Section 9: Human Resources Recruitment and Retention Strategy

> "People want to work in inspiring organizations, for inspiring leaders, in inspiring industries and careers, doing work that inspires customers and suppliers and each other" (Lance Secretan, 1999, p.).

During times of high unemployment, employers have the luxury of selecting employees from an abundant supply of candidates. However, as Barbara Moses states, times have changed, and "employees know it's a seller's market" (2006).

In the lean and mean 1980's and 90's, employees were advised to be prepared for five or more careers. They were also told there is no such thing as lifelong career commitments. This may have been somewhat short-sighted. The result of this advice has been the demise of employee loyalty and non-existent succession planning strategies. We now have industries with well-educated, experienced but aging professionals who made it through the lean and mean decades who are now approaching possible retirements. Therefore, organizational success today and in the future will largely depend upon attracting, selecting, deploying, developing, managing, rewarding and retaining talent.

Successful recruitment and retention strategies include knowing and meeting the needs of employees, paying attention to corporate culture and employment branding, developing a diverse workforce, and ensuring strong leadership.

9.2 Attracting Talent

Attracting talent is more difficult today. A recent Manpower Canada employer survey indicates that in Western Canada more than 50 percent of employers expect to hire more employees in April, May and June (2006) while 70 percent of construction sector plans to hire (Galt, 2006). According to Paul Hebert, employers have to become more aggressive and more creative in terms of their recruitment techniques because they are not finding all the people they need (Galt, 2006). Interestingly, talented employees "understand their value on the street and are prepared to walk if their needs aren't met (Moses, 2006).

Successful recruitment may well depend on becoming familiar with the needs of employees, then following through to meet those needs, and finally making it known that your organization is a good place to work. The core needs for most of us are "to do meaningful or intellectually stimulating work, in a pleasant environment where efforts are recognized, while allowing time for a life" (Moses, 2006). How then does an employer articulate a need for talent that resonates with the needs of the talented?

9.2.1 Employment Branding

In an interview with The Conference Board of Canada, management leader Dave Ulrich emphasized that the 21st century belongs to human resources and to organizational capabilities (2004). In order to attract talent, an organization needs to differentiate themselves from others. According to Ulrich, "employment branding gets you the talent you seek" (2004). The Business Development Bank of Canada (BDC) states that one of the most important issues in attracting talent today is to market your company (2006). BDC consultant Bill Guest states, "Potential employees want to know that they will be working for an organization that has a good reputation" (2006). This reputation or culture is very important to potential talent and true "branding ensures high motivation and helps align employees' vision and values" with those of the organization (Ulrich, 2004). As an organization, you know your market and have a clear vision on how to provide services or products to that market. Consider how your organization is representing itself in the community. What is its public presence? What is the public perception? Then do what you can to clarify, unify and promote that message. In the future, you will likely have to have an employment marketing vision or employment brand for attracting new talent.

Creating awareness of your organization is another important step in attracting the best people (BDC, 2006). Think of ways your organization markets to clients; these may be valuable ways to attract talent. The BDC suggests beyond print and web presence "consider job fairs, focused marketing, industry association activity and community involvement" (2006).

9.2.2 Diversity

Another strategy is to consider persons from other career paths with similar competencies, Carolyn Clark, senior vice president of human resources for Fairmont Hotels & Resorts cautions, "we are all competing for the same talent. Today, banks are interviewing and hiring hotel graduates. Five years ago, this wouldn't have happened" (2006). Employers need to

think creatively about the competencies or transferable skill sets necessary for the job, and think beyond their industry specific box. Consider interviewing someone from a different industry background, seek common skill sets or common competencies, and explore how that diversity can be mutually beneficial for your organizational culture.

Diversity should also go beyond industry. By recruiting from all age groups, the organization of the future could see a five decade spread between employees. The needs and desires of the younger twenty something talent will be quite different than the needs of the septuagenarian, and employers will need to adapt. Additionally, "diversity must move beyond being a purely intellectual exercise to becoming an inherent component of organizational values" (2004, Conference Board). Diversity for a growing number of organizations will require talent with differing ethnicity, sexual orientation, physical abilities, age and gender. Those organizations with an inclusive organizational culture will attract and retain the much needed talent for the future.

The younger talent according to Barbra Moses, "want work to be fun and to interact with other young people" (2006). Moses continues, these young adults may not be "a predictable source labour as they engage in an endless round of working, going back to school, and traveling" (2006). She also suggests that employers accept body art and ornamentation such as tattoos and multiple piercings, as they are moving into the mainstream (2006). David Foot calls this relatively large generation the "Baby-Boom Echo" while Claire Raines author of Connecting Generations calls this group of young talent "Millennials" and describes them as "sociable, optimistic, talented, well-educated, collaborative, open minded, influential and achievement oriented" (Foot, 2000, Raines, 2002). Currently this generation is heavily marketed to. For the sake of clarity we will call this Millenial/Echo cohort M/E.

In a recent Edmonton Journal article by Sarah O'Donnell, David Foot suggests that organizations look at attracting this M/E generation from other provinces rather than looking to immigration as a way to solve labour shortages. The article states, "companies need to learn lessons from professional sports and take steps such as offering five-year contracts with agreed severance packages and signing bonuses" (2006). This advice mirrors Raines' as she suggests employers should design recruitment programs and management systems based on the values and needs held by M/Es. She identified the following desires of M/Es.

- Work with positive people
- Be challenged
- Be treated respectfully
- Learn new knowledge and skills
- Work in friendly environments
- Have flexible schedules
- Be paid well
- Be coached and mentored, not micromanaged

These M/Es are the talent currently living in our community and attending our schools. With adequate training, apprenticeship or mentorship they could help mitigate a skilled worker shortage.

The wants of older talent from a job are similar to those of their children, the Millennials, but many are more concerned about "leaving a legacy and doing meaningful work than the status of their job title" (Moses, 2006). "Every 7 seconds another Boomer turns 50" and for the most part they are very concerned about health and wellness (Marr, 2006). In a University of Windsor research project on 50+ employees and retirees, Armstrong-Stassen identified seven ways to attract this talent.

1. Provide more part-time work arrangements, seasonal options
2. Provide training to upgrade current skills and to acquire new skills
3. Provide opportunities to be promoted or transferred
4. Provide management training on how to utilize and manage 50+ employees
5. Create mentoring roles or special projects for 50+ employees
6. Provide phase-in retirement arrangements, opportunities to reduce work time
7. Provide contract, temporary or consultation opportunities

These recommendations are important for many local employers to consider as this cohort is the fastest growing population in the Comox Valley, and as Armstorng-Stassen states "employers will have to change their attitude because there will not be enough younger people to fill the void when the baby boomers start to retire (Galt, 2006).

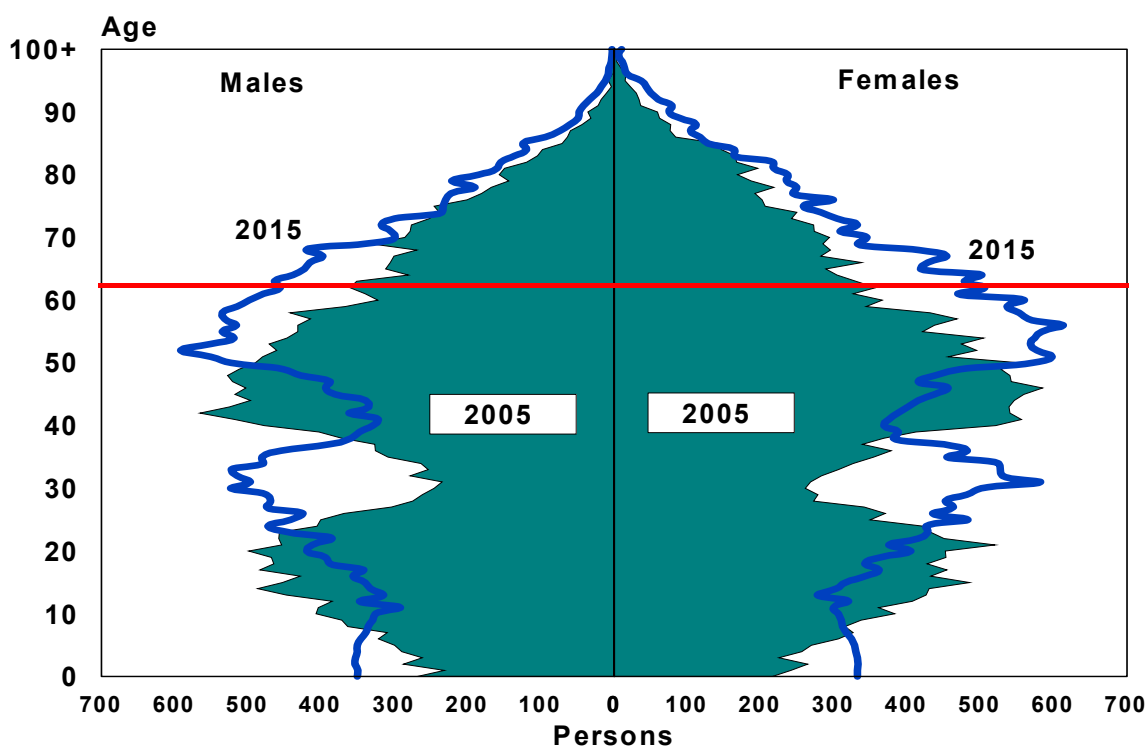### Courtenay Local Health Authority, 2005 & 2015

Figure 1

The cohort Foot identifies as the baby-bust generation (currently 25 to 40 years old) is relatively small in the Canadian economy. As demonstrated by the significant waist in the above figure, the baby-bust generation is largely missing from the Comox Valley (2000). Subsequently, employers may notice a lack of persons in their twenties and thirties and therefore a limited supply of talent to fill positions. This cohort has been raised to be independent as many of them grew up in homes were both parents worked. Most grew up with technology, have fully embraced technology, and use it on a daily basis. This generation often wants to work in order to play, and this balance is possibly a reaction to the frantic pace they saw their parents keep while growing up. This cohort often has a strong social conscience and is very aware of global issues, peace and the environment (Foot, 2000). They are now entering their prime working years and may be looking for more secure employment opportunities, while establishing homes and raising children.

To conclude, diversity includes people of differing genders, generations, ethnicity and physical abilities, and those differences can cause conflict or become a source of creativity and

productivity. The future requires an organizational culture that acknowledges and appreciates a variety of opinions, styles and perspectives where differences are sought out, respected and implemented. In fact, according to Raines, "business success requires a workforce that is educated about diversity, where associates have developed their awareness and appreciation for differences and have learned useful skills for bridging the gaps and tapping into the best of everyone" (2002).

9.3 Leading/Managing and Retaining Talent

"Happy employees are better equipped to handle workplace relationships, stress and change", according to a recent Gallup Management Journal survey (2006). The Gallup survey emphasizes that supervisors are crucial to how engaged an employee is within the organization. If the supervisor relationship is positive, the engagement increases as do the positive interactions with other coworkers (2006). Consequently, if the talent is unhappy at work, it is likely due to a poor working relationship with a leader/manager and not the company.

 "Leadership is a serving relationship with others that inspires their growth and makes the world a better place" (Sectretan, 2005).

Leading an organization in this millennium can potentially involve four distinct generations and the leadership style needed for a 22-year-old employee may be significantly different than that of a 62-year-old. However, there are four core behaviours that characterize the best leader/managers:

- *Believing in employees:* creating a stimulating work environment through instilling a high sense of purpose, effectively using talents and knowledge while allowing a degree of autonomy

- *Helping employees achieve balance*: recognition on the part of both leaders and talent for the need to strike a balance between their lives at work and outside work

- *Developing career plans with employees*: Coaching/mentoring or assisting an individual to discover their talents, skills, assets, preferences, motivations and professional goals

- *Adapting to differences*: acknowledging the unique contributions each individual brings to the organization and adapting policies, schedules and work procedures to the diverse needs of the individual (list adapted from Raines, 2003)

What motivates Millennial/Echo talent? Raines identified the following strategies:

- *You be the leader.* M/Es are looking for leaders with honesty and integrity. It's not that they don't want to be leaders themselves, but they would like some great role models first.

- *Challenge me*. M/Es want learning opportunities. They want to be assigned to projects they can learn from.

- *Let me work with friends*. M/Es say they want to work with people they click with and they like being friends with co-workers. Employers who provide for the social aspects of work will find those efforts rewarded.

- *Let's have fun*. A little humor, a bit of silliness will make your work environment more attractive.

- *Respect me*. Treat our ideas respectfully, even though we haven't been around a long time.

- *Be flexible*. The busiest generation ever isn't going to give up its activities just because of a job. A rigid schedule is a surefire way to lose your M/E employees. (Raines, 2002).

According to Professor Armstrong-Stassen of the University of Windsor, 50+ workers find the following important in influencing their decision to remain in the workforce (2004):

- Flexible work options
- Training and development activities, access to new technology
- Management training, or opportunities to mentor others
- Job design practices, challenging and meaningful tasks or roles
- Recognition and respect, showing appreciation for a job well done

- Performance evaluations with useful feedback
- Compensation, offering incentives for continued employment, improving benefits and organizations pension plan
- Pre-retirement and post-retirement options, callback arrangements and providing phased-in retirements

Dave Ulrich emphasizes that leadership "must be dispersed throughout the organization" and that individuals given the opportunity to exercise leadership within their spheres of influence (Conference Board, 2004). Leading the organizations of the future requires leaders who see leadership as the role of coach/mentor and chief inspiration officer rather than a job title or position. These leaders lead in relationship with all organizational talent, which inspires them to contribute to and develop within the organization.

9.4 Developing Talent

There are two ways to increase the talent in an organization - hire new talent from outside or develop talent from within. As highlighted earlier, attracting talent, especially without a strategy, may provide a significant challenge for many organizations. However, as Ulrich indicates, successful organizations "engage in systematic succession planning to ensure a seamless transition" (Conference Board, 2004). A Canadian Federation of Independent Business (CFIB) 2005 study indicated that only 29% of family-run small and medium sized business and 39% of non-family businesses have a succession plan (CFIB, 2005). Often, succession planning refers to owners passing on a family business to family members, but succession can also refer to grooming employees for vital positions in the organization. As highlighted in the section above, a core behaviour for leader/managers is developing career plans with employees. This coaching/mentoring or assisting an individual to discover their talents, skills, assets, preferences, motivations and professional goals is key to successful business succession.

What then should an organizational leader do to develop talent as successors for vital positions?

- *Plan ahead*: Planning well ahead will afford you the opportunity to coach/mentor successors into future positions.

- *Determine who has the desire, competence and vision necessary for the position(s):* Take time to identify the strengths each candidate possesses and orient training toward those strengths.

- *Develop plans with the potential successor(s):* Co-create the career plan with the individual(s) providing the opportunity to manage their career.

- *Develop successor(s) for the position*: Provide the time, training, coaching and resources for the candidate to effectively acquire the new skills, tasks necessary.

- *Establish a timeline for specific events:* Create a realistic and achievable career plan with goals, opportunities for feedback and increased levels of responsibility as appropriate.

Some leader/managers may feel intimidated by the skills and talent of potential successors, and thus may hesitate to afford greater responsibilities to those individuals for fear they may be out performed. Consider the financial and organizational cost of losing this talent if not fully engaged. The cost of employee turnover can be financially significant. "Studies have shown that it can cost up to 18 months' salary to lose and replace a manager or professional and up to six months' salary to lose and replace an hourly worker" (Staff Turnover, 2006). According to Robert Meggy, president, CEO of Great Little Box Company Ltd., "a good employee can cost three times his salary to replace. Every time people leave it just puts you back and the cost of replacing someone is huge" (Macklem, 2005)   Therefore, it is vital that organizational leaders adapt and strive to foster an environment that invests in developing talent from within because it contributes financially as well as culturally to the organization.

9.4.1 Creating a Learning Organization

Canadian organizations are under-investing in employee training and development according to a Conference Board of Canada study (Parker, 2006). This study indicates, "Improving organizational performance is more about changing attitudes, organizational will and strategy than about spending dollars" (Parker, 2006). Fostering a learning culture compensates organizations through "greater retention of talent, employee satisfaction, quality of products and service, productivity and profitability" (Parker, 2006). The study recommends four pillars of a learning organization:

- *Vision* – In learning organizations, leaders communicate a clear vision of the organizations strategic direction and business goals and ensure that learning is part of that vision.

- *Culture* - The work environment of learning organizations supports risk-taking and experimentation, encourages employees to challenge the status quo, and recognizes that informal learning takes place all the time.

- *Learning dynamics* - Decision-making is decentralized, and employees are allowed to "learn by doing." A partnership between managers and staff is evident.

- *Knowledge management/infrastructure* - Learning organizations ensure that important knowledge is captured and made available to those who need and use it.

These learning organizations can ensure the transfer of knowledge from one generation to the next though mentoring.

9.4.2 Mentoring

Mentoring is one low cost means of transferring skills, knowledge, culture and vision while supporting a learning organization. Bell Canada introduced Mentor Match in 2002 in order to build a stronger knowledge base throughout the company. In this program, mentors with developed leadership skills, professional experience, and organizational knowledge meet one-on-one with less experienced employees at all levels of the organization for an average of one hour a month (Cooney, 2006). The advantages of a mentoring program are more than low-cost training as highlighted by the following.

Advantages for Mentees:
- Breaks down "silos" throughout the organization and increases communication
- Enhances career development and growth, and improves employee satisfaction
- Fosters a culture where employees help others
- Improves integration of new employees

Advantages for Mentors:

- Enables mentors to keep a pulse on the organization through regular communication with more junior employees
- Gives mentors a break from daily operations

The Conference Board report provides some tips when organizing a mentorship program which most organizations could implement:

- *Keep it simple and accessible*: provide all employees with access to the program and make the process easy to follow
- *Formalize the partnership:* through a written agreement to identify the frequency and length of meetings, and the goals of each participant
- *Build a solid pool of mentors:* before launching the program, so mentees have a wide selection of potential partners
- *Ensure senior executives are active participants:* encourage leaders and executives at the vice president level or higher have mentoring partners
- *Generate and sustain interest in the program:* with effective communication
- *Link:* mentoring to human resources processes

Mentoring alone may not meet all the training or educational outcomes necessary for the successful transition of talent to the next level of responsibility or tasks. Therefore, it is important that employers along with the employee recognize and develop a mutually agreeable training strategy. Training may include e-learning, formal in class training or hiring contract trainers, all of which require a cost to employers as well as employees. Negotiating the tuition costs or tuition reimbursement and responsibilities such as time off, leave arrangements, reduced work responsibilities, along with access to technology or space must be agreed upon. Employees could explore financing options with the organization such as cost sharing, interest free loan agreements, or access provincial student loans, scholarships, bursaries and RRSP loan programs. Developing a clear mutually agreeable strategy can reduce confusion and potential problems that may arise during the training period.

9.5 Rewarding Talent

What motivates your talent to stick around? Surprisingly, it's not always pay, pensions and benefits. According to Graham Dodd Director of the Human Capital Consulting Group with

Watson Wyatt Worldwide, organizations that "offer non-monetary incentives, such as training, career counseling, mentoring and other such tools, give staffers reason to stick around" (2005). Hewlett-Packard's Canadian operations have a "progressive, open door management style and unusual perks including a company managed cottage in eastern Ontario that employees can use for free" (Macklem, 2005). The Great Little Box Company shares 15% of the month's profits equally among employees and the company hosts parties, social events and if they meet an annual target they go on a luxury vacation (Macklem, 2005).

Organizations that are unable to provide financial incentives and vacations may consider in kind options such as providing job-sharing options, flexible work schedules, seasonal employment options, personal days (on top of regular paid vacation time), in house training or mentoring. Employers with younger employees may consider preschool or daycare subsidy, maternity leave top-ups, pilates, yoga or message treatments.

A simple but sincere "thank you" as recognition and respect for the contribution employees have made to the organization can often have a profound and long-term effect.

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Figures

Figure 1

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