



1145 2nd Street Suite A-307 • Brentwood CA 94513 • 888-222-8302 • Web Site www.mercsystems.com



Costly Employee Turnover Can Be Avoided With Proper Training

Why throw away thousands of dollars each year training new employees? Instead, spend next to nothing retraining your current employees.

You Can Train To Increase Your Bottom Line

Christina Raines, author of, “TWENTYSOMETHING: Managing and Motivating Today’s New Work Force” sums up the problem simply: “There is a real shortage of front-line workers in the service industry; therefore, we have to keep the ones we have. It’s really expensive to be recruiting, hiring and training new people constantly. Your products and services are being delivered by your front line – and if they don’t care, they aren’t going to do a good job. It’s the right thing to do and it’s the nice thing to do; but if you want to stay in business, it’s the only thing to do.”

How true! Raines also says that reward and recognition programs are great, but if they aren’t supported with sincerity, they are meaningless. We could not agree more! You need to understand your employees’ goals, their values, their expectations, and develop positive relationships with them to manage them effectively. Starting over with even one new employee costs you money, time and unnecessary energy.

What Tools Are in Your Toolbox?

What tools do you use to give your employees feedback? Do you spend countless hours at your business monitoring the daily operations and making sure that everything is running smoothly? You can minimize the time you spend monitoring employee performance by adding some tools to your management toolbox.

Examples?

- Making guest comment cards available at each table and offering your customers something in return for their comments, like a coupon for a free appetizer on their next visit.
- Spending a few hours each week speaking with your customers as they leave, asking them specific questions about their experience, such as, “Were you served or helped promptly? What did you purchase? Were you satisfied with the quality? What could we have done that would have improved your experience?”
- Using professional mystery shoppers that fit your target customer profile to provide objective feedback and actionable data, from the customer’s perspective.

Using these feedback mechanisms will keep your employees on their toes—and it will keep you up to speed with what is going on in your business. But collecting feedback is only the first step

Help Employees Set Goals—And Work to Achieve Them!

Have you asked your employees about their goals? This is a thought-provoking and engaging question. It not only tells them goals are important, but it tells them you actually care about their goals.

Once they've stated a goal, ask them, "What are you doing to get there?" If any of them say they are reading books and putting into action the ideas that are going to get them to their goals, then you have the makings of a truly great employee. But even if they don't, you can help them by challenging your employees to read one book a month that brings them closer to their dreams. Suggest a book that will teach employees new ways to improve their job performance. Choose one that is about your industry. For example, if you are a restaurateur, you might suggest that the kitchen staff read about a successful chef, or a book about food. If you are a retailer, there are many great books about salesmanship, customer service, and every day personal interactions. One we recommend is, "Winning Friends and Influencing People." The book will give employees a better idea of how to please customers, and it will also give them some great tips on influencing people to try new products. But the best part—and something you can emphasize when asking them to read these books—is that the knowledge they'll be acquiring can be applied to virtually any aspect of successful living. So, regardless of whether they are committed to a career in your industry, or simply view it as a stepping stone to something else, they won't be wasting their time at this assignment. Talk about a win/win!

At the end of the month ask employees to share one thing they learned from the book they read. You could create a fun contest so that everyone who reads gets an award. You could ask each employee to write a brief "book review" of their book and post it on the bulletin board for other employees to see. You even could set up a three-month, six-month or yearly reward for monthly reading. If you empower your employees to learn and make it fun for them, they will benefit and grow as people. You, your business and your customers will benefit too!

Keep It Fun

Your employees are the key to your business running smoothly. And most of the time your employees are going to be younger and less committed than you. For them, a big part of being satisfied with their jobs is whether or not they're having fun—so MAKE it fun.

For example, try this brain exercise: Ask them to close their eyes and tell you what they see when you read this sentence, "The dog is NOT running." Ninety-nine percent of them will see a dog running. Now, change your wording to say, "The dog is sitting." What do they see now? This easy exercise highlights a valuable lesson for employees to learn; that *how* they say things is critical. It's an important lesson for managers, too: carefully chosen words can change the way your business runs.

Opportunities to Learn Will Keep Your Employees Happier

It costs triple the money to train a new employee that it costs to focus on challenging and retraining your current staff to perform better. And, the message you send by focusing on retention is that each employee is important and valued. Constant turnover makes employees feel like commodities. Yet some employers are reluctant to invest in training because they see high turnover as inevitable. "Why should I train someone so he can go work for a competitor?" they ask.

The answer is that keeping your valuable employees happy and informed is the best way to run any business, especially when it comes to industries dependent upon customer service. Not only is it expensive to bring a new employee on board, but also, as you already know, finding the right employees to make your business successful can be a huge challenge. And if you keep your employees happy and challenged, they'll be much more likely to take good care of the customers.

You can't sit at every seat in the dining room, observe every sale in your store, overhear every phone call between an employee and a customer or know for sure that every call has been returned promptly. What

you can do is your very best to give your employees the understanding of what customers expect and the tools to deliver it to the best of their capabilities. Can a new employee provide the best service possible to your customers? Highly unlikely! So, the more you invest in getting employees trained, up to speed—and then keeping them that way—the better off your business will be.

The bottom line IS the bottom line! If you keep throwing away your money hiring new employees instead of working out the little problems with your current staff, you'll not only have less profit to show for it, but a much less pleasant workplace for everybody. Help your employees to become great at their job. This commitment to their success will pay dividends to everyone.

How We Can Help

Use Mercantile Systems to provide your employees with the feedback they need to become better in every aspect of their jobs. Since 1954 we have helped thousands of service businesses improve employee performance. Our customer research surveys can help you train your employees to effectively:

- Use suggestive selling techniques
- Find the right pace to interact with customers
- Use proper greetings and dialog
- Work in an effective and efficient manner

When you share our reports with your employees you can use them to applaud examples of service excellence, as well as point out areas where employees can improve their performances. We'll even help you design awards you can present and post in clear view. You'll be surprised how motivating the recognition will be.

If you consistently use the reports to evaluate and train your staff, you will see your business's service level skyrocket. Receiving high scores on reports makes everyone feel good, and that translates to making the customer feel good, too.

Call Valerie Casares today for more information: 888-222-8301 x19

© Copyright 2004 Mercantile Systems. All rights reserved.