

War for Talent -Challenges for HR

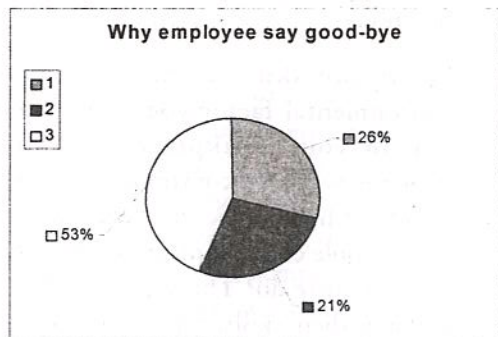
Retention Dilemma for Employers

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It has been vouched for time and again that HR plays a very crucial role in any organization. HR department is solely responsible for bringing in the best and most –sited workforce to any organization. With India being vouched for as one of the fastest growing economies in the world, many internationally renowned brands are also making their way into the local market in order to multiply their business opportunities. The key to any industry is its employees. They are crucial; they are by far the most important and most challenging factor. So, is it very challenging to hire employees who fit the requirements and criterion of the organization? Or is the retention the biggest challenge faced by the organizations? This is exactly where HR has to jump in and be the saviour.

Recruiting the right employees and keeping the right employees matters. Finding the best possible people who can fit within the culture and contribute within organization is a challenge and an opportunity. Keeping the best people, once found, is easy if manager do the right things right. Lot of ink has been spoiled to answer to the question of what people plan to do when the job market rebounds. The majority of the Human Resource (HR) professionals and managers surveyed which covered 300 employees at various position, agreed that turnover will rise significantly once the job market improves.

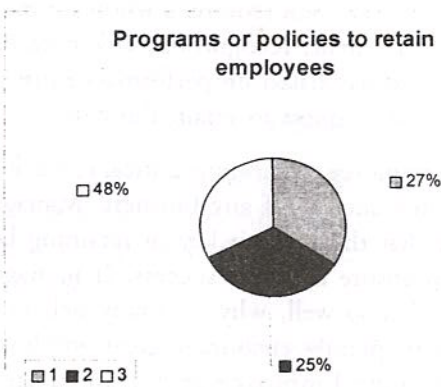
Employees cited the following three top reasons they would begin searching for a new job:



Source: careerjournal.com

1. Seek better compensation and benefits.
2. Dissatisfaction with potential career development.
3. They were ready for a new experience.

Whenever HR professionals were asked which programs or policies they use currently to help retain employees. The following three are the most common programs employers are using to retain employees: (survey made on 40 employers in USA)



Source: careerjournal.com

1. Provide children tuition reimbursement.
2. Offer competitive vacation and holiday benefits.
3. Offer competitive salaries.

In addition to above three retention tips offered by HR professionals in the SHRM-CareerJournal.com survey, other key retention strategies which are also common-sense, basic and incredibly hard to find in organizations today are:-

- * Select the right people in the first place through behavior-based testing and competency screening. The right person, in the right seat, on the right bus, is the starting point.

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- * Offer an attractive, competitive, benefits package with components such as life insurance, disability insurance and flexible hours.
- * Provide opportunities for people to share their knowledge via training sessions, presentations, mentoring others and team assignments.
- * Demonstrate respect for employees at all times.

Retain Your Best Employees

Interested in keeping best employees when the job market rebounds? Retention will be a challenge, according to a recent study. Retention requires a competitive salary and great benefits. However, retention of best requires a whole lot more. Employee involvement, recognition, advancement, development and pay based on performance just get managers started in quest to retain the best.

Key employee retention is critical to the long term health and success of any business. Managers readily agree that their role is key in retaining best employees to ensure business success. If managers can cite this fact so well, why do many behave in ways that so frequently encourage great employees to quit their job? Employee retention matters. Organizational issues such as training time and investment; lost knowledge; mourning, insecure co-workers and a costly candidate search aside, failing to retain a key employee is costly. Various estimates suggest that losing a middle manager costs an organization up to 100 percent of his salary. The loss of a senior executive is even more costly. Employee retention is one of the primary measures of the health of your organization. If managers are losing critical staff members, they can safely bet that other people in their departments are looking as well. Exit interviews with departing employees provide valuable information managers can use to retain remaining staff. The managers will never have a more significant source of data about the health of their organizations. Employee retention is critically important for a second societal reason, too.

1. A satisfied employee knows clearly what is expected from him every day at work.

Changing expectations keep people on edge and create unhealthy stress. They rob the employee of internal security and make the employee feel unsuccessful

2. The quality of the supervision an employee receives is critical to employee retention. People leave managers and supervisors more often than they leave companies or jobs. It is not enough that the supervisor is well-liked or a nice person, starting with clear expectations of the employee, the supervisor has a critical role to play in retention. Anything the supervisor does to make an employee feel unvalued will contribute to turnover. Frequent employee complaints center on these areas.

- lack of clarity about expectations,
- lack of clarity about earning potential,
- lack of feedback about performance,
- failure to hold scheduled meetings, and
- failure to provide a framework within which the employee perceives he can succeed.

3. The ability of the employee to speak his or her mind freely within the organization is another key factor in employee retention. Does the organization solicit ideas and provide an environment in which people are comfortable providing feedback? If so, employees offer ideas, feel free to criticize and commit to continuous improvement. If not, they bite their tongues or find themselves constantly "in trouble" - until they leave.

4. Talent and skill utilization is another environmental factor your key employees seek in your workplace. A motivated employee wants to contribute to work areas outside of his specific job description. How many people could contribute far more than they currently do? The supervisor just need to know their skills, talent and experience, and take the time to tap into it. As an

example, in a small company, a manager pursued a new marketing plan and logo with the help of external consultants. An internal sales rep, with seven years of ad agency and logo development experience, repeatedly offered to help. His offer was ignored and he cited this as one reason why he quit his job. In fact, the recognition that the company didn't want to take advantage of his knowledge and capabilities helped precipitate his job search.

5. **The perception of fairness and equitable treatment is important in employee retention.** In one company, a new sales representative was given the most potentially successful, commission-producing accounts. Current staff viewed these decisions as taking food off their tables. The Manager can bet a number of them are looking for their next opportunity.

In another instance, a sales executive, just a year or two out of college, having experience of working in a local company for one year, was given increment of Rs 2000 over a six month time period. Information of this type never stays secret in companies, so the Managers should know, beyond any shadow of a doubt; the morale of several other employees will be affected. For example, a sales executive who views her role as important and she brings six years of experience, an M.B.A. and a great contribution record to the table. When she finds she is making less money than this employee, she is likely to look for a new job. Minimally, her morale and motivation will take a big hit. Did the sales executive deserve the raises? If Yes! Recognize that there will be impact on others.

6. **The easiest to solve, and the ones most affecting employee retention, are tools, time and training.** When an employee is failing at work, I ask question, "What about the work system is causing the person to fail?" Most frequently, if the employee knows what they are supposed to do, the answer is time, tools, training, temperament or talent. The employee must have the tools, time and training necessary to do their job well – or they will move to an employer who provides them.

7. No matter the circumstances, never, ever threaten an employee's job or income. Even if manager knows that a particular employee fails to meet production or sales goals, it is a mistake to foreshadow or disclose this information with other employees. It makes them nervous; no matter how the information is phrased; no matter how manager explain the information, even if manager is absolutely correct, the best staff members will update their resumes.

Reward, Recognition, Award, and Thank You Ideas

Looking for convenient, appreciated, reasonably cost-conscious ways to provide rewards and recognition a manager demonstrate appreciation and say 'thank you' for contributions that people make at work? The manager can select flowers, a book or a CD that his staff will enjoy. But, what if he is not familiar with their preferences? Then go for-

1. *Motivational Posters for Recognition*

Most people want to know that their work made a difference. After all, why contribute all of that energy and effort without seeing impact and change.

2. *Engraved Articles for Excellence and Teamwork*

Want to provide rewards for all the members of a team? Consider pens and lapel pins that celebrate such positive contributions as excellence, teamwork, and "doing whatever it takes to get the job done well." This selection of desk clocks may also fit the bill; affordable and easy to engrave as well, these are great for rewards, recognition, awards, and showing appreciation.

3. *Thank You Gifts to Please Individual Tastes*

Ideas for business recognition and gifts include crystal picture frames, watches, clocks, best wishes bowls and more.

4. Gift Baskets for Rewards

Who doesn't like chocolate, cookies, cheese, or gourmet snacks? These baskets are perfect for providing rewards and recognition for an employee, coworker, or boss. Baskets are a good choice because

they can be customized to reflect the tastes of the receiver. And, when the contents are gone, the basket (or other container), engraved or with a card, provides a lasting memory.

5. *Thank You Cards for Recognition*

A handwritten thank you note or card is always appropriate and often cherished. Keep a supply on hand. If they're handy and available, you're much more likely to take the time to fill one out. Remember; give praise and thanks that is as specific as possible as soon as possible after the event occurs for the most effective rewards, recognition, and feedback.

6. *Organization Logo Merchandise*

People like merchandise that carries the company logo and mission. Several hundred companies offer everything from t-shirts, jackets, dress shirts, and hats to mugs, pens, computer mouse pads, plaques, bookends, and certificates of appreciation, New Year calendar, Diary and more. Only limit in this category of recognition is the imagination. Some organizations sponsor contests to design the logo for the merchandise.

Employee, Family and Children

Corporate doors are wide open for the experienced professionals to seize the opportunity and realize their long cherished dreams. Employees today are asking for a workplace that helps them balance the demands of their work family lives, rather than forcing them to choose one over the other. Organisations have also accepted that the many other aspirations of employees, the most important is one that seeks to be able 'provide well' for their families. Amongst the many schemes that organizations have introduced for their employees like Family Insurance Scheme Employee Welfare Fund, Family Oriented Reward Programmes, Parents Day and 'Day Care Center', having special schemes for their children like scholarships, medical benefits, and training, some allow young kids to accompany their mothers to work.

For instance: NIIT- 'Little NIITian is a special name given to the kids of NIITians. The company's calendar is dotted with many fun activities which encourage active participation from these little ones. Another

example-At Cellebrum the objective is to create 'Home away form Home' an atmosphere where the basic needs of employees are met and they don't have to be bothered about the daily routine tasks. Under the 'child care support' scheme the company offers- crèches, workplace nurseries, out-of-school care, holiday play schemes and after-school clubs are included.

Employee Engagement: In the face of increasing competition for talent, while companies expand and grow within India and abroad, it has become increasingly important to ensure one's current employees are fully engaged, integrated and feel invested in developing a career with their employer. Employee engagement is fast becoming the latest *mantra* for HR Managers, CEOs and company executives. It is, however, a focus that has always been in existence and defines the true fabric and identity of a company. Whether an employee is truly engaged or not is determined by a few key elements that make up the workplace.

There is no secret recipe that will suddenly engage all employees. Many companies provide excellent work environment, perks and benefits. While these strategies to keep employees engaged, the real secret goes back to fundamental management practices-know your employees. Many companies are focusing on management excellence as a fundamental strategy to address employee retention. Equipping employees with the necessary skills so that they can connect and converse with employees in the right way is a critical engagement tool. What keeps a particular employee partially engaged vs. fully engaged is something a manager can easily discover by regularly connecting with the person:

- ◆ Driving a conversation around the person's work
- ◆ How well that matches his/her aspirations.
- ◆ Discussing the work environment.
- ◆ What is important to that individual-are important decision making data for a manager.

Work culture factors such as flexible schedule can impact engagement levels and can change over time as the employee's personal situation changes.

Organizational factors such as the company's commitment to the environment, connections with customers, product quality, can also be important engagement factors. Managers must be aware of these hot spots to better predict actions and responses and be prepared for the right conversations.

Developing management capability is a key retention strategy in many companies today. Many studies have shown that one of the top reasons, an employee leaves a company is the manager. Encouraging managers to have regular meetings and spend quality time on understanding employee go above and beyond having the employee update the manager on project status, resources and next steps. Fully engaged employee is a win-win situation. They stay longer and contribute in a more meaningful way. Employee Engagement does feel like a new tag line, but it has been in existence since the very beginning as a core management practice.

Listen to them deeply; use their ideas; never ridicule or shame them.

- ◆ Offer performance feedback and praise good efforts and results.
- ◆ People want to enjoy their work. Make work fun. Engage and employ the special talents of each individual.
- ◆ Enable employees to balance work and life. Allow flexible starting times, core business hours and flexible ending times. (Yes, his new baby or social liabilities are important.)
- ◆ Involve employees in decisions that affect their jobs and the overall direction of the company whenever possible.
- ◆ Recognize excellent performance, and especially, link pay to performance.
- ◆ Base the upside of bonus potential on the success of both the employee and the company and make it limitless within company parameters. (As an example, pay ten percent of corporate profits to employees.)
- ◆ Recognize and celebrate success. Mark their passage as important goals are achieved.

◆ Staff adequately so overtime is minimized for those who don't want it and people don't wear themselves out.

◆ Nurture and celebrate organization traditions. Have a get-together monthly. Celebrate annual function. Pick a monthly charity to help. Have an annual company dinner at a fancy hotel.

◆ Provide opportunities within the company for cross-training and career progression (FDP or MDP, workshop for academician). People like to know that they have room for career movement.

◆ Provide the opportunity for career and personal growth through training and education, challenging assignments and more.

◆ Communicate goals, roles and responsibilities so people know what is expected and feel like part of the in-crowd.

Fun and Sports: Using Humor to Retain Employees

In today's uncertain work environment, humor isn't an option, it's necessary. When employees clown around, they're not wasting valuable time, they're making use of one of the few tools available to increase and maintain their group spirit. Laughter may not change reality, but it can certainly help people survive it. Sports help unearth the employees' dormant leadership qualities. It nurtures problem solving, communication conflict resolution, goal setting and planning skills of employees. Here's how to use sports to retain employees.

We all cherish childhood days when we would sneak out of the house to play *Kabaddi* or stay up late nights at the club to play tennis. We won some we lost some, but little did we know that our character was being steadily moulded through sports. Experts confirm that the qualities one imbibes as a sportsman can easily be translated into one's work life. And if the employees feel that they have lost touch with their favourite sports it's time to revisit their golden days-with a little help from their employers.

Sports teach adjustment. Happy and adjusted employees stay longer in the organization. Because research has proved that the informal relationship established through such activities strengthens formal relationship. Organizations at local national and international level are making sports an important part of their employee engagement and retention policy. A good example is from Percept Holdings. Its employees have participated in many major sporting tournaments. They also won CAG Shield cricket tournament. Percept Holdings enlists three qualities that employees can learn by playing sports-

1. **Strategy:** At work or at play, it's all about making strategic decisions. One may adopt either a short term strategy or a long term strategy to win on the field.
2. **Planning v/s execution:** The plans you discuss in the board room or dressing room will remain mere plans until you are able to physically implemented them successfully in real-time at the workplace or on the field.
3. **Thinking on feet:** At work or in a sport, one is always faced with critical situations when smart decision-making becomes vital, especially when the spotlight is on you and your moves are scrutinized. If the right decisions are not made, it could lead to disastrous consequences. Similarly, an employee too can be faced with such a situation in his/her work-life.

Sports have universal appeal and help employees bond in a way which otherwise would not be possible. Hierarchical considerations are ignored during a passionate debate about a sport. Rediffusion DZR screened the T20 finals between India and Pakistan and got the entire office to watch

the match together to foster team spirit. The employees at Thomas Cook (India) Ltd. have taken part in the Mumbai Marathon for the last two years. The value of working as a team remains the most imperative lesson that we learn from sports activities.

Never say Goodbye:

Day in and day out, the work gets done. But what if it does not? What if an employee suddenly stops performing? Go for reason first. Reasons could be many - death in the family, an illness, a broken relationship, mid-life-crisis etc. Hence one-to-one interaction with the employee is important to understand. Unintentional mistakes are tolerable, but intentional blunders have a devastating impact on the company's reputation, image or bottom-line are not. If there is no remarkable improvement even after providing the required support, counseling or mentoring, the employee gets identified for termination there is a proper process to follow first oral warning, and then written warning and even then no improvement seen then **TERMINATION**.

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