
CHAPTER 2

Triangulation Theory

The demographic shortfall that is currently happening will make the talent war of the late 1990s seem like a minor irritation.—Anthony Carnevale, Former Chairman of the National Commission for Employment Policy

A topic that continues to gain popularity and concern in corporate boardrooms is the challenge of attracting and retaining the right employees. For years, a commonly used phrase, “our most valuable resource is our employee,” was espoused by corporate leaders. Too often this verbiage was, under examination, nothing more than lip service because corporate leaders were not fully engaged in developing a comprehensive strategy for attracting and retaining the right talent. But today things are changing. One of the greatest challenges in terms of talent management is attracting and getting the right talent in the right place, and then figuring out how to keep the talent motivated and committed to an organization (Fieldglass, 2008).

Today is different; corporate leaders who want to stay competitive know that good talent is a natural resource like oil. There is only so much and it can’t be wasted, because once it’s gone it’s gone. Conservation of good talent is a critical paradigm that’s becoming more difficult due to the aging population demographic. One of the core agitators for the current talent management crisis in North America is the growing talent shortage. Western Compensation & Benefits Consultants (2007), in a survey conducted with 446 organizations across Canada, reported from the sampled population 87% were experiencing

difficulty attracting employees and 66% reported concerns with retention.

The fact is, attraction and retention are becoming more complex because as the labor pool reduces it is harder to attract new talent. According to a 2007 Manpower study of 37,000 employers in 27 countries, 41% of companies worldwide are having difficulty filling positions due to a lack of suitable talent. And when research from Taleo Research (2007) suggests that regardless of the economy companies can expect to rehire between 20% and 25% of their company workforce, it's becoming critically important for companies to take as much action as possible, regardless of the economy, to drive down this attrition rate. The researcher also reported that an Accenture survey of more than 850 top executives from around the globe reported that attracting and retaining top talent for a company's success is second only to competition.

Employee job satisfaction can be directly impacted by attraction and retention of a workforce (Griffeth, Hom, & Gaertner, 2000). When employees are not satisfied with their company's behavior, the company is at risk of losing them (Mossholder, Settoon, & Henagan, 2005). Cascio (2003) reports that direct turnover costs run between 1.5 and 2.5 times the annual salary of an employee. Best-selling author Brandon Scott (2005), in *Top Grading*, suggests replacing top talent in organizations often ends up costing companies a mind-blowing 15 times the employee's salary. His assumptions are based in his research around the associated costs of not getting the right person in the right position. On average, corporations spend 36% of their revenue on human capital expenses. Assuming an average rate of employee turnover of 25% and a cost associated with turnover equivalent to salary, the cost of turnover represents about 9% of revenue (Lermusiaux, 2005). The author goes to provide an example of the cost of turnover and the incentive for reducing turnover: in a company with 100,000 employees at an average salary of \$40,000, a 10% turnover rate costs \$400 million. A turnover reduction of one-half percent would result in savings of \$2 million.

In addition to attracting and retaining talent, an IMB human capital study (2008) that involved more than 400 human resource senior executives reported that more than 75% of organizations are now reporting a projected shortfall in the pool of future leaders. The research unpacks the challenge that a company's ability to attract qualified candidates, align employee skills with organizational needs, rapidly adjust to change, and develop new skills in leadership and workforce are stressing corporate leaders in retaining a competent and skilled workforce. A recent Conference Board survey reported that limited career opportunities was found to be the number one drive of overall employee dissatisfaction, cited by 59% of respondents.

Gleebbeek and Bax (2004) report that reducing the cost of turnover of quality employees is big business; for example, reducing the turnover of quality employees by one per month will save \$360,000 a year for a \$20,000 job and \$720,000 for a \$40,000 job. Regardless of the costs in dollars and cents for replacing talent, the mental brain units of managers' time, loss of productivity, and loss of critical institutional knowledge are additional costs that have a negative impact on an organization's bottom line.

Branham's Top 8 Reasons Why Good Employees Leave (2001):

- There is no direct link between their pay and their performance.
- They do not see a clear path for growth and career advancement.
- They do not perceive from the organizational leadership that their work is important.
- They do not believe they are being recognized for the work they are doing.
- They do not get to use their natural strengths and talents.
- They have unclear or even unrealistic expectations that were not calibrated in the interview process.

- They will no longer stand for abusive managers.
- They will no longer work in a toxic work environment.

The balance of this chapter introduces a theory on attraction and retention that provides a framework of what and how an organization can put itself into a position to become an employer of choice.

Becoming an Employer of Choice

An employer of choice by definition is an organization that employees want to work for because it has proven itself as being concerned and motivated to influence the following three elements: job satisfaction, culture, and organization maturity. At this point of evolution, an organization has positioned itself to achieve what ultimately brands employers in its industry. The distinction of becoming an employer of choice is critical for facilitating employee engagement that synergistically facilitates the above three elements. A 2002 Gallup survey reported that less than a quarter of American workers are fully “engaged” in their work, costing the US economy \$300 billion. Curt Coffman and Gabriel Gonzalez-Mobina (2002) add the following compelling research points:

The cost of disengaged workers to the United States economy is estimated between \$254 billion and \$363 billion annually. One of the single biggest signs of disengagement is absenteeism and in the United States it is estimated to be costing employers \$40 billion per year.

Hundreds of Gallup polls have reported that organizations that are able to engage their workforce are able to out-perform companies that have not, for example: 86% higher customer service ratings, 70% more success in lowering turnover rates, 70% higher productivity, 44% more profitability and 78% better safety records.

The point being, attracting and retaining employees are important, but perhaps more important are the engagement and commitment of the workforce that have a direct impact on an organization’s ability to achieve its business maturity. “What we’re hearing is that people want to contribute more. But they say their leaders and supervisors unintention-

tionally put obstacles in their paths,” said Donald Lowman, a Managing Director of Towers Perrin HR Services Business (Amble, 2005).

The Triangulation Theory focuses on facilitating a framework for attracting candidates, retaining top talent, and motivating and engaging a workforce.



The Hewitt Top 50 Employers in Canada Survey’s core criterion for evaluating an Employer of Choice is the degree of employee emotional and intellectual commitment demonstrated by the workforce. Schneider, Gruman, and Coutts (2005) explain a helpful science called social psychology is a proven methodology for discovering the interconnection between how people think and feel influences and motivates behavior. To achieve this shift in a workforce organization evolution and to create the change needed in a workforce, it is important to be aware that the power of emotions and thoughts of each individual collectively create the whole and the power of group think in influencing organizational change. Members of the group build consensus, using a structured process to share thinking. “Group think” is often derided in our culture; credible corporate leaders allow cognitive dissonance to enter their leadership style. Cognitive dissonance is the psychological state that facilitates an uncomfortable internal ambivalence between what one promotes to the world as being true and what one knows to be true. To become an employer of choice, leaders must not avoid the truth; they need to welcome it, take on the challenge, and be committed to action.

There are large financial incentives to committing to the process of becoming an employer of choice (where top talent wants to be). Superior business productivity and increased profits are directly correlated to superior talent (Michaels, Handfield-Jones, & Axelrod, 2001). These authors’ landmark book, *War On Talent*, provided evidence of the strategic advantage for attracting and retaining top talent in an organization.

Up to the 1980s, a company typically was worth about the same as its book value; however, in the 1980s, the stock market began to show that the market values of some companies were increasing faster than their book values. According to research by Baruch Lev, by 2000 the average S&P 500 company had a market value six times higher than book value. This shows that a company's value cannot be found solely on a balance sheet; it's found in intangibles. Another recent study, by Sirota Survey Intelligence, found that the stock prices of 11 high-morale companies increased an average of 19.4%, outpacing their competitors' 8% rise. A 2005 Watson Wyatt study indicated that companies with highly engaged employees typically achieve a financial performance *four times better* than companies with poor employee attitudes.

Two global benchmarks that help an organization evaluate its progression towards or away from being an employer of choice: 1) attraction, 2) retention. When employees want to work for and stay with an organization, these two results will, over time, manifest and facilitate social attitudes and perceptions of people both internal and external to the company of the value and benefits for working for it. This helps companies leverage the power of group think to their advantage.

Unfortunately, some organizations think becoming an employer of choice is basically an activity that helps promote and position the corporate brand. This is a fallacy. This accomplishment will occur only through intention and action to facilitate targeted behaviors for influencing an organization's workforce's emotions and thinking. Ask any Olympic athlete, "How did you win a gold medal?" Their answer will be something like, "By focusing on becoming the best, one day at a time, day in and day out, for the past four years." Nothing is done overnight. Success cannot be bought; it is earned.

Being an employer of choice is about much more than external awards. Malcolm Gladwell (2002), author of *The Tipping Point: How Little Things Can Make a Big Difference*, explains the phenomenon of word of mouth in reference to how it is a natural part of every employee's life.

All of these little conversations employees have with each other define and facilitate the kind of branding epidemic organizational leaders are looking for. Although, employees sharing their messages about what it's like to work for a company will spread through a community and plant like viruses. A critical insight from Gladwell is the judgment from the workforce's perspective—good or bad—will determine how successful an organization's quest for becoming an employer of choice will be. Again, the metrics of attraction and retention will serve as a beacon if the organization is moving in the right direction.

Organizations that are committed to becoming an employer of choice understand that when new employees start a role, the majority bring their dreams and energy (head, heart, and hand). Employers that don't get this quickly quell this new enthusiasm and end up with an employee only willing to bring their hands to work, and too often speak with their feet. Frederick Reichheld (2001), author of *The Loyalty Effect*, reports in organizations where the leadership is committed to both its employees and customers in a statement directed to the workforce: "I believe this organization deserves my loyalty," 70% to 80% of employees responded the company deserved their loyalty. The author goes on to explain in these kinds of companies employee attraction and retention metrics were more favorable than their competitors. The family-owned billion-dollar business enterprise's simple vision: take care of their staff and customers first and the profits will take care of themselves (Kazanjian, 2007). This commitment has led to impressive attraction and retention data when compared to its competitors and to market share and profitability.

Measuring Attraction

The talent pool is simply not as vast as it once was. The days of putting an ad in the paper and getting hundreds of motivated and highly skilled employees are gone. When a job becomes vacant, human resource departments often track a couple of core stats to evaluate the abundance of the talent pool, using yield ratios, and the percentage of applicants that

proceeds to the next stage of the selection process: 1) Lead generation ratio compares candidates invited for interviews to the number of candidates interviewed, compared to number of offers made to number of new hires; compared to number of new hires that after year one are considered good hires and are fitting well into the organization; 2) Lead time average: amount of time it takes to find and get a person through the selection process to hiring and on-boarding; 3) Selection ratio: number of applicants hired divided by the number of total applicants. The goal is to keep this number as high as possible (e.g., 1:2 ratio would be low).

The average time required to replace an employee over the past several years has risen from 41 to 51 days, which significantly raises recruiting costs and lowers productivity (Clark, 1999). Branham (2001) provides an example of a protocol that outlines factors for consideration when studying attraction rates:

- Percentage of application considered “A” candidates.
- Average number of days to fill vacancy.
- Application dropout rate.
- Number of recruiting sources used.
- Percentile rank of total compensation versus talent competitors.
- Percentage of new hire referrals who stay at least six months.
- Average monthly percentage of open positions.

Employers are starting to discover that the days of being the institution with all the power are gone. This was referred to as an employers’ market. Today, it’s more of an employees’ market, meaning top talent can be more selective and can have greater expectations and demands for employers. This is happening because the majority of companies across North America that require highly skilled talent are finding this talent pool is getting older and the replacement pool is shrinking. Employers don’t have the luxury of burning through employees, knowing more will come.

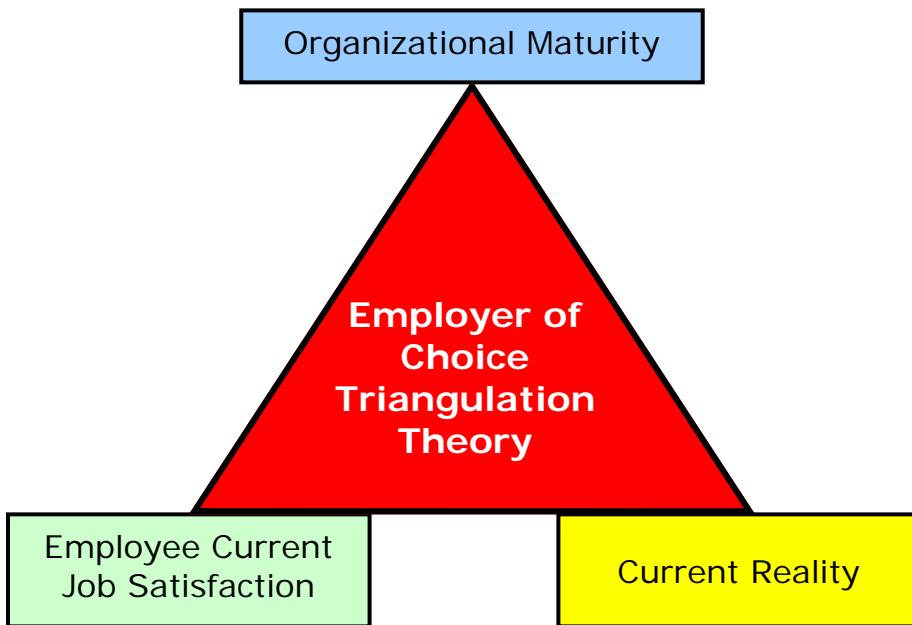


Figure 1—Employer of Choice Triangulation Theory

Employer of Choice Triangulation Theory

Employer of Choice Triangulation Theory is a strategic organizational learning theory that provides a frame of reference for understanding how to become an employer of choice. It also diagnoses the strategies and actions an employer can take to improve attraction and retention.

The core hypothesis of this theory is to become an employer of choice an organization must be in position to attract and retain a motivated and engaged workforce. Accomplishing this provides an opportunity for an organization to achieve its full financial potential.

Employee of Choice Triangulation Theory has three core elements. The model is called a Triangulation Theory because any of the three points can directly impact any of the other two positively or negatively in reference to influencing organizational performance. Each element has performance behaviors that influence an organization’s success in a particular element:

- The majority of individuals within the workforce must perceive individual job satisfaction.
- The organizational culture must be congruent and committed and demonstrate actions needed to achieve the organization's core value and business goals.
- The organization must achieve organizational maturity.

Consider the example of an organization where the majority of employees do not feel a sense of job satisfaction. This can negatively influence the organization's culture. In this example, the organization's attraction and retention numbers, when benchmarked against its competitors, could indicate higher levels of turnover and more challenges in attracting the right kind of employees than its competitors. If the organization wanted to influence change based on this theory, the first step would be to look at the behaviors it could stop and those it could start that would assist in influencing employee job satisfaction.

There may be no better evidence of the value of this theory in action than studying the leadership strategy of Jack Welch. He positioned GE as one of the most iconic corporations in the world. He focused on specific behaviors he believed were needed for an organization in reference to people, process, and product. Slater (1999) reported that Welch focused on ensuring leaders in the company followed the company's values, were held accountable, focused on developing a learning organization that empowered its workforce, and held the course that a commitment to grow and change would be a core imperative that would define the organization's success. The result of this strategy was GE had no problem attracting or retaining top talent. In essence, it evolved into the quintessential employer of choice.

Elements for Organizational Maturity

The output of organizational maturity is an organization has matured to the point it is on track to achieve its full potential. Six important measures that influence the organization's potential capacity are the six

Ps: *people, processes, policies, projections, productivity, and profitability*. The results in each of these six Ps will ultimately determine the organization's success and value. Peter Senge (1990) taught for an organization to evolve to its full potential it must educate its workforce to give up traditional ways of thinking, develop core competencies, learn to embrace change, accept that organization success depends on the behaviours of many, and get the workforce to buy into an ambitious vision.

Below are core behaviors that influence an organization's capacity to achieve organizational maturity. Each of the behaviors would need to be evaluated and assessed to determine the current level of effectiveness of each and whether each is facilitating behaviors to improve attraction and retention. To measure organizational maturity an organization can compare the perceptions of its leadership, stakeholders, employees, and customers to discern how these perceptions are influencing the other two elements.

Defined Employee Value Proposition—Every organization consciously or unconsciously defines its employee value proposition by its actions. The employee value proposition answers the “why” question in reference to why employees would want to come and stay with an organization. Corporate Leadership Counsel (2007) states the top two attractors as to why employees come to a company are competitive compensation packages and organizational stability; however, the top three reasons they stay are senior management, management effectiveness, and collegial workplace. Both attraction and retention strategies are integrated into the organization's employee value proposition. It's critical to not only develop an employee value proposition but also to communicate it and monitor and measure it to ensure it's a catalyst for attraction and retention. If not, change it.

Executive Leadership Capacity—Perhaps one of the single biggest reasons organizations fail to achieve their full potential is poor executive leadership. In a competitive global economy, an organization without visionary executive leadership often fails to reap the benefits of attracting and

retaining a motivated workforce because leadership has taken a narrow view and is focused only on near-term profits. Tietjen and Myers' (1998) research found that leadership style has a direct impact on influencing employee satisfaction. Effective executive leadership drives the six Ps through strategic and critical thinking, strategic and business planning, defining management accountabilities and expectations at all levels, and following measuring and monitoring success. Collins (2001), author of *Good to Great*, reports the five core imperatives for organizational success are: competent employees, people working together, effective management, effective leadership, and effective executive leadership.

Supervisory Style—Schneider, Gruman, and Coutts (2005) explain the field of social psychology focuses on studying the correlation between how people think, feel, and relate to each other; and collectively how this influences human behavior. The authors go on to provide an historical example of one of the first great thinkers in this field, Kurt Lewin, who, in the 1930s, had an interest in how people, interpersonal relations, and productivity are impacted by supervisory style. Many people have left their jobs because of nothing other than an inability to have a productive and professional relationship with their direct supervisor. In addition, when employees and supervisors are in conflict the consequence can be hours of lost productivity and inefficiency. One of the core functions of effective supervisors is to facilitate the workplace environment.

Quality of Communications—Communication effectiveness (e.g., how effectively information is distributed) is critical for an organization to achieve its full potential. The accuracy and frequency of vertical and horizontal communication influences decision making that impacts the six Ps, as well as the workforce's group think. Bennis (1990) supports this observation and adds the organization's leadership communication needs to make sense and be sensitive to the receiver's needs and values. Communication is important, but so is the message. In the information age, the quality of communication can impact the culture as well as em-

employee satisfaction. Information is king and when people don't know or worry they don't know they are left to their own perceptions, which may be wrong. Graham and Messner (1998) promote that quality of communication influences employee satisfaction. One kind of communication that detracts from organizational maturity is miscommunication. Miscommunication can cost organizations millions of dollars in immediate lost opportunity and productivity, and promote long-term damage by negatively conditioning corporate culture.

Performance Management—Motivating employees and developing talent to its full potential require a process where employees know they can learn and grow, as well as help ensure the right employees are in the right jobs. An effective performance management model aligns business and people. It begins in recruiting (hiring the people with the right competencies), on-boarding, meaningful performance review process, meaningful out-of-cycle feedback, meaningful professional development planning, and meaningful learning and growth opportunities. All of these are interconnected to assist each employee develop their core competencies that have been determined important to drive business success. In addition, workforce planning is important to monitor and measure workforce needs and talent capacity (e.g., one measure is average age for all critical positions), as well as the development of organizational succession planning. In 2000, the head of training for Motorola estimated that, “The company is getting \$30 back for every dollar it spends on training its people. This is said to be the highest payoff investment of time and money that the company can make. Other companies report similar returns on their investment in training their executives and staff” (Tracy, 2000).

Commitment to Quality—W. Edwards Deming (1999), a statistician, taught business leaders how to be responsive to the demands of quality and efficiency. To instill this responsiveness, the workforce needed to have leadership that was interested in both motivating and empowering employees. The ‘Deming model,’ considered the grandfather of Total

Quality Management (TQM), had a major impact on leadership methodologies in the 1980s (Walton, 1986). The functional to organizational quality control is really a philosophy about how a company will do business (e.g., customer service expectations) and the measures of success. Organizations use quality control thinking to assist in the process for measuring and monitoring the behaviors needed for increasing both attraction and retention. Some examples of the kinds of metrics organizations are using to evaluate employee perceptions are surveys (e.g., engagement surveys, interviewing new hire surveys), focus groups, and exit interviews. The rationale of this activity is to help organizations understand whether they are making progress in attracting and retaining a motivated workforce. In addition, other quality control activities involve looking for best practices, internal and external benchmarking, and always looking for opportunities to make improvements.

Ability to Transfer Knowledge—Knowledge Management is the science of processing and capturing the available sum of knowledge that is useable throughout an organization. Information comprises the meaning given to data. This is known as explicit knowledge (Nonaka & Takeuchi, 1995). The knowledge components of culture and skills represent implicit knowledge, which depends on the individual and is stored in the minds of people. This concept is difficult to describe; is based on experience; and is practical in nature. Explicit knowledge, on the contrary, is not dependent on the individual; is theoretical in nature; and is specified as procedures, theories, equations, manuals, drawings, etc. This knowledge is mainly stored in management information, technical systems, and organizational routines. Organizational maturity is impacted by how effectively an organization can keep its workforce educated with the information it needs. An organization that retains its workforce provides perhaps one of the most important elements for organizational maturity: it has secured the critical institutional knowledge (tacit) that represents 80% of the knowledge needed to operate a business to its full potential.

Capacity to Manage Change—One constant all organizations can count on is change. Schein (1985) says leadership effectiveness plays a crucial role in determining the culture of an organization and the role of its change management program (e.g., communications programs, personnel issues, change management strategies, rewards management). How effective an organization is at managing change, facilitating change, and preparing its workforce for change have a direct influence on the heads, hearts, and minds of its workforce. Two events that are important to manage successfully when dealing with organizational change: 1) how the change will impact individuals, 2) how the change will help the business mature. Both are important questions that require clarity, strategic thinking, and preparation before implementing any change. Once a decision has been made to make a change, the organization must rely on the effectiveness of its change managing program to implement the change. How the organization manages change directly influences the culture and employees' confidence.

Elements that Define Cultural Reality

Cultural reality refers to how a culture (majority of the workforce) is behaving toward individuals internal and external to an organization. Corporate leaders who want to evolve their organization to its full potential understand that facades and illusion are not reality. What the corporate culture believes, feels, and does defines it. No marketing campaign can cover deep wounds.

It's critical for corporate leadership to not only give lip service to the importance of the corporate culture but to spend time understanding how this powerful intangible influences employee attitudes and behaviors. Appreciative inquiry is based in the social sciences and provides a frame of reference for understanding, changing, and enhancing corporate cultures. Appreciative inquiry “. . . refers to both a search for knowledge and a theory of intentional collective action, which are designed to help evolve the normative vision and will of a group, organization, or society as a whole” (Cooperrider & Srivastva,

1987). This theory teaches that making a commitment to evolve and improve the corporate culture is not just about focusing on what's not working; it's also about improving what's working well and building on it.

Below are core perceptions and behaviors that influence an organization's capacity to achieve its defined cultural reality. Each of the behaviors must be evaluated for corporate leaders to make an accurate assessment of the current level of cultural reality and the strengths and benefits of the culture for attraction and retention:

Money vs. Meaningful Work. It's true that money has been found to be the number one motivator for attracting new employees. However, Ken Blanchard and Sheldon Bowles (1998), authors of *Gung Ho!*, teach that employees rarely stay with an organization just for money; they stay in organizations where they perceive they are doing meaningful work. This occurs when employees understand the value of their role to an organization's success. Employees who stay for just a paycheck often are average to under-performers. For an organization to achieve its full potential it needs people who are passionate, committed, and skilled. In addition to getting paid, being acknowledged for good work is important for employees. Recognition and rewards programs help facilitate and teach leaders how to reward good behavior to show the workforce is not just about doing your job; it's about doing it well. These programs go beyond paycheques as they help to show employees the organization values and needs their best contributions. When employees feel a sense of meaning from their work it influences job satisfaction, corporate productivity, and profits. However, keep in mind compensation is important and it must always be competitive, fair (there is a clear link between performance and pay), and balanced with meaningful work.

Corporate Values vs. Assumptions. Many corporations have taken the time to create a set of corporate values, package them nicely, and even post them on the walls. The realism between the publicly presented corporate values and employee assumptions directly defines the current cultural reality. In essence, the congruency between what executives say and do

determines what the workforce believes and this determines the overall morale level of the majority of the workforce. For example, if the values say something like, “We care for our employees...,” and no one talks to the employees, this behavior is incongruent with the message. The result is some employees may feel like no one cares about them and this can contribute to workplace stress, which is a major issue and perhaps one of the most costly realities that is growing. The *APA Monitor* (2008) reported that 75% of Americans mentioned that work is a major stress and, in fact, 48% believe their stress has increased over the last year. When an organization states it cares but the majority of the workforce believes it doesn’t do enough and cares only about profits, this generates a gap between the corporate line and cultural reality that negatively influences the attitudes and behavior of employees. Another example of a stressor is when corporate leaders say all employees are treated equally, but only the senior leaders get the perks. What message does this send?

Respect vs. Lack of Trust. Respect is demonstrated in behaviors such as active listening and appreciating another person’s point of view. Lack of trust is demonstrated when an employer says they will do something for an employee and never follows through. Lying to employees is perhaps the fastest way a leader can lose respect. Employers who engage a workforce without a keen understanding of the importance of building respectful and trusting workplaces will never get the hearts and heads of its workforce; only its hands. The degree of respect and trust in organizations is directly related to the amount of conflict in a culture. Conflict is expensive, unproductive, and negatively influences both employee job satisfaction and organizational maturity. From a behavioral science perspective, it’s often impossible to get the entire workforce to respect and trust the organization’s intentions because of personalities and values differences; however, the majority of the workforce will define the cultural reality.

Organizational Co-operation. Organizations are made up of people and when people within an organization can work together on supportive and caring teams this collaboration and co-operation directly benefit

corporate profitability, because more tasks get done when people work together toward a common set of goals. However, cooperation takes energy and effort. A high level of reciprocity ensures that the benefits of cooperation exceed the costs. Based on the reciprocity principle, most employees starting a new role expect their good turns to be returned. A benevolent act (e.g., giving a person a lift to or from work, covering a temporary absence, giving someone advance notice of an event, etc.) carries implicit price tags and is paid in intangible currencies like those listed above. If the recipient of a good deed is in a position to return a favor and does not, they are a defector. This lack of response undermines cooperation and often is perceived as a relationship breach. The consequence usually is an embargo is placed on doing future good turns for a defector. When an organization doesn't work together cooperatively, with the root cause being a lack of adherence to the reciprocity principle, there is wasted energy (e.g., complaining, criticism, and resentment) that impacts job satisfaction and organizational maturity. Team building is, in essence, a strategy for reducing defectors.

Organizational Commitment. Cultures where the majority of the workforce is proud of the organization can have a profound impact on defining the organization's work ethic. When the majority of the workforce believes in what they are doing, this level of commitment facilitates discretionary effort (the degree of energy employees will exert in the workplace) that influences other employees (Catlette, 2000). Every employee has about 15%-25% capacity that is left to their discretion whether they will put it forth or not. Organizations that can tap into this additional effort have in essence multiplied their workforce without adding new head count. Consider if you had 100 employees who all brought 15% more effort to the job willingly (head and heart); this would be like having an additional 15 employees. A workforce that's tapping into its discretionary effort is evidence it's committed to the organization.

Level of Fear. Dr. Deming also studied the impact of the work culture and how it affects productivity and quality. In *The New Economics* (1994) he reported that performance of the workforce is influenced and gov-

erned largely by the system (e.g., management model). In his book, *Out of the Crisis*, (2000) he argued that negative psychological forces such as fear actually impeded progress and lowered productivity. In cultures where employees are fearful, they have an adverse impact on job satisfaction and organizational maturity. The challenge with fear is that it can be as damaging being perceived as real. It's critical for leaders to be aware of culture perceptions and to drive fear out of an organization, as it will only force compliance; it never promotes or develops competencies that are needed for an organization to evolve and grow to its full potential. Managers who use fear and get what they think are results are blind to how better their results could be with another approach.

Open to Generational Differences. Generational differences are influenced by society; chronology is a by-product. Different age groups' values have been influenced and often shaped by the world events of their time. For this reason, a leader may need to look beyond a person's chronological age to accurately understand what this generation has learned and how these learnings influence their motivation. As mentioned earlier, there are four different generation groups: Traditionalists, Baby Boomers, Generation X, and Generation Y, all with their own set of values, views, and beliefs. When looking at evolving a culture it's important to understand the needs for the entire workforce and to build strategies and ways of doing business that are flexible enough to help all employees, regardless of their generation, have an opportunity to meet their needs in the workplace. No one generation can be viewed as more important than another; each one has value and something to offer the workplace. For example, a traditionalist has tacit knowledge that the generation Yer will need to build the organization's future.

Performance Evaluation Attitudes. How a culture evaluates performance can influence attitudes. Baron, Byrne, and Branscombe (2006) report a common mistake that can negatively influence attitude when evaluating performance are fundamental attribution errors (FAE). In essence, FAE attributes the cause of an issue more to the person (who is the attention of focus) than the possibility of external causes to make evaluations

about the person's character or capacity (Jones & Harris, 1967). An example is when an onlooker who is evaluating gaps makes the assumption that the gap is due to some personal characteristics (e.g., lazy) rather than considering the possibility some external cause may be influencing the behavior. Cultures can be conditioned by attitudes and perception. When employees feel they are being evaluated fairly and expectations are realistic this promotes a culture of trust and respect that facilitates open communication. Corporate leaders need to ensure the US vs. THEM thinking does not blossom in the culture. This is created by having one set of rules for managers and another for employees. This mindset in a culture influences how managers evaluate employees and how employees evaluate managers. This performance evaluation attitude directly influences the culture and the games people play that can influence performance.

Corporate Brand in the Marketplace. Ambler and Barrow (1996) first defined employee branding as the functional, economic, and psychological benefits package employers were willing to provide their employees. Minchington (2005) explains corporate brand is how an organization is viewed by the marketplace in reference to being a great place to work or not. This brand influences how people feel about the organization they work in. Organizations that pay attention to the corporate brand understand the direct relationship between attracting and retaining employees. Brands are earned. The employer branding process is about building and sustaining employment propositions that are compelling and different and alive in the minds of employees. Corporate leaders must keep a close eye on their brand and its influence on attraction and retention of its workforce, and, yes, profit.

Elements that Define Employee Job Satisfaction

Based on a study of over 5,000 households, the United States Conference Board (2007) reported less than half of all Americans interviewed said they were satisfied with their jobs, down from 61% 20 years ago. McClelland (1988) determined that each employee has the following three needs: 1) need for achievement (i.e., to be successful); 2) need for

power (i.e., to have choice); and 3) need for affiliation (i.e., to feel connected). How employees believe their needs are being met in the workplace influences the group think of the culture. Job satisfaction can be directly influenced by the corporate culture and organization maturity elements.

Mayo oversaw research from 1924 to 1927 at Western Electric in Chicago, where he uncovered what he called the Hawthorne Effect, a set of conditions that motivated employees. One of his most impressive findings was that all employees have a profound need for recognition, security, and a sense of belonging. One of the most effective ways to motivate an employee "...is listening to employees, introduce them to their new companions, and get them congenial work associates" (Mayo, 1945). The author goes on to suggest when this happens building teams takes less work, effort, time, and commitment.

Below are core perceptions and behaviors that influence employee attitudes in regard to job satisfaction. To obtain the employees' point of view, engage them directly and engage a large enough sample to ensure the data have achieved the needed statistical level of confidence in regard to both validity (determines if a measure does what it is supposed to) and reliability (refers to consistency of a measure).

Frederick Herzberg's two-factor, or motivation-hygiene, theory looks at what an employer can do to increase satisfaction and decrease dissatisfaction, such as improving the job environment, which includes: policies, procedures, supervision, and working conditions (Herzberg, Mausner, & Snyderman, 1959). Herzberg's (1982) research began with a methodology that resulted in interviewing over 200 engineers and accountants, using a critical incident method to collect data. The results led to the development of two continuums (satisfaction and decrease dissatisfaction) that were found to be independent of each other but influenced employee job satisfaction attitude in regard to whether the workplace was good or bad.

Based on the research of Herzberg's (1968) two-factor theory, people are influenced by two factors: 1) Satisfaction and psychological

growth are a result of 'motivation factors'; 2) Dissatisfaction is a result of a lack of 'hygiene factors.' He suggested in the workplace human beings have two basic needs: to avoid pain and to grow psychologically. He believed money as a motivator to keep employees over the long term is quite low; in the end, people need to be interested in what they do. And if they do stay around for money, they are not going to perform to their full potential, as this will not be enough of a motivator.

To understand employee job satisfaction, employers need to understand how the majority of employees perceive and think about each of the following elements:

Hygiene factors are important, as they help prevent employees from getting discouraged. Keep in mind that the factors listed below are based on an employee's motivation and ability to learn how to meet their intrinsic needs through their work. The typical factor an employee evaluates to determine if they feel a sense of job satisfaction is the level of success they can achieve in each of the below areas. The typical factors are:

- *Personal achievement*—e.g., the degree an employee feels an internal sense of accomplishment for achieving their daily goals.
- *Responsibility for tasks*—e.g., the amount of pride and ownership for assigned tasks and commitment to completing them in a timely manner.
- *Interest in job*—e.g., level at which an employee gets up each day to go to work.
- *Advancement to higher level tasks*—e.g., the amount an employee believes they have the potential to grow.
- *Recognition for achievement*—e.g., sense of accomplishment an employee has for knowing they are doing a good job without external recognition.
- *Personal growth*—e.g., the confidence an employee has that their current role is assisting in their personal growth.

- *Career path*—e.g., the clarity an employee has of the career path opportunities and the knowledge of what they must do to advance and grow.

Most recognition and reward programs are based around the idea of doing for an employee so that they feel valued and are more likely to want to come to work for a company, as well as to stay. However, though the below motivation factors are important there is no more important strategy than getting employees to learn how to operate from an internal locus of control. Dr. William Glasser, author of *Choice Theory*, teaches each person will ultimately have to take responsibility to learn how to meet their own needs for their personal happiness and fulfillment. He adds that many people don't know how to meet their needs, but they can be taught how to. So any employer of choice program needs to keep in mind it's not just an activity of doing *for*, it's an activity of doing *with* as well (e.g., teaching employees how to balance work and home life issues to reduce addictive disorders, how to deal with relationship and work related issues, or learn how to set and achieve goals).

Motivational factors are needed to motivate and influence the workforce. The typical factors are:

- *Working conditions*—e.g., cleanliness, organization, equipment, ergonomics, quality of air, noise, smell, schedule.
- *Quality of supervision*—e.g., professionalism, style, commitment, expertise, leadership ability, decision making, approachability.
- *Compensation package*—e.g., salary, benefits, incentive programs, overtime, retirement packages, leave opportunities.
- *Employment status*—e.g., full-time, part-time, flexibility.
- *Job security*—e.g., stable employer, stable economy, stable industry.
- *Company*—e.g., brand of company to the workforce—current and future.

- *Job function*—e.g., clearly defined role, responsibility, accountabilities, reporting structure, criteria used to measure success.
- *Company politics*—e.g., degree of obvious favoritism, application of rules, level of equity for all, leadership adherence to rules, stance, and actions on workforce bullying.
- *Interpersonal relationships*—e.g., how people treat each other, what leadership allows and does not allow.

There is a process a person goes through that influences both their emotions and thinking and ultimately drives their behavior and choices. Each employee keeps score of how they believe they are being treated and whether the work environment is meeting their expectation. For example, Herzberg (1968) reported the relationship an employee had with their supervisor and the quality of the interpersonal interaction were critical variables in predicting overall job satisfaction. Retaining employees who are not engaged can be as costly as turning over employees. This is why employee engagement is a reality employers are starting to come to learn is important. However, too often managers are too slow to respond to and understand what has gone wrong, and in many cases are too late to offer a better way once they discover the problems. What triggers the 13-step process can vary, such as: being passed over for a promotion, realizing that what was promised is not going to happen, change in role without a discussion, discovering unethical behavior, and observing racism and discrimination.

Thirteen Steps

1. Start a new job with enthusiasm
2. Question the decision to accept the job.
3. Think seriously about quitting.
4. Try to change things.
5. Resolve to quit.
6. Consider the cost of quitting.

7. Passively seek another job.
8. Prepare to actively seek another job.
9. Actively seek another job.
10. Get new job offer.
11. Quit, accept new job, or
12. Quit without a new job.
13. Stay and be disengaged.

What is important for employers to know is there are actions they can take that will assist in keeping employees satisfied and reduce the risk of their becoming dissatisfied. This is needed to assist the culture to transform into the kind of culture the organization wants and needs as in the end an organization will be only as good as its people.

Putting Theory Into Action

The purpose of this theory is to provide a framework to understand core elements that require attention for an employer to increase its ability to attract and retain top talent. The metaphor of employer of choice is powerful, as it represents an attractive destination for any organization. The three-step model below provides a strategy for taking the Triangulation Theory from concept to action.

Step 1—Defining Organizational Expectations. The first step to put this theory into action is to discover executive leadership expectations and degree of commitment to them. To make the changes need and to put this theory into action the leadership must be fully engaged.

This theory provides a framework for recognizing the critical behaviors that influence a company's capacity to attract and retain the right talent. However, for this theory to work in any organization it must be aligned to the executive leadership strategic plan around attraction, retention, and profitability, as this drives the level of commitment and action the organization puts forward.

The following questions are to be answered by the executive leadership to ensure leaders are committed and motivated to facilitate the work that must be done to become an employer of choice.

- What does being an employer of choice mean?
- Why is it important to the business to become an employer of choice?
- Does the senior leadership agree with the thesis outlined by this theory?
- What resource will the senior leadership deploy to achieve this goal of becoming an employer of choice?
- What metrics will the senior leadership use to evaluate success (e.g., retention numbers, employee engagement survey, and decrease in sick time)?

The answers to these questions form the benchmark and expectations of the executive leadership. The next step is to determine through a gap analysis how aligned the organization is to the current expectation of the executive leadership. As well, senior leadership must examine in more depth what measures and metrics it wants to use to understand how big the gap is and the amount of commitment and effort it will take to move the organization in the direction it needs to go to achieve the desired results.

Step 2—Gap Analysis. To get to this point the executive leadership have fully endorsed and in fact has asked for a process that will facilitate the accurate discovery and assessment as to how the organization is currently performing in all the elements that make up job satisfaction, cultural reality, and organizational maturity. The thesis being, if the organization is under-performing in any of the elements it will not achieve its potential for attraction, retention, and profitability.

Triangulation Theory analysis requires an understanding of how the organization is performing in each of the three core elements of job

satisfaction, cultural reality, and organizational maturity, so that these results can be benched against executive leadership expectations.

Level 1 Gap Analysis

1. Senior management reads this chapter.
2. Senior management completes Triangulation Theory Thermo Gap Analysis (*See Appendix A*).
3. These data are given to HR executive. This is done before level 2 because the research suggests that in many organizations what the senior leadership thinks are issues may not be consistent with what the workforce thinks. This first step will provide the benchmark for senior management to compare their points of view to the level 2 gap analysis results.

Level 2 Gap Analysis

1. HR executive facilitates a process to retrieve data from numerous data points (for example, below are 20 potential data points where information can be retrieved). This will provide the quantitative results.
2. HR executive initiates an applied research study using job analysis strategies such as conference method, small groups, job shadowing, and one-on-one meetings to obtain important information. This will provide the qualitative results.

Examples of Quantitative Data Points

In addition to looking at attraction and retention metrics, other sources may be used to help determine the level of intelligence as to how the organization is performing. The output of this analysis would be defined gaps for improvement so executive leadership expectations will be achieved.

- Attraction data
- Retention data

- Exit interviews data
- Employee engagement survey data
- Disability management data (STD, LTD, WCB data)
- Employee behavioral data (e.g., workplace bullying, ethical behavior)
- Customer service survey data
- Employee counsel data
- Performance management data
- Recruiting validation data (e.g., how effective is the current selection of employees model for picking the right hires the first time)
- Industry benchmark data (e.g., compensation)
- Diversity and equal opportunity data
- Physical environment data (e.g., concerns around air quality, ergonomics, occupational health and safety concerns)
- Safety data
- Employee value proposition
- Corporate responsibility (e.g., compliance to corporate policies)
- Health and wellness data (average sick time, injuries in the workplace)
- Community relationship data (e.g., media and PR reports)
- Internal versus external promotions ratio data
- Average training budget per employee (e.g., in 2007 in Canada it was 1.8% of total compensation)

Triangulation Theory Thermo Gap Analysis (*See Appendix A*) provides a high level overview of the results and findings from the Triangulation

Theory analysis. This tool provides a visual overview of three elements with targeted areas for improvement.

Step 3—Implementation of Employer of Choice Strategy. The final step is to determine the strategic approach based on the results of the level 1 and level 2 Triangulation Theory thermo gap analysis gaps. The next step is to align and implement an action plan.

Part A: To avoid duplication in this process it's important to identify and align all current organizational initiatives to this action plan. Using the Triangulation Theory Strategic Plan (see appendix A) add the initiatives that have been determined relevant for improving identified core elements and are in need of attention. For example, any activities that are currently in place for influencing employee job satisfaction (motivation factors) such as work conditions (e.g., ergonomic study) would be put into the plan as actions to move an area from red or yellow to green.

Part B: Once all current initiatives have been added to the Triangulation Theory Strategic Plan, the next step is to determine what additional strategies and actions will be taken to move identified areas in need for improvement from red or yellow to green. Next, add these action plans to the Triangulation Theory Strategic Plan. For example, employers may get ideas as to what they could do to enhance a particular element and to build an action plan that could be added to the strategy by reviewing Branham's (2005) 54 summary checklist (see appendix B). In the end, there are no shortcuts and whatever the strategic plan is, all the pieces must be connected and aligned.

Part C: The Triangulation Theory strategic plan must be monitored and measured and, if need be, adjusted to ensure the organization is on the right track. The theory being, when an organization is committed to learn and grow in each of these elements and to close its defined gaps, it's on track to increase its attraction and retention. When executives hold this course and vision and commitment for results over time, an

employer will achieve its desired outcome to become an employer of choice, with all the benefits and rewards that come with this result.

More than 75% of all corporate leaders now will agree that employee retention is a major issue; however only 15% have a plan (Fishman, 1998).