

# Employees Keep the Water Flowing

## How do we keep the employees?

by **Jamie Knotts**  
*On Tap* Assistant Editor



**“Hello Mr. Clark. This is Sam Stone, superintendent of the PSD on the other side of the county. I’m sorry to call you at home. You’re the chief operator at the Acme Water Utility aren’t you?”**



**“Yes sir, I am. I’ve been working there for four years.”**



**“Do they treat you well over there? I mean does the water board give you problems with overtime? How about taking your suggestions? Do they do that? Have they refused to grant your vacation requests because they don’t want to pay a fill-in?”**



**“We’ll, it’s not a bad place to work, all things considering. It’s just the way things work over here. I always have had to fight with the micromanagers on the board.”**



**“Yes, I know what you mean. You’re probably glad to have a job, but wish they respected you more. Let me ask you this. Have you thought about what it would be like to work under a board that respects your opinions?”**



**“Every board meeting I go to.”**



**“Well, would you consider coming to work for us if I said we work with our employees, not against them?”**

**A**s a system manager or water-board member, do you know if any of your system's employees have had such a conversation recently? If they haven't, then your utility is probably one of the lucky ones that does not face employee turnover. Water treatment workers are increasingly moving from job to job and system to system as they find better pay and better working conditions at nearby facilities. Many workers leave the water business altogether for different jobs and higher pay in other industries, leaving their system without a certified operator.

Couple a worker's desire for good working conditions with increasing operator certification demands, and pretty soon a water utility could face an employment crunch. Today's treatment workers must take courses, pass tests, and spend time on-the-job learning treatment methods so they may obtain proper certification as operators. Hiring someone off the street to be an operator just won't work under today's federally mandated certification requirements.

An operator is truly a trained professional with an enormous amount of responsibility.

And let's be honest, a system's operator is probably the most important member of a utility's staff. The operator is key to delivering safe water to customers. In many small systems, the operator is the one repairing leaks in the dead of winter or running the system in the middle of the night so the local fire department has the capacity to fight a fire. The operator does the dirty work others don't want to.

#### **It's Often a Matter of Respect**

Even though many managers and water-board members recognize water treatment operators for the fine job they do, others don't appreciate the people they have on staff. That lack of appreciation is increasingly the cause for workers leaving their jobs to find employment at another water system or a job unrelated to the water business.

Penny McCoy is a management support technician with the Pennsylvania Rural Water

Association. She says there's a general lack of respect shown to many of the water treatment workers she meets as she criss-crosses Pennsylvania, helping water board and utility managers.

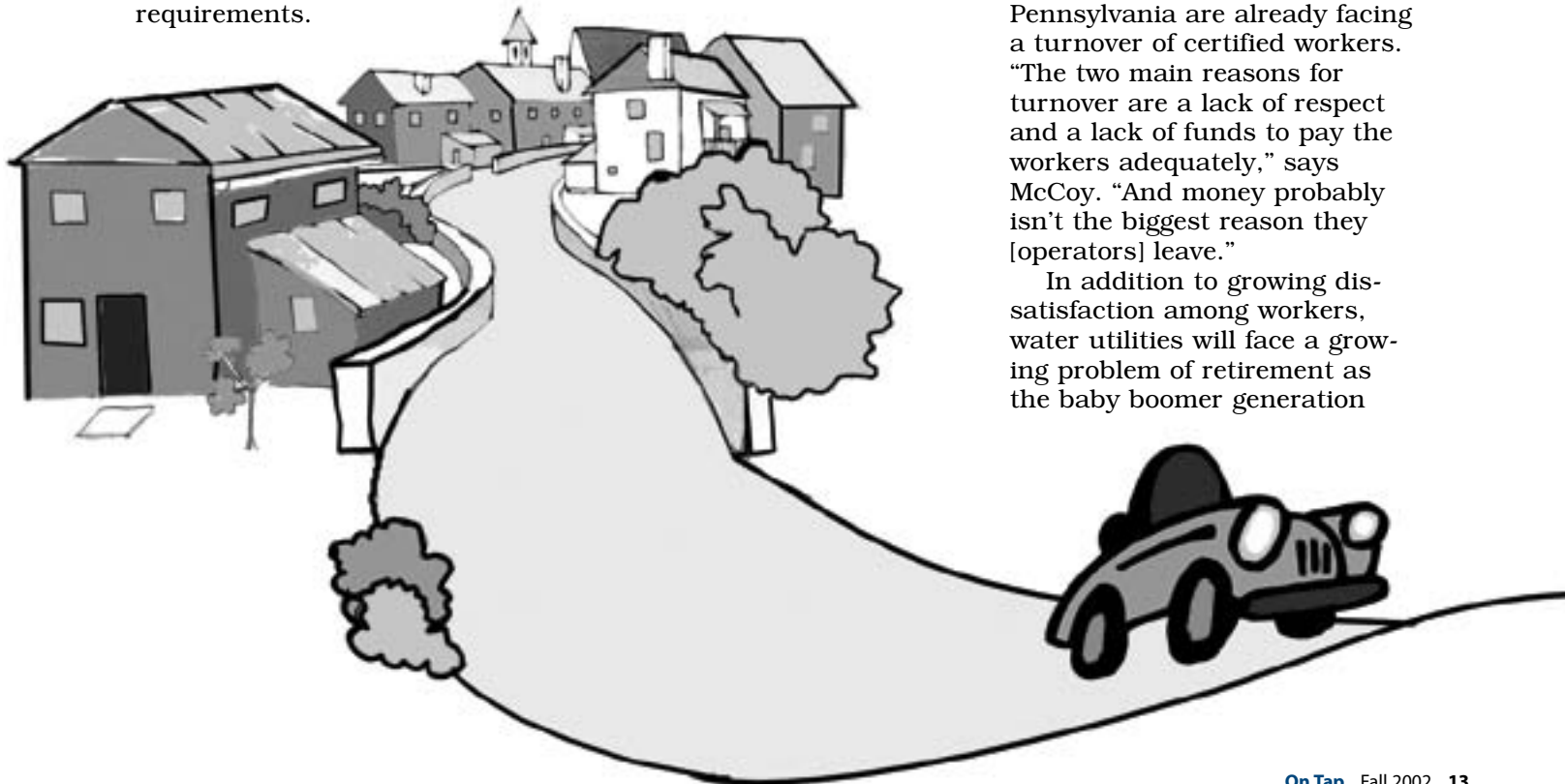
"I've seen water board members that look at operators like a bunch of dirty old guys that just come to work," McCoy says. "They just don't show them the respect they deserve as highly skilled workers."

McCoy says that operators' opinions are often not considered in the decision-making process.

"Operators will tell their water board that 'we need to change the chemical treatment method to do the job better' only to hear the board say 'We can't do that,'" McCoy says. "But five months later the board pays a consultant who recommends the very same thing; then they listen. The person who they're trusting on a day-to-day basis to run their system isn't listened to when it comes to major decisions that affect the system."

McCoy says that systems in Pennsylvania are already facing a turnover of certified workers. "The two main reasons for turnover are a lack of respect and a lack of funds to pay the workers adequately," says McCoy. "And money probably isn't the biggest reason they [operators] leave."

In addition to growing dissatisfaction among workers, water utilities will face a growing problem of retirement as the baby boomer generation



nears the end of their careers. "In Pennsylvania, I see less than 10 operators under 30 years old," says McCoy. "Who is going to run the systems when all of those older operators retire?"

Jean Holloway agrees that utility workers deserve more respect. Holloway served in various administrative capacities for several small towns in Maryland before providing technical assistance and training with the Maryland Rural Water Association. She now helps small communities with their drinking water and wastewater problems as a training manager with the Environmental Finance Center at the University of Maryland.

"Workers need to know that they matter," Holloway says. "They [workers] have to be treated better. They need to be appreciated and respected and have some say in their system. There's a certain percentage of workers who do their jobs and love it because they are dedicated. They do it for the community. The more appreciation they receive, the more likely they will stay. When a system has a rate study or is consider-

ing a new treatment process, those overseeing the project forget to talk to the superintendent and the operator."

Holloway says some workers just move from job to job or go to private industry because they've reached a certain level of certification and can earn more money in another position. "You can't blame them," she says. "They have to think about their families if they can earn more elsewhere."

But Holloway suggests that water systems should try to hold on to good workers if better pay is the only reason a worker is moving on.

"It would benefit the system to raise the pay scale to keep the qualified, trained people already on staff," she says. "You've already invested in their training and education. Why continue reinventing the wheel every time someone leaves the utility?"

"Systems need to recognize the opportunity costs associated with not paying a competitive salary," says Holloway. "If you added up the cost every time someone left versus paying a competitive or higher salary, the costs of keeping the current worker would probably be less in the long run than

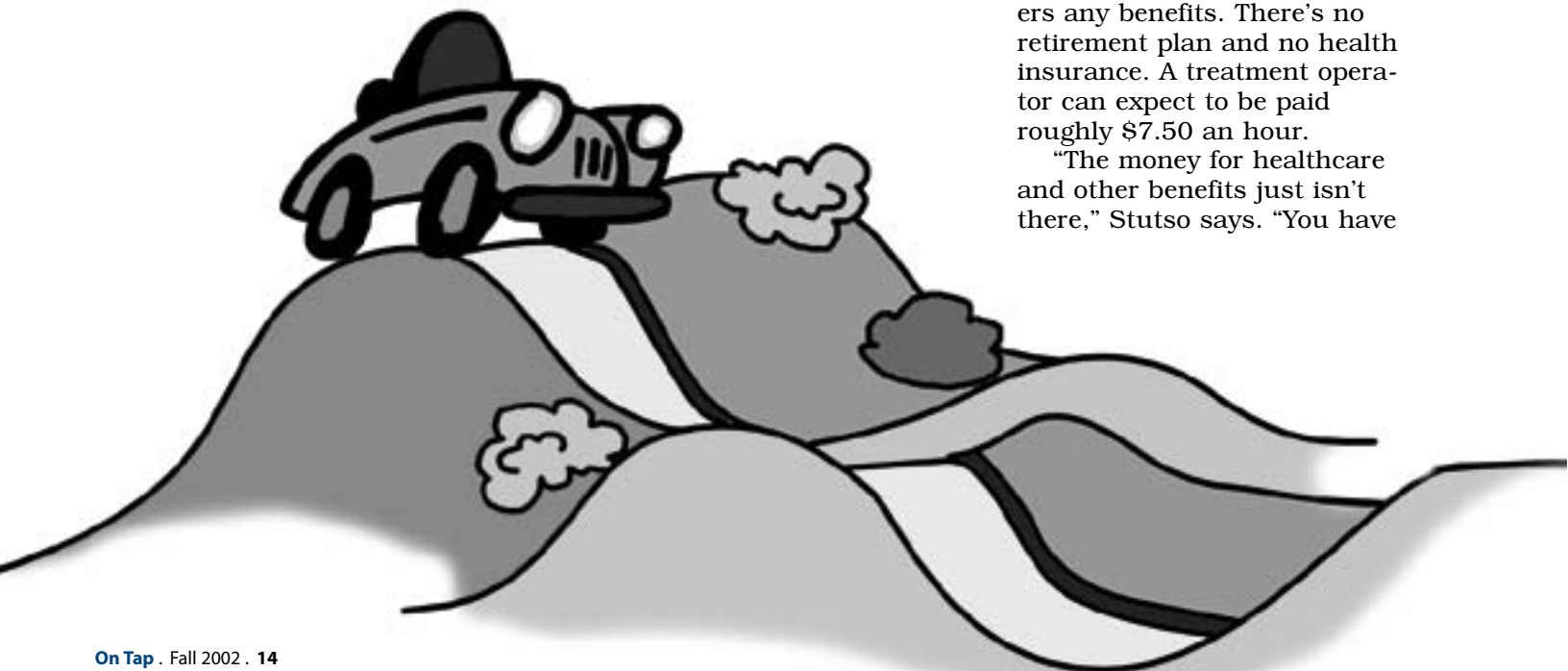
spending the money to retrain a new worker to replace the qualified worker who just left."

Holloway suggests that operators could help to educate water board members about their work by showing them just what is involved in doing the day-to-day work. "Take the board member down to see the cleaning of a clear well to see the onerousness of the job," she says. "It lets them see firsthand that the work is more involved than just a general laborer's job and pay dictates." By doing this, a worker might well lend some credibility to his argument that his work warrants higher pay and more respect.

#### **Seeing Both Sides of the Issue**

Jim Stutso is in a unique position as a class I operator for War, a small town of 1,000 residents in southern West Virginia. Before running the city's water treatment plant, he was a town councilman for six years. Because of his time spent on council, he recognizes the financial limitations that a community has in supporting its workers. With a high percentage of elderly residents on fixed incomes, the town doesn't have the means to offer workers any benefits. There's no retirement plan and no health insurance. A treatment operator can expect to be paid roughly \$7.50 an hour.

"The money for healthcare and other benefits just isn't there," Stutso says. "You have



to respect the mayor and city council because they are trying to improve the situation, but the money just isn't there."

Stutso says that while the city can't offer the financial incentives to keep workers on the job, town officials are using creativity to help make things better for workers.

"Operator input is good," Stutso says. "Respect is fine. There isn't really anything more they could do in that area."

But in addition to treating workers well, the town does what it can to help employees improve their skills. The town recently sent Stutso to a training session across the state. "They covered my travel expense to come to the training," Stutso says. "The mayor is a retired educator so he supports worker education."

The mayor's interest in education led him to start a program for municipal workers that allowed them to get their general equivalency diploma. Employees who opted for the program were granted leave from their jobs to complete their schooling.

But while the city has tried to work within its means to support employees and keep them on the job, the issue of more money faces War again and again. Stutso says the last guy who left the water system took a job with the nearby county public service district, making roughly \$8.50 an hour with a 401k retirement plan and hospitalization benefits.

### **Tackling Turnover**

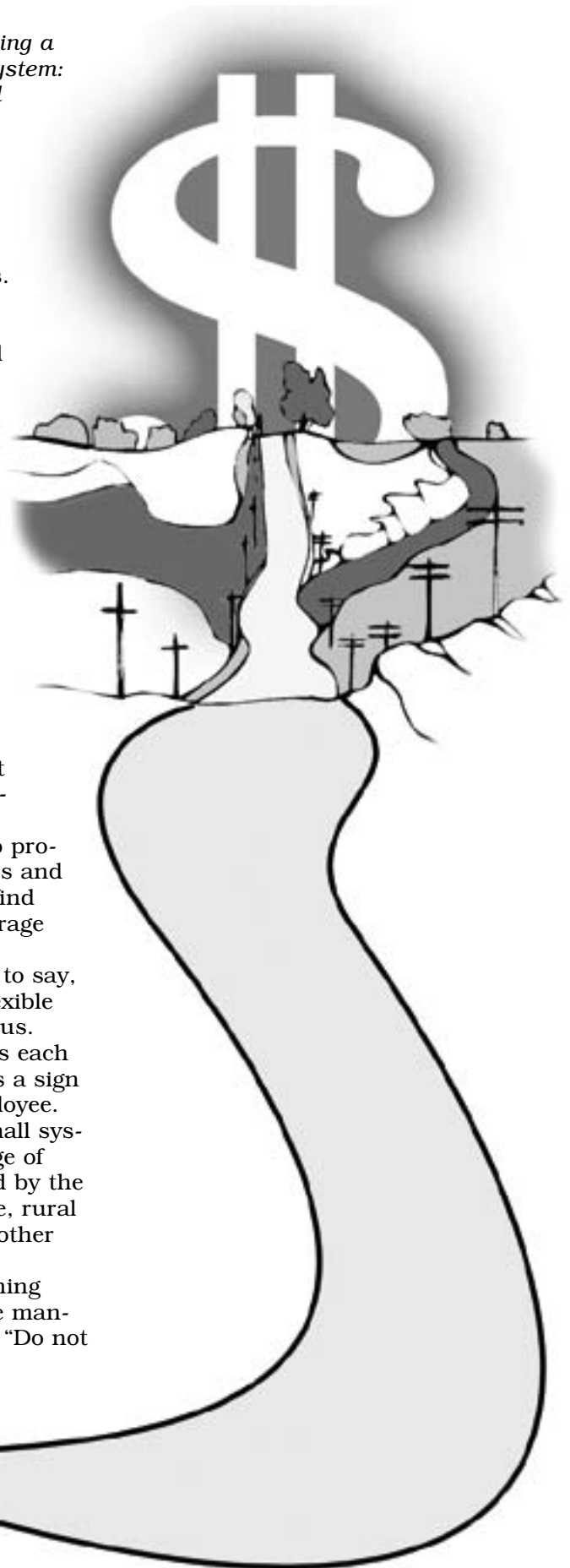
Dealing with a turnover rate isn't a problem that small systems relish. According to the

training manual *Managing a Small Drinking Water System: A Short Course for Local Officials*, small systems are especially hard hit with turnover rates because they don't have the financial resources to lure and retain qualified workers. The training package was developed by National Environmental Training Center for Small Communities, a partner of the National Drinking Water Clearinghouse. The course suggests that a system can prepare to minimize turnover.

"A small water system's board members usually know the employees and recognize their motivations for job performance," the manual states. "Not all individuals are motivated by high salaries. While you should try to provide competitive salaries and benefits, you can also find other reasons to encourage employees to stay."

The manual goes on to say, "Employees may like flexible hours or a periodic bonus. Find out what motivates each individual. This alone is a sign that you value the employee. Note also that many small systems can take advantage of benefit packages offered by the state's municipal league, rural water association, and other organizations."

Another key to retaining workers is how they are managed, the manual says. "Do not



# What are workers thinking today?

The mindset of today's workforce is nothing like it was many years ago. At one time an employee would think, "I need to be cautious and not take chances. I will do what I am told. I will learn the rules and obey them. I will be compliant to authority figures and not question their decisions. And above all, I will be loyal and make the boss look good."

## But new culture thinking has changed all that.

Independent thinking in today's work environment includes, "I'm going to be innovative and creative. I want to be asked, not told. I want the responsibility for making the decisions that will affect my job, my life, myself. I seek risk and live with consequences. I will form alliances, partnerships, and networks with whomever I please. I will be the source of my own satisfaction."

We are dealing with mixed cultures, beliefs, and traditions. Employees expect more of the company or organization they work for than ever before. If the organization cannot satisfy their needs, they're likely to make a change. Some of the viewpoints that today's workforce holds include:

### • The Expectancy Factor:

Management has a responsibility to be clear and concise when explaining to employees just what it expects of them in terms of accountability and performance. Common sense tells us that you can't hold people accountable for things they did not know they were being held accountable for. In the past, once management communicated its expectations to the employee, the conversation was over. Company goals had been identified. But what about the employees' goals? Workers today want to see a tie-in between the organization's mission and their own personal missions. An honest look reveals that today's workforce focuses first and foremost on personal goals, and secondarily on organization goals. Their expectancy factor translates into: "If I, as an employee, live up to or exceed the boss's expectation of me and my performance, what can I, as the employee, expect back in return from my organization?"

### • Quality Treatment:

Today's workforce does not accept the autocratic "my way or the highway" style of management. Now employees require a participative management style from supervisors. Employees want to be part of the decision-making process, and to have a voice in policies that will affect them. They want a work place that offers fair competition and provides outlets for personal creativity. They are attracted to environments where camaraderie with all levels of co-workers is the norm. Hierarchical rank systems, which exclude interactions, are seen as undesirable; systems that encourage and reward teamwork are applauded. Autonomy, dignity, self-esteem, and respect are critical ingredients in today's workplace.

### • Lifetime Skills Training:

Today's workers expect support for personal development and long-term growth. Many workers want to be prepared to run a career marathon, not just a career sprint. They seek on-going training that focuses on lifetime skills, and mentors who will contribute to their individual growth. Each manager plays an important role in shaping the work environment. Managers must be well rooted in the company's philosophy and must understand the company's value system. Not only must they know the values; they must believe in them and support them enthusiastically. How else can they communicate the organization's values effectively to their staffs? The way managers communicate and direct their staff will strongly influence the organization's culture and climate. Even when employees base their service attitudes on personal commitments, the prevailing environment that management establishes influences them.

micromanage. The operator is responsible for running the water system and knowing its customers. Local officials are free to ask reasonable questions, but they should trust the operator to make day-to-day decisions. Officials make policies to ensure safe drinking water for their community and should respect the operator's authority in carrying these policies out. In some small water systems, officials do help the operator on a voluntary basis. In this situation, these individuals serve as employees and should respect the operator's authority."

### Retaining Good Employees is Smart Business

Often overlooked in the work of running a water treatment system is the cost of employee turnover, a problem plaguing many businesses and governments. Despite the recent downturn in the economy after years of high economic growth, there may be a shortage of people available to work at the entry level in certain areas of the country. The water industry, in general, is expected to hold jobs for the future as it is not as sensitive to economic fluctuations. A water treatment plant will still need operators. Also, with the education needed to obtain increasing operator certification requirements, water industry jobs will likely gain more respect and interest.

Job opportunities in the water field combined with increased mobility in the work force creates an environment where many people feel comfortable frequently changing jobs for a wide range of reasons.

A major study of the employee turnover problem in traditionally low-wage retail industries ["New Ideas for Retaining Store-Level Employees," Retailing

Research Council, January 2000] estimated that the total direct and indirect cost of replacing a worker earning \$6.50 per hour was at least \$3,637. While these specific numbers apply to traditional jobs such as cashiers, similar situations exist for drinking water utility workers due to the high cost of training.

In her book *The Road to Retention: Build and Keep a Strong Workforce*, Ann Jones states that cost components, such as recruiting, interviewing, hiring, processing, orienting, training, supervision, and overtime paid to employees to cover for the person who left, represent the direct costs of turnover. These direct costs are relatively easy to measure and quantify in dollars.

However, as Jones points out, turnover also creates indirect costs that are less easily measured, but which also negatively affect a business or organization. Some of these less obvious costs are customer dissatisfaction, inexperience of new employees in handling problems efficiently, decreased quality due to errors, and reduced morale of co-workers who are charged with training another new person.

Each of these components must be measured and understood to appreciate the bottom line cost of turnover and, therefore, the economic value of retaining good employees.

In addition to the obvious dollar cost of turnover, managers or board members should also appreciate the more subtle economic benefit of good employees. Good employees are key to the customer-oriented marketing approach that is critical to keeping customers happy. And happy customers who are

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treated well by your employees face to face or don’t have to deal with a water supply interruption may be less likely to fight a rate increase when the system needs one.

Recruiting and retaining good employees are challenges in today’s labor market. However, the long-term rewards to water systems for retaining quality employees are well worth the effort.

#### **Be Creative with Retention**

Unemployment rates are at their lowest levels in more than two decades. Employers, including water utilities, are struggling to keep good employees from jumping ship. They realize that providing an environment where employees enjoy coming to work means more than just supplying an office and medical benefits.

According to Laurie Dreyer, director of human resources for a company that recruits prospective employees for small businesses and local governments, the secret to retaining employees is to value employees.

Dreyer says she’s seeing businesses that now allow people to pursue their own

passions. “If you do things that you love, work isn’t work. It’s a passion. And what could be better than waking up in the morning and going to do something you love? Now this may not always be possible in America, but I highly suggest that organizations try to match a work interest with an employee.”

Another key factor is providing opportunities for people to develop their skills. “We see organizations trying to be future oriented,” says Dreyer. “They’re asking employees: ‘Where do you want to go? What do you want to learn? How do you want to learn it?’”

Dreyer says organizations now provide tuition reimbursement, in-house courses, and skill development through assignments to different types of projects. “I see companies willing to move people around based on what their passions are,” she explains. “If a city clerk wants to move to the police department or payroll office, governments need to work with that employee. The alternative is that the employee will likely look elsewhere for a job if he or she knows the local government isn’t keen about moving employees.

“The worst thing a supervisor could do to an employee’s attitude about his or her job is pigeon-hole that employee into only one job category,” says Dreyer. “Poor supervisors seem to think, ‘Well, Luke has always been a laborer, and he could never be anything else.’”

The reality is that Luke probably would love the opportunity to move up and into another higher-paying position. The only thing holding Luke back is the supervisor who can’t see his way around a current job title.

**Employees expect more of the company or organization they work for than ever before. If the organization cannot satisfy their needs, they’re likely to make a change.**

# Key Management Principles for Retaining Employees

## 1 Management is a Role Model

The impact a manager has on an employee's perception of the work is everlasting. Either the manager is held in high esteem or not. It is surprising to think that to employees, a manager can be the greatest mentor they have ever known or the worst. Managers must realize that they are being evaluated by the employees they supervise. It is important to understand that what managers do often communicates values more strongly than what they say. If the organization suggests one set of values, managers must not work under another.

## 2 Create a Work Environment Where Workers Feel Secure

Establish a work atmosphere where the sum of the individual parts is greater together than if they stood alone. Workers today have a desire for fewer social divisions by rank. The most successful work areas are those in which workers feel a common bond with others in their peer group. Workers tend to migrate toward those individuals who share similar feelings, opinions, and attitudes. To be secure in their work environment, people need personal contact, friendship, and the feeling of belonging. If they feel they are a third party outsider or don't belong, they don't stay. A team structure supervised by participating management is the answer. Interactions within groups strengthens the group.

## 3 Treat Workers With Dignity

Every employee in your organization is worthy of your respect. Each deserves to be treated as an adult and not as a piece of equipment. Management must be familiar with each staff member to know what makes them tick and what brings satisfaction to them in the workplace (rewards other than pay). Sensitivity is a must characteristic for the supervisor of the future; the norm will be for managers to be sensitive to workers' needs, wants, and personal expectations. A positive side effect of sensitivity, both for management and employees is the identification and best use of employees' special talents. Knowledge also allows managers to support workers' creativity and resourcefulness, as well as respecting employees cultural and personality differences.

The biggest gift managers can give their staff members is a dose of self-esteem. Workers need to be convinced that whatever position they hold, whether billing clerk, meter reader, laborer, water operator, maintenance engineer, or general manager, their contribution is important to the success of the utility. They must also come to believe, through strong orientation/reinforcement programs, that they as individuals are important to the organization's success. The mindset of the worker should be one of pride in position and in self. They must not feel like interchangeable, replaceable clones just doing the job.

If you desire to create a work environment that will let your employees know that you value them, and want them around for the long hall, you might consider adding the following characteristics to your daily operations:

Adapted from a presentation made by Dr. Marc Clark, President of M. Douglas Clark & Associates that provides services in asset management, electronic media production, public relations, Internet/Intranet Web sites, and employee enhancement workshops.

"It's sad to say, but many poor employers or supervisors focus on the current rather than on the future capabilities of an employee," says Dreyer. "They'll probably spend time and money recruiting for outsiders for a position and never once consider the talent they already have in house."

### Matching Benefits with Employees

With the current economy, business and government is recognizing that the workforce is highly mobile, with many workers jumping from job to job throughout their lifetime. To discourage that job mobility in a productive worker, employers must be willing to be flexible to the specific needs of the worker.

"Giving prospective employees what they want—within reason—is critical," says Barbara McCarthy, a human resources specialist for a "head-hunting" firm that locates workers for specific jobs and then tries to entice them into switching to another company.

McCarthy says that many employers now offer benefits packages that consider the needs of employees of different ages. "What a 20-year-old needs is very different from someone with a family and kids and very different from someone who's getting ready to retire," says McCarthy.

Thus, firms, and even local governments, are offering flexible benefits packages suitable to an employee's present stage of life.

One benefit that seems popular across the board is a paid time-off policy. Sick leave and vacation days are not defined. Employees are given a lump sum of days off to use as they wish.

**R- Respect**  
**E- Encouragement**  
**T- Training**  
**E- Entrepreneurial freedom**  
**N- Negotiation**  
**T- Trust**  
**I- Innovation**  
**O- Optimism**  
**N- Nourishment**



McCarthy explains the attitude: “You’re adults. Here’s your time. Go do what you want. You don’t have to give me a doctor’s note.”

Flexibility and coping with change are key factors in keeping and retaining good employees in today’s workplace, says McCarthy. Even with some businesses’ low turnover rate, some employees do leave—and about 10 percent of them come back.

“We encourage employers to give them an Australian boomerang when they come back,” she said. “It’s a time of celebration. An employee who left, perhaps to improve his or her skills or dealt with a family situation, should be welcomed as a valuable part of the group.

“You went out, you learned something, and you decided this was really where you wanted to be,” she says.

**Board Members: Work With Staff**

Mike McNulty, executive director of the West Virginia Rural Water Association, says that water systems are going to continue to see employee hiring and retention problems in the future. How managers work with—or against—their workers could go a long way in alleviating or compounding the problem.

“With the training and education requirements that are coming, small communities are going to find it harder to find the workers they need to run

the plant,” McNulty says. “The war cry I hear is money. The problem is that many people don’t see civil servants like operators in the best light. They don’t see them as being professionals with an enormous amount of responsibility.

“Some boards think their role is to micromanage,” he continues, “and that is not their job. If you hire a general manager to do the job, then let him or her manage. The board should be there to check off and approve the general managers work or recommendations.”

The *Small System Guide to Board Responsibilities for Operation and Maintenance*, a publication of the Rural Community Assistance Program, Inc., says, “Don’t give your operator five bosses!” The guide suggests that boards “designate one person on the board to ‘supervise’ the operator. This board member should act as the link between the operator and the entire board, and should be fairly accessible if the operator needs to ask questions. *At no time*, unless it’s clearly understood by the

board and the operator, should anyone but the designated board member give instructions to the operator.”

*For more information about the training package Managing a Small Drinking Water System: A Short Course for Local Officials or to purchase a copy of the manual, contact the National Environmental Training Center for Small Communities at (800) 624-8301.*

*To obtain a copy of Small System Guide to Board Responsibilities for Operation and Maintenance, contact the Rural Community Assistance Program at (703) 771-8636.*

*The National Drinking Water Clearinghouse would like to know your utility’s creative strategies to retain employees.*

*Besides more money, what have you done to lure and retain operators? What you do could well help other systems across the country in retaining their workers. Send retention strategies to Jamie Knotts at [jknotts@wvu.edu](mailto:jknotts@wvu.edu). If we learn of other retention methods not mentioned in this article, we’ll publish those in an upcoming issue.* 🌐

**Jamie Knotts**, assistant editor, welcomes article ideas and suggestions from readers. If you have an interesting topic you think others would enjoy reading about, send a note to [jknotts@wvu.edu](mailto:jknotts@wvu.edu) or call him at (800) 624-8301.



**Chris Metzgar**, graphic designer and diplomat, is filling in for Julie Black who is on maternity leave.

