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## Money alone won't buy employees' loyalty

Working for a small business can mean wearing many hats, so chances are your employees are doing much more than they signed on for. And that means the loss of even one good employee could seriously hurt your ability to do business.

So how do you instill a sense of loyalty so employees will want to stay for the long haul?

Just handing them a paycheck each week isn't going to cut it, say organizational experts. "You have to build loyalty, not buy it," says Ty Freyvogel, president of Freyvogel Communications, a Pittsburgh-based business consulting firm. Employees need to feel that they are active stakeholders and contributors, he says.

"You have to make people feel like they are part of the organization," adds Thomas Lee, professor of management and associate dean for faculty at the M.G. Foster School of Business at the University of Washington in Seattle.

"The employees are dealing with customers and are on the front line, and the boss often isn't," notes David Javitch, president of Javitch Associates,



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an organizational consulting firm in Newton, Mass. "Listen to your employees."

After all, some of their suggestions may be worth implementing.

Just ask Rachel West, chief executive of R.J. West New York, an upscale beauty products retailer and spa in Huntington village. "Some of our best ideas come from our employees," she says.

West has instituted several employee suggestions, including extending store hours to 8 p.m. and purchasing adjustable spa beds — a hit with clients.

"You never know where the next great idea is going to come from," says Laurie Altschuler, a corporate solutions specialist with Dale Carnegie Training in Hauppauge.

Of course, not every employee suggestion will be a winner, and in those cases, Javitch says, it's important to tell the

employee why.

Honesty goes a long way in building loyalty, he says, as does trust. "If you don't trust your boss, you're not going to like your job and stay," says Javitch. In addition, the boss needs to give praise when praise is due. And Altschuler says that's a common failing.

It's important to recognize an achievement and be specific about what made it noteworthy, she says. Conversely, if employees aren't doing a good job, they should be told why.

Some experts favor a quarterly, instead of an annual, review. "There should be ongoing dialogue," Altschuler says.

Robert Zabbia of The Zabbia Insurance Agency in North Massapequa holds quarterly team meetings to review agency goals and get employee input. He offers bonuses based on the goals and then meets with employees monthly to update the results they'll need to achieve.

The agency also offers flexible work schedules, which he says has helped boost loyalty.

And it doesn't hurt to lighten up the atmosphere on occasion, experts say. It's a good way to recharge your batteries,

### TIPS FOR A HAPPIER WORKPLACE

Looking for more employee loyalty boosters? We polled some members of the Hauppauge Industrial Association, one of the region's largest business groups, to see what they do:

- **Active Web Group**, an Internet marketing agency, offers flexible schedules (full-timers can start between 7:30 a.m. and 9:30 a.m. and leave between 4 p.m. and 6 p.m. as long as they put in eight hours), holds monthly lunch meetings to inform staffers of the latest business news, and hosts seasonal happy hours at the local OTB Racing Forum.
- **MedSave USA**, a provider of international cost management and U.S. record retrieval services, hosts monthly round-tables to which an employee from each department is invited to lunch with the human resources director, chief executive and president. The practice allows employees to offer input and meet others they don't customarily work with.
- **ClearVision Optical**, an eyewear and sun-wear distributor, sponsors at least four events during the year for employees and family and started a CV university, offering instruction in such areas as English as a second language. It matches employees' charitable donations and has its own charity programs.

notes Rick Chiorando, executive vice president and chief creative officer at Austin & Williams, a Hauppauge ad and marketing agency.

For instance, if the firm has had a couple of intense weeks, he might mix margaritas one afternoon or have a guacamole cook-off. "It's a good way to chill and talk on a different

level," says Chiorando, who also put a plasma TV in the firm's art studio so art directors can catch Yankees games.

And everyone gets his or her work done, he says. "They do even more than I ask for," Chiorando says.

Now that's worth the price of a margarita any day of the week.