

Keeping your talent

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The state of the workforce is changing. Employees who were considering a career move in 2009, but stayed put due to job security fears, are now feeling confident enough to begin looking for new lines of work.



But here's the bad news for employers – no matter how loyal or dedicated you believe your staff is, the majority are looking for a new job and expect to find one within the next 90 days.

A recent study from Chandler Macleod Group revealed a massive 95% of employed Australians are now looking for work, with 72% of those looking for jobs outside of their current industry. Additionally, 57% of those are extremely confident, expecting to find a job within the next 90 days.

The message is clear – employers must find out what will keep their staff on board and continue providing them with clear career opportunities, direction and appropriate incentives.

CMG executive general manager David Reynolds says employees are feeling underappreciated due to the extra responsibilities they were forced to take on during the financial crisis, along with possibly lower pay or a four day week.

"A lot of companies cut staff and put a lot of pressure on existing people to step up and take more responsibility, with longer hours and four day weeks or what not. That's had a big negative impact, even though they may have been necessary for companies to survive."

Skye Recruitment co-founder Kye McDonald says employees understood the measures businesses take during the tough times in order to survive.

"Over the last 12 months a lot of companies have made hard decisions to keep them running, and many took those actions fairly severely and quickly. And for those companies that took those actions such as cutting salaries or hours, that is fresh in employees' minds."

"If those measures aren't rolled back with the some type of clarity in which they were put in, your staff are going to be quite resentful."

The economy is recovering, the unemployment rate is dropping and employees are now confident enough to search for new work. These experts are clear – if businesses aren't smart enough they could lose their best talent without realising there was a problem.

Keeping them on

So how can you avoid a massive staff exodus?

Reynolds says businesses need to look at the main reasons employees leave companies and then address each of those individually. The recent CMG report found the top reasons given for seeking new jobs were limited career opportunities at 41%, feeling undervalued at 24% and losing faith in the current organisation at 18%.

Additionally, the report also found the main and most important characteristics sought for in a job were job security at a massive 91%, work-life balance at 86%, overseas posting opportunities at 25% and bonus structure at 48%.

McDonald is quick to point out the myth of people leaving their current job for more money, saying his company's surveys, along with the CMG report, spell out the opposite.

"Money is likely to be the least likely thing to cause a move, unless they are significantly out of the norm with regards to their pay, in that they haven't had an increase in a significant amount of time."

He says the last thing businesses should do when attempting to keep their top talent is offer them more money, especially when the company isn't in a position to afford such a move.

"Mostly people move because they say they are stale, they want a new challenge, and they want some challenges on the professional side of things. They say they've learned all they can, that sort of thing."

Paul Quinn, chief executive of Quintessential Marketing, agrees.

"Some of the most common areas we find are around lack of the feeling of potential to grow and develop the career in the firm, that career development opportunities and training opportunities are the number one area."

Giving recognition

These experts say many employees don't necessarily want a hefty bonus or benefits, but some simply want recognition of how their work is benefiting the team. Reynolds says businesses need to understand this.

"They need a sense they are contributing to the company, and need to know what it means for their career. At the end of the day, is it a good place to work?"

Quinn says businesses need to be aware that employees want to feel appreciated for their work, even if they may not appear to be upset.

"This is something businesses need to be aware of. It's all around communication, and obviously recognition, which isn't necessarily a reward. While it's all good to have expensive reward and bonus programs, it doesn't take much to say thank you."

"The feedback we are receiving is that, surprisingly, people just want to be treated like people and appreciated in the same way your wife or husband would give you grief if you're not appreciating his or her efforts. Recognise your staff and appreciate their efforts, especially in front of other people. Lack of recognition is one of the key reasons people feel let down."

Career development

Quinn points out that a number of companies with Generation Y employees need to be especially careful as they will tend to leave without any consideration for the company.

"They're not going to give any second thoughts to a company or leaving, because they're thinking about themselves and their own career path and not the company."

Quinn also points out a number of employees would like some room in their role to experiment with different projects, and would like the ability to bring something of worth to the business.

"Even if you didn't have a formal learning and development road map, they want to be challenged in their job and that's important. A good example of this is Google, where they allow 20% of a worker's time to be spent on competing their own projects. It's a good example of how to give employees that free space."

Engage your staff

Another major sore spot for underappreciated workers is a feeling of disengagement from the company and its mission.

David Stewart, chief executive of ICT recruitment firm Clarius, says this may be a symptom of either poor management or a lack of communication from the company about its long-term vision.

"People tend to leave their managers, and not companies, and normally it's because they've become disengaged and that's what you need to address. To get them reengaged you either need to give them

a new manager, which could mean firing the old one, or simply move them around and give them opportunities with a new manager."

Stewart also says businesses need to give employees an overall vision of what the company is doing, what it hopes to achieve and what employees can do to contribute.

"Again, that is all about the reengagement process and has a lot to do with their manager. If they become disengaged, the company needs to apply that vision again and get people excited about the future. They want to think that "yes, this is the place I want to be", and even though they may not like the manager they'll put up with it a bit longer."

Communication is key

The last tip for employers is probably the most simple – talk to your staff. Reynolds says a variety of problems can be overcome if companies take a few minutes to sit down and discuss potential trouble spots.

"Don't assume because workers aren't complaining that they are happy. My recommendation is to spend time with your staff and make sure you do understand what motivates them, and make sure they are in an environment where they can provide feedback on what's working or not working."

McDonald says his business regularly schedules meetings with employees in order to hear what's on their minds.

"I think over the last 12 months the recruitment industry has seen a turnover of 66%, but we've kept ours under 10%. The biggest way we do that is every three months we schedule a meeting with each person, ask them to tell us what's going on and then we deal with it. We might not always be able to rectify what's wrong, but they can at least address it and bring it up."

But Quinn warns businesses need to be careful when scheduling meetings, because they could exacerbate the conflict the meetings were meant to fix in the first place.

"The flipside of that is when you talk to an employee, say you'll change certain things and then you don't. Resentment is going to grow because of that, and then people will definitely leave."

Why you've got no time to lose

The consensus of these experts is that the majority of workers are now at least on the look-out for a new job, and many have made up their minds.

And while many say there are tactics businesses should use to keep good talent from disappearing, Stewart says it may be harder than you think.

"There is a lot of built up frustration, because a lot of companies have employees who would have left but now haven't. So I guess it's going to be quite difficult for employers to even change their mind, because once you've made that decision it's pretty much set."

"The situation we're in is that the window of opportunity has most likely passed, and people are just waiting for that opportunity. IT's going to be very hard to make some people stay over the next six months."

Reynolds agrees the next six months will be especially hard for businesses, but says they still have an opportunity to keep good people on. He says they must focus on good management, good people skills and a focus on what the employee can gain out of the job.

"I know a couple of businesses where the pressure has really been significant for the owners and managers, but it has become all about their survival rather than thinking about the people around them."

You've got to think about how the environment impacts your people; it's about good management, good communication and good leadership."

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<http://www.smartcompany.com.au/managing-people/20100209-keeping-your-talent.html>

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