

## **It's becoming harder to hold onto experienced employees... what can you do about it?**

Increasing shortages in care workers and nurses in health and community services make it ever more important to hold onto your experienced people. Here are just two articles that outline the increasing pressures on these sectors:

**CEDA - Australia's dire shortage of aged-care workers requires immediate action: CEDA**

**NSW COVID: 'Burnt out' nurses warn of more strikes over staff shortages (afr.com)**

Insync has been able to quantify the challenges relating to employee retention by looking at the results from recent employee surveys. We have just completed a deep dive analysis into the results from 30 organisations representing about 40,000 employees.

We looked at the percentage of employees who had been with the organisation for less than a year as a proxy indicator for employee turnover levels. The percentage of new employees is very high at 23% - roughly one quarter of their employees are relatively new and are still in the onboarding phase of their journey with the organisation. We are seeing from other indicators that this is putting a lot of stress on front line managers and other team members. For example, only about half of employees working in hospitals and aged care say that they rarely lose sleep over work issues.

To look at the potential solutions for improving employee retention, we did statistical analysis of the same big data set (40,000 employees). We correlated all the survey items with items indicating people's intention to stay (for example: I can envisage a fulfilling future for myself at this organisation).

There are very strong correlations and very clear and consistent themes regarding what makes people more likely to stay:

- **They find their job meaningful and fulfilling**
- **They are experiencing personal growth and development**
- **They are motivated by the organisation's vision and direction**
- **They experience a positive organisational climate**
- **They believe that the organisation cares about them (including in stress management and work-life balance)**
- **They feel that the organisation is doing well - utilising best practices and performing at high levels**

These themes come out of the pressure cooker of real-life experience - they have high correlations to intention to stay (0.6 and above) and are remarkably consistent across organisations, with small local variations.

# Six suggestions for improving employee retention

## **1 DEVELOP AN INTEGRATED RETENTION STRATEGY**

Don't be ad hoc, stringing together a set of uncoordinated initiatives to enhance retention (as many organisations do). Optimise the use of scarce resources via an overarching strategy. Set achievable employee turnover targets for the organisation as a whole and for high priority segments within the organisation. Calculate the true cost of employee turnover so that you know what level of investment is justified.

## **2 DO THE DEEP ANALYSIS REQUIRED TO UNDERSTAND THE CAUSES OF EMPLOYEE TURNOVER**

You need to have a deep understanding of the problem in order to fix it. We have outlined above the factors that cause people to stay. You also need to quantify why people leave, and to be able to drill down into the organisation to see how the reasons for leaving vary between departments so that you can implement the appropriate solutions for different employee cohorts.

## **3 DEVELOP A COMPELLING EMPLOYEE VALUE PROPOSITION (EVP)**

What will make you an employer of choice – the type of organisation that people don't want to leave? Your EVP represents the psychological contract you want to establish with new and existing employees. You can't offer the best of everything to your employees – you need to bundle different things together (such as meaningful work, a positive culture, work-life balance, and recognition and reward) in a way that is attractive to your specific segment of the employment market. And you must deliver what you promise.

## **4 HIRE THE RIGHT PEOPLE FROM THE START**

The best way to reduce employee turnover is to employ the right people in the first place. Employees must feel that the job is right for them and enables them to work on the things that they do best. Include team members in the hiring process so that both parties can determine if the cultural fit is right. As far as possible, ensure that candidates have realistic expectations for the role and are making well informed decisions.

## **5 KEEP PEOPLE FOCUSED ON PATIENT AND CLIENT CARE**

Employees in health and community services generally choose their careers because they want to care for and help people. They want to make a difference. The organisation needs to make it as easy as possible to do this by ensuring that compliance processes are fit for purpose, that procedures and systems are streamlined, that employees have the training they need, that routine tasks are automated where possible and that employees get meaningful feedback on the difference they are making.

## **6 BE FLEXIBLE**

Many organisations are focusing on creating more flexible working practices, minimising stress, and promoting work life balance. Retention will be enhanced when the changing life circumstances of employees can be accommodated. Rostering of night and weekend shifts is a particular challenge. It is well worth investing in organisational and technological arrangements to minimise the impost on employees. Flexibility can be achieved in many ways, including via special leave arrangements and innovative job design.