NEXT LEVEL LEADERSHIP: MAXIMIZING YOUR RECRUITMENT AND RETENTION EFFORTS

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CHALLENGES & OPPORTUNITIES

Challenges & Opportunities

- Unemployment rates near historical lows

- Beyond full-employment levels

- Significantly more job openings than candidates

- Organizations are doing more to stay competitive and need new skillsets to do so

- Surveys of employee engagement not painting a good picture

- Employees actively seeking new job opportunities

- Other employees open to opportunities if approached

- Workforce is a part of every strategic plan and client conversation

CEO's Top 5 Workplace Concerns

Deloitte Human Capital Trends report identifies the top 5 areas in which CEOs are concerned:

- Organization of the Future
- Careers and Learning
- Talent Acquisition
- Employee Experience
- Performance Management

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The Recruiting Environment

- It is a Candidate's Market

- Average time with employer is 4.6 years

- Drops to 3 years for Millennials

- Historically, C-Suite has never been long-tenured

- Time to fill positions continues to increase
  - Hardship for management
  - Extra work for existing employees
  - Inability to meet customer needs

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The Recruiting Environment

- By 2020 (3 months), 50% of workforce will be Millennial

- Important to:
  - Be able to sell the long-term value of working for your company
  - Develop retention processes that keep this generation tied to employers

- Cannot think about your staff as replaceable
  - Cost of turnover is estimated at 50-60% of salary
  - Distraction
  - Lag in workload and performance

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Position to Take

- Recruiting and Retention are not stand-alone issues or opportunities for organizations

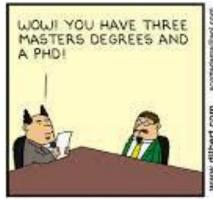Recruiting

Retention

Broader People and Culture Strategy

RECRUITING, SEARCH & HIRING

❯ We've All Been There

Search

- Does not begin when you have an opening
- On-going investment in your Talent Strategy
- Networking
- Build a target list and resume database
- Take down "No jobs at this time" postings

Employer Branding

- Employer Branding
  - The reputation as an employer and value proposition to its employees
  - Information outsiders can discern from the information they have available to them

- Approach getting employees like getting customers

- 78% of people will look into a company's reputation as an employer before applying for a job

- 88% of millennials believe that being part of the right company culture is very important

- Experiences with candidates and employees need to match the information being shared

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Candidate Experience

Where are they going for jobs?

- 79% of job seekers are likely to use social media in their hunt for their next job
- Ease and convenience of technology has increased the on-line application process
- Peer-to-peer referrals continue to be the best way for employers to find candidates and candidates to find companies

On-line postings

- Many are low quality
- Candidates are struggling to find accurate and meaningful opportunities on line – poor reputation of on-line sites
- Social Media and connections to people are perceived as legitimate
- Use multi media strategies to touch all generations and positions

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Candidate Experience

Tips on getting a candidate:

- Be able and ready to move quickly when you find one
- Review recruiting practices and ensure you do not have processes in place that are slow and time consuming
- Beware of ghosting your candidates
- Find candidates with ability to learn and competencies that fit the position
- Don't get hung up on having similar experience or industry experience
- Hire qualified candidates instead of waiting for the perfect candidate

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Recruiting Tools

- Job Boards
- Employee Referrals
  - Compensation
  - Employee Retention
- Job descriptions – essential duties plus how the role fits into serving your mission and customers
- References
  - Help to ensure information you learn during the interview is accurate
  - Very difficult to get such information due to corporate policies
  - Verifying dates of employment, compensation and job titles is important
  - Referrals from someone they worked with in the past is beneficial

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Recruiting Tools

Applicant Tracking Systems

- Can incorporate workflows and approvals
- Saves time
- Guarantees applicants do not get lost
- Electronic application and screening tools
- Helps to reduce human error in vetting candidates – if they are qualified they get through
- Track time to hire and other HR metrics
- Affirmative Action and EEO requirements
- Voluntary disclosure
- Ensure cyber security protections if you are going to require SS#s
- Builds accountability into the process

Recruiting Tools

Career Opportunity vs. Job Opportunity

- Training
- Developing gaps in skills
- Promotions
- Internal mentors

Recruiting Tools

Understand your Culture

- Physical environment
  - Location fit
- Working environment
  - Teams, communication styles, pace, peak periods and seasonality
- Diversity
- Generational
- Positive or negative

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Competencies

From the 2018 Deloitte Human Capital Trends Report:

- Customer Service
- Communication/Social Skills
- Problem-solving
- Creativity
- Critical thinking

ONBOARDING

Job Offers

- Should be in writing and sent electronically

- Include benefits summary and all pre-boarding documents that need completed

- Require return of documents with signature(s)

Orientation/Onboarding
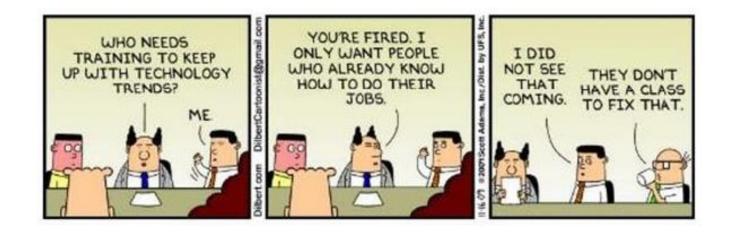
Time to reinforce the employee experience

- Pre-orientation email outlining what to expect, documentation to bring (completed or not)

- Orientation Agenda

- Use a mix of mediums – presentation, computer, cell phone

- Establish a 'buddy' to help them get oriented to the company

- Onboarding checklist for HR and for employee

- Training checklist through 90 days

- 90 day check-in

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TRAINING

❯ Not a Good Training Strategy

Training

- Question: What if I invest the money to train them and they leave?

- Answer: What if they stay and you don't?

Training in the Workplace

- Skills and behaviors

- Careers and learning

- Real-time, all the time

- Job and skills needs continue to change

- Keeping people engaged at work and workplace culture are essential to the experience and journey for employees
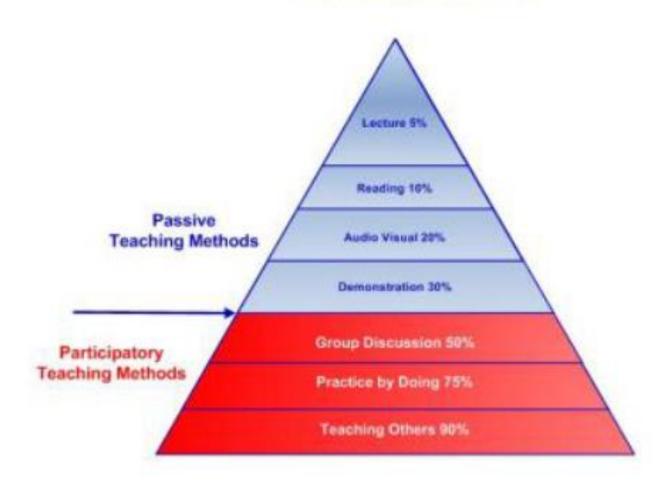
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Training Tools

- On the Job
  - Orientation
  - On-going development
  - Promotion

- Conference and webinar

- Classroom

- On line training alternatives
  - Embedded in Learning Management Systems (LMS)
  - Micro Learning
  - You Tube

- Coaching

- Mentors

❯ Learning Retention by Method

The Learning Pyramid

Training as a Retention Tool

- Make Learning part of the Corporate Culture

- New Career models – paths are not linear and hierarchical anymore

  - Identify HIPO employees

  - Create opportunities for them to have a Career Experience

    - Allowing employees to redefine themselves during their career

    - Lead their own development and growth initiatives – empowering them to acquire valuable experiences

  - Use a variety of learning methods to ensure maximum retention of information

- Be forward thinking in training and cutting edge among your competitors

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Talent Development

- About building new capabilities through varied experiences

- Allows for "role mobility"... employees move regularly between roles and teams based on their personal development goals

- Research shows companies that practice a growth mind-set, create "designed growth" and stretch assignments, and openly discuss mistakes to promote learning are three times more profitable and have up to four times better retention than those that do not

New Leader Training

Training on the How

- Classroom or multi-media; discussion
- How to conduct a performance review
- Typically:
  - Discipline
  - Conflict Resolution (communication)
  - Interviewing
  - Leading Effective Meetings
  - Financial Management

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New Leader Training

Training on the Why's

- Experiential
- Partnered with a Coach
- Individualized
- Start with smaller, low risk responsibilities
- Set leaning milestones
- More responsibility as gain skills and gain confidence
- New skills are resulting in better performance as seen in the metrics

PERFORMANCE MANAGEMENT

Definitions

Performance Management

- The supervision and oversight of employees, departments, and organizations with the objective of seeing that milestones and objectives are reached in an efficient and effective manner

- Linkage of individual, departmental and organizational performance

Plight of Performance Management

- 82% of employers believe that performance evaluations are not worth the time

- 20 percent of companies give workers performance ratings more than once per year, but only 9 percent adjust salary at that pace

- 75% employees said that their companies should change performance management practices

- Less than 40 percent of corporate leaders said that performance processes helped to achieve business objectives

- Most compensation programs are inflexible and narrowly focused on experience and tenure

Plight of Performance Management

- Cumbersome to complete
- Managers don't enjoy formal processes
- Often have too many at one time to do effectively OR if completed on anniversary date it is a never ending process
- Recency theory is real
- Managing people is one of our responsibilities not seen as priority responsibility
- Cumbersome paper process
- Evaluating the wrong things

Plight of Performance Management

- Not keeping pace with change of organization and workforce

- Not driving results to the business

- Don't effectively address contribution to the team

- Perceived as a negative interaction

- Ratings confusion

- Narrow Definition currently exists – Performance Process vs. Performance Management

- Learning not tied to performance

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Plight of Performance Management

Trends Today

- In a recent study, more than 70 percent of companies reported designing "continuous performance management" practices
  - Multiple times per year
  - Regular discussions
  - Real-time feedback
  - Not tied to compensation

- Leveraging technology based performance management tools

- Not directly tied to compensation, use merit and bonus models

- Focus on aligning behavior and results

- Millennials & HIPOs respond to this approach

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Trends Today

- Moving from a tactical and subjective evaluation
  - Attendance, communication, professionalism
- Moving to an evaluation that is primarily objective (goals based with targets/measures)
- Retains some consideration for subjective evaluation
  - Employee engagement, collaboration, behavior modeling

Objective Performance Management

- Corporate level KPIs are a great tool to use to in performance management

- Can use a mix of corporate, department and individual to drive holistic approach

- Everyone has measurable workplace responsibilities

- Success Factors
  - Processes and tools necessary to achieve results
  - Areas within their control
  - Reasonable yet achievable goals

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Performance Mgmt as a Retention Tool

- Link training and career path to process
- Document opportunities and focus on HIPOs
- Shows investment and provides a vision for career experience (usually in phases)
- Technology support
  - Connects employee with organization goals
  - Connects teams across locations
  - Information is readily available
  - Can provide peer-to-peer feedback
  - Allows employers to understand pulse of employee community and their needs
- Enhances the employee/manager relationship by increasing the number of touchpoints

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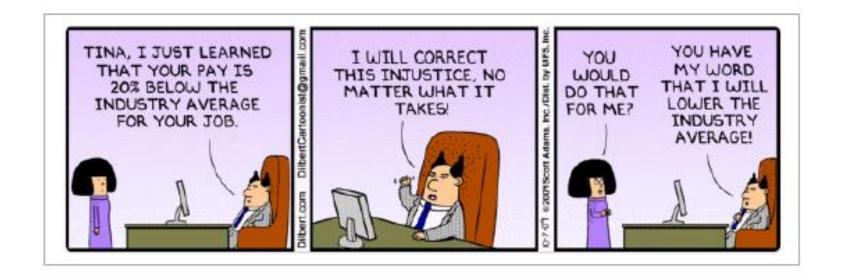
Results of Motivating through PM

- Higher employee engagement and productivity
- Lower employee turnover
- Better internal teamwork and communication
- Increased employee morale and commitment
- Improved customer service, sales and quality
- Career advancement and success

COMPENSATION

Not a Recommended Practice

Retaining Talent

HOW ORGANIZATIONS PLAN TO RETAIN TOP TALENT

Bar chart showing percentages for different retention strategies:

- Merit-based Pay Plan: ~60%
- Non-discretionary, Incentive-based Pay Plan: ~20%
- Discretionary Bonus Plan: ~33%
- Stock Option and/or Grant Plan: ~13%
- Learning and Developmental Opportunities: ~60%
- More Perks (catered lunch, gym memberships, etc.): ~27%
- Other: ~8%

Trends in 2019 – PayScale Report

- Most organizations plan to give increases in 2019 (85%).

- Thirty-one percent of organizations plan to continue the trend of a 3% average base pay increase.

- The majority of organizations predict that their bonus or incentive budgets will not change in 2019 (54%).

- Biggest HR investments in 2019 will be training and development, followed by recruiting and compensation changes.

- In 2019, organizations plan to use 17% more contractors than 2018 and expect a 27% increase in remote positions.

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Salary and Wage Compensation

Multiple ways:

- New skill development

- Merit increases

- Bonuses

Compensation

- Have a formal plan in place
    - Can not be administratively burdensome
    - Must be affordable

- Participants in the plan need to understand how they can earn more

- Communicate in advance so they can get excited (motivation)

- Compensation needs to be significant enough to warrant change

Tie to Performance Management

- Everyone has measurable workplace responsibilities

- Corporate-level Key Performance Indicators (KPIs) are a great tool to use in performance management

- Can use a mix of corporate, department and individual KPIs to drive holistic approach

- Common pitfalls with performance metrics
  - Make sure employees can actually impact the metrics
  - Make sure employees understand how they impact metrics
  - Communicate progress toward goals with regularity
  - Evaluation tool is cumbersome and burdensome

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RETENTION

What Employees Want From an Employer

- Clear Expectations and Goals

- Recognition and Praise

- Communication

- Growth

- Trust

- Responsibility

- Respect

- Pride in their Work

- Learning

- Achievement

Retention Ideas

Strong, people oriented Culture

- Strong leadership and communication

- Handle issues timely

- Performance discussions
    - Coaching
    - Skill building/development discussions
    - More than 1 x per year

- Social activities

Retention ideas

- Annual compensation and benefit surveys
  - Compensation Equity review
    - Internal
    - Market based
    - Merit increases
  - Benefits
    - Time Off
    - Health and Welfare – competitive
    - 401k
      - Match and eligibility

- Bonuses
  - Customer Referral
  - Employee Referral
  - Process Improvement

- Flexible work arrangement – telecommuting, flex work schedules, job sharing

LEADERS

Typical Skills & Traits

- High performer (HIPO)

- High energy and passion

- Wants to be held accountable

- High EQ

- Active listening

- Builds strong relationships

- Good team player

- Change agent

- Understands risks of action and inaction

- Seeks opportunities for ongoing learning and applies the new skills

Candidate Pool

- Management

- Staff

- Potential Employees
  - Candidates
  - Recruits
  - May have to exercise the "buy-it" option if timing and aptitude dictate

SUMMARY

Broader People and Culture Strategy

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