

# Fellowship of the Rings

Innovative Service Technology

Management Services Inc.

recognizes employee

excellence with gifts

**By Lee Hall**

CONTRIBUTING WRITER

What do gifts of leather, money and chocolates have in common? They are all part of the comprehensive employee reward system developed by Innovative Service Technology Management Services Inc. (IST).

The Atlanta-based facilities-management company runs copy centers, mailrooms, reception, and shipping and receiving services for its clients.

Though small in stature (150 employees and estimated 2002 revenue of \$12.5 million), the 5-year-old firm invests in its employees in a big way.

But rather than lather on the kudos just for show, IST bases its rewards on how well workers deliver measurable results to customers and fellow employees.

“Putting employees on the corporate pedestal makes no sense if customers are disgruntled and profits are heading south. If you can’t measure the result at the end, then you are doomed from the start,” said Joe Carroll, vice president of human resources. Privately held IST is profitable and debt-free, Carroll added.

IST is very careful about whom it hires. Unlike many of its competitors, the company only engages full-time employees—no temporary workers. The hiring process is unusually onerous. Potential employees, all of whom must be deemed to have management potential, frequently work through a two-week “job preview” on the customer’s site to make sure that he or she is the right match for the customer.

“It takes us twice as long to find the right employee, but a stable work force is more efficient than double-digit turnover,” Carroll said.

Once in the door, employees are treated like royalty.

At orientation, they receive an extensive “owner’s” manual. Within the first three months, each employee gets lunch with his or her manager, a basket of Godiva chocolates and a new watch, presented at a reception attended by company management and executives.



**Rewarding Excellence:** from left, Joe Carroll, Melissa Fowler, Rebecca Adams, Lori Mitchum and Hal Blackman of IST.

New managers receive a pin and a company-logo-adorned leather jacket.

IST sponsors two company events each year: a spring fling at Six Flags Over Georgia and a holiday party in December.

If an employee devises a method to improve company systems, the company offers a cash award.

“We were impressed by the quantity and the ongoing nature of the recognition programs for such a small company,” said Jodi Littlestone, a member of the judges’ panel that awarded IST one of this year’s SHRM HR Professional Excellence Awards.



## Professional Excellence Awards | 2002

IST conducts ongoing operations surveys. Employees evaluate their managers twice a year, customers participate in regular reviews that generate feedback on IST employees and systems, and the company employs a full-time auditor whose sole job is to conduct on-site inspections and evaluations at each customer location.

Attention to employees and customers has delivered some stunning results.

IST revenue is projected to grow 10.6 percent this year at a time when many of its

competitors are struggling. In addition, employee turnover runs in the range of 1 percent to 2 percent per month, a tiny fraction of the triple-digit ratios typical of other facilities management vendors.

“Turnover is a huge issue for companies, especially for smaller ones that may not have the bandwidth to pick up the slack,” Littlestone said.

“Our business is labor-intensive, and is ripe for error, but our customers don’t pay us to make mistakes. They pay us to dot the I’s and cross the T’s, and the only way to really deliver is to try to remove the element of human error,” Carroll said.

IST applies technology to help reach that objective. For example, IST employees designed a computer-based system that speeds up the mail-sorting process. Instead of taking most of a day to sort through 50 buckets of mail, the system enables one person to complete the task by 10:30 a.m.

Although most IST employees start off in what might be considered an entry-level position, many are promoted within a short time. The company’s Web site ([istmanagement.com](http://istmanagement.com)) is peppered with testimonials from employees who have experienced rapid advancement within the company, many from \$8-per-hour mailroom jobs to \$35,000 management positions in little more than a year.

Carroll said that the IST philosophy holds that treating workers well will contribute to long-term company growth.

“We want to be a \$500 million company,” he said. “And we will get there.” □