

STRATEGIES



Olive, a 2-year-old border collie-Labrador mix, makes time at work less stressful for Russell Clayton of Sweet Leaf Tea.

PERKING UP the office

Special benefits — some simple, some strategic — go a long way

BY SUZANNE EDWARDS

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It was a stressful and frustrating time for Russell Clayton.

As the supply chain and enterprise resource planning manager for Sweet Leaf Tea, Clayton was worried about how the company's implementation of its new ERP software was progressing.

When it seemed nothing was functioning right, it was Olive who calmed him.

Not in a martini, but in a dog collar — a 2-year-old border collie-Labrador mix, whom he brings to work twice a week.

"I looked over at her with that look she gives and we headed for a few minutes, and I was able to level myself out," Clayton said.

Having Olive's company in the office is among several employee perks that keep Clayton motivated at Sweet Leaf Tea.

Not being with Olive at a different job would "be pretty disheartening," Clayton said, and would "facilitate the negative slide toward everyday boring corporate life."

Employee perks can be some of the most strategic components in creating a pleasing company culture. And they can be a worthwhile investment in employee happi-

ness considering that in today's economic uncertainty, retaining and motivating employees is vital to financial stability.

The cost of replacing an employee who earns \$8 an hour is 20 to 30 percent of the annual salary, not including the costs of lost productivity, according to reports published in 2001 by the American Management Association and the Society for Human Resource Management.

Keeping with the culture

Learning from employees about what motivates them and heeding that information is worthwhile, said Macy Shaver, communications manager for Sweet Leaf Tea.

"Employees want to know they're being looked after, especially in this economy," Shaver said.

Company leadership has invested time and energy to form a "culture committee" devoted solely to maintaining the company vibe, in which employee perks play a large part.

"The perks have really come from our culture," Shaver said, "which comes from our employees."

Shaver characterized her office demographic as

"young and really hard working" and liking to have fun. In keeping with that, the company annually provides free tickets to the Austin City Limits Music Festival, which Sweet Leaf Tea sponsors.

"Everyone gets really excited about it," Shaver said. Besides the festival, employees get weekly tickets to local music and entertainment events.

Incentives and objectives

One of the biggest mistakes employers can make when offering incentives is not clearly communicating the objective and company benefit behind them, said Lisa Bales, team manager of service operations in Austin for national professional employer organization Administraff.

Brad Wicall, owner of Bradz Salons in Austin, uses the "WIIFM," or the "What's in it for me," approach to avoid counterproductive misunderstandings of perks and incentives. At company meetings, Wicall sets goals and emphasizes how reaching them will benefit individual stylists.

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PERKS: Education a popular enticement that benefits employees and businesses

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If a stylist averages a certain dollar amount in sales per day, he or she gets to wear jeans to work on Friday, as well as look forward to a bonus that month.

Though most perks lie at the end of an accomplishment for Wicall's employees, he does spring for some no-strings-attached comforts, such as company pizza days and gift card trades with nearby businesses.

Wicall, like the leadership at Sweet Leaf Tea, has figured out what employees want, which at Bradz Salons is education.

Wicall pays for stylists to take classes, which directly benefits employees and the company. Wicall also maintains an education fund that employees can draw from if they want to seek further education not arranged by the owner.

Unhappy means unproductive

Paying for education, in addition to showing an interest in employees bettering themselves, is a way to reduce their financial distress, which has been linked to lower productivity.

According to a 2005 review of research by Virginia Tech Professor Emeritus F. Thomas Garman, 80 percent of financially stressed employees spend time at work handling personal financial matters. This can also contribute to higher turnover, the report said.

A survey published in the *Gallup Management Journal* in 2006 states that 15 percent of U.S. workers were not merely unhappy at work, but also "busy acting out their unhappiness." The report estimated that these workers' reduced productivity

cost the U.S. economy \$328 billion.

Josh Lasch, vice president of The Steam Team, an Austin-based cleaning and restoration company, eases the financial burden of his employees who are students by paying for higher education. Two employees have graduated from The University of Texas and Texas State University thanks to aid from The Steam Team.

"It's a big morale booster for everyone" when they graduate, Lasch said.

In the past year Lasch has also implemented consistent sales incentives, from daily awards of \$25 to monthly awards of a flat-screen TV and other high-tech toys for the top salesperson. "It's raised our sales significantly," he said.

Bang for the buck

Like take your dog to work days at Sweet Leaf Tea, which may add slightly to office maintenance and cleaning costs, perks need not be financially burdensome.

Work-at-home days and casual dress code, which speak to the laid back qualities of the Austin workforce, appeal to many, said Bales of Administraff.

Offering volunteer opportunities can be a cost-effective and rewarding perk to many, Bales said, adding that employees want to be in a giving company culture.

And although The Steam Team has had success with sales incentives, Lasch cautions about the lasting impact of monetary perks.

"I don't think outright financial gifts are what retain people," he said. "It has more to do with feeling like you're a part of something."