resources and tools they need to succeed.

Multiple Communication Vehicles: Great companies communicate with their employees openly and often. Fostering two-way communications and creating multiple communication vehicles keeps everyone connected and moving in the same direction. “Employee communication is integral to staff satisfaction and the overall success of an organization,” acknowledges Deanne Russell, manager of recruiting and retention at St. Joseph's Hospital in Phoenix, Ariz. “But with almost 4,200 employees that work 24/7 in 131 different buildings over a 564 acre campus, the challenge for St. Joseph's was to find a way to communicate information effectively to everyone.”

To meet this challenge, the St. Joseph's leadership team developed the “Let's Talk” communication program. Using a three-pronged delivery system that incorporates personal contacts via a roving coffee cart, recordings on the hospital message center and written communications on St. Joseph's intranet, “Let's Talk” now ensures that all employees, no matter where, what day of the week or what shift they work, receive important organizational information in a timely manner.

Action Steps:

- Establish multiple communication vehicles to ensure that your messages reach all employees in a timely manner.
- Promote two-way communication between leadership and employees.
- Involve employees in discussions on building or strengthening your business.
- Survey employees regularly for feedback on how to best motivate and retain them, then involve them in developing new programs.
- Train all employees on effective methods of communication, including written, one-on-one, leader-team discussions and verbal presentations.

Programs that Support Community Involvement: Getting involved with local charitable organizations is a great way to share your company's success and introduce your company to the community. Medtronic's Microelectronics Center in Phoenix/Tempe, Ariz., periodically ceases operations for a full work day and encourages all 1,300 employees to spend the time assisting nonprofit community agencies across the Valley. "Community Day is Medtronic's way of celebrating the company's mission to be a good corporate citizen by providing our employees' time and talent to benefit the needs of the communities where they work and live," says Bob Enderle, Director, Organizational Development and Community Relations. "This event is completely voluntary, 100% financially supported by senior management and all employees are paid for their time away from the facility that day." Medtronic has learned the value of community involvement in creating a workplace of which employees can be proud.

Action Steps:

- Give your employees a set amount of time off for volunteer activities.
- Become a corporate sponsor of community and charitable events.
- Speak up for your community! Get involved in local issues that affect your industry, company and local neighborhood.
- Encourage leadership team members to serve on community boards to share their expertise with and represent the company's interest to the community.

By adopting these five attributes and transforming your company from a good workplace to a great workplace, you'll realize the benefits so many other "best place to work" businesses have – increased employee morale and employee retention, higher levels of customer satisfaction and loyalty, lower turnover and recruitment costs, innovative thinking, and increased productivity, profitability and financial performance. And, the best way to make this transformation is to:

- **Care** about your employees enough to establish a clearly defined corporate culture and establish innovative HR practices and programs.
- **Connect** with your staff through a team of dynamic leaders and with your community through hands-on participation in local charitable organizations.
- **Communicate** with your entire team openly and often.

I encourage you to find ways to care, connect and communicate with your employees - you'll be amazed at the results!



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