The Talent Fix: A Leader's Guide for Hiring and Retaining Great Talent

By: Matt O'Neill

Take a look around your office. What do you see? Neutral-colored, uninspiring walls, high cubicles, and an aging workforce? Or perhaps you see a looming job-shortage crisis, one that is unfolding in real time in every agency across America, large and small.

The U.S. Bureau of Labor Statistics predicts that 400,000 professionals in the insurance industry will retire within the next few years. It also states that the need for skilled agents and brokers will grow by 10% and by 7% for support staff. At the same time, according to Pew Research, "only 4% of millennials are interested in working in the insurance industry."

Making the job shortage problem even more critical, Roger Lear, Co-founder of Greatinsurancejobs.com, says, "Companies are not only looking to add to staff with job growth positions, they are having a hard time keeping the talent they currently have. Talented underwriters, claims, and virtually any insurance professional can upgrade their current position in this type of environment."

Some suspect that the root cause for the labor shortage is that insurance professionals have numerous job options, and professionals outside the industry are happy in their existing positions. Bottom line, no one knows, exactly, where the talent will come from to replace these professionals or how agencies can attract millennials to fill these openings.
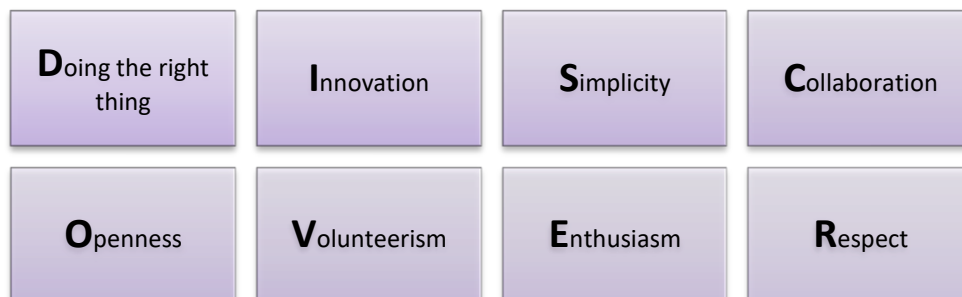
Perhaps the solution boils down to culture and perception.

Consider this: the airline industry, much like the insurance industry, is perceived by consumers as commoditized, prone to poor customer service. Southwest Airlines, however, has been able

to change the game with a compelling culture consisting of transparency and creative freedom. Not only does Southwest ensure employees feel unified by clearly defining the organization's goals and vision, the airline has encouraged employees to go above and beyond for customers, empowering their staff to do what needs to be done in order to meet that vision. Why is this so critical to Southwest's success? Employees, who feel they are part of a larger goal or purpose, are more excited to embody the corporate culture.

The foundation of a compelling organization lies in its ability to demonstrate that it has core values, which everyone from senior leadership down believe and live both inside of and outside the office. An appealing culture can be the difference between your next superstar candidate choosing your organization as their new job opportunity or selecting your main competitor right down the street. Pew Research confirms the importance of culture with its recent finding that the high level of turnover is due to "poor engagement in the workplace."

Credit card giant Discover built its culture around servant leadership. Winning accolades, such as being named one of the top 50 employers by Equal Opportunity Magazine or included in the list of 100 Best Places to Work in IT by IDG's *Computerworld*, only happens with strong, top-down support from the organization's management and staff. Discover's corporate values are simple:

Doing the right thing	**I**nnovation	**S**implicity	**C**ollaboration
Openness	**V**olunteerism	**E**nthusiasm	**R**espect

Notice how culture is built into the company name: D-I-S-C-O-V-E-R. The organization embodies these values by reinvesting in the communities its employees call home through local outreach projects, company volunteer events, and employee-donation matching. Beyond that, Discover provides perks that range from health and wellness initiatives to personal development, such as continuing education and professional and leadership training. Why is this appealing to current and future employees? When employee values align with the corporate culture, staff members no longer need to live a double-agent lifestyle. In other words, they do not have to be one person inside the office while expressing themselves differently outside the 9-5 job.

How can you implement your own corporate culture?

David Friedman, founder and CEO of High Performing Culture (www.highperformingculture.com) and the author of *Fundamentally Different*, defines culture as the specific behaviors that a business leader wants to see taking place in his or her workplace. Defining these values will

allow you to systematize processes from new talent hiring all the way through customer acquisition and customer retention.

Earlier this year, I had the opportunity to study the culture of Zappos with other organizational leaders during their School of WOW event. As an industry-leading customer service organization, Zappos consciously creates and reinforces a corporate culture to help accomplish its goals. While Zappos' corporate culture does not attract every job seeker, the people who do fit in thrive, are highly loyal, and remain engaged and stable in their jobs for years. Zappos' 10 core values are simple:

1. Deliver WOW through Service
2. Embrace and Drive Change
3. Create Fun and a Little Weirdness
4. Be Adventurous, Creative, and Open-Minded
5. Pursue Growth and Learning
6. Build Open and Honest Relationships with Communication
7. Build a Positive Team and Family Spirit
8. Do More with Less
9. Be Passionate and Determined
10. Be Humble

As a best practice, I would encourage you to define 8-12 core culture values for your own organization.

When defining your values, ask yourself the following three questions:

1. What philosophy or practice best aligns with the reason (the WHY) your organization exists?
2. Are your values applicable to every employee from senior management down?
3. To what degree do your current employees embrace your cultural values?

Defining your culture positions the organization to effectively hire based on cultural fit as opposed to skill.

Hiring for Culture over Skill

Beyond Insurance did a study within the Beyond Insurance Global Network and found talent acquisition and retention is one of the top issues facing independent agencies today. With only 47% of new talent actually lasting long-term, the investment of fresh talent can be costly. Reagan Consulting has also found that it is not uncommon to see an agency invest $300,000 or more over the first three years of a producer's development. So the question becomes, how do you increase the pool of quality applicants while ensuring each dollar allocated to training and development is spent on quality candidates?

While skills are critical for any employee to succeed in his or her role, if the best, most technically proficient employee is placed into a toxic culture or does not align with the corporate culture, he or she probably will not last long. In fact, a 2016 Gallup poll found that 60% of new

hires will consider leaving their jobs if they do not feel engaged at work, and they will not stay at a job when they feel their values and work-life balance are compromised.

A study by Jive Communications of 2000 working millennials reiterates this message: the number one reason new hires leave their jobs is because **they don't like the atmosphere in the office**.

How do you hire for culture?

Consider the Zappos' core values above. Value number one is, "Deliver WOW through Service." During the hiring process, their recruiting team might ask, "Describe a time where you received WOW customer service." If the respondent describes a time where they received extremely speedy service from a wait staff at a local restaurant, this may be a tell as to what the hire views as WOW service. Since quick service is not one of Zappos' culture values, this response may be a sign that the applicant would not fit well in the organization. Instead, Zappos is looking for answers that describe how the waiter built rapport and engaged with the customer. A better response would illustrate how the waiter cared more about the customer than the speed of delivery. When it comes to customer service calls, Zappos' culture value is *quality over quantity*. When an applicant gives an example that is out of alignment with your culture, it's important to probe and discover more about the candidate's core values.

Try developing a culture scorecard based on four criteria:

1. Establish your core values
2. Weight the core values based on the overall importance to the company culture
3. Define characteristics associated with living each culture value
4. Score each applicant on a 1-10 scale based on their cultural fit

The higher the culture score, the more aligned that hire is with the company values and, therefore, will be a better fit within the organization.

Core Value	Weight	Score	Weighted Score	Max Score
Deliver WOW Through Service	9	8	72	90
Embrace and Drive Change	7	9	63	70
Create Fun and a Little Weirdness	8	6	48	80
Etc.	…	…	…	…
TOTAL:			183	240
			Culture Score:	76%

Living your culture

It's important that everyone in your organization not only talk the talk, but walk the walk. Employee-oriented strategies can help you "live" your culture. Consider the following:

- Provide a monthly stipend for employees to use for team building outside of office hours.
- Paint or post your culture values, or quotes associated with your values, around the office and along the walls of the most heavily trafficked hallways.
- Implement culture exercises into your new hire on-boarding experience.
- Offer alternative benefits that align with the modern-day workforce – tuition reimbursement, continuing education, additional maternity or paternity leave, or fitness memberships.
- Allow employees to express themselves more freely inside the office to encourage staff to be themselves.
- Support employees when they pursue their passions and hobbies, and celebrate successes.

Remember battling the perceptions of the independent agency system starts within your own office. Creating an environment that is not only professional, but fun, will attract today's worker. By offering a culture that makes employees want to come to work can be the most efficient way to hire and retain your next generation of leaders.

About the Author

Matt O'Neill, Chief Experience Officer for Beyond Insurance, strategizes with organizations on the implementation of the Beyond Insurance tools and resources and serves as a master coach and speaker on differentiation, social media, and developing a competitive advantage.

Beyond Insurance is a consulting firm that offers leadership training, cultural transformation, and talent and tactical development for enlightened professionals who are looking to take their organization to the next level. Since 2007, the proven and repeatable processes of Beyond Insurance have transformed organizations as measured by enhanced organic growth, productivity, profitability, and value in the marketplace.

To learn more about Beyond Insurance, contact Scott Addis at saddis@beyondinsurance.com.