Understanding Employee Strategies That Drive Retention
“I can train you on ways to improve employee retention efforts. You’ll spend a life time learning how to work with people.”

Kelly Cravenor
Program Overview

• Today’s retention environment
• Current state?
• Strategies that can win
Objectives

• Learn about the employee retention problem in our industry
• Become aware of the drivers of employee retention and turnover
• Learn retention key strategies and best practices
• Understand how to implement a retention plan
Today’s Retention Environment
It's good to see our new retention strategies are working!
Employee Engagement

58% of workers say learning and development is the most important benefit that meant working for a company they’d apply to. 42% of employees say learning and development is the most important benefit when deciding where to work followed by health insurance (48%) (Udemy)

Nearly half of employees said they’ve quit a job because of a bad manager, 56% think managers are promoted prematurely and 60% think managers need managerial training (Udemy)

Only 15% of employees worldwide are engaged in their jobs (Gallup)

42% of employees would work harder if they are happy in their current role or place of work (One4All)

More than 80% of workers are either actively looking for a new job or are open to one (Ajilon)

Offering career training and a promotion (Bridge)

Nearly half of employees said they’ve quit a job because of a bad manager,
Hiring Efforts  Retention Efforts

ABR
Begin with the end in mind
Cost of Losing Employees

• 16% of employees salary earning $30,000 or less.*

• 20% of employees salary earning $75,000 or less.*

• Those employees with greater responsibility and salaries exceeding $100,000 can be upward towards 213%.*

* CAP Study (Centers for American Progress)
Data says......

- It costs thousands to replace
- Up to 8 months to replace
- 2018
- 51% are looking to leave
- 50% of all businesses are having trouble retaining employees

It costs thousands to replace

References:
1. "Why Do Employees Quit Their Managers?" Inc.com, July 12, 2017
2. "Allied HR IQ Announces Onboarding and Retention Results of 2013 Workforce Mobility Survey." Prweb.com, October 23, 2013
4. "Seven Things to Know About Employee Retention Risks." Towerswatson.com, June 19, 2015
“How we spend our days is, of course, how we spend our lives. For many of us, a large portion of our days is spent at work; in fact, the average person will spend 90,000 hours at work over a lifetime.”

Writer - Annie Dillard
Why People Leave?

Dissatisfaction
- With their manager
- With their pay
- With the environment/culture

Better Alternative
- Real or perceived rewards, developmental opportunities, the quality of the work environment

Planned Change
- Some employees may have a predetermined plan to quit (e.g., if their spouse becomes pregnant, if they get a job advancement opportunity, if they are accepted into a degree program)
Table Talk
Discuss what issues you are seeing. Why have/are people left/leaving?
Why Do They Stay?

Relationships
✓ Manager admiration and respect
✓ Socialization with people at work

Sense of Belonging to the Company
✓ How the company impacts the community and the derived sense of pride

How They Are Recognized

Transparent Communication
Key Retention Strategies and Best Practices

• Establish an Employee Strategy
• Create a Recruitment Plan
• Socialize New Hires
• Develop a Training Program
• Benchmark Compensation & Rewards
• Lead Your Leaders
Proactively Establish An Employee Strategy

Market internally:

- Make it visible
- Talk about it routinely
- Make it inclusive
## 2019 Employee Action Plan

<table>
<thead>
<tr>
<th>Goals (WHAT)</th>
<th>Focus Areas and Actions (HOW)</th>
<th>Measures/Milestones</th>
<th>Owner(s)</th>
</tr>
</thead>
</table>
| Deliver a work environment that everyone wants to join and no one wants to leave | ➢ Leadership development  
✚ Maintain manager training plan - GROW, SL, Conflict management  
✚ Get proposal on Camp Joy  
✚ Deploy Personal Leadership Program  
✚ Poll select EE’s to determine interest level  
✚ Apply competencies horizontally (Communication, Customer Focus, Initiative, Problem Solving)  
✚ Identify EEs that are good candidates to drive each competency  
✚ Report on action plan on a quarterly basis | ➢ Leadership training deployed quarterly with monthly updates  
✚ Ongoing Competency Training  
✚ Incentivize competency owners | KC, BL |
| Orientation | ➢ Orientation  
✚ About EST (TSHR) Video  
✚ Implement universal onboarding framework for ALL EEs  
✚ Consider ADP or Google Apps | ➢ End of Q1 2019 | RH/BL/KC/EG |
| ➢ Training  
✚ Create content for (Communication, Customer Focus, Initiative, Problem Solving)  
✚ Maintain training matrix | | | |
| Define and implement Company Culture | ➢ Define and implement Company Culture  
✚ Create voice around our values  
✚ Increase EE recognition that support values  
✚ Improve relationships and EE loyalty through company informal gatherings  
✚ standardize small events - cookout, holiday party  
✚ Identify field recognition  
✚ Ensure members of the global EST team are being engaged and informed  
✚ Investigate P&O benefits and risks | ➢ Semi-annual | KC  
BL  
JM/BL/KC  
JM Managers  
BL - Team  
Field Team |
| Foster an environment that optimizes employee productivity against the company’s annual goals | ➢ Quarterly Team Building Training  
✚ Q1 Spring Cookout and Easter Egg Hunt/Contest & May 20th Arthritis Walk | ➢ Ongoing | KC/BL |
| ➢ EE development  
✚ PDP Annually  
✚ Salary review every 3 years  
✚ Pilot broad based feedback program (360 peer review) | | | |
| ➢ Improve communication  
✚ Leverage technology like marco polo and slack  
✚ Google hangouts with teams  
✚ Managers increase the amount of communication within their teams | | | |
| Improve employee Job Satisfaction | ➢ Create & implement confidential structured EE survey  
✚ We will do 2 surveys per calendar year  
✚ Create action plan based on results | ➢ Q1  
✚ Added to calendar | BL |
Table Talk
Discuss Employee Strategy
Do you have one today?
How does it work?
If no, what should yours include?
Recruitment

• Create a Staffing Best Practice Plan
  – Clearly written job descriptions
  – Workforce plan for growth & turnover
  – Sourcing process to establish consistency
  – Establish a selection-hiring process
    • Structured interviews
    • Unique job competency
    • Company Core Competencies
  – “Wow” them
Structured Interviews

• A structured interview is not just a conversation with general questions.
• An objective systematic strategy for assessing candidates strengths (attitudes, behaviors, knowledge and skills).
  — Example: testing how an applicant would handle a job specific situation
### Behavioral Interview

**Interview Assessment Summary**

<table>
<thead>
<tr>
<th>Competency</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unique to the Job</td>
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<tr>
<td>Initiative</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Problem Solving</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Communication</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Customer Focus</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Character</td>
<td></td>
<td></td>
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<tr>
<td><strong>Total Score</strong></td>
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</tbody>
</table>

**Summary Comments:**

**Hire Yes**

![Green Square](image1.png)

**Hire Maybe**

![Yellow Square](image2.png)

**Hire No**

![Red Square](image3.png)
Applicant Selection

- To get the information which would predict future job performance, personnel psychologists recommend:
- Still, employers rely on an informal interview to get a “feel” for the applicant.

- aptitude tests
- job knowledge tests
- work samples
- past job performance
Interviewers overestimate their ability to “read” people because of four errors:

1. valuing intentions rather than habits.
2. neglecting to recall bad “reads” such as past interviewees who failed or quit.
3. seeing interview behavior as a predictor of job behavior.
4. using prejudices to interpret interviewee behavior.
If you make it to the in-person interview with Glitch Software, you’re in for a treat.

- They fly you out to NYC and meet you at the airport with a limousine.
- A uniformed driver whisks you to the coolest hotel you’ve seen, right near the fashion district, with models in the lobby and complicated bathroom fixtures that are surely plucked from the permanent collection of the Museum of Modern Art.
- In the hotel room, they have a hospitality package for you with a suggested walking tour of the city written by Glitch staffers, a branded T-shirt, and a DVD documentary on the company.
- After your day of interviews, they invite you to stay in the hotel for two more nights at their expense so you can explore the city before the limo takes you back to the airport to fly home.
Table Talk
Share your recruiting process today.
Compare and contrast
Socialization

- Welcome reception
- Orientation/Onboarding
- Job/Role training
- Mentor or role model assignments
- Publicize company outcomes
  - Internally market how the company makes the world a better place to live
Belonging is the crucial piece of the puzzle, leading to psychological safety and employee engagement. Supportive environments even trigger different responses in the brain, leading to better collaboration, problem solving, and RETENTION. Linkedin, 2017
Be part of something......
Table Talk
How are employee’s socialized in your company today?
What can you do differently?
Training and Development

Formalize a Performance Development Plan

- Assess employee’s job performance
- Identify the employee’s areas of strength and opportunity
- Align with their development and create a plan
Finally, we find that job stagnation hurts employee retention. Every additional 10 months an employee stagnates in a role without training makes them 1 percent more likely to leave the company.

_Glassdoor, 2017_
Compensation and Rewards

Pay levels and satisfaction can be only modest predictors of an employee's decision to leave the organization.
Comp - Retention In Mind

1. Lead the market with respect to compensation and rewards.
2. Tailor rewards to individual needs in a person-based pay structure.
3. Explicitly link rewards to retention
   — vacation hours to seniority
   — offer retention bonuses
   — link defined benefit plan payouts to years of service

Consider a “total comp” discussion
Table Talk
What compensation strategy do you employ and why?
Is it the same for all roles?
Development Areas:
• Appraisal & Coaching
• Direction & Goal Setting
• Handling Problem Employees
• Conflict Management
• Time Management
• Decision Making
• Training Others

Considerations:
1. Managers will manage the way they were managed and or what made them successful as an individual contributor......neither of which enables them to lead.
2. 60% of learning is lost within 60 days of training in the absence of application.
SITUATIONAL LEADERSHIP MODEL

- ABILITY LEVEL
- WILLINGNESS LEVEL

- SUPPORTING
- DELEGATING
- DIRECTING
- COACHING
Do you know?

- Do I know what’s expected from me at work?
- Do I have the equipment and materials I need to do my work right?
- At work, do I have the opportunity to do what I do best?
- In the last 7 days have I received recognition/praise for good work?
Table Talk

What development areas have you adopted?
What metrics do you use to assess its impact?
What other areas could you adapt?
Employee engagement

What is it?

*Engaged employees are satisfied with their jobs, enjoy their work and the organization, believe that their job is important, take pride in their company, and believe that their employer values their contributions.*
Engagement Drivers

Research by Watson Wyatt indicates that the level of employee engagement (or disengagement) depends on how effectively the organization:

- Ensures that senior leaders set the direction.
- Focuses employees at all levels on the customer.
- Compensates people based on performance and customer focus.
- Communicates company strategy and goals, the importance of the customer and the value of the total rewards package clearly.
Engagement Drivers

Quantum Workplace (the research firm behind the "Best Places to Work") has identified five key factors that set companies with higher engagement scores apart from others.

- Set a clear, compelling direction that empowers each employee.
- Engage in open and honest communication.
- Maintain a focus on career growth and development.
- Recognize and reward high performance.
- Provide employee benefits that demonstrate a strong commitment to employee well-being.
- Management drivers
How do you know if your employees are engaged?
<table>
<thead>
<tr>
<th>What</th>
<th>How</th>
<th>Completed</th>
<th>Needed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employee Strategy</strong></td>
<td>- Identify content—determine the What, How, Measures, and Owners</td>
<td>✓</td>
<td></td>
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<tr>
<td></td>
<td>- Market internally</td>
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<tr>
<td><strong>Recruitment</strong></td>
<td>- Clearly written job descriptions</td>
<td>✓</td>
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<tr>
<td></td>
<td>- Sourcing process established</td>
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<tr>
<td></td>
<td>- Structured interview process</td>
<td>✓</td>
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<tr>
<td></td>
<td>- Competencies developed</td>
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<td></td>
<td>- &quot;Wow them&quot; plan</td>
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<tr>
<td><strong>Socialization</strong></td>
<td>- Welcome plan</td>
<td>✓</td>
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<td></td>
<td>- Onboarding plan established</td>
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<td></td>
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<tr>
<td></td>
<td>- Job training matrix completed</td>
<td>✓</td>
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<td></td>
<td>- Mentor program in place</td>
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<td></td>
<td>- Publicize company impact</td>
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<tr>
<td><strong>Training</strong></td>
<td>- Assessment of performance in place</td>
<td>✓</td>
<td></td>
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<tr>
<td></td>
<td>- Development plan in place</td>
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<td></td>
</tr>
<tr>
<td><strong>Compensation</strong></td>
<td>- Benchmarking complete</td>
<td>✓</td>
<td></td>
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<tr>
<td></td>
<td>- Pay bands in place</td>
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<td></td>
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<tr>
<td></td>
<td>- Comp strategy in place</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Total Comp Communication</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Lead Leaders</strong></td>
<td>- Development areas identified</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Plan in place</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Metrics for success implemented</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td><strong>Engagement</strong></td>
<td>- Managers know how to set proper direction &amp; expectations</td>
<td>✓</td>
<td></td>
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<tr>
<td></td>
<td>- Rewards and Recognition program in place</td>
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<tr>
<td></td>
<td>- Employee surveys and feedback are in place</td>
<td>✓</td>
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</tbody>
</table>
Thank you!