



Cadence Bank Podcast: In Good Companies

Season 2 Episode 9: Know, Care, Challenge: The Keys to Talent Retention

Over the past year, talent retention has become big news. “The Great Resignation” has seen millions of workers leave their jobs—and it’s not just entry-level workers either. Resignations are highest among mid-career employees. Their departure can be devastating to a business, wiping out continuity, upsetting team chemistry and necessitating an expensive hiring process, all while leaving your team shorthanded. One thing is clear: companies must do more than ever to retain their talent. But what exactly does that mean? More of what?

Craig Flowers, founder of Sideline Leadership, has an answer to that; actually he has three. Through Craig’s twenty-five years in the Army—including ten in direct support of special operations and seven as director of cadet activities at West Point—he’s seen the differences between elite teams and average ones. Craig noticed that elite teams don’t have any problem with talent retention—in fact, workers passed on promotions to remain part of the group. Since leaving the Army, he’s established a framework for cultivating that type of culture—one that’s more appealing to employees than greener pastures.

So on this episode, we break down Craig’s “Know, Care, Challenge” formula for talent retention and how leaders can implement it in their own organizations. Plus, why retaining an employee starts before you even hire them, and how to adjust your acquisition process to keep talent long-term. It’s everything you need to know, care and challenge your assumptions about talent retention.

Episode Transcript:

[00:00:00] **SFX:** Intro Music in

[00:00:00] **Patrick Pacheco:** I got a quick joke for you. How many baseball players does it take to hang a curtain?

[00:00:05] **Craig Flowers:** I do not know.

[00:00:07] **Patrick Pacheco:** Just one. A-Rod.



[00:00:09] **Craig Flowers:** That is terrible. I hope we get to do this again. But I'm going to use it. I'm going to use it. It's terrible, but I'm going to use it.

[00:00:15] **Patrick Pacheco:** I'm Patrick Pacheco, and you're listening to season two of In Good Companies from Cadence Bank, the podcast where we guide you through the forces shaping your business inside and out.

[00:00:25] **SFX:** Intro Music out

[00:00:26] **Patrick VO:** Over the past year, talent retention has become big news. "The Great Resignation" has seen millions of workers leave their jobs, looking for greener pastures elsewhere. And it's not just entry-level workers--resignations are highest among mid-career employees. Their departure can be devastating to a business, wiping out continuity, upsetting team chemistry and necessitating an expensive hiring process. While reasons vary across the workforce, one thing is clear: companies must do more than ever to retain their talent. So on this episode, we're exploring how to do just that--what causes employees to leave and how leaders can create environments that make them want to stay. To talk us through the ins and outs of talent retention, we reached out to some talent ourselves.

[00:01:15] **Patrick Pacheco:** Our guest today is Craig Flowers, the founder of Sideline Leadership.

[00:01:19] **Craig Flowers:** I'm a fourth generation native Texan from the Hill Country and went to Texas Christian University. I see you're wearing a purple shirt there in the studio, which is always a good start, Patrick. I've served 25 years in the Army, and the last 10 years I had the privilege of serving on the banks of the mighty Hudson River, West Point. It was a remarkable career in the Army. I retired in 2012 and moved back home to the great state and it's been a privilege working with companies like yours, like Cadence Bank, and so many others, Dell Technologies and in some athletics departments as well, across the country on leader development. It appears, at least since I retired, that leader development and specifically talent retention is really a blind spot for the majority of organizations, which makes a great opportunity for those that invest in it.



[00:02:17] **Patrick VO:** During his time in the Army, Craig worked with the special operations community, supporting some of the most elite groups in the military. But his interest in high-functioning teams goes back even further.

[00:02:30] **Patrick Pacheco:** What sparked that interest in elite teams?

[00:02:33] **Craig Flowers:** Well, I think athletics. I played, first of all, one year of junior college baseball in Ranger, Texas, and then I played three years for the TCU Horned Frogs in Fort Worth. I had the privilege of being involved in sports ever since I could remember and played baseball, football and basketball, and ran track. Douglas MacArthur said, on the fields of friendly strife are sown the seeds that on other days, on other fields, will bear the fruits of victory. And particularly when you work hard for a goal and you have such diverse backgrounds of all... The locker room is probably one of the most diverse places in America. When you have people from all over, different walks of life, pulling on the rope in the same direction, and I like to avoid cliches, but there's one right out of the gate. I think sports is a great leadership laboratory to develop young men and women of character who are committed to winning.

[00:03:32] **Patrick Pacheco:** But I think that the folks on the bench also learn a whole lot about being part of a team and not necessarily being the star, but what an important role they play. I think we'll probably carry the sports theme through a little bit of what we're talking about today.

[00:03:44] **Craig Flowers:** No, I think your point is well taken. I got to throw the first pitch out at a TCU/Army game and I was stunned at the number of teammates that showed up, old teammates that played before and after my time at TCU. And afterwards we went to Joe T. Garcia's, a great place in Fort Worth, and our assistant coach from the eighties was there. There were like 200 people in this restaurant, everyone having a blast, and I looked at this one coach and he said to me, do you know what this is all about? And I shrugged my shoulders and he said, this is about being a good teammate. Because I was not an all Southwest conference player, did not get drafted, but I'd like to think that I was a good teammate. We need good teammates in our organizations and good teammates over time endure.



[00:04:36] **Patrick VO:** Craig uses his experience to help businesses create high-performing teams of their own. But a blind spot he sees over and over is talent retention.

[00:04:46] **Craig Flowers:** Well, when I think about talent retention, it's a great topic, especially now. It's a deliberate commitment with some assumptions. We have to decide do we have the right talent that we actually want to retain? So we're assuming that we have the behaviors and the talent, and those two things go together. When we have the right talent and the right behaviors, well then we want to retain that because that's rare. Oftentimes organizations have extraordinary talent, yet their outcomes are very mediocre. So, when it comes to talent retention, for me, it's a deliberate commitment with some assumptions that we have the right behaviors and talent in our organization.

[00:05:36] **Patrick Pacheco:** First off, why is talent retention so important in an organization?

[00:05:39] **Craig Flowers:** Well, it certainly impacts growth, it impacts outcomes, it impacts routines, roles, responsibilities, all of the things that leaders of organizations, named leaders, I should say, CEOs, presidents, executive vice presidents, head coaches. It allows them to do the things, create, innovate and succeed when they have the right talent and the right behaviors on board. And when you have the right talent and the right behaviors, those two things together, one can be among the top 4% of organizations, which represents the elite.

[00:06:22] **Patrick VO:** For Craig, successful talent retention starts with talent acquisition.

[00:06:29] **Patrick Pacheco:** How important is the acquisition process to talent retention?

[00:06:32] **Craig Flowers:** Well, it's huge. And the most elite teams on the planet ask three questions during the acquisition phase. And we're making, again, some assumptions. That they have enough talent to be even considered to be hired, to be brought on, to be recruited as part of this team. So that's an assumption, okay? They're qualified. But at the end of that assessment and selection phase, a group of folks sit around and they look at each candidate and they ask three questions. These are really important questions. And in my view, many HR departments are hiring processes. First of all, there really isn't a true process. It's they're qualified, we need a body, let's bring them in. And that's a great way to be the average. So they



ask three questions. These questions are, can they do it? And often the answer to that is yes, because they were qualified enough to be considered. Can they do it? Did they prove through the assessment selection phase that they actually do have the talent? The next question is, will they do it? Do they have the discipline? This gets to a behavior. And then the third question, perhaps the most important, in my view, is will others do it with them? Can they do it? Will they do it? Will others do it with them? Do they inspire those around them through their behaviors, not their talent, that others will want to be a part of everything that they're doing? Are they humble enough to not only serve in a leadership position, but continue to serve when they're not the named leader? Can they follow? Can they do it? Will they do it? Will others do it with them? And at any time, if there's a hesitation or no, can they do it, yes. Will they do it? Well, we think so. Will others do it with them? No, not necessarily. There's too much ego involved. They're all about me. They're all about their targets. They're all about their accomplishments. Then they can go serve somewhere else. They can go have another job somewhere else, but they can't be a part of this elite organization. So it starts with acquisition, but often we hire for talent and we end up firing for behavior. That is so true. When you reflect on your own experiences, you've probably hired for talent and you end up firing for behavior. That's been my experience, as well. And that's because the acquisition process wasn't really a true process. It was, we need a body to sell pharmaceutical widgets. This person's qualified, they went to such and such school, they have this degree, let's put them in there and go. Well, the blind spot's the behavior, and what we know about elite organizations, their turnover is not very high. Average organizations, their turnover in some cases, in some financial institutions, is as high as 84% annually. Now to them, that's just their approach.

[00:09:48] **Patrick Pacheco:** That's a good point. I think organizations really do focus on the first question. It's the "can they" that they get enamored with.

[00:09:55] **Craig Flowers:** That's the easy one, right?

[00:09:57] **Patrick Pacheco:** Yeah. Has a resume. They have a degree. They have their MBA. They've had some good jobs. The "can they" is always the easy question.

[00:10:05] **Patrick VO:** But it's not just about hiring the right people--you've got to have a plan to incorporate them, right from the start.

[00:10:13] **Craig Flowers:** or so many new hires, their onboarding process is a terrible experience. Not only is it a terrible experience, but there's no process. So that newest member



of the practice squad or employee, they have the freshest eyes. They want to be there. They are nervous, there's fear associated with that. There's uncertainty. Average teams will look at that newest employee, that newest team member, and say, "Oh, they'll figure it out." They'll figure out how to get through with their badge and their security and where their office is and how to get around the building. They'll figure it out. That's average. That's how the majority behave. Elite teams will empower that person right out of the gate because they did such a great job during the assessment selection, i.e., acquisition, that they know this person not only has the talent, but the behaviors to come in after 60, 90 days and say, hey, here's how we can make this onboarding process better for the next person. The average don't do that. They just say, "Ah, they'll figure it out." And over time, the person ends up leaving. Why? Well, it started with the onboarding process.

[00:11:26] **Patrick Pacheco:** One thing that I've done is when somebody gets hired and they come in, I'll say, I want you over the next few weeks, month, look at what we do and tell me what you think we don't do well or should do better.

[00:11:38] **Craig Flowers:** So what is your process for 60 days, 90 days after a new member of your team, a new employee has been brought into your organization? There has to be a process that has them come in and say, okay, you have the freshest eyes in the company. Tell us about your onboarding process. Here's what we set out to do. Tell us what actually happened and what we want to sustain. What do we want to improve? In the military, we call it an after action review process. It's a real process, an objective process that gets to, in the long term, exactly what we're talking about, talent retention.

[00:12:18] **Patrick VO:** Strong hiring and onboarding processes can welcome talent into your company's culture. But if the culture is negative, they won't stick around for long. In the Army, Craig experienced firsthand the difference that culture can make.

[00:12:33] **Patrick Pacheco:** So how much does the culture of an organization, what role does it play in this idea of talent acquisition, retention, and the ruts and things that we've been talking about?

[00:12:43] **Craig Flowers:** Well, culture is huge. I did not plan on staying in the Army. In fact, I had a not-so-positive first couple of years in the Army, and I was not a Boy Scout. I was not an Eagle Scout. I played baseball in college and now I'm a lieutenant in the Army and it's a toxic



command climate. So I was ready to leave the Army. In fact, I had made that decision, I'm going to get out of the Army and go into radio, TV, film, do something else. So I'm ready to get out and then suddenly this new commander comes in, and his name was Lieutenant General, Three Star General, Lawson Magruder. And he came in to command a brigade. The first night I was the staff duty officer, meaning I had to stay up all night. And he gave an assignment to each staff duty officer and he said, I want to know you.

I want to know this organization, so I can challenge it. Tell me, and he had three or four specific questions about the brigade, and I stayed up all night writing, knowing that he's probably not going to read this, and even if he does, I've made the decision to leave the Army. And so the sun rises, I turn in my log report, I turn in my little reading assignment and about three days later I get this handwritten note from General Magruder. He specifically cited things that I'd written in that writing assignment. And he talked about in his little handwritten note, which I still have today, about how valuable it was that he hear the truth, that he hear exactly what the culture is currently like, because the culture that any organization has right now, it exists as it is right now. Everyone's culture exists right now.

[00:14:43] **Patrick VO:** Craig's experience with General Magruder showed him how leaders could shape the culture of an organization. It's a lesson he's applied in his own leadership roles and it left a lasting impression, just like the General himself.

[00:14:59] **Craig Flowers:** So, Magruder called me. I was a company commander, a young captain, and he called me one time. I was living in Maryland, hadn't talked to him in years. And I had so much respect for this man that I was standing at attention holding the telephone in the kitchen. His first words to me, I'll never forget it, it was, "Hi Craig, are you taking care of your soldiers?" That's the first thing he said to me. I get chills just saying that: "Are you taking care of your soldiers? Do you know your soldiers? Are you caring for them? Are you challenging them?" That has a huge impact. That phone conversation probably impacted why I stayed another 20 years in the Army because I cared deeply about serving others.

And since I've gotten out of the Army, I've actually had my heart broken a little bit because I didn't realize how average most organizations are. I thought as we were taking care of our business, that civilian organizations were being just as disciplined, as focused and as thoughtful and as caring as we were trying to be. And that is not the case. When I retired in 2012, I got a huge face full of reality of what it's like outside the Army. And it's been 10 years now since I've been out. And that's why really we started the Sideline Leadership company, because I could tell that there was a blind spot, perhaps why we're doing this podcast.



[00:16:31] **SFX:** Music transition

[00:16:32] **Patrick Pacheco:** Talent retention has been around for a long time, I mean this is not a new concept, but it's really hot right now. So what factors cause individuals to leave a company? What are the primary factors that cause individuals to go seek jobs elsewhere?

[00:16:48] **Craig Flowers:** In my experience, it's been the behaviors of the named leaders above them. Do they tolerate poor behavior because of someone's incredible talent? When you look at, let's use sports again, this five-star talent. He's got incredible talent, she's got unbelievable talent, but she disrupts the locker room. The bosses will say, "Oh, they're just so talented. Look at what they did in that last week." Well, what you don't know is they're disrupting. They're causing way too much drama and headaches among the team throughout the other three weeks of the month or the other two and a half months of the quarter because of their behaviors, and there are many ways to get to that. In the most elite teams, what they do, and it's really hard for HR folks in business to get their heads around this, but they do peer reviews. They actually have quarterly peer reviews. And among the elite teams, they hunger for those peer reviews. They want to know what their blind spots are, where they may have dropped off in the area of discipline, behavior, innovation, creativity.

[00:17:56] **Patrick Pacheco:** So people leave not necessarily because of the way that they're treated, but how you treat others on the team that rewards the bad behavior that somebody else says, I don't want to sit here and deal with this person anymore, I'm going to leave. People don't think about that.

[00:18:10] **Craig Flowers:** Absolutely. But nowadays, and certainly driven by what we've experienced in the last couple of years, people are defining success a little differently than they have in the past, which creates a tremendous opportunity for leaders to start with themselves, start with their own behaviors, to determine if they are being constructive or are they just being instructive. Two very important root words there: construct, instruct. One is, I tell you what to do, you do it or else. And the other one is constructive, which says, when we are successful, this is what it's going to look like. And when you finish this particular project, here's what it's going to look like. I have found that if we can be 80% constructive and 20% instructive, there are times where we have to instruct, particularly when safety's involved. If we can be 80% constructive, that is where the formula is to developing a culture that will retain talent.



[00:19:16] **Patrick VO:** So how can leaders achieve the kind of constructive, collaborative culture that will keep employees around? Craig has a framework that he uses; it's called Know, Care, Challenge.

[00:19:27] **Craig Flowers:** I was reminded of that by an organization I used to work with, Horizon Performance and Dr. Jat, J-A-T, Thompson. He said, your culture exists right now. You have a culture. What is it? And if you want to impact the culture, it starts with behaviors and it starts with the named leader knowing, then caring, then challenging members of the organization. Average organizations have that formula exactly the opposite. They're instructive. I challenge you, I tell you what to do, you do it. I pretend to care about you by asking how your day was at the break room. And then I act like I know you at the annual Christmas party. Just the opposite of elite teams.

[00:20:13] **Patrick Pacheco:** The idea of this Know, Care, Challenge, I find that pretty interesting. How does that lead to successful retention?

[00:20:15] **Craig Flowers:** So the Know, Care, Challenge formula, it really is... In order for us to achieve our stated goals, and let's be clear, average organizations, majority of organizations, they can have some success in a fiscal year, maybe even two fiscal years, without knowing one another, without caring about one another and without having the culture that allows us to challenge one another. That can happen. Typically, that happens because of extraordinary talent. But over time, specifically with talent retention, talent will leave if the organization is instructive, fake, hypocritical, and only driven by sales or only driven by wins. They will have won one year, maybe two years. But over time, if you want to sustain and really build a dynasty that's going to sustain itself over and over and over again, well then we've got to know one another like no other, care for one another like no other, then challenge one another like no other. And that formula I have found to be extraordinarily valuable.

[00:21:24] **Patrick Pacheco:** When you've talked to companies about this, what mistakes have you seen with them in trying to implement this Know, Care, Challenge way of developing a culture?

[00:21:33] **Craig Flowers:** Oftentimes we can trace failures into communication, particularly as a named leader. And it's not just what we say, it's how we say it. I'm never invited into an organization to work with them for two or three days, or whatever it is, or to deliver a keynote speech, and they say, one of our biggest challenges here is we just communicate way too well.



No one ever has that challenge. No one says, we're so collegial and so communicative that it's become a problem. No one ever has. Oftentimes we can trace things back to communications and behaviors from the leader. I'm reminded of when our youngest daughter was up in Chicago. She had just finished setting up her apartment, brand-new apartment, 21, 22-year-old, proud of her apartment, takes a picture of her apartment, bed is made, she followed Admiral McCraven's speech. Bed was made, everything's up.

And suddenly she sends a picture of her apartment, her big girl apartment, and Miss Beth, who I've been married to for 33 years, she responds in our family text, take a steamer to your dust ruffle. Well, that communication, although it was heartfelt, probably was poorly timed. So when you talk about challenges with organizations and it gets to the care piece of how you're communicating, always think about, okay, how did I communicate that? How many times do we send an email or a text and then we proofread it after we send it. Most of the time. And then we're like, oh geez, I see how that sounds now. The elite will start with themselves and before they send that email, that text, or make that speech or make that comment, they'll think about the second, third order effects of not only what they're saying but how they're saying it.

[00:23:18] **Patrick Pacheco:** So care, it seems like care is one of those that can be difficult because there's care and then there's babying employees. And what's the distinction there, and how do you make sure that you're truly caring and not just coddling folks?

[00:23:32] **Craig Flowers:** Well, when we work with organizations, I really actually say that. I say, know one another like no other, care, not coddle. Then you'll have the opportunity to challenge, so Know, Care, Challenge. But the coddle piece is important to say because holding someone accountable is caring both up and down the chain of command, if you will, up and down the leadership structure. Holding someone accountable and having real processes in place that hold leaders and team members accountable is part of caring. That's why the after action review process is so important. And it's one that I found in education.

I work with a lot of superintendents around the country, educational superintendents, because that's a huge blind spot as well, is teacher retention. Teachers, in education, it's such a difficult thing right now. And right away I want to say, well, how are you caring for your teachers? Do they have what they need? Do you know what they need? Are you caring for them by getting them the tools that they need? What do they need that they don't have and what are you doing about getting that? And sometimes the leader has to sacrifice in the area of time, or even financially, in order to get the members of the team, because you care for them so much, the tools that they need so they can accomplish the mission.



[00:25:02] **SFX:** Music transition

[00:25:03] **Patrick VO:** We've entered a new era of work. Employees think about their jobs differently--it's no longer the norm to spend your whole career with a single company. No business is immune from these larger trends. But if you can create a culture where people are valued, where behavior is as important as talent, then retention will get easier. A strong acquisition process can get the right people into your company, and good onboarding can get them bought into your culture. Through Craig's "Know, Care, Challenge" formula, you can develop a team that pushes each other and supports each other. That type of team grows and succeeds together, and the journey keeps every member engaged. If you've been on a team like that, you know there aren't any greener pastures. You want to stay right where you are.

[00:26:00] **SFX:** Outro music in.

[00:26:01] **Craig Flowers:** Once you're part of an elite organization, you want to do everything you can to stay in that organization. I was just with a retired Navy SEAL a few weeks ago and I was obviously not a Navy SEAL, I was in the Army, but I worked in direct support of the special operations community, and he was willing to take a reduction in rank in order to stay on his team. He was performing extraordinarily well, so much so that he was getting promoted ahead of his peers and he was getting promoted to the point where they needed to move him to another organization.

And he said no, I want to stay right here. I want to be retained right here in this team. This is the team that I want to serve and I'm willing to take a reduction in rank in order to stay as part of this team. So when it happens, when you have the right behaviors and the right talent, now you have a culture that everyone wants to stay and be a part of, they don't want to leave. It's really rare. I had the privilege of serving probably a decade, maybe a little more, among some of the most elite teams on the planet. And it was a sad day when we had to leave and go to another assignment. So it's rare and it's worth it.

[00:27:24] **Patrick VO:** I'd like to thank Craig Flowers both for his service and his thoughtful wisdom.

[00:27:30] **Patrick Pacheco:** In Good Companies is a podcast from Cadence Bank member FDIC, Equal Opportunity Lender. Sheena Cochran is our production coordinator. Our executive



producer is Danielle Kernell with writing and production from Andrew Ganem and Sound Design and mixing by Ben Crannell at Lower Street Media. I'm your host, Patrick Pacheco.

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[00:28:01] **Outline: Disclaimer**