

DBE ENTERPRISES



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Retaining Good Employees

Now, the problem all contractors face is whether or not the employees we hire will hand us the dish towel and set up their own shop. Your business demands you hire smart, self-motivated people who can handle responsibility. Finding those people won't be easy (or cheap) - and keeping them may even be harder.

Some people feel that because they can swing a hammer or cut a pipe, they can run their own business. Little do they realize that swinging the hammer is usually the easy part of running a business. You can probably recall stories of very talented craftsmen who attempted to start their own business and failed miserably.

They failed not because they didn't know their craft, but because they didn't know how to manage a business and all its interlocking parts.

■ *Smart Interviewing*

So what can we do to prevent our trainees - in whom we invest big bucks and training time - from leaving us to hang out to dry? The first line of defense comes in your interviewing. Ask questions that'll give you a 'feeling' as to what the job candidates may do in the future. For example, ask them what their 5- and 10-year goals are? What motivates them? Would they like to someday have a management position or maybe even run your company?

What you're trying to do with your questions is weed-out those candidates you feel are just looking for additional skills and experience before venturing out on their own. You want to hire people interested in succeeding, but succeeding with you. Also, look for individuals who have a good track record of working for other companies. In other words, you could be looking for a needle in a haystack. Good workers are so hard to find. Once you do find them, you may want to consider having them sign a non-compete clause.

■ *Laying Your Cards on the Table*

Unless you're training someone to become a manager, whether or not to discuss business secrets can be a trying decision. If you're charging a customer on a small job \$50/hour and you're only paying your plumber \$15/hour, the employee may see a clear-cut reason to venture out on his own. If you feel that scenario is bothering the employee, then

★ LRT Staff Addition ★

Deidre A. Brown

Director of Rail Operations, LRT

Deidre A. Brown joined the Metropolitan Council/MetroTransit as the Director of Rail Transportation for Metropolitan Council/Metro Transit in September 2002.



In her new position, Brown is responsible for preparing Metro Transit to operate Minnesota's first light-rail line. Brown is overseeing the hiring and training of rail operators and rail control staff. She is setting operating standards, budgetary requirements, rail activation activities and the integration of rail and bus operations.

Brown joined Metro Transit after nearly six years as Transportation Manager at Sacramento (Calif.) Regional Transit District, overseeing the city's bus system, which operated with a \$23 million budget and a 400-square-mile service area. Prior to her appointment in Sacramento Brown served for seven years at the New York Metropolitan Transit Authority as the District Manager of Station Services for the Metro North Commuter Railroad and as a Trainmaster in Grand Central Terminal.

Brown earned Bachelor of Science degrees in Business and Transportation from The Ohio State University. She also is a graduate of the inaugural class of Leadership APTA, an executive-level management program of the American Public Transportation Association.

explain the fact that he has to work the first 5-6 hours of the day to cover the overhead before you make any money. This should bring him down to earth. If need be, lay it all out on paper for the employee to see. Show how one mistake could cost you 3 or more days of profit.

On the flip side, how much information is too much? Maybe you have to mention your overhead costs, but I wouldn't discuss how the costs are calculated or how you determine the rates you charge. Keep that, and other such information, confidential.

■ *Share the Wealth*

One of the best ways to keep good employees is to share the wealth. Offer profit-sharing or a generous bonus plan. Sure, it's hard to profit-share on those small hourly jobs, but if you get a big contract that goes well, why not pay out a portion of the profits to your employees? Pay them cash or gifts on the spot after the job is completed, not at the end of the year. On-the-spot, unsuspecting bonuses can be a huge motivator for inspiring workers to stick around.

Another share-the-wealth idea is to set-up some type of an incentive for anyone who stays with you at least 5 years. For instance, at the end of 5 years, that person gets an expense-paid Alaskan cruise. But if he leaves a day earlier than 5 years, he gets nothing. Of course, the bonuses and perks all depend upon how well your business does and what motivates the employee. A start-up business will have limited financial resources, but it may also be able to come up with other incentives for keeping good help.

■ *Be Flexible*

Although I realize you'll have an overload of time tables to keep, try to offer a flexible schedule with your workers. If an employee needs time to take care of family business, like going to a daughter's soccer game or spending an extra day with a hardly-seen relative, accommodating those needs will only foster loyalty to you.

No, you don't want to invite abuse, but a little flex time could reward you in more ways than one (like when you need those extra hours to finish that big contract). I know of several business in my area who pay top wages, but they also think they own their employees. For these employees, it'd be easier to grind coffee beans with their bare toes than to ask to leave early on a Friday! Becoming that type of employer will guarantee you frustration in keeping good help.

■ *Do Your Best*

Unfortunately, there are no guarantees the people you hire will stay forever. They could leave for numerous reasons. However, it's most frustrating when they leave within a year or two. Respect and treat your employees as you'd wish to be treated, and you'll be rewarded back with respect and loyalty

- Excerpt from www.labor.labor.state.ak.us

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Contractors/Consultants	Total Contract Amount	Total Paid to Date	DBE Paid to Date	(1) DBE % Actual to Date	(2) DBE % Total Contract Value	Target DBE % Goal
Minnesota Transit Constructors (MnTC)	304,137,972	180,051,456	25,630,441	14.24%	8.43%	15%
Other Contractors	4,528,865	4,554,372	710,966	15.61%	15.70%	
O'Brien Kreitzberg (OBK) (3)	14,411,331	8,975,427	2,017,497	22.48%	14.00%	15%
Marsh	545,000	305,000	79,562	26.09%	14.60%	5%
Other Consultants	30,635,362	25,039,389	840,065	3.35%	2.74%	
SUB-TOTAL:	354,258,530	218,925,644	29,278,531	13.37%	8.26%	
Other Commitments *	69,692,224	68,081,780	N/A	N/A	N/A	N/A
TOTAL:	423,950,754	287,007,424	N/A	N/A	N/A	N/A

* ROW, Cooperative Agreements, Other Direct Costs, etc. (1) Calculates DBE percentage based upon DBE dollars expended vs. contract dollars paid to-date (actuals). (2) Calculates DBE percentage based upon DBE dollars expended vs. total contract value.