

# How Shepherd Color is getting it right with employee engagement

Treating people how you want to be treated – operating using this golden rule

For many companies, an investment in innovative technology is critical to survival. Many consider it the primary path to a competitive advantage. However, it would be a mistake for executives to take their eyes off the human component, according to a <u>recent Gallup study</u>.

The Gallup research found a disturbing trend in the global workplace: Only 15% of full-time employees consider themselves fully engaged at work, which was defined as "highly involved in and enthusiastic about their work and workplace."

As Gallup puts it, that figure represents "a stunning amount of wasted potential, given that business units in the top quartile of our global employee engagement database are 17% more productive and 21% more profitable than those in the bottom quartile."

Employee engagement also is a contributing factor to social sustainability — the company's overall relationship with people. Companies that score high with social sustainability

are ethical in their treatment of employees, clients, and the community.

An inside look at The Shepherd Color Company, where it's not uncommon for employees to stay for 10, 20, 30 years or more, demonstrates the power of its socially sustainable culture.

Shepherd Color President John Marten said treatment of employees has been among the company's differentiators. "The owners have always operated by the golden rule — treating people how they would want to be treated," Marten said. "We give our employees opportunities and we give them the tools to do their jobs well."

Here are five ways Shepherd Color builds a foundation that supports a social sustainable culture in the workplace.

**1.** An extensive hiring process to ensure the right fit. Shepherd Color's hiring process is notoriously lengthy, by any standards. "We take a long time to hire to make sure

a prospect is a good fit for our culture," Marten said. In addition to extensive reviews of resumes and applications, the Human Resources Department also administers a Culture Index tool that determines if a person is a good fit for the job.

Even if a person has an accounting degree, they may not be naturally strong from an analytical standpoint. Or they may have pursued engineering as a profession, but the test may show they really want to be in marketing.

"Capability is one thing," Marten said. "But how are they going to work in a position for the long-term if it's not a good career fit?"

Each candidate also is brought in for multiple interviews with numerous people. For example, a person interviewing for an engineering position with Shepherd may interview with 10 people. Those pursuing high-level management positions may interview with even more.

In addition, those in salaried positions will undergo a four- to five-hour assessment to ensure that their capabilities match up with the job.

Also, the interview process is behavioral based, Marten noted. Questions are more in-depth, getting to a level in which the interviewee explains why they took a particular approach when addressing a challenge or showing leadership in the work environment. "We like to get into the details of what they did," Martin said.



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### 2. Personal onboarding.

At Shepherd Color, an intensive hiring process is followed by an equally intensive onboarding process. "We make sure we're hiring the best person for each position," Marten said. "Then we make sure they understand what we're trying to achieve."

The onboarding process includes an immersion in Shepherd Color's mission, philosophy, and vision. "If you're not intentional about it, you'll find that most people aren't rowing in the same direction within a company," Marten said. "If you can get everyone to row in the same direction, you can be successful in creating an engaged workforce."

"It's important for each new employee to understand what we're doing, as well as our challenges and opportunities," he said. As a result, they're able to engage in the process of overcoming those challenges and looking for ways to explore the opportunities.

### 3. Ongoing training and development.

In addition to the on-the-job training that many companies offer, Shepherd Color also offers new employees the opportunity to further their education at the company's expense. "It is a benefit that is offered from day one," Marten said. "An investment in an employee is perceived as an overall investment in the company."

The company's tuition reimbursement program can be applied to any course of study, whether or not it is related to the employee's position at Shepherd Color. "You can take anything you want as long as it can be applied toward a degree," Marten said.

"We give them the skills, training, and resources so they can fulfill whatever we try to do here," Marten said.

The tuition reimbursement program is also a no-strings attached policy, Marten noted. "The majority of the time, employees stay here. They're so thrilled to work for a company that offers such benefits with no strings attached on the first day they're employed," he said.

Even if an employee decides to leave, they're not required to reimburse the company. "We realize that our culture doesn't always align with every employee. That's OK too," Marten said. "We understand that some people may function better in a different environment."

4. Empowering employees to act.

In addition to ensuring that employees are aware of the company's vision, challenges, and opportunities, Shepherd Color's management team also is committed to empowering them to act.

"Our employees are invested in what we're doing because we give them the opportunities to take the reins," Marten said. "They're allowed to take the initiative so they can do what's necessary to be successful. That requires management getting out of the way a little bit."

### 5. Reinforcing company culture.

Building an engaged workforce is not easy, Marten acknowledged. It's a process that requires an ongoing investment in focus, time, and resources. "It has to be a cultural thing. You have to keep working on it, whether it's five years, 10 years or more, especially with a large organization," he said. "It's a long journey."

However, Marten said, the payoff can be tremendous. He recalls Shepherd Color hosting more than 20 representatives of one of its largest clients recently. As they toured the building, the representatives randomly engaged with team members who were enthusiastic about talking about their role in the company. "They couldn't believe how engaged our employees were," he said.

By focusing on employees and customers first, profitability naturally follows, Marten said.

"Like any other company, we're trying to grow profitably. If we focus on creating a great place to work as part of our core purpose and delivering world-class customer service, we will make money," he said. "We want to engage people to the point where they can come in every day and love what we're doing together."

#### ABOUT THE SHEPHERD COLOR COMPANY

Founded in 1981, The Shepherd Color Company produces a wide range of high-performance Complex Inorganic Color Pigments (CICPs) used in a variety of industries. These pigments are an extraordinary class of inorganic pigments that offer stable, long-lasting color for many applications. They have unbeatable weatherability, heat and chemical resistance, are non-warping and easy to disperse. *More Expertise. Better Performance. Best Value.* **That's Shepherd Color.** 

#### References

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