- **Work/life.** *Best practice makes work/life issues a priority of the firm. Human compassion and understanding far outweigh rigid HR policy in certain cases. In some successful firms, selected HR policies are viewed as guidelines with room for interpretation. Flextime, child care, elder care, and telecommuting can produce measurable improvements in employee morale, satisfaction, and productivity, while decreasing turnover and absenteeism.*

FUTURE TRENDS

The design industry is struggling to find and hold onto talent. At times, designers, managers, and production personnel seem to be involved in a perpetual revolving door, and nowhere is this more evident than in the information technology (IT) and design areas of the businesses. How can the design industry justify paying a computer network administrator a fraction of the salary than that person can get in any other industry? Are designers surprised anymore when a talented designer leaves the profession, because she has been offered high wages to work for a computer gaming company or Hollywood? Designers are losing their most valuable people, the people that keep firms operating, due to ignorance, low value perception, and cheapness. Other industries are picking up on the fact that designers pay their people poorly and are raiding firms of all sizes for their personnel.

In the July 1998 issue of *Fast Company* magazine, Charles Fishman interviewed Ed Michaels, a director of McKinsey & Co. in Atlanta, on the recent McKinsey study titled, "The War for Talent." This was a year-long study that involved 77 companies and almost 6000 managers and executives. The study reported that the most important business resource for the next 20 years is talent: smart, sophisticated businesspeople who are technologically literate, globally astute, and operationally agile. The results of this study are ominous, as the search for the best and the brightest will become a constant, costly battle with no finish line.

Historically, design firms have had people lining up at their doors. Now they must compete aggressively for talent. The first step is to find talent. Non-traditional approaches to recruiting are emerging because firms need to convince IT and design talent that they will find challenging and lucrative

positions in the design industry. Designers are using incentives unheard of just a few years ago to lure talent—for instance, signing bonuses, expense accounts, travel to conferences, and flextime.

In order to keep the talent already available to designers, design firms must acknowledge that they operate now in a changing landscape. In a way, designers are involved in a silent battlefield in the war for talent. That battlefield involves people who have been at the same firm for 3 to 10 years, people between the ages of 25 and 35. Most firms are losing more people in these ranks than they realize. And those people are often some of their best employees. When asked what they were looking for in deciding where to work, people answered, a great job in a great company, one that is well managed, has terrific values, has a great culture. They also want "headroom"— a job where they can make decisions on their own, without having to go through a bureaucracy.

The stakes are high, and in certain cases talent retention will be the determining factor in success and even business survival. After all is said and done, the design firm's business depends not just on strategies, but on people.

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