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Finding, keeping right people must be top priority

OUR MOST RECENT SALARY SURVEY shows that the salaries of produce industry executives are on the rise again.

Part of this increase in compensation results from companies investing more in the key people that drive their business. We can also attribute this salary growth to industry-wide consolidation.

With fewer management positions available in an increasingly consolidated industry, companies need executives with more experience, insight and horsepower to leverage against the size and scope of their customers and competitors.

As businesses expand, finding "A players" who can manage larger responsibilities also carries a bigger price tag. In other words, the president of Dole earns far more than the president of Mixtec (damn it!).

In addition to the higher cost of top talent, it is increasingly difficult to even recruit these individuals. Supply and demand works to the A player's advantage; demand is extremely high for a very limited pool of successful produce professionals.

In order to attract such key executives, competing businesses must now *compel* them to leave their lucrative and comfortable jobs (the proverbial bird in hand) for potentially rewarding positions at different companies (two in the bush). You must offer more than a competitive compensation package to a desired candidate; you need to also present a vision for the future and a comprehensive plan for their personal aspirations and career growth.

We suggest that you develop a people plan for your entire organization. What is a people plan? A people plan details how your company invests in its most valuable resource, human capital. It includes identifying and securing top talent and rests on three principles: recruiting right, hiring right, and training right. Any size business can implement this type of program, from the small family-owned grower-shipper to the billion-dollar public multinational.

RECRUITING RIGHT: One key to success is selecting the right people for your organization. But how do you identify the right ones?

You must first evaluate your needs and corporate objectives. Only then can you pinpoint what type of posi-



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tions you need to fill. Then you must identify the specific type of people who will help move you from where you are today to where you want your company to be tomorrow.

The ability to articulate a well-thought-out strategic plan demonstrates a clear direction for your organization, a commitment to achieve stated business goals within a certain time frame, and poses a true challenge for the candidate to begin playing a key role immediately.

HIRING RIGHT: Superior management teams create superior financial performance. Assembling a superior management team starts with hiring the right people for the right positions. General Electric is the epitome of this concept by constantly assessing and upgrading its management ranks year after year.

Conversely, a miss-hire occurs when you hire the wrong person for the wrong position. Half of all employment situations result in a miss-hire. The typical miss-hire at any level in an organization can cost business owners many times the employee's annual salary.

Consider how much time and money you waste not only by hiring the wrong person, but also in the missed opportunities of not having the right person in place from the start. The net difference in terms of financial impact to the bottom line could cost you dearly.

So how do you hire right? First, by never settling for anyone but the best for your organization. Adopt Mixtec's philosophy that the best people are working for some company in the produce industry — why shouldn't they be working for you?

Assess candidates by coming up with a scorecard that includes the skills and competencies important for your company. Then rate the candi-

dates' character and accomplishments against the scorecard.

As past performance normally predicts future results, this process should help prevent you from making a crucial hiring mistake.

TRAINING RIGHT: Once you have the ideal person on board for the right position, you reach the final step in your people plan: training right. Proper training and ongoing development is key to retaining the A player whom you worked extremely hard to recruit. The more time you invest in the individual on the front end, the better your return on investment will be over their entire tenure with your company.

We suggest that you listen to, acknowledge, and appreciate not only your new employee, but also your entire team. Create an environment and company culture of respect and recognition that rewards hard work and outstanding performance.

Start by retaining your existing A players, then secure a few new ones. This will initiate a favorable chain reaction that can lead to building a strong company (remember that "birds of a feather flock together" axiom). Finally, never assume that anyone is beyond training. Even presidents and chief executive officers benefit from guidance and direction from their board of directors.

Today's marketplace is an extraordinarily difficult one because of a variety of external conditions, many of which we cannot control (consolidation, weather, foreign competition, etc.). In order to maintain a competitive advantage, we must look to human capital — our management team, employees, and people plan — to maximize organizational success.

Jack Welch, the former chairman and CEO of General Electric (and leadership's poster child) spent *half* of his time on hiring, mentoring and training his team. In comparison, what percentage of your time are you investing in human capital?

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