Patagonia, a clothing and outdoor equipment company founded in 1973, has developed a powerful reputation as an environmentally conscious and financially profitable retailer with a focused staffing philosophy. Even as similar retail firms have been battered by recession and financial uncertainty, Patagonia’s profit margins have stayed relatively steady. And while annual employee turnover in the retail sector averages at about 43 percent, and in many cases exceeds 100 percent on a regular basis, Patagonia has kept turnover hovering near 25 percent for several years running.

So what are some of the tenets of Patagonia’s approach to hiring and retention? And can these tenets be successfully applied to any hiring model, within or outside of the retail sector?
This paper identifies three key pillars of Patagonia’s staffing philosophy and lists corresponding ways in which these approaches may or may not transfer to companies with similar ambitions.

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A Clearly Identified Workplace Culture

Foremost among Patagonia’s staffing philosophies lies a clear understanding and clear respect for a very specific employee personality type. The company’s staffing reputation may be multifold, but it’s built on certain personality types that are easily recognizable and do not internally conflict. For example, Patagonia prefers to hire employees who respect and engage actively with the outdoors. These employees also tend to be extroverts with little need for privacy and flexible free thinkers who can handle high degrees of personal control over deadlines and outcomes.

Patagonia succeeds not because these qualities are especially conducive to success, but because these qualities form the fabric of an existing and consistent workplace culture. The presence or absence of these traits are also highly evident during the interview and screening process.

If your company can develop clear hiring protocols based on an established culture that supports your product and reflects your target market, this type of personality screening may work for you. If your culture is not as clearly defined, is not as recognizable, or is built on rarer personality traits, you may have difficulty making this process work for you.

A Policy of Flexibility

The personality traits of a thriving Patagonia employee are also the traits of a person who appreciates independence and flexibility. Providing this flexibility makes Patagonia employees feel respected, and that respect is typically returned, resulting in higher levels of dedication, loyalty, and productivity.

Patagonia employees respond well to flexible working schedules, paid new parent leave, and a company that rejects rigidity in favor of respect for unpredictable family and personal commitments.

If your employees respond to flexibility and freedom with the same elevated commitment and loyalty, this may work for your staffing model. If your employees tend to take advantage of flexible policies, reconsider.
**Integrity and Relationships over Profit**

Patagonia famously embraces a philosophy of integrity over profits. This brings financial success when it works in concert with a host of other corresponding philosophies. For example, those who are most likely to buy outdoor equipment are also those who choose companies that demonstrate respect for the environment. Patagonia’s target market is built of consumers who actively favor an honest, principled supplier over one who can provide cheaper products, more convenience, higher comfort, brighter colors, etc. Patagonia also protects itself from the demands of public shareholders by remaining a privately own company.

If your company can afford to place honesty, integrity, trust in your staff, and long term outcomes above the momentary demands of the bottom line, than an effort to do so will pay off financially over the long run. But living up to these ambitious ideals can require a high tolerance for risk. It can also require a decision-making process built on a deep foundation of experience. If you company lacks either of these things, then short term sacrifices may not always lead to guaranteed long term gains.

Before adjusting your staffing model to match any celebrated standard, take an honest and objective look at your existing culture, and review your target market, available resources, geographical area, and all other factors that contribute to your unique staffing needs.