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BY PERRY OLSON

COMPANY CULTURE AFFECTS *Employee Recruitment & Retention*



If you want to save thousands of dollars in employee recruiting costs each year, then hire people who fit in with your company and keep them happy. But how do you accomplish this? You must correctly identify and foster your company's unique brand culture.

You may not realize it, but your company has a very distinct culture that your employees and brand audience can see and feel. Walk down the halls of your office and around a few of your jobsites, then do the same thing at the office and jobsites of your fellow CFMA members' companies – you'll see (or more likely feel) a different vibe, personality, and culture at each visit.

While there will undoubtedly be some similarities, distinct differences will also be found. I've visited dozens of jobsites and not one was the same as another. (This variation can also occur among divisions within a single company, as we'll later discuss.)

These differences in culture should be embraced. If every construction company were the same, why would anyone hire your company over another? The only way to get new work would be to offer the lowest bid. Also, you'd have to pay top dollar for quality employees, which is a recipe for disaster. A clearly defined culture is crucial.

DEFINE YOUR COMPANY'S CULTURE

To define your company's culture, look at what it stands for: What does your company represent? What differentiates your company from its competitors? Price should not be the only way in which your company stands out. What do you want others to think about when they think of your company?

We often talk about this with regard to prospective customers, but it also matters to potential employees as well. The best workers, especially those who are part of the younger tech-savvy generation, are researching your company more than you are researching them.

Although we're currently in a buyer's market for employers, that will quickly change to a talent war. Those of the Millennial Generation in particular are looking for companies with which they

share similar values, ones that are involved in the community, and ones with a great reputation. Would this generation fit in well with your company?

Consistency Is Key, Yet It Is a Challenge

One of the hardest things about cultivating a brand's culture is keeping it consistent. Consistency is key to building a strong brand; without it, your company appears (and may be) disjointed.

In construction, multiple locations exist among the main office and various jobsites. In order to keep things consistent among all locations, start by defining your culture. Consider what it means to be an employee of your company; what does one of your jobsites look like?

As I mentioned, jobsites have a completely different look and feel from site to site, primarily because each jobsite has a different team. Having a team that fits the company's culture will help keep all of your jobsites cohesive. Take that brand continuity to the next step and educate your PMs about exactly what your company's jobsite should look and feel like.



Impact on Legal Fees

Besides saving on employee recruitment costs and reducing the cost of employee turnover, culture can also save on your company's legal fees. When you choose to work with clients that understand and fit in well with your brand culture, you decrease the odds of disagreements or issues regarding the project vision and scope, which translates into a lower likelihood of any tussles over financial issues down the line.

I recently attended a presentation on franchising, where the presenter discussed how his company's culture has prevented it from ever being sued. This company removes the wall between the corporate office and franchisees, attracting franchisees that fit their culture, even internationally. The presenter admitted that the company had a slower growth than some of its competitors, but hasn't had the turnover of other franchises and has never had to go to court in 18 years of franchising (which is rare). Part of its culture is not calling the main office the "Corporate Office;" instead, it's called the "Service Center." This personifies that there isn't a wall between the franchisees and the main office, which eliminates that "us vs. them" mentality many companies have regarding their employees and clients.

The dilemma of consistency can be exacerbated as your company expands to new geographic markets and industry sectors. As your company enters new markets, it can sometimes take on clients that do not fit its established culture, which often backfires later on.

A company president recently told me that his usual attrition rate of 3% has jumped to more than 15% in new markets because the company has been forcing deals. He also admitted that these new markets give the executives more problems and take up more of their time. There is a fine line between staying flexible and standing strong, but knowing your company's core values and culture will help guide everyone to make better, more informed decisions. (For more on this topic, read "Leaving Your Home State: Communication is Key" by Gretchen J. Kelly in the January/February 2011 issue.)

Another challenge in consistency is a change in leadership. Whether it is the next generation stepping up, a merger, or someone from the outside joining the company, a change in leadership will inevitably affect the company's culture to some degree.

The new leader may have a different view of the company's future than that of the previous. This is not necessarily a bad thing: The president or CEO is the leader of the company's culture and personality for a reason, thus the brand should reflect his or her vision.

This change requires putting thought into the question of "What does it mean to work for this company?" The answer needs to be communicated across the brand community, including employees, prospective employees, clients, prospective clients, subcontractors, and other vendors.

ATTRACT THE RIGHT EMPLOYEES

Showcasing your company's personality is vital to its success in building the right long-term team. To start the money-saving process, recruit like-minded prospects. Don't look for one specific personality type, but rather find potential employees that fit into your company and its culture. By defining your culture and showcasing your "attitude" instead of sounding like a legal document, you will attract the people that naturally fit your company's mold.

For example, the online retailer Woot's jobs page (www.woot.com/jobs) makes it immediately clear that the company values a sense of humor, starting with its headline "Work for Woot! It's not just a job – it's paid employment." All of



the company's job descriptions employ a dose of humor that becomes a prerequisite to working there – if you didn't have that sense of humor, becoming an employee wouldn't really appeal to you. By using a quality it truly values, the company is screening its applicants.

Since most of our team members drink 1-2 espressos a day, one of our prerequisites in our employment ads is caffeine addiction. Is this a deal breaker for applicants? No. However, it gives potential employees an idea of our personality and an inherent quality that makes our team unique.

This idea is applicable in construction. We've worked with a Heavy/Civil GC that had numerous multi-generational employee families. It is one thing to have multiple generations of owners, but this company had two and three generations of *employees* among its ranks. If you do not enjoy working for a "work first, family second" company and want to be treated like family, then this company would appeal to you. The heavy value this company places on long-term family ties also wards off those who are looking to change jobs every couple of years.

We've worked with another company that began as a group of military buddies. We helped the group define its differentiator – its military background – and helped the company to showcase its personality and values as a result.

All of the company's PMs and executives have military/special operations backgrounds, and it is extremely reflective in its culture. This team doesn't limit itself to working Monday through Friday from nine to five, and the company is known for its ability to conquer challenges. Prospective employees may consider this group to be either crazy or amazing. (If you were of the latter opinion, you'd fit in well.)

RETAIN THE RIGHT EMPLOYEES

Your company's culture should also help retain your employees. If your employees are happy and feel like they belong, then they won't look for greener grass. This starts with the hiring process and attracting the right people.

Usually, promoting your culture internally will naturally cause those who don't fit to seek employment elsewhere. However, if the right people aren't currently in place, you may want to consider letting them go. That may sound harsh, but it is for the greater good of the company. A small team of mules pulling a cart in one direction goes farther and faster than a larger group of mules randomly pulling the cart in different directions. Like a team ripped apart by differences in goals and opinions, the second cart will break,

and each mule will be left with a small piece of the cart as it walks away.

Keep Employees Informed

One of the easiest and most impactful ways to ensure that employees feel valued is to keep them in the loop. Communicate with your employees as often as possible. When we create a marketing plan, it includes multiple audiences (e.g., prospective customers, current clients, and employees).

Construction companies that are spread out across multiple jobsites and states can stay connected through newsletters, company e-mails, appreciation events, and even a private, employee-only Facebook group. Don't forget: Awards are not just to show off your work to clients and prospective clients, they also show your team members that their hard work is valued.

Encourage Company-Wide Bonding

Besides company-driven appreciation events (e.g., picnics, barbecues, and tickets to events), a company's culture should also reflect the values of its employees. Allowing employees to choose and participate in events that personally affect them is key.

Many companies hold fundraisers to benefit one of their own team members (e.g., breast cancer walks, health awareness movements, or something else community service-related). This unites the company and allows family members to join in, thus creating a happier workplace for your employees.

Work with Like-Minded Customers

Another way to ensure employee satisfaction is to work with clients that fit your company's culture. If you promote your brand culture and differentiators to prospective clients, then you will also attract the right clients.

Remember that construction company with a military background that thrives on challenge? Think about the clients and projects it attracts. This company loves tight deadlines and loose specifications where innovation is needed. Now, think about the clients with which it would not work well. This team would suffocate in a situation in which it had constantly extended deadlines with rigid specifications.

Knowing this difference for your team members will ensure they stay happy and engaged. Happy teams create happy clients – it's a perpetuating cycle that always pays off in the end.

Your brand should also attract like-minded subcontractors,

vendors, and partner companies, just as it does employees. In construction, you're only as good as the team you bring to the job, and you need subcontractors and vendors that share in your company's culture and values.

CONCLUSION

Your company's culture isn't something made up during a strategic planning meeting or company retreat, only to disappear once you return to the office. It should be something your entire company exudes and personifies every day. Your company's personality will distinguish it from others, which will attract the ideal employees and clients while filtering the others out.

Finding clients and employees that complement your brand personality and company culture ensures that they "get it," and will save your company time, money, and headaches in employee recruiting and retention, client prospecting and attrition, and even legal fees. ■

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