

Understanding *what is good about working here* provides an employer with the opportunity to protect and promote its strengths (what we are really good at) and isolate its weaknesses (what we could do better) which may affect the engagement and retention of current staff.

In the current environment of shrinking labour supply and ageing population it is sometimes difficult to step back and review the way we do things. We need to not only look at our processes and practices, but at the culture we are endeavouring to create in our organisations.

The purpose of this resource is to present options/suggestions for the implementation of workforce retention strategies in order to deliver business outcomes.

Start with retention

Staff may leave for more money but, more often than not, they tend to look elsewhere because they are not happy with some aspect of their current employment.

Research shows that, most of the time, employees leave for reasons that their employer could have prevented or managed. For example, lack of recognition or learning opportunities; excessive or inequitable workloads; unmanaged morale issues; lack of opportunities to make a contribution.

Some of this turnover is preventable and, by simply identifying your preventable losses, you may be able to do something about them.

Employers play a key role in influencing the level of commitment and loyalty of staff in an organisation. Forming good teams is hard but understanding what attracts and keeps good staff in your work team is a great place to start.

Workforce information

It is important to understand your pattern of separation, who is leaving and for what reason, if you are to manage your retention challenges. Patterns and trends over time can provide snapshots that can influence your workforce management strategies.

You might want to look at information such as occupation type; location; age; length of service; target group; gender etc. Once you have analysed this information, you can determine the specifics of what you can do to address your retention challenges.

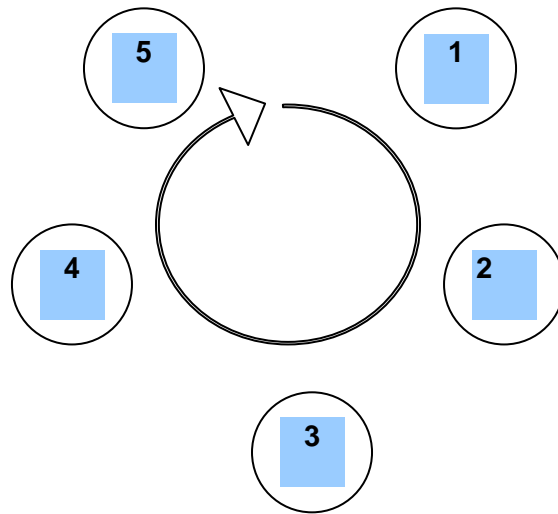
For example, would professional staff stay on rather than taking early retirement if other lifestyle benefits such as part-time work or telecommuting were offered?

Workforce information can also include annual cultural surveys. These surveys provide information about the culture of a workplace. It may provide information to management about staff expectations, their strengths and weaknesses and the factors that both motivate or disengage them.

Exit interviews are another way of collecting information. Although these generally take place after a resignation/retirement has been lodged exit interviews can provide information on what appropriate actions or strategies you might want to implement in the future.

Retention metrics

Five phases of metrics collection



Phase	Definition	Do you collect this data now? Yes/No
1 Pre-recruitment	Why join? What is our employer value, proposition and branding?	
2 Recruitment	Why stay? Review amongst unsuccessful candidates, those who declined an offer and those who accepted to determine strengths and weaknesses of recruitment process, competition etc	
3 Commencement	Why perform? Track new recruits quarterly in first year to determine connection and disconnection factors, alignment with expectations, preferred changes to role, manager assessment and more	
4 Retention	Why resign? Annual/regular research amongst random selection of current employees to determine why they stay, why they would resign, future expectations, current employer strengths and more	
5 Exit	Interviewing ex-employees about their join and stay factors, why they left, salvage options, re-employment attitude, alumni participation and more	

Each phase has a unique purpose to provide you with information that can inform and improve, if necessary, your retention strategies.

Phase 1	To enable you to target preferred candidates using mediums which are suitable to them, emphasising attributes that they want and that you can deliver
Phase 2	To determine how recruitment practices can be improved so as to better align to candidate expectations
Phase 3	To establish whether employee expectations align with reality
Phase 4	To identify and protect retention strengths and identify potential attrition factors
Phase 5	To identify attrition factors and behaviours and retention strengths.

Attrition

Employees leaving the agency have insights into the entire employment cycle from pre-recruitment to exit. When attrition rates are considered in the context of length of tenure and age, it highlights the need to provide opportunities for long serving employees to renew their skills, to maintain work challenge through mobility or attention to job depth and to consider the impact of these opportunities on their role.

A risk facing employers is that as their older workforce retires they will be replaced with younger people who, as a group, have higher rates of attrition.

This will increase costs associated with recruitment, induction and training and place additional pressure on managers. Have you ever considered what direct and indirect costs are involved?

Through analysing attrition rates an employer can influence most policies (recruitment and selection; learning and development) and daily manager practice.

Recipe for retention

Stop what you are doing, put your head out the door and look down the corridor. Now imagine three out of every four offices or work stations vacant by year end ... the officers having looked for, and quickly found other positions. If such a thing happened, how would your business operate? How would it survive?

It could happen, and in some professions it probably already is. Therefore take the opportunity to expand your retention efforts to keep or win back skilled employees who otherwise might be gone.

Improving retention is similar to baking a cake – you line up all the ingredients in the right measures, put them together in the right order and cook it for the right amount of time at the right temperature.

If you were to leave out any one ingredient, or bake the cake at the wrong temperature for the wrong time, you won't get the desired result.

A recipe has the following ingredients:

- Select the right people for the job and your culture – if your position is a counter officer at a service centre in an Italian community – hire someone who has Italian as a second language. Imagine the positive effect on your customer's perception of your service.

- Offer career development and learning and development opportunities – everyone needs access to development to keep their skills up-to-date and to stretch them to their next promotion.
- Provide staff with opportunities to balance work and family – do not underestimate the pressures on working parents to deal with childcare or caring responsibilities. Respect the issues that face employees and offer arrangements that suit both the individual and the business.
- Strong support structure in systems and processes – poor systems, confusing information, out of date policies all add to frustration. Constant frustration is a trigger to consider other options.
- Personal recognition – everyone craves a pat on the back for a job well done! A personal thank you from their employer or supervisor can be a dynamic motivator in retaining staff.
- Open and engaged leadership – being heard, having personal support, feeling inspired, having fun, feeling important and unique require a tuned in and on the floor leadership group.

Retention strategies are a joint effort

In order to be effective, retention efforts require a joint effort on the part of the employer, human resources, training and development and employees. Each of these can proactively take action, no matter how small or large, to address retention challenges.

Workforce trends tell us that new employees may not remain with the same agency for their entire careers. Getting the most valuable applicants to fill your vacancies dramatically increases the odds of retaining those employees.

When considering strategies for retaining employees, we often limit ourselves by our thinking. We make assumptions about what we think employees might want instead of asking them directly. One reason employees remain with a business is the presence of growth and development opportunities. Other retention strategies to think about include:

- What changes to your workplace would make the business a more desirable place to work, improving the quality of ‘work life’?
- Is the environment, clean, orderly and professional? If not, what can be done to address these issues?
- Does your workplace use a *host* or *buddy* system to welcome new employees?
- How effective are your employee induction programs?
- Is there diversity among staff? If not, what changes could you make in your recruitment and staff development strategies to enhance diversity?
- How can relationships between colleagues, supervisors, and managers become more collaborative, positive and enriching?
- Does your business provide leadership and management development skills to managers and supervisors as a key strategy to retain your workforce?
- Is your business family friendly? What options are available to assist employees in balancing their work and home life? Does your business provide the option of flexible work practices, part-time work, telecommuting, job share etc?
- Are employees offered opportunities to learn and develop, such as rotational assignments, mentoring programs, training and development, special projects?
- What promotional opportunities exist in your business, and how can they be enhanced?

- Do you have an easy to use performance management system in place? What avenues do you use for recognising performance? Is recognition frequent? Do you have a culture to support recognition?
- Can you identify the management and leadership best practice retention strategies?
- Have you analysed the factors that impact on your turnover? What does it tell you? What action have you taken?
- Do you value, and make changes, based on the information shared by employees in exit interviews?
- Does your business model its values and beliefs and is it transparent in its practices?

In developing a retention strategy it is important to consider two aspects of retention, **people and knowledge**.

The role of the manager

Employees quit for many reasons. Some leave for better paying jobs elsewhere. Others depart because they do not fit the culture. Many more exit because their managers and supervisors are not properly trained. However, there are five important areas that motivate people to leave their jobs.

- Poor match between the person and the job
- Poor fit with the organisational climate and culture
- Poor alignment between pay and performance
- Poor connections between the individual, their co-workers, and the supervisor
- Poor opportunities for growth and advancement.

These five P's can be addressed successfully. Employee retention begins by paying attention to what causes low job satisfaction as well as what attracts and retains your workforce.

The manager has a significant role to play in managing staff from *Induction to Retirement*.

New employee induction is a significant factor in helping new employees hit the ground running. A good induction program and support from a manager/supervisor is often the first consideration an employee makes if they want to remain in the agency. Poor induction practices may lead to dissatisfaction with the organisation and poor morale and performance issues.

Moving to action

The first step in developing an action plan is often a difficult one for any business. Employers may not be equipped with the evidence, insight to the issues or strategic frameworks to support the development of effective plans.

An important consideration in developing and implementing retention strategies is that single solution strategies are unlikely to be successful. For example, the offer of flexible work, often highlighted as a key to retention, may need to be accompanied by strategies to inform or educate employees about the impact of flexible work practices on their superannuation and the development of organisational capability to enable managers to negotiate and manage a team which is inclusive of people who have chosen a flexible work option.

Source: Office of the Public Service Commissioner 'Retention Resource'