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Retaining Operators: Is it Really Just About \$\$?

BY ANTHONY HESS, SUSTAINABILITY COORDINATOR, VDH-OFFICE OF DRINKING WATER

MANY UTILITIES STRUGGLE with retaining operators. The story is familiar one: A utility hires a new recruit to be an operator, pays for their training, and then the operator leaves to go work for the neighboring utility for a slight raise. The process repeats over and over in utilities all across Virginia. We all know that operators at the entry level in this career struggle to make ends meet. However, are there other factors just as important as financial compensation that could help a utility retain their operators? Although intuition may lead us to believe financial compensation is the most important factor for operators that are considering whether or not to stay, research suggests otherwise.

Research shows that employees with higher job satisfaction and increased organizational commitment have lower intentions of leaving an organization. (Allen, Shore, & Griffeth, 2003) Improving an employee's perception of organizational support will increase their job satisfaction and organizational commitments, therefore reducing the likelihood that they will leave. (Allen, Shore, & Griffeth, 2003) Utilities can communicate organizational support for their employees by allowing participation in decision making, through fair and equitable distribution of awards, and by providing growth opportunities. (Allen, Shore, & Griffeth, 2003) Some other suggestions include "merit based awards and promotions" and "providing clear expectations." (Muse & Stamper, 2007) In short, employees want to be included in the decision making process, have a career ladder for their future, have clear expectations of what they should be doing, and for awards to be fairly distributed.

Frederick Herzberg is well-known for his research on the topic of employee motivation. (Educational-Business-Articles.com, 2016) His research determined that several of the factors that most of us consider to be the most important to employees are not the factors that actually motivate employees. (Herzberg, 1987) These items, which he called "hygiene factors," are only necessary to eliminate job dissatisfaction but do not necessarily create job satisfaction. These *hygiene factors* include the following: Pay, Quality of Leadership, Status, Job Security, Work Relationships and Work Conditions. (Herzberg, 1987) It is another set of factors altogether that motivates employees, and these include: Chance of Advancement, the Work Itself, Responsibility, Achievement, Growth and Recognition. (Herzberg, 1987) Organizations that address both the hygiene and motivation factors are also increasing the employees' perception of organizational support, which leads to employee retention.

Eliminating job dissatisfaction

The first step in retaining employees starts with identifying and addressing issues that cause employee dissatisfaction.

Employee pay is a *factor* necessary to keep employees from becoming dissatisfied. If your utility has the lowest paid operators in the region, you may want to compare or benchmark salaries to other utilities in the area. Your utility should at least strive to provide salaries that fall within the regional industry average. However, pay is only a small part of the employee dissatisfaction picture. Consider how your utility stacks up against other utilities in the area for the other *hygiene factors* of: Pay, Quality of Leadership, Status, Job Security, Work Relationships and Work Conditions. If necessary, make changes to improve these areas. Here are a few questions to ask when evaluating your organization for these *hygiene factors*:

- Could the leaders benefit from training workshops or seminars? (Quality of Leadership)
- Are the employees generally proud to work for this utility, and if not, how could that be improved? (Status)
- Do the employees have job security? (Job Security)
- Do the employees generally get along with each other? Do they demonstrate good teamwork? Do many employees have a friend at work? (Work Relationships)
- Could duties be changed to provide work that is more varied or meaningful to employees? (Work Conditions)
- Are the working conditions, physical security and personal safety measures adequate enough so that they feel safe and comfortable doing their jobs? (Work Conditions)

Motivating employees

The second step in retaining employees is to identify and address issues that are known to motivate employees and increase their job satisfaction and commitment to the utility. Herzberg defined a different set of factors that actually motivated employees. These factors include: Chance of Advancement, the Work Itself, Responsibility, Achievement, Growth and Recognition. (Herzberg, 1987)

The following questions will help identify motivation factors that may *keep your employees* at your utility even when

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the neighbor is offering a raise for them to leave. Consider the following:

- Is there a career ladder for employees, or is it a ladder with only one rung? (Chance of Advancement)
- Do employees get the training they need to improve their job related skills and grow as an employee? (Growth/Responsibility/Achievement/Recognition)
- Do employees just follow orders, or do decisions get made at the lowest level possible? (Responsibility)
- Are employees allowed to work to their strengths? (Growth/Achievement/the Work Itself)
- Do employees get recognized for a job well done? (Recognition/Achievement)

Here are a few strategies that utilities have historically used to answer some of these motivation related questions.

- Many utilities don't have enough employees to offer an actual career ladder, but overcome this by offering achievement based promotions and raises based upon obtaining higher licensure certification.
- Sometimes it is necessary to make decisions at a higher level, but when possible employee input should be sought and actually considered. Delegating decisions downward and when possible including them in the decision making process helps employees feel invested in their jobs.
- Sometimes job positions can be tweaked slightly to allow employees to work to their strengths and become more engaged in their position.
- Often a pat on the back or even an employee of the month award can go a long way to show employees that you recognize and appreciate those going the extra mile.

Employee retention: Not just about the money

Retaining operators is not just about the money. Many factors lead to the reasons why some operators may choose to stay at one utility for years, and others jump ship at the first raise. Although financial compensation has to be comparable to other

utilities in the region, it is not the only reason why employees leave. Even when pay increases are available, research suggests employees will stay if they perceive support from the organization. There are many steps that can be taken to communicate support to employees. Utilities need to consider all of these factors if they want to retain the best operators and avoid a bidding war with neighboring utilities.

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