

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** *(today's 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!



- ▶ Today's 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

