

Opening Points

- Desperation hires = turnover
- Life-style and skills = new currencies
- Job satisfaction = the new workforce mantra

Opening Points

- Some turnover is inevitable, healthy and normal
- Motivations can change after employment
- There are common threads that run through any type of successful retention program

Threads of Successful Retention Programs

- a. There's a direct relationship between employee satisfaction, retention and productivity.
- b. Most employee retention strategies cost little and have big returns on investment.
- c. Workers want a say about what they do and how they do it.

Threads of Successful Retention Programs

- d. Money isn't seen as a primary motivator...unless you talk to someone without it.
- e. Reducing turnover requires management commitment.
- f. There's still loyalty in the labor market but it has to be earned and goes both directions.



Is Turnover Really As Big A Problem As We're Led To Believe? YES!!

- 60+% of employers say they have trouble finding & keeping good workers.
- 52% of labor force says they're unhappy with their jobs. (down from 59% 1995).
- 50% of "new hires" won't last 6 months.



Is Turnover Really As Big A Problem As We're Led To Believe? YES!!

- 3 - 4 million workers quit their jobs monthly
- Total separations run from 3.5 - 6 million every month
- 56% of employees say they plan to find another job within two years.



Is Turnover Really As Big A Problem As We're Led To Believe? YES!!

- Employers say that a "reasonable" time to change jobs is around two years.
- The "hidden" costs of turnover are high.



The Hidden Costs Of Turnover

Separation Costs:

- Termination Expenses
- Exit Interviews



The Hidden Costs Of Turnover

•Inefficiency Costs:

- Overtime Temporary workers
- Lost productivity of departing employee
- Reduced productivity of temp. replacement
- Reduced productivity of co-workers
- Lost work opportunities



The Hidden Costs Of Turnover

Replacement Costs:

- Advertising
- Recruiter
- Application processing
- Screening Interviewer(s)
- Candidate travel
- Selecting
- Agency fees
- Compensation differential

The Hidden Costs Of Turnover

- Installation Costs:
 - Relocation
 - Employee Processing
 - Orientation
 - Training
 - Productivity Differentials

What Motivates Workers To Stay & Be More Productive?

	Worker Response	Supervisor Response
• Good working conditions	9	4
• Feeling in on things	2	10
• Tactful discipline	10	7
• Full appreciation for work done	1	8
• Loyalty from management	8	6
• Good wages	5	1
• Promotion & growth	7	3
• Help w/ personal problems	3	9
• Job security	4	2
• Interesting work	6	5

What Can We Do To
Help Managers Find
Better People ?

- Be more creative in your recruitment.
- See this part of the manager's job as being as important, or more so, as their other functions.
- Provide training to managers so they can be more effective interviewers.
- Provide managers with training on how to develop more precise job description.

What Can We Do To
Help Managers Find
Better People ?

- Invest time in teaching managers to review resumes and do background checks.
- Don't let managers get into the position of needing of a warm body to fill a slot...immediately
- Don't try to keep someone on board by shuffling them to job function they don't fit.



Why Do People
Quit Their Jobs?

One Word Sums It Up:

Management!



Why Do People Quit Their Jobs?

Employees don't quit companies, they quit their bosses!

35% of those who quit say boss's attitude was primary factor.



Why Do People Quit Their Jobs?

- Immediate Supervisor
- Unrealistic expectations
- Unqualified supervisor
- Preferential treatment
- Little employee interest
- Inaccurate appraisals
- Poor listener/communicator



Why Do People Quit Their Jobs?

Solutions:

- Training
 - Communication
 - Conflict resolution
 - Job coaching
 - Interpersonal skills



Why Do People Quit Their Jobs?

The Job Functions

- No sense of accomplishment
- Feels overworked/underpaid
- Changing work demands
- Changing supervision
- Conflict with personal values
- Changed competency demands



Why Do People Quit Their Jobs?

Solutions:

- Job analysis
- Rewrite job description
- Rewrite recruit ad
- Better interviewing
- Competency based training
- Career planning



Why Do People Quit Their Jobs?

Red Tape & Rules

- Restrictive policies, procedures
- Don't support employees
- Lack empowerment
- Silly, misunderstood, trivial rules
- Knee jerk reactions
- No input from workers



Why Do People Quit Their Jobs?

Solutions:

- Organization climate study
- Review policy manuals
- Streamline paperwork
- Seek input from workers
- Team orientation



Why Do People Quit Their Jobs?

Salary & Compensation

- Inadequate for job
- Not comparable for area
- Non-living wage
- Inflexible
- No opportunity for increases



Why Do People Quit Their Jobs?

Solutions:

- Labor market survey
- Salary adjustments
- Incentives
- Life style compensation



Why Do People Quit Their Jobs?

Job Stress

- Workload
- Life/work balance
- Organization culture
- Inflexibility
- Involuntary work changes
- Perpetual reorganization
- Do more with less



Why Do People Quit Their Jobs?

Solutions:

- Flexible schedules
- Job sharing
- Reassignment
- Stressor analysis
- Stress reduction training



Why Do People Quit Their Jobs?

Upper Level Management

- Lacks vision/clear direction
- Little employee contact
- Non-supportive leadership
- Little employee interest



Why Do People Quit Their Jobs?

Solutions:

- Long range planning
- Clear direction & mission
- Share information
- Select "symbiotic" people
- MBWA



Why Do People Quit Their Jobs?

Advancement

- Turned down for promotion
- No internal career path
- No way to gain more responsibility
- Can only advance outside



Why Do People Quit Their Jobs?

Solutions:

- Job rotation
- Job enrichment
- Career development
- Career paths
- Transitional support



Why Do People Quit Their Jobs?

Geography/Travel

- Travel = stress
- Travel = lost free time
- Travel = family disconnect
- Travel = expense



Why Do People Quit Their Jobs?

Solutions:

- Shift differentials
- Commuting support
- Telecommuting options



Why Do People Quit Their Jobs?

Performance Evaluation

- Incompetent raters
- Poor rating process
- Not recognized for contributions
- Stolen credit
- Insufficient performance feedback



Why Do People Quit Their Jobs?

Solutions:

- Redesign system
- Rater training
- Recognition system
- Support for upgrading



Why Do People Quit Their Jobs?

Co-Worker Relationships

- Antagonistic atmosphere
- Non-supportive work groups
- Carry double loads, do other's work
- No team orientation



Why Do People Quit Their Jobs?

Solutions:

- Teach conflict resolution
- Develop team concepts
- Diversity training
- Cross training



Why Do People Quit Their Jobs?

Training

- No personal job growth
- No mechanism for self-development
- Little chance to learn new skills
- Kept in same job because they're good



Why Do People Quit Their Jobs?

Solutions:

- Training needs assessment
- Individual training plan
- Cross training - job rotation
- Educational support



Why Do People Quit Their Jobs?

Training

- Understaffed
- Inadequate resources
 - equipment, supplies, etc.
- Poor physical setting
- Unsafe environment



Why Do People Quit Their Jobs?

Solutions:

- Staff appropriately
- Analyze CBRR

Retention Factors Not Under Control Of Management

- **Family issues** (*childcare, spousal support, etc.*)
- **Health issues** (*attendance and productivity concerns*)
- **Poor career/job choice** (*just don't like the work*)
- **Lifestyle issues** (*drugs, education, crime, etc.*)
- **Economic issues** (*welfare subsistence, etc.*)
- **Transportation issues** (*bus changes, vehicle breakdown*)

What can We Do To Help Managers Find Better People

- Invest time in teaching managers to review resumes and do background checks.
- Don't let managers get into the position of needing of a warm body to fill a slot...immediately
- Don't try to keep someone on board by shuffling them to job function they don't fit well.

Motivators Used By Small/Growing Businesses In U.S.

Shinsaku Matsumoto Japanese Institute Of Labor	Pro's	Sales	Mgmt	Dir.
Income	23.1%	27.4%	30.1%	17.2%
Future Income	27.4%	51.6%	45.7%	28.0%
Job Content	49.8%	25.3%	34.4%	21.0%
Autonomy	30.1%	32.3%	31.7%	11.9%
Skill Improvement	7.5%	13.0%	15.1%	40.0%
Advancement Options	11.8%	6.4%	5.4%	3.2%
Open Communication	16.1%	13.5%	18.4%	38.2%
Comfortable Environ.	1.6%	12.4%	13.0%	8.1%
Geographic Location	4.8%	4.9%	2.7%	3.2%

What Employees Say
They Want... After
They've Been Hired!

- | | |
|---------------------------|---------------------------|
| 65% Open Communication | 54% Job Security |
| 60% Work/Life Balance | 53% Better Co-workers |
| 59% Better Management | 50% Stimulating work |
| 59% Realistic Job Duties | 46% Family Support Policy |
| 58% Competent Supervision | 43% Better Benefits |
| 55% Work Content Control | 38% Scheduling Control |
| 55% Gain New Skills | 37% Advancement |

New Generation
Of Workers

- They want to learn in different ways
- They don't normally like to work in teams
- Their communication styles are different
- Their loyalty to management/company is different
- Don't see the need to work harder
- They don't think in terms of career development
- They don't think in terms of retirement

How To Keep Youth On Board

- Beg them for their opinions
- Give them space let them generate their own pace
- Let their personalities shine through
- Evaluate what they do, not how they do it
- Let them see your face
- Focus on short term incentives

How To Keep Youth On Board

- Use their own nature against them
 - Desire for recognition
 - Desire for meaningful work
 - Desire for certain life styles
- Use more innovative training methods
 - CD based instruction
 - Multimedia presentations
 - Training from outside sources

Behaviors To Consider For Rewards

(Focus on behaviors that enhance job retention)

- Developing back up child care
- Creating alternative transportation
- Not calling in sick...at the drop of a hat
- Not taking a vacation day immediately
- Perfect attendance for one week
- Perfect punctuality
- Taking on new responsibilities
- Signing up for overtime
- Learning new skill
- Handling work conflicts



Incentive Downsides

- Requires accurate measurement methods
- Requires definition of specific outcomes desired
- Requires management's commitment
- Must only reward behaviors desired and not punish



Incentive Downsides (Cont'd)

- Need to determine when to move from one incentive to another..or eliminate it
- Requires management to determine what incentives are important to each worker

Five Core Factors Impacting Job Retention

- Organizational commitment
- Developing long term prospects
- Enhancing job satisfaction
- Reduction of stress
- Insuring fairness.



What Factors Generate
Enhanced Job Satisfaction,
Longer Employee Retention &
Increased Worker Productivity ?



What Motivates People
To Stay On The Job &
Do Quality Work ?

Growth

Advancement

More Responsibility



What Motivates People
To Stay On The Job &
Do Quality Work ?

Fair Wages
&
Compensation
Package



What Motivates People
To Stay On The Job &
Do Quality Work ?

Learning and
New Skills
Development



What Motivates People
To Stay On The Job &
Do Quality Work ?

Exciting Work

Challenge



What Motivates People
To Stay On The Job &
Do Quality Work ?

Meaningful Work



What Motivates People
To Stay On The Job &
Do Quality Work ?

Being In On things

Belonging

Being Part of Team



What Motivates People
To Stay On The Job &
Do Quality Work ?

Understanding
Supervisory
Attitude



What Motivates People
To Stay On The Job &
Do Quality Work ?

Realistic Work
Environment &
Job Duties



What Motivates People
To Stay On The Job &
Do Quality Work ?

Two Way
Communication
With Management



What Motivates People
To Stay On The Job &
Do Quality Work ?

Tactful &
Consistent
Discipline



What Motivates People
To Stay On The Job &
Do Quality Work ?

Realistic
Job Security
Expectations



What Motivates People To Stay On The Job & Do Quality Work ?

Loyalty From Management



What Motivates People To Stay On The Job & Do Quality Work ?

Levels of Autonomy

Acceptable Failure Level



What Motivates People To Stay On The Job & Do Quality Work ?

Frequent Rewards & Recognition

Appreciation



Murphy's Laws

- Nothing Is As Simple As It Seems!
- Nothing Is Simple!
- Nothing Is As Is Seems



Murphy's Laws

- If It Looks Easy, It's Tough!
- If It Looks Tough, It's Impossible!



Murphy's Laws

RULE OF PRIORITIES

**No Matter What You Have To Do
Immediately
...Something always needs to be done
first!**



Murphy's Laws

**NOTHING IS IMPOSSIBLE...
For the person who doesn't
have to do it!**



Murphy's Laws

**We Never Seem To Find The
Time To Do Things Right...The
First Time.
But, we always seem to find the
time to do it again.**
