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Retention

To Hold Onto Valued Employees, Don't Wait Until They've Got One Foot Out the Door

An academic study has ascertained telltale signs that an employee may be on the way out the door, but by that point it may be too difficult to change his or her mind, according to workplace analysts interviewed by Bloomberg BNA.

''Organizations have to be careful—if they address turnover when it's about to happen, it may be too late. If the employee has one foot out the door, it may be a Herculean effort to re-engage them,'' Mike Patrick of the Atlanta office of consulting firm Towers Watson said March 11. ''It's much more beneficial for organizations to be proactive on turnover than reactive when they think it's happening.''

Patrick suggested that an employer start when a worker has just been hired and ''create a company value proposition—'this is what we stand for in the workforce.' ''

''It's much more beneficial for organizations to be proactive on turnover than reactive when they think it's happening,'' Mike Patrick of Towers Watson told Bloomberg BNA.

''Every company has its own unique drivers of turnover,'' Beth Carvin, president and CEO of the Kilauea, Hawaii-based exit interview management software company Nobscot Corp., said March 6. ''Within a company, what causes people to leave one department versus another, or one job versus another, is different. The starting point is to understand your own turnover issues—the irritations that get people to reach their breaking point.''

That tolerance bar is much lower than it used to be ''because it's so much easier to look for another job now,'' she added. ''The computer will send you four perfect jobs with the click of a button, and the mindset is that it's more acceptable to change jobs.''

The academic study, led by Tim Gardner of the Jon M. Huntsman School of Business, Utah State University, sought to establish an empirically validated set of behaviors that may indicate an employee who is thinking about leaving an organization, Gardner said March 6. ''A lot of things have been written about what are the cues of turnover, but there is no science behind these lists,'' he said.

Disengagement and Other Telltale Signs. The paper, ''If You've Got Leavin' on Your Mind: Identification and Validation of Inadvertent Behavioral Cues of Voluntary Turnover,'' collects the results of three separate surveys the researchers did.

They found that disengagement was the behavioral ''cue'' most predictive of an employee exit, Gardner said. The other categories of cues were outspokenness, seeking outside opportunities, work avoidance, negligence and clock punching (arriving and leaving precisely on time), he said. Specific examples, listed in a Feb. 20 press release about the paper, include employees whose work productivity declines or who:

- are more reluctant to commit to long-term projects;
- become more reserved and quiet;
- become less interested in advancing in the organization;
- become less interested in pleasing their boss than before;
- avoid social interactions with their boss and other members of management;
- suggest fewer new ideas or innovative approaches;
- begin doing the minimum amount of work needed and no longer go beyond the call of duty; and
- are less interested in participating in training and development programs.

Gardner said in the press release that if employees demonstrate at least six of these behaviors, ''his statistical formula could predict with 80 percent accuracy that they were about to leave the organization.''

Gardner said in his interview with Bloomberg BNA that if an employee with a high level of security clearance or who deals with customers is found to have these behaviors, ''these cues aren't strong enough to terminate someone, but the organization could put

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more security in place to make sure [for example] that they don't walk off with patented technology.''

More broadly, he said, ''we know the use of stay interviews is a pretty good way of controlling turnover.''

Manager Is First Line of Defense. The first line of defense in preventing unwanted employee turnover is the manager, workforce professionals agree.

''The role of the employee manager is key,'' Patrick said. ''They can help with retention or [cause] turnover, depending on how that turns out.''

''The organization has to train managers in how to work with a diverse population of people, understanding the diverse values of employees,'' Dave Ciliberto, senior vice president for client services and career transition at New York City-based Partners International, said March 10.

Such values, he said, don't necessarily feature money first and foremost, but may have to do with flexibility on the part of the organization and the desire of employees ''to take pride in their organization and enjoy camaraderie with their colleagues.'' Employees also like to feel that the organization is investing in them through training and giving them opportunities to advance in their careers, Ciliberto said.

''The organization should have a good internal [job] posting system so people can move up within the organization rather than moving out, or a development program of rotations, or enough change in the role to keep it interesting, though some employees are 'steady Eddies' or 'steady Edies' who like to do the same thing,'' Ciliberto said.

HR processes to be followed include scheduling meetings between each employee and his or her supervisor at least once a month, and following up on performance reviews with a career development plan, he added. Otherwise, in an improving economy, employees may be inclined to look elsewhere and cause the organization to incur large turnover costs, Ciliberto said.

'Deal With It More Strategically.' Reasons for employees to quit vary by industry, Carvin said, pointing to data Nobscot collected last year from users of its WebExit exit interview software. Top concerns from employees leaving organizations with 300 to 250,000 employees, she said, included perceptions about lack of growth opportunities or opportunities for advancement; employees' negative understanding of the stability and future prospects of the organization; feeling unappreciated or undervalued, which is ''always a biggie''; beliefs about the quality of upper management; the ratio of interesting to boring work being too low; and not looking forward to coming to work. ''Salary comes into play in this way: if all the other things are bad, it's not worth it for the salary,'' she added.

To reduce turnover, Carvin suggested, ''don't do a brainstorming session where people come up with [such ideas as] doughnuts on Fridays or ping-pong tables—it won't help if the other six irritations are still there. You have to deal with it more strategically.''

For example, she said, a large telecommunications company had a problem with high turnover in its call centers. Among the top complaints the company discovered its call center employees had were that they couldn't take off a short block of time for such errands as taking a child to a doctor's appointment—instead they would have to lose a whole day of work—and the way compensation was handled. When these two issues were addressed, turnover dropped 25 percent within two years, resulting in $8.1 million a year in savings, Carvin said.

Mentoring programs are another good, general idea for reducing turnover, she added.

But Carvin stressed the need to focus on industry-specific, company-specific and department-specific factors causing turnover. For example, she said, Nobscot's data show that in the high-stress health care industry, the ''looking forward to coming to work'' factor is key, while in the financial services industry, the lack of interesting work and relatively low salaries are problems.

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