

Employee Seeking Rewards

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One of my employees has asked for a raise. He had completed an educational program we asked him to take. Our sales are still slow and I've told everyone in the company we have to be extremely careful with expenses. We've cut out overtime and are considering four-day weeks. I don't understand his timing. Is this someone who just doesn't get it and should be pushed off the bus?

This situation is tough. Is this employee a keeper? Does he understand the seriousness of the situation that the company faces? Does this employee see the company as part of his long-term future, or just a tool for personal advancement?

Pursuing educational opportunities is part of growing within any company. I happen to know that this owner, located in Fairfield County, Conn., encourages every employee to advance themselves. Getting more education makes the employee more employable and promotable. Educational accomplishments should be noted as part of a regular review process. However, in my book, completing a certification does not, in and of itself, qualify someone for a pay raise.

The main question is: is this employee a keeper? That's something the owner has to decide. Knowing that answer will guide all further actions.

Evaluate Performance

Here are the pros. This employee is being groomed for management. He works diligently, responds to coaching and mentoring and tries to implement things that will make the company a better place to work.

On the con side, this employee has regularly pointed to peers who work in other companies who are paid more than he is, for supposedly similar education and work. The 'grass is greener' attitude is a problem. In addition, this employee has a few years more of mentoring to go to become a full manager. He's not yet perceived as a leader by the people with which he works.

Add to the mix that this employee has been very slow to grasp the importance of generating new business. He has relied on others to do the heavy lifting in sales, saying he is not comfortable in the role and would prefer to implement what others bring in. This back seat role is, to me, the most concerning when evaluating the long-term value of this individual.

It is crucial that employees understand that getting ahead in an organization is not an entitlement. Promotions and salary increases must be earned, and it probably takes more than completing a class to earn an increase. Growth in business revenue is what pays for promotions.

It's time to make certain this employee understands the seriousness of things. Often, no matter how many times an owner says, or thinks he or she says, that times are tough, employees hear what they want to hear. They may assume that a message of fiscal cuts is directed at someone else, not themselves.

Consider Motives

See if this employee wants to be part of a team and can think longer term, or if he's stuck thinking about personal gain. Ask the employee how he would propose that you pay for the increase. Re-explain that you're cutting expenses and have no additional money for payroll until sales turn up.

Have a serious conversation. Ask this employee if he's willing to have other staff members work fewer hours and take home less pay, in order to free up funds for his increase. Hope he gets the picture and withdraws his request. And if he doesn't get the picture, maybe it is time to think about moving him off the bus.

Sit down with the employee to discuss his future. Ask him where he sees himself in 5 - 10 years. Does the subject of working for this company come up in his long-term description, or does he see himself somewhere else?

Talk about what it will realistically take to earn a bonus or pay increase. Specify the kinds of monthly upticks in revenue that are needed in order to prove the company is back on track. Suggest he play a role in growing sales in order to earn an increase.

Consider having a small pool of funds set aside, that you can use to reward above-and-beyond performance. Focus attention first on employees who are the least compensated for their relative contributions. Try small gifts, like dinner for 2, a week's worth of groceries or gas, and certificates of accomplishment as substitutes for raises. Often making some kind of recognition effort will go a long way to keeping an employee engaged when raises are a long way off.

Looking for a good book? Try 365 Ways to Motivate and Reward Your Employees Every Day: With Little or No Money, by Dianna Podmoroff.

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