

## **Creating a Mindset of Investment for Employees, by Jeff Valles**

By making an investment in our team members' careers, we motivate our staff by connecting them with our dynamic, vibrant industry.

"I have felt your pain," related the CEO of Joie de Vivre Hospitality at the DPHA Annual Conference held in late October in Phoenix. Existing economic conditions are déjà vu all over again to Chip Conley. In 2001, Conley saw his own company on the brink of bankruptcy. The dotcom implosion caused the revenue of his chain of California boutique hotels to drop by more than 60%.

Sound familiar? With guest nights plummeting, Joie De Vivre's problems were compounded by the fact that 80% of its reservations were made online or through hotel Web sites that charged commissions.

Conley realized then that the same old tactics and business approaches would not enable his company to survive.

Our industry is facing similar challenges. The forecast is cloudy at best. In the Washington, DC region, there is an 8.2-year supply of condominiums, according to research firm Delta Associates. This figure is telling because the national capital area is one of the stronger economies in the nation.

So, what are we to do? We must capitalize on the lessons Conley's experiences teach, because we cannot afford to go to market using the same tools we have relied upon in the past.

### **Developing the Calling**

Depressed in 2001, Conley left his office and went to the bookstore. Instead of browsing through the business section, he turned to the psychology racks and became reacquainted with Abraham Maslow. In studying Maslow's hierarchy of needs, Conley determined that he could apply those principles to his business operations and developed three distinct hierarchies for his employees, his customers and his investors.

Conley discovered that most employees either have a job, a career or a calling. The lowest rung of the employee pyramid is a job that fulfills basic needs of security and food. Employees who look at their positions as a job view what they do daily simply as a way to pay the bills.

The middle rung of Conley's employee pyramid is recognition. "Recognition is about not only knowing someone's name but also their talents, goals and dreams." The middle rung finds those in an organization who have elected to pursue a career. They find "great motivation in the way they are recognized at work," Conley writes in *Peak: How Great Companies Get Their Mojo from Maslow*. "Yet, outside rewards and recognition can wear out as motivators over the course of a long career, because there's a certain level of compliance required. More and more people are finding that they need something that feels more internally generated as their infuser of energy."

The top of Conley's employee pyramid is meaning. "Finding meaning in one's work – both in what you do daily and in the company's sense of mission – creates a more inspired employee. Finding meaning in one's work means you have found your calling. It's more than a career. It's a passion for the industry and a desire to make your mark on it."

Conley challenges the skeptics who say that employees of decorative plumbing showrooms, manufacturers and representative agencies cannot find meaning in their work.

Many hardware and plumbing showrooms around the country quip that they are simple toilet salespeople. Conley faces a larger challenge. Approximately 33% of his 2,500 employees clean toilets. Conley understands that every job includes a certain amount of mundane work. "The difference between one job and the next is whether employees have a sense of meaning in what they do."

Creating meaning in the workplace for employees is more important today, because work has become a more dominant part of people's lives, often replacing social structures that previously provided meaning. Because more people are working and commuting longer, they have less time for external social activities. They tend to crave a sense of social connection from work.

Conley believes that great companies have a deep sense of mission and meaning in what they do. For that reason, creating meaning should be at the top of every senior executive's priority list.

There is significantly less traffic coming to showrooms. As such, we can no longer afford to have mediocre conversion rates from shoppers to buyers. Everyone in our industry needs to sharpen their skill sets and those of their employees.

Every business needs to be more proactive and reach into new markets and drill further down into existing ones. We have to provide a more meaningful experience in our daily operations.

Creating meaning in the day-to-day work of selling toilets involves changing people's perspectives. As Gerry Layo explained at the DPHA Conference, this is a time when many companies look to cut expenses for professional development. However, it is exactly the time that you need to dedicate resources to helping staff confront this uncertain economic climate.

Layo stated, "There's no more low-hanging fruit. Oh, the fruit is still in the tree. There may be less of it and it's higher up, but the tree still bears fruit. Your people need to learn, or re-learn, how to climb! It is now time to start earning money instead of just making it! What we face today is a customer base that will demand more from our staff to earn their business. Is this something you are prepared to teach?"

### **Committing to the Future**

Professional organizations such as NKBA and DPHA can help you weather this storm. My focus as the incoming president of DPHA is to provide our members with the tools they need to obtain advantages over their competition. A major objective we announced at the DPHA conference is to use our 17-volume Education Program as the basis for a showroom

credentialing program.

Another new initiative announced at the DPHA Conference is our *Connections* Program. Every other week, the organization will send advice for becoming more professional and addressing everyday challenges. *Connections* will connect the front line of every business with the industry, not only by offering guidance, but also by providing discussion areas exclusively for them on the DPHA Web site.

Our goal should be to provide tools that make our employees more productive and their lives more rewarding. Making an investment in employee training and certification sends that powerful message. It provides a sense of meaning at work and connects the members of the staff to the industry. Certification and continuing education programs tell the staff that they have more than just a job. By making an investment in our team members' careers, we motivate our staff by connecting them with our dynamic, vibrant industry.

Gerry Layo concluded: "You need to invest in yourself and your people. Take advantage of your professional organization's membership to dial into great new ideas for the development of your team."

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