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LEADERSHIP & BUSINESS PODCAST

EPISODE 180: DAVID LONG – RETAINING YOUR EMPLOYEES

Female Speaker

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Ken White

Welcome to Leadership & Business, the podcast that brings you the latest and best thinking from today's business leaders from across the world. Sharing strategies, information, and insight to help you become a more effective leader, communicator, and professional. I'm your host, Ken White. Thanks for listening. Retaining high-quality employees a priority today as professionals change jobs faster than ever, businesses and organizations need to hang on to their best performers. Well, while many employers increase salaries to retain people, our guest today says they're often overlooking something more important and more effective. Something that will keep top employees engaged and happy at work. David Long is a professor of organizational behavior at William & Mary's School of Business. In addition to teaching undergraduate and MBA students, he works closely with businesses and leadership teams. He says employers can focus on five elements that lead to happy and fulfilled employees. The kind who stay on the team and contribute. Here's our conversation with William & Mary business Professor David Long.

Ken White

David, thanks for joining us. A pleasure to have you today.

David Long

Thanks, Ken. Nice to see you.

Ken White

You had talked to a group of corporate leaders just a few weeks ago about what we're going to talk about. And everybody in the room, you could just see the lights going on. People were really excited, saying, I really didn't think about it this way. And what we

learned is that so many people are focused on hiring and retention, but they might not be thinking about the right thing. And you talked a little bit about extrinsic and intrinsic. Can you tell us about that?

David Long

Sure, absolutely. If you think about the way that you view your work and your job, there's really two categories that you can view your job on. The first one is on what we call extrinsic rewards. Those are things, specific aspects about the job that are outside of you. So things like pay, promotions, benefits, perks, vacation time, how big of an office I have, those are things that certainly impact whether you're going to be happy in a job or not. But again, they are external to you. They're nothing about you as a person. The other are intrinsic rewards. Those are things that are more internal to you. And there are specific aspects of the job that kind of map to who you are as a person or what you want to get out of a job. So extrinsic rewards, you think about pay, promotion, intrinsic rewards, you think about things about the job that I enjoy. What are the specific things about the job that I do everyday day in and day out that I derive satisfaction from? That's the intrinsic side, and that's kind of where a lot of leaders miss focus when they're thinking about how can I keep my employees around. It's not just about pay. It's not just about promotions and who you work with. It's about the job.

Ken White

And you talked about five specific elements in terms of that one of them. And as we're talking about this, you're saying this is what you need to think about when thinking about your employees. Right. Or your team.

David Long

Absolutely.

Ken White

And so, the first element is variety.

David Long

Yeah. And these five elements that I think we're going to cover here, they come from a model called Job Characteristics Theory. It's a model that's been around for a long time, but it's based more on that intrinsic side of work, kind of the missed opportunity that a lot of leaders overlook. The first one is variety. So in order to derive more intrinsic satisfaction from your work, one aspect of your job that would be beneficial for you to get that intrinsic satisfaction is to have variety. Getting to do different things. The old assembly line worker just doing the same routine over and over again. Not a lot of variety. But if you get to do different things, maybe you get to work with different clients, maybe you get to focus on

different tasks. You get to hone new skills that you never honed before. That's all different aspects of variety that can drive higher levels of job satisfaction.

Ken White

Cross training, for example, right?

David Long

Absolutely. Cross training. When I was leading Home Depot, we had department supervisors. I had a hardware department supervisor. I had an electrical department super. I had a paint department supervisor. And one day, I said, let's learn each other's jobs. The hardware supervisor, do you know how to mix paint. Let's learn that job. That way, if a customer is ever waiting in paint and somebody's helping, they need help in paint, the hardware person can go over there and mix paint for them. It's just learning a different skill set, adding variety.

Ken White

And we know that most people, most employees, do, in fact, enjoy that.

David Long

Absolutely.

Ken White

Cross training. The ability to learn more.

David Long

Right. It's a little bit of a slippery slope because employees do want to be good at what they do. So they do want to be somewhat of an expert in their primary role. But beyond that, do they get to do different things at different times as well?

Ken White

Right.

David Long

You want to be an expert on what you do, but you also want to enhance new avenues for yourself.

Ken White

So we know that doing that under the variety element improves satisfaction.

David Long

Absolutely. And if an employee is more satisfied in their work, they're more likely to stay.

Ken White

Absolutely.

David Long

It's about retention.

Ken White

Number two. The second element is identity.

David Long

Yeah. Identity is a fun one. It has to do with employees being able to see an identifiable piece of completed work that they contributed to that they did. So do you have your own identity in a finished piece of work? I tell my students all the time, look, you guys are going to go off and do great things. You're going to become leaders of industry. You're going to run companies. It would be great if I could look one day and say, here's how I contributed to that. And so if you ever feel like, hey, Professor Long, your class, I learned something about it, and I do it every day, let me know about that. I would love to be able to see myself in an identifiable piece of finished work. People who bake cakes and paint paintings and build things, they have this in spades. They get to see the fruits of their labor. But a lot of jobs, especially in service industries, we just don't get to see the fruits of our labor. So it's important for leaders to be able to connect that back to their employees, show them what their work is doing as a finished product so that they can see it and they can point to it and go, hey, I did that.

Ken White

So it has a visible outcome.

David Long

Has a visible outcome. That's right. If you build homes, you get to drive around town and point to houses. I built that one. I built that one. I built that one. A lot of us don't have that luxury.

Ken White

Yeah, I did that, matters, doesn't it?

David Long

I did it. Yeah, I did it, matters. That's right.

Ken White

Yeah.

David Long

Exactly.

Ken White

The third element is significance. What do you mean by that?

David Long

Yeah, so this is a big one. Does your job offer significance to other people? Is it meaningful to others? If you're a lifeguard, you got this, right? You're saving lives. You're out there. But if you're working in a job where you feel like, I just don't see how what I'm doing contributes to society or the greater good. Back to Home Depot, I had a cashier one time who said, I'm just a cashier here, so what does it matter? And I thought for a second, oh, man, I got to figure out a way to let her know that what she does is significant. And so the Home Depot I worked at, we get about 12,000 customers a week. Only about 500 to 700 of those customers actually need associates in paint or hardware to help them. The rest of them get what they want, and they go check out. So over 90% of our customers only interact with that cashier. And so I went and told her, I said, look what you do, how you engage with the customers ultimately going to determine how successful we are as a store because that's going to drive customer satisfaction. You smiling at them, asking them if they found everything they need, and telling them to have a nice day, and getting them out in a timely manner is really what's going to determine our success.

Ken White

Yeah, it matters greatly. And it's interesting how some people don't see how much their work matters to the organization and to the customer, right?

David Long

And so one of the great studies that did this is there was a call center on a college campus where volunteers were calling and soliciting donations, and they were doing fine. But the leader of the call center said, what if I brought in the benefactors, the people who are benefiting from the donations? I.e., receiving the scholarships from the money that was being solicited? Let me bring those folks in and let them tell the volunteers, thank you, and without your effort, I couldn't be here. I mean, it drove not only how hard they were working but the amount of donations they received through the roof just by seeing the people that they were impacting. The significance that their work had on someone else.

Ken White

So it's important for the manager, for the leader, to find that significance if the employee can't find it.

David Long

Right. And we can't all be lifeguards. We can't all be surgeons.

Ken White

Yeah.

David Long

So you need to find a way to connect. What is it that this employee is doing, and how does it impact something that's more significant than themselves? How does it help the vision of the company? How does it drive our mission? How does it make a customer more satisfied?

Ken White

We'll continue our conversation with Professor David Long in just a minute. Our podcast is brought to you by the William & Mary School of Business. We're discussing employee retention on the podcast today. If that's a priority for your organization, we invite you to think about William & Mary as a way to retain your best people. Consider enrolling them in one of our MBA programs for working professionals. William & Mary's online MBA, part-time MBA, and executive MBA programs are designed for the professional who works full time, so both the employee and the organization benefit. Show your employees you care by investing in their growth. Check out the MBA program at William & Mary at wm.edu. Now back to our conversation with Professor David Long.

Ken White

The fourth pillar autonomy. What do you mean by that?

David Long

Yeah. Do you get to decide how, when you do your job right? It's like the opposite of micromanaging. Leaders need to tell their employees, here's the expectation, here's the outcome I want, and then get out of their way. Let them determine an autonomy can be as big as, hey, I have the flexibility to work when I want and where I want, or it can be something as small as, what tasks am I going to do this day and in what order am I going to do them right? So the less micro-managing that employees have, the happier they are. They want autonomy. They want discretion. And the reason is because if people have autonomy, then whatever the outcome is, the responsibility goes back to them because I got to decide how I teach this course. I got to decide who I work with. I always tell my

students. I say I'm teaching this class. Do you know who made the decision about what was in the curriculum, what's on the syllabus? And they pause for a minute, and then somebody always says, you did. And I go, that's right. I did. No, dean told me, no department chair told me, no president. I got to determine what is in the syllabus and what content I'm teaching you. The good thing about that is I got to decide. The other side of that is, if you guys aren't happy with this course, that comes back to me.

Ken White

Right.

David Long

So it's an extra edge for the employees to also, hey, look, I want to give you autonomy. You need to make sure you're putting in the effort to get the outcome that we want.

Ken White

Yeah. Autonomy and responsibility go hand in hand.

David Long

Hand in hand.

Ken White

In that instance.

David Long

You're right, Ken.

Ken White

Do most people in your experience want autonomy?

David Long

Yes. Again, they want to become subject matter experts. And so there's an onboarding, there's a ramp-up process for autonomy. Autonomy from day one. Hey, you're hired. Now here's what we need you to do now. You go figure it out can be dangerous. So employees want to learn the steps, but then after a while, back off and let them get their own nuanced way to do something.

Ken White

This is an interesting pillar because when you and I talked to managers and leaders, a lot of what we're hearing now is, this is exhausting. I mean, these people, my team, they're driving me crazy. A lot of that would go away if you allow them to have some autonomy.

David Long

Absolutely. Right. So focus on the outcomes. Hold people accountable for the deliverables, but then let them have a say. And hey, every third Friday, I'm going to do a remote. Okay, fine, if that's what works for you. But just know the expectation is that we get the deliverables that we agreed on.

Ken White

Sure. The final number five is feedback.

David Long

This one's an interesting one because most people, when they think about feedback, they think about a boss or a customer saying, hey, you did a good job, or you did a bad job. This element of feedback actually comes from the work itself. You look at something and say, I either did a good job or I did a bad job. So if I'm an artist painting a painting, I can stand back at the end and look at it and go, oh, man, I really nailed that one. Or oops. Those colors clash. They don't go well together. I'm getting feedback from the work itself. Again, it's not from a boss or a co-worker, or a customer. That's an important aspect of feedback. But the truest sense where people get intrinsic rewards is if they get it from the work itself. So you can pat yourself on the back and say, yeah, I nailed that one.

Ken White

Yeah. My work lets me know how I'm doing.

David Long

My work lets me know how I'm doing. Absolutely.

Ken White

So as I think of this, I go right back to autonomy because they're tied together. So of the five, how do they intertwine with one another?

David Long

So they're all independent, but they can amplify, they can enhance each other. So if leaders focus on a couple of them, that's better than just focusing on one of them. If they focus on all five, that can be super powerful.

Ken White

But you had mentioned at one time that the five lead to real meaningfulness in the work.

David Long

Yeah, right. So these five characteristics of a job, they lead to what we call feeling states of employees where they feel that my work makes a difference, it's meaningful. They feel that they're responsible for the outcomes. They feel that the feedback they're getting allows them to know how they're doing. Those are feelings that these jobs provide. Again, these are intrinsic things. Feelings are intrinsic. And so these five quick characteristics lead to these positive effective states that employees feel, and that's what drives job satisfaction.

Ken White

And how can managers and leaders ensure that they're using this? Because this is a fairly easy fix when it comes to retention.

David Long

It really is. The best way to do it is there are actually two things. The first thing is leaders need to ask employees across these five dimensions rate your job. I've given you variety, identity, significance, autonomy, feedback. Ask them do you feel that your job makes a difference? And if so, how? The employee says no. Okay, great. This is an avenue that I can work and can focus on. If the employee says absolutely, I see exactly how my job connects, great. That's something that I don't have to spend time on. I can go to maybe feedback or identity. So asking employees to give some information, solicit some feedback so that, you know, the second thing is we just need to stop thinking only extrinsically. When they think about rewards, the employees are going to knock on their door and say hey, I'm not happy here. I think I need another 30% pay. Or hey, I'm not happy here. I'd like a little more vacation time. That's an important thing to listen to. Right. Because it does impact job satisfaction. But don't overlook the intrinsic side of thing. Maybe in addition to listening to the concerns of the employee on the extrinsic side, also think about adding some, say, variety to their work or connecting the dots of how their job impacts the overall mission of the organization to drive significance. Think intrinsically as well.

Ken White

Based on what we're hearing so many managers and leaders it is about money because people are job hopping. But this can make a huge difference.

David Long

Huge difference. That's right.

Ken White

Yeah.

David Long

Huge difference.

Ken White

And retention seems to be where it's at right now.

David Long

Absolutely right. And these are just minor tweaks that a leader can do for their employees, and what it is that they do that can really help with retention.

Ken White

And you're calling it being self-fulfilled in your work? We can get our team to that position.

David Long

If I can get a cashier at Home Depot, right? Think about it. A minimum wage job somebody who truly is the lowest paid employee with the least amount of required skills. If I can get a cashier to find significant in what they do, imagine in your organization how easy that's going to be to help employees see what they do and how significant it is to someone other than themselves?

Ken White

That's our conversation with Professor David Long. And that's it for this episode of Leadership & Business. Our podcast is brought to you by the William & Mary School of Business, home of the MBA program, offered in four formats the full-time, the part-time, the online, and the executive MBA. If you're looking for a truly transformational experience, check out the William & Mary MBA Program at wm.edu. Thanks to our guest, Professor David Long, and thanks to you for joining us. I'm Ken White, wishing you a safe, happy, and productive week ahead.

Female Speaker

We'd like to hear from you regarding the podcast. We invite you to share your ideas, questions, and thoughts with us by emailing us at podcast@wm.edu. Thanks for listening to Leadership & Business.