

Attracting and Retaining the Best Talent in the Wine Business

A recruitment specialist lays out the best hiring and retention strategies.

Fred Philpott

ESSENTIALLY, THE WINE business is an agribusiness and should be understood in that context. It is less dependent on the economic cycle than it is on Mother Nature. Yet, aside from the challenge of producing and marketing wines in a highly competitive marketplace, the single most difficult issue wine business executives face today is attracting and retaining great employees. This isn't surprising given wine industry growth, a shrinking labor pool and the low unemployment rate. Add to this dilemma the fact that employees are reluctant to leave current positions and that winegrowing regions are heavily reliant upon the existing talent pool.

These conditions have contributed to a highly competitive marketplace for key talent. The rapid globalization of the wine business, and the corporate environment in which we compete today, is more focused than ever on performance, with a keen emphasis on growth. After several years of a tight labor market and less than 5 percent unemployment, employers in the wine business are going to great lengths to persuade potential employees to sign on and give incentives to ensure that existing employees are retained.

What distinguishes companies that are able to attract the best talent in the business from those that aren't? In examining some of these companies more closely, three key common factors surfaced: (1) people branding strategy, (2) people sourcing innovation (3) and people integration.

PEOPLE BRANDING STRATEGY

Companies that approach the talent acquisition process with the same level of priority and excitement as they do their brand image are much more successful in attracting top talent. Simply stated, great companies attract great people. However, this does not mean

that a strong brand in the wine marketplace translates to a strong brand in the labor marketplace. Companies must pay specific attention to their reputation, or "brand," as an employer. Unlike other products, wine has a story that begins in a vineyard and is crafted with a particular profile. While the quality of the wine or product may pique interest in potential employees, it is a company's commitment to employees that has the most value in attracting and retaining top talent.

The quality reputation of a company is critical. The ability to satisfy the needs of employees is just as important as marketing and customer service. Competing in the labor market requires an understanding of what employees want, and then delivering it, knowing that the cream of the crop will likely be courted by several potential companies. In addition to the specific

position, prospective employees will be looking closely at the company's culture, image, policies, procedures, development and training opportunities, and diversity.

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get on-the-job training and work toward advancement opportunities is often more important than money, benefits or an espresso machine in the employee lounge.

In an industry that employs a broad range of skill sets, from the vineyard to the boardroom, taking care of each employee can be a particular challenge. The quality of commitment to people obviously influences the ability to retain quality employees as well. Those who feel valued and appreciated develop a strong loyalty to the organization and are less likely to be easily wooed away. Employees who have the opportunity to grow and develop see their own future potential. This results in personal satisfaction and can help avert the restlessness that causes some to look elsewhere. Conversely, outdated technology, inadequate resources, inefficient work processes, lack of diversity and stifling bureaucracy are guaranteed to have a negative impact on retention.

PEOPLE SOURCING INNOVATION

The brightest talent can adapt to any industry. The tight labor market has fueled the need for a much more innovative approach by which companies look for prospective employees. Some of the most successful stories of recruiting emerge from companies and executives who have dared to look outside the wine industry for employees. New people joining the industry from other consumer businesses can bring a fresh and different perspective—they can shake up the old thinking and inspire new creativity in others.

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Besides technical skills needed in viticulture and enology, we've seen many examples of classic marketing professionals trained by consumer packaged goods companies or consumer durables that have effectively made the transition to the wine industry. People who are bright and passionate about what they do can make the transition. You can teach the theory of wine, and assuming the person has a reasonably good palate, you can teach flavors and taste—it's not rocket science! And the same holds true for operations (production/manufacturing, quality, supply chain, etc.). And clearly, any of the administrative support functions, such as Finance, HR, IT, should not require a wine industry background.

Wine industry employers have sought talent from such unexpected sectors as packaged goods, consumer products, broad-based manufacturing, technology, hospitality and luxury products. These industries hold promise for an expanded pool of candidates with highly transferable skills. With the exception of technical enology and viticulture positions, most searches have the potential to recruit candidates from outside the industry.

Companies that are successful in hiring understand that complementing knowledgeable wine industry talent with individuals from outside the industry strengthens their organization. Companies have enormous success with this practice in areas such as sales and marketing, general manage-

ment, administrative functions and operations/production.

Wine industry leaders from both large and small wineries say that, in addition to providing new sources of talent, individuals from outside the industry help to energize the existing workforce. These individuals challenge the status quo and offer diverse, often non-traditional, thinking. They bring new insight to marketing strategies, and they help to incorporate best practices that have proven successful in other disciplines.

PEOPLE INTEGRATION

The process of successfully assimilating or integrating people into an organization is the key factor identified in companies that are successful in hiring the best talent. However, it is a process ignored or badly implemented by many wine organizations. Too often, successful recruiting strategies are derailed by how a candidate is treated during his or her first few days on the job.

Proper integration is the first step in retaining the key talent that organizations compete for. Some companies simply take a new hire to a work station and say “go to it!” while others spend days, or even weeks, coaching new hires in the nuances of company culture. The “go to it” strategy is rarely successful. However, a lengthy, formal process isn't necessary either. The most important thing is to make sure a new employee feels welcome, valued and integral to the success of your organization.

Companies that are successful in retaining the best talent have programs that vary greatly, from highly structured to informal or even casual. However, they all understand and closely monitor the activities and interactions experienced by new employees. From training, to introductions to key co-workers and management, to explaining policies and procedures—or just suggesting where to get the best lunch—these experiences must be professional, consistent and well orchestrated. People integration is an opportunity to showcase your company and set the foundation for a long-term and successful relationship.

HOW DO YOU STACK UP?

The first step is to assess your current situation. Find out what your employees think and say about your company. Engage your management team and frontline employees in a frank assessment process about how well the company is run and how well employees are managed. Approach the challenge precisely, as you would any marketing business problem, with analytical discipline. Look at the existing situation across multiple dimensions:

(1) Brand image and reputation

What is your reputation as an employer? Do your existing employees speak well of you and your company? Are you a positive presence in the community?

(2) Meaningful work and a positive environment

Do your employees take pride in where they work and what they do? Do they understand how their jobs fit into the overall success of the company? Do employees look forward to coming to work? Is it a fun place to work?

(3) Respect, both personal and professional

Does management respect others by valuing people? Are employees at all levels of the organization treated as equals? Does your company solicit and pay attention to the opinions of employees?

(4) Appreciation

Do you have a method of recognizing employee contributions? Is “thank you” commonly heard in your workplace? Do you offer opportunities for expressions of support, a sense of community and belonging? Are there regular opportunities to address the progress of each employee?

(5) Empowerment

Does your company create an environment that advocates both accountability and responsibility so that employees have the ability to exercise control in their job?

(6) Education, Training, Sharing of Information

What programs do you provide for employee development? Is there ample opportunity to learn and grow on the job? Is there a free and open sharing of information?

(7) Flexibility

Do you offer, or are you open to considering, flexible work situations? Do you support work/life balance?

(8) Diversity

How responsive are you to the cultural diversity of your employees? The wine business is an international industry. Many brands recruit interns and transfer employees from abroad. How do you help those people assimilate and adapt? Do you insist on a workplace free of harassment? Do you foster good citizenship, trust, fairness and goodwill among employees as well as consumers and the trade?

If you are able to answer a resounding “yes” to these questions, then you have created an outstanding people brand and have the potential to be an employer of choice in the wine industry. If not, now is the time to take the opportunity to identify the gaps and take necessary action to create a more effective strategy. **wbm**

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