

# **Hiring and Employee Retention**



# Unemployment levels continue to drop!

- ▶ Canadian Jobless rate at 40 yr low (*5.8% October 2018*)
- ▶ This is great for the employees
- ▶ But it creates problems for the employers
- ▶ Unemployment rate in 2018 was 5.8%
- ▶ Unemployment rate for 15-24 yr olds in 2018 was 10.9% (*21-24 is the market*)
- ▶ Average duration of unemployment is 18.3 weeks. (4.6 months)



# Then

- ▶ We had high unemployment rates
- ▶ We had skilled workers
- ▶ Employee were motivated to work
- ▶ People were looking for a career

# Now

- ▶ Low unemployment rates
- ▶ Less skilled workers
- ▶ Lack of motivation
- ▶ Career is not important ( approx. 31% quit before half year mark)



# What are the challenges?



- ▶ Employee turnover
- ▶ Shrinking labor force
- ▶ Industry Competition
- ▶ Technology
- ▶ Recruiting
- ▶ Skill levels
- ▶ Motivating employees
- ▶ Compensation levels

# What is the fix?

**There is no perfect solution!**

## Strategies

- ▶ Competitive Salary and Benefits
- ▶ Improved Hiring practices (*Right person for the job*)
- ▶ Work/Life Balance
- ▶ Engagement (*make them part of the business plan*)
- ▶ Hire for Culture (*personality is important*)
- ▶ Make it a social atmosphere (*todays employees crave social acceptance*)
- ▶ Recognize and reward



## Now your Business!!!

- ▶ What is your TO rate?
- ▶ How do you compare to the competition?
- ▶ Learn from what hasn't worked
- ▶ Change your management style
- ▶ Who are you trying to attract?
- ▶ What do you have to offer that is different than the other companies?
- ▶ What is your company culture?

# What is the Cost of Turn Over?

- ▶ Mistakes
  - ▶ *80% of employee turnover is due to bad hiring practices*
- ▶ Engagement-Cost of unhappy employees
  - ▶ *7/10 employees say they are not fully engaged or working to their full potential*
- ▶ Motivation- What are the numbers?
  - ▶ 48%- good manager
  - ▶ 46%- Appreciation
  - ▶ 39%- Opportunities
  - ▶ 38%- promotion
  - ▶ 35%- Recognition
  - ▶ 32%- Development



- ▶ Replacement
  - ▶ *The cost to replace senior staff can be as high as 150% of their current salary*
  - ▶ *The cost to replace entry level staff can be 30-50% of their current salary*
- ▶ Training
  - ▶ *Inadequate training or no training at all leads to frustration and disengagement*
  - ▶ *The cost to bring an employee up to operational levels is about \$50,000.*
- ▶ Turn Over
  - ▶ Turnover costs companies billions of dollars in Canada
  - ▶ It can take up to 8 months for an employee to reach peak performance levels

# Recruiting

- ▶ **Raise your standards**
  - ▶ **Don't hire out of desperation.**
  - ▶ **Hire the right person for the job**
  - ▶ **Are they a fit with the rest of your team?**
- ▶ **Get Better at Hiring**
  - ▶ **Look at their job history**
  - ▶ **If you hire a quitter, then don't get upset if they quit**
  - ▶ **Hiring the wrong person can cause others to quit**



- ▶ **Onboarding**
  - ▶ Be honest about the job during the interview
  - ▶ Don't create false expectations about the job
  - ▶ Poor onboarding can create a foundation of negativity
- ▶ **Change your management Style!**
  - ▶ Stay involved after you hire them
  - ▶ Make sure they have support and tools to succeed
  - ▶ Don't Forget About Them!

# The Social Factor!



- ▶ Todays society craves Social Acceptance.
- ▶ Create a Social Atmosphere at work
  - ▶ 88% of millennials would rather work in a social atmosphere than a competitive atmosphere.
  - ▶ Make them feel like they are part of the bigger picture!
  - ▶ Show your appreciation for their contributions.
    - ▶ a simple thank you to everyone at the end of the day

# Technology

- ▶ 45% of Millennials will quit a job due to lack of technology
- ▶ 82% said that they are influenced by level of technology in the workplace.
- ▶ They have grown up with technology.
- ▶ Businesses need to catch up and get with the program!
- ▶ Work to their strengths!



# Motivating Employees

- ▶ Work/Life Balance
  - ▶ Don't forget about their personal life
- ▶ Engagement
  - ▶ Get them involved in the business
  - ▶ Find out where their head is at
  - ▶ Monitor performance
- ▶ Training
  - ▶ Make them better
  - ▶ Set them up for success!



- ▶ Involvement
  - ▶ Get involved with their job- see what they see.
  - ▶ Appreciate their hard work. BBQ's, ERP's
  - ▶ Look for the negative signs
  - ▶ Create a Team Atmosphere
- ▶ Mentor
  - ▶ Be the boss they never had!
  - ▶ Patients is a virtue and a great teacher

# Compensation



- ▶ Recent surveys indicate that 45% of employees quit because of salary levels
- ▶ 56% say that benefits and Health Care matter
- ▶ It's not always about the money
  - ▶ Increasing pay helps but it is only a band aid fix
  - ▶ Money will always be spent faster than they can make it

# Stand Out From The Crowd!



THINK  
OUTSIDE  
THE  
BOX

# Questions

