



# DESIGNING STRATEGIES®

Business Strategies for the Design Industry

A Maurer Consulting Group Publication

Volume 3 • Issue 11 •

July/August 2006



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Employee turnover has reached epidemic proportions. Several years ago a survey done in Texas for the Coca-Cola Retailing Research Council looked at employee retention in the grocery industry. The researchers, John Cox and Blake Frank, found that half of the new hires were gone within 97 days of being hired. The long and short of

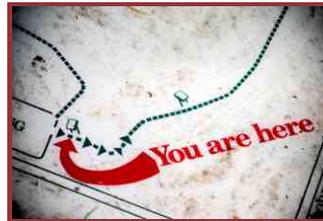
the survey showed that employee turnover actually exceeded the entire industry's profit by over 40%. That is a lot of time and money wasted by anyone's standards.

While turnover costs for your firm might not be at that extreme level, I would bet they are higher than they need to be. Have you taken steps to find out exactly what your costs are for employee turnover? The US Department of Labor estimates that it costs about one-third of a new employee's annual salary to replace them when they leave. That can add up quickly to significant percentage of your profits if left unchecked.

How can you control turnover and refocus your efforts on retaining employees? Start by looking at your company files. Determine what job classifications or job types seem to have the highest levels of turnover. Do some departments or divisions have more turnover than others? Ask for feedback from employees through simple surveys while they are on the job or during exit interviews. When you see a common thread, deal with it promptly to turn the tide from turnover to retention.

**Visualize - Analyze - Strategize**  
**Plan for success!**

My favorite philosopher, Ziggy, the cartoon character, always has something profound in his little square on the comic page. The latest to catch my eye found Ziggy staring at a sign on the wall with an 'X' in the middle of a maze. In bold type across the top was printed: "You Are Here", with an arrow pointing to the 'X'. Below the maze in smaller type it read: "...that's ALL you need to know for now!" Is this anything like the way you treat employees? Sadly, there are employers that don't think employees need to know anything about the business they work for other than their own limited piece of the work. Business strategies are deep, dark secrets, as are plans for growth and especially financial issues. All the employee needs to know is how to do their own job and nothing more.



**Can you imagine going to work each day with blinders on?**

Walk in the door, clock in, hang up your coat, go directly to your workstation, sit down, perform your rote task, have lunch, work more, go home. Don't look up from your desk or ask about anything in the

business that is unrelated to your assigned job function. This is not a job I'd be interested in for any amount of money, and I doubt you would be either. What employee would not want to know that what they do is important to the success of the business? At best, this situation is just plain boring. At worst, it hampers creativity and innovation that could move your company in new directions.

## Visualize

**What might happen if your employees were aware of how rising costs of materials was affecting the company?** What might they do to help control the rising fuel and energy costs? How might they help curb mounting healthcare costs? Given the opportunity, they just might develop and implement ways to help control those costs. As those closest to the processes that create your products or perform your services, it is likely they have their fingers on the pulse of what works and what doesn't. If there is anyone who can come up with a way to save time or see different ways to get the job done, it is those closest to the situation. Some of the best solutions come not from the top of the company pyramid, but from the bottom.



If employees can be brought into the loop and not isolated from outside influences that affect every business, you may be surprised at the results. An understanding that raises and benefits come as a result of everyone doing their part to keep the business running at a profitable level will encourage them to see that productivity is kept high, waste is minimal and processes run at high levels of efficiency. Getting buy-in from everyone makes for a successful business with a culture that will attract

and retain good employees who find satisfaction in the importance of their role.

## Analyze

**What can you do to involve your employees more in your business?** While there are firms that completely open all facets of their business to employees at all levels, you can find your own comfort level as a starting point. Brief non-intimidating meetings where employees can offer ideas on how an issue might be addressed can provide ideas and solutions. Use confidential surveys for feedback. Train and educate employees to think creatively and watch for areas in need of better solutions, then stand back and observe the results. You have shown them they are valued as important members of the team. You want and value their input on the many challenges that you face together every day. No longer do you have a bored, dissatisfied employee just waiting for something else to open up so they can leave. You have developed a key member of your team who is more than satisfied, and wants to remain on the job because he or she is valued.

## Strategize

### Something To Think About...

"Never be afraid to try something new. Remember that a lone amateur built the Ark.  
A large group of professionals built the Titanic."

Humorist Dave Barry

### Maurer On The Move

Terri Maurer, FASID, is available to speak at corporate meetings, conferences and special events. Topics include, but are not limited to: trends, workforce issues, leadership, culture and strategic planning. Listed below are topics that have been presented nationally:

- Taking Your Business To The Next Level
- Generations in the Workplace
- Target Market: Interior Design Practitioners
- Branding: It's Not Just for Cattle & Major Corporations

Additional programs focused on the business of interior design are available for presentation to your interior design customers.

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