

PATHFINDER >> BY JOHN SULLIVAN, PMP

Retain and Sustain

Organizations are rethinking how to keep mid-level project managers on board and motivated.

The universal nature of project management has created a booming market for the profession. But the increasing demand for these skills has shown mid-level project managers that job-hopping may be the best way for them to get ahead.

This trend is bad for business, though, because while some organizational turnover is healthy, high attrition rates can devastate a company financially, says Judith Bardwick, Ph.D., clinical professor of psychiatry at the University of California at San Diego, San Diego, California, USA, and author of *One Foot Out the Door: How to Combat the Psychological Recession That's Alienating Employees and Hurting American Business* [Amacom, 2006].

"Replacement costs are huge," she says. "It behooves organizations to keep the people they have and want."

But real retention requires more than post-project banquets and completion bonuses. These tactics may work on the "newbies," but they don't necessarily increase employee commitment and engagement among the middle ranks.

If a company is truly serious about retaining employees, executives must be honest right from the start and ask themselves: What can we do as an organization to make working here more satisfying or easier for mid-level project managers?

Building a Culture of Retention

Many organizations operate as if recognition revolves around financial rewards. Yet, although salary and incentives are important, most mid-level project managers want something money can't buy: challenges and personal growth.

Because not everyone can be promoted, offering larger and more complex assignments creates what Dr. Bardwick calls an "alternate definition of success." It gives mid-level professionals the opportunity to lead and develop new skills.

Victor Anyosa, PMP, joined the project management office of Compañía

Eléctrica El Platano S.A. (Celepsa), an electrical producer in Lima, Peru, after 10 years in banking.

He wanted his work to matter, and the position presented the "opportunity to lead large and complex projects that are relevant and impact the organization and the society."

But he also wanted a challenge. "I wanted to test my skills in a more complex project environment, where projects are 50 or 100 times bigger," says Mr. Anyosa. "If I can make something that impacts the future of my organization and that of our customers and society, I would be very happy, even if it is not necessarily well-paid."



Celepsa customizes these opportunities by gradually assigning mid-level project managers to larger, more complex projects as their skills increase. This instills a sense of authority and responsibility in their developing professionals and also shows what opportunities for growth are available within the company.

Today, as a project management officer, Mr. Anyosa is supervising the construction of a three-year, \$220 million power plant, a project 100 times bigger than the IT and business project he used to manage. The project will provide many communities in Peru with electricity by 2009. "This is the kind of challenge I was looking for as a career, a balance between complexity and impact to my organization and society," he says.

If an organization can't offer larger assignments, it should offer different ones, says Berislav Crkvenac, PMP, technology projects manager at VIPnet Technology, a Zagreb, Croatia-based mobile telecom operator.

Because project managers have to continually update and customize their skill sets to meet market needs, allowing mid-level professionals to choose their next assignment can be a highly effective retention strategy, he says.

"We're taking part in an extremely dynamic industry, where each project can make a difference and have a

Think Outside the Box

Around the world, companies are combating turnover by offering unusual perks to keep employees happy. In 2008, *Fortune* magazine's list of the "100 Best Companies to Work For" highlighted a few of the most innovative. For example:

- > Most employees at KPMG, an international auditing and consulting firm with offices in 148 countries, get five weeks of paid time off in their first year of service.
- > At Google, employees receive \$1,000 toward the purchase of a hybrid or electric car.
- > EOG Resources, a U.S. oil and gas company, will match employees' charitable contributions dollar for dollar up to \$60,000 per year.
- > International financial services company FactSet Research offers employees free lunches every Monday through Thursday.

major impact on the market," Mr. Crkvenac says. "We give project managers a fair amount of freedom and autonomy to define the optimal approach to each new project."


The Simple Life

Businesses can also motivate their employees by offering simple conveniences that make the workday easier.

For example, Ascendum, a six-year-old software consulting company, headquartered in Bangalore, India, provides a mid-day meal to workers. "[They] did not want to cook at home and did not want to go out for lunch," says Viral Vora, Ascendum's president, who started providing lunch based on employee requests. The firm also offers cab rides home if

team members work late because traffic in India is horrible, he says.

Ascendum's efforts to prove its appreciation for its employees seem to be paying off. Mr. Vora says the company has an overall lower turnover rate for senior-level project managers than the industry standard.

Organizations looking for new and simple ways to revamp retention strategies should examine lists of the best places to work. But Dr. Bardwick doesn't recommend copying them. "Do something entirely different," she says. "Create your own retention customizations." 

John Sullivan, PMP, is an IT project manager and writer in Dayton, Ohio, USA. He is also a contributing editor for *PM Network*.