

HR PLANNING NOTEBOOK

6.1

RECOMMENDATIONS FOR RETAINING EMPLOYEES

Organizations cannot afford to lose experienced, talented employees. Given that highly qualified, high-performing staff will always have alternative employment options, what are some of the steps organizations can take to help attract and retain talented employees? The following recommendations are drawn from the research literature:

1. Train managers in strategies for the retention of employees, and hold them accountable for retention.
2. Pay is not the main reason for losing talent. Pay attention to “toxic” bosses and co-workers, bad management practices, and a lack of autonomy and respect at work.
3. Implement flexible working arrangements to facilitate work–life balance (e.g., flexible work hours, compressed workweek, telecommuting, job sharing, daycare centres, and so on).
4. Reward fairly, consistently, and differentially on the basis of performance and results. Give recognition to employee preferences for different types of work benefits (time off, nonmonetary rewards such as travel or goods, tuition assistance, pension plans, life insurance, and so on).
5. Hold regular feedback and career development discussions with your employees.
6. Recognize that talented, highly motivated employees do not view training as a discretionary item that should get cut during the first round of annual budget reviews!
7. Deal with “slackers” and underperformers! Talented employees resent being burdened with additional stress and workload.
8. Reward organizational seniority in addition to rewarding performance.
9. Identify “high turnover risk” occupations, classifications, and personnel, and develop appropriate talent retention strategies.
10. Develop a managerial academy to teach talented employees the technical and interpersonal skills necessary to assume higher managerial positions in the future.
11. Review and pare to a minimum the following potential “dissatisfiers”: rules, regulations, micromanagement, policy manuals, meetings, and so on.
12. Take action on talent management; don't just meet, discuss, or prepare a report.

Employee retention will soon become the number-one priority for HR professionals.

Sources: Adapted from F. Frank and C. Taylor, “Talent Management: Trends That Will Shape the Future,” *Human Resource Planning*, Vol. 27, No. 1 (2004): 33–42; J. Greenwald, “Benefits Programs Aim to Keep More Moms in the (Work) Family,” *Business Insurance*, Vol. 38, No. 5 (2004); “The Return of Work/Life Plans,” *HR Focus*, Vol. 81, No. 4 (2004); K. Hilton and J. Soubik, “Case Study: Pennsylvania's Changing Workforce: Planning Today with Tomorrow's Vision,” *Public Personnel Management*, Vol. 33, No. 4 (2004): 459–474; C. Trank, S. Rynes, and R. Bretz, “Attracting Applicants in the War for Talent: Differences in Work Preferences Among High Achievers,” *Journal of Business and Psychology*, Vol. 16, No. 3 (2002): 331–345; M. Hay, “Strategies for Survival in the War of Talent,” *Career Development International*, Vol. 7, No. 1 (2002): 52–56; and S. Langan, “Finding the Needle in the Haystack: The Challenge of Recruiting and Retaining Sharp Employees,” *Public Personnel Management*, Vol. 49, No. 4 (2000): 461–478.

Skills inventory

An individualized personnel record held on each employee except those currently in management or professional positions

// METHODS FOR MODELLING THE SUPPLY OF HUMAN CAPITAL

SKILLS AND MANAGEMENT INVENTORIES

The first step in supply analysis is an examination of the number and capabilities of current employees. Skill inventories and management inventories contain information on the capabilities of your employees.¹⁷ A **skills inventory** is an individualized record held

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