

Recruitment and Retention

Survival Strategies in a Hot Job Market

Barbara J. Bowes, FCHRP, CMC
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Current Work Realities

- Technology plays a major role in both manufacturing, production and services
- Average worker today produces about 30%-50% more goods and services than a generation ago
- But in actuality, they have less take-home pay and less job security
- Stress is the biggest cause of absenteeism in the workplace amongst older workers

Current Work Realities

- Younger generations are more flexible....they see job changes as more common and easy, especially in high demand occupations
- See themselves as an independent “agent”....their loyalty is to themselves and their profession, not the corporation
- Gen-Xers and young people entering the workforce will make up to 10 job changes in their lifetime
- Employee job longevity= 3 to 5 years

Signs of a Hot Employment Market

- Employee mobility is high
- Leaving with no job to go to
- Time between jobs has been considerably shortened
- Candidates accept another offer before yours
- Current employers match/beat your offer
- Salaries have become elevated
- Staff are being headhunted all the time
- Wholesale corporate raiding of key talent

Signs of a Hot Employment Market

- Recruitment of new employees difficult
- Drive down main streets – billboards
 - Got a Pulse? See Inside
- McDonald's/Wendy's offering sign up bonuses plus 35% above minimum wage
- 1/3 Man. companies turning down work and expansion of shifts due to lack of staff....

Why an issue?

- Why is recruitment such an issue right now?
 - Skilled people, more than processes, systems, machines or products drive your financial success
 - Employees with specialized skills and knowledge are often the only thing that sets you apart from your competition
 - If you want to dominate your industry, you must attract and retain the best and the brightest
 - The skills shortage will continue...

Recruitment and Retention Costs

- Direct
 - ▶ recruitment costs
 - ▶ management time
- Indirect
 - ▶ loss of productivity
 - ▶ low morale
 - ▶ overload of remaining staff

Top Causes of Employee Turnover

- Compensation – 31%
- Manager/employee relations – 30%
- Job fit - culture versus skills
- Working conditions – convenience, flexibility
- Lack of recognition , appreciation and support
- Career development – lack of opportunity

Manitoba Isn't Alone!

- Conference Board reports 80% difficulty rate
- Chamber survey 2006, 41% difficulty
- Skilled trades - professionals
- No sign of abating within next 10 years
 - Local supply growth only 12% over next 10 years
 - Education system not graduating enough students

Sample Recruitment and Retention Strategies

- Cash signing bonuses – 5 to 15% of first year salary
- Students - laptops one year prior to graduation
- New employee finder fees

Recruitment and Retention Strategies

- Stock option offered to university students working as co-op or intern

Industry Strategies

- Hiring temp workers
- Hiring underqualified workers/training
- Assigning additional responsibilities
- Increasing use of overtime, longer shifts
- Improved salaries and benefits
- Advertisement in movie theatres, bus shelters, buildings, cars

Industry Recruitment Strategies

- Job Fairs at summer concerts
- University recruitment
- High school recruitment
- Job co-op programs
- Storefront recruitment offices at strip malls
- Extensive use of internet – going to favourite haunts
- Association involvement/speaking/sponsors

Industry Recruitment Strategies

Longterm

- Information sessions, junior high/elementary schools
- Skills Canada/Young Women's conference
- Participation in Best Place to work, Employer of choice programs – then use to advertise
- Selling quality of life

Retention Strategies

- Paid leave to volunteer for company supported causes
- “Green shares” - reward for environmental initiatives; trade for company shares
- Flexible/alternative work arrangements
- Scholarships for employee’s children
- Guaranteed summer jobs for children of employees

Retention Strategies

- Schmoozing zones, napping couches, brainstorming area
- Childcare facilities
- “COOL” bonuses 10 years ago and current
 - Bringing pets to work
 - Free coffee, food (popcorn)
- Payment of student loans
- Breakfast with the President
- Company Group trips

More than just dressing up the door

- Hewitt study – monetary rewards, innovative incentives not enough to keep great people
- Need a commitment to people that goes beyond the latest fad
- Implementation of long term strategies that develop long term, engaged workers

Best Place to Work Hewitt Studies 1997

- No specific formula - holistic approach to building a work environment that keeps people engaged and committed
- Five characteristics of best employers
 - Inspired leadership
 - Unique company culture
 - Focus on growing internal talent
 - Strong sense of accountability
 - Aligned HR with excellent execution

Inspired Leadership

- Maintaining visibility
 - The higher the visibility and accessibility, the more trust employees have
- Clarity and focus
 - Relentless in communication about company direction, business strategy, goals and progress
- Openness and involvement
 - Encourage employee questions and feedback
 - Consultative approach to problem solving and strategy development
 - Common values, beliefs and reinforce this

Unique Company Culture

- Create and emphasize a unique culture
 - Work toward shared values
 - Spend time to articulate culture and values to employees ,
 - Hire to fit the culture - people with same drive, mindset
 - Engage in longer orientation, “onboarding” programs
- Emphasize promotion from within

Unique Company Culture

- Embrace high performance and systems to inspire people to do their best
- Emphasize a celebration culture – recognize achievements at every turn

Focus on Growing Talent

- Provide more opportunities for employees to develop and grow personally and professionally
- Highly focused and aware of the talent pipeline
- Identify high potentials and focus on accelerated training

Focus on Growing Talent

- Access to alternative training; job rotation, mentoring, e-learning, secondments
- Career management – help employees manage their own careers
- Management bonus tied to developing others

Accountability

- Employees have clear understanding of expectations and their role in business strategy
- Hold employees accountable for results through rigorous performance management
- Recognize achievements with celebration
- Emphasis on fair pay

Aligned HR Practices

- Success not a matter of “more” people programs,
- Success is all about alignment with business strategy and effective implementation
- Identify high value programs and implement effectively and successfully
- Worklife balance policies effective
- Use of technology to target company messages
- Use of traditional communication messages

Why Bother?

- My answer to “why bother” is to reinforce again that money and financial incentives are nothing more than short term fixes
- Canadian companies are not in a position to be throwing money willy/nilly at the recruitment and retention problem
- It has been proven time and time again that companies that implement long term and effective HR practices are more successful in attracting and retaining key talent

Why Bother?

- Receive more unsolicited applications
- Engage their employees
- Experience financial success

Why will employees leave?

- Strong financial career driver
- Lack of strong career goal – drifting
- Career impatience
- Value of individual's marketplace skills increase causing salaries to lag
- Underlying sense of dissatisfaction
 - Cultural fit and values issues
 - Worklife balance issues present
 - Managers don't understand motivators

Potential Flight Risks

- Conflict with leadership style
- Lack of an open, trusting, respectful relationship
- Lack of reward and recognition
- Leaders don't "walk the talk"

Red Flags for Turnover

- Signs of fatigue or overwork
- Lack of passion and enthusiasm
- Lack of commitment
- Lack of volunteerism in the workplace
- Work to rule attitude
- Increased absenteeism/accident rates
- Decreased productivity

Know the Facts!

“You must know the facts before you can improve the future.”

- Wayne Outlaw, Smart Staffing

What can you do ?

- Ensure company has a vision that employees are part of and can relate to
- Select recruitment and retention strategies that are best for your company; stick to it, have options, be consistent
- Recruit for more than technical skills - look for attitude, sense of achievement, people skills and an ability to learn increasingly more complex problem solving

What can you do?

- Help employees to understand how they add value to the corporation
- Help employees be proud of their work no matter what it is or how incidental you might think it is
- Look for and develop leadership at all levels (training, mentoring, coaching)
- Align HR systems with business strategy

Talent Management Officer Trend

- Talent Management Officer is fast growing trend
- A dedicated position independent of the human resource department with its own dedicated budget
- Represents an aggressive approach with a focus only on recruitment, retention, development and succession planning to ensure the company can meet its current and future organizational needs.

Talent Management Officer

- Rationale:
 - Growth of talent management is in recognition that recruitment can no longer be reactionary....scrambling to fill a position when someone quits
 - It must be a proactive, year round element of the overall business strategy
 - Must be an executive position with full support of CEO
 - HR is perceived as having a number of initiatives with conflicting priorities

Talent Management Officer

- Talent management officer must have an indepth understanding of the business, it's vision, strategy and competitive landscape
- Strategies must be more sophisticated, public relations and marketing, relationship management, headhunting , partnerships with associations and organizations
- Develop global recruitment connections
- Brand your company as great place to work
 - Get nominated for awards
 - Use the brand every opportunity

Talent Management Officer

- Review your recruitment processes and shorten them...114 or 72 days is outrageous!
- Need a well crafted career section on your website
- Need to keep in touch with candidates even if they weren't successful in one competition
 - Develop a relationship somehow
 - Send them company newsletters, news release
 - Employee award and recognition items

Talent Management and Marketing

- Talent officers need to work closely with marketing dept.
- Need a set of compelling messages.....in person, in media, in cyberspace
- New trend quickly proving itself
- Clarion health care....reduced costs of recruitment, turnover, traveling staff

Talent Branding

- Strong brand sets expectations, engenders loyalty
- Branding creates an emotional bond and can overcome salary differences, inconveniences, other weaknesses
- Need to integrate marketing branding with talent management
- Need to identify what makes your company a great place to work
- Map out what kind of people you want to attract and recruit

Talent Brand

- A talent brand is about your service, mutual respect, positive interactions
- It's about corporate hopes and dreams that translate into employee hopes, dreams and aspirations
- People don't realize the persuasive power that talent branding can have
- Identify your ideal candidate, create a compelling message and reach out to find them
- Orient them to buy into your mission because your brand represents them...

Branding Example

- The BowesBrand does more than just raise pigs...We offer a place to explore potential, obliterate boundaries, and push the edges. We are looking for workers...people who can contribute, learn, grow, dream and create. We thrive in a culture that embraces diversity and rewards imagination...We seek achievers, leaders, visionaries. We love winners. At BowesBrand, work is about bringing what you have to a challenging and constantly evolving game.

Conclusion

- Recruiting talent is a strategic priority – you must continually work at it, day in and day out....
- Candidates are gaining more confidence in the economy and are spending more time and energy on scouting opportunities
- Candidates also recognizing that strategy is power and they are looking at what is going on around them, thinking ahead and doing what is right for themselves and their family
- Companies must learn how to tap into this and stay connected

The Future

“In the future--and the future is almost here --
the name of the game will be managing
minds and spirits”

-Joe D. Batten,
Tough-Minded Leadership