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ARTICLE OF INTEREST

INCREASED EMPLOYEE TURNOVER IS RIGHT AROUND THE CORNER

February 12, 2005

As we look ahead to the next several years, the evidence seems clear. Organizations that don't implement the necessary practices will face losing key employees as voluntary turnover is likely to grow and once again become a strategic business issue as it was in the late 1990's.

An Improving Economy Brings Unwanted Employee Turnover

Indicators show that our economy is getting back on track following the horrors of September 11, 2001. The U.S. economy added 2.2 million jobs in 2004, the highest rate of job growth since 1999. Economists expect the economy to add a similar number of jobs in 2005, a rate that should keep gross domestic product growth steady at about 3.5%. The growing economy is good news.

The bad news is that as the economy grows, employment will continue to rise, and with it voluntary employee turnover is projected to rise significantly.

A recent survey conducted by Vital Learning's close associate Dr Lynn Ware, Employee Retention expert, shows that in answer to the question... "What are the chances of you voluntarily leaving your job within the next twelve months?"...more than half of the survey respondents (52%) said "moderately high to almost certain!"

Another survey conducted by SHRM, Society for Human Resource Management, showed that "83% of employees said that it was "extremely likely" or "somewhat likely" that they would actively seek new employment once the job market and economy improves".

What Can You Do?

The evidence is unmistakable, most employees leave their job either because the job is not a solid fit and they do not achieve personal success, or they have what they feel is an unproductive relationship with their direct supervisor. On the one hand both of these unfortunate situations lead directly to unwanted turnover. On the other hand, both can be successfully addressed.

The Solid Fit Hire

How many times have you seen new hires come in and you can tell right away (and so can they) that their new job is not a good fit and its not likely it will work out? The question is, why were these people hired in the first place? Many times its because of missing elements like these in the hiring process.

No Clear Documented Definition of What's Needed - Often there is no clear, documented, definition of what it takes to perform successfully in that job and in that company. Without that definition of what the right candidate is required to have to be successful, how can the Managers and Employees in the interview/hiring process know what to look for?

Lack of Interviewing Skill - Many times the Managers and Employees involved in the hiring process do not have the individual skills nor the organizational process with which to legally and effectively uncover which candidates have the required skills and fit to be successful in the job and the company.

Lack of A Realistic Job Preview - Much too often interview processes do not provide candidates a realistic job and organization preview so that they can effectively determine for themselves whether the job and company is a solid fit for them. Sometimes interviewers mistakenly believe that they need to hire any warm body they can today just to keep up. That approach only leads to predictable and expensive early turnover.

Developing Leaders That Retain Talent

The data shows that employees quit their managers, not their company. That's because managers have such a direct and significant influence on all aspects of an employee's relationship with their job, their teammates, their work environment, and ultimately their company.

And yet where leaders have the skills to build effective teams, develop individuals to their full potential, and know how to help people achieve success on the job, those managers achieve substantial employee retention.

There are many facets to effective leadership including; communication skills, the ability to coach job skills, how to manage complaints, how to resolve conflict, how to delegate effectively, how to develop performance goals and standards, and how to provide effective performance feedback.

Conclusion

With the proper preparation your organization and the leaders in it can effectively defend against unwanted turnover, with improved quality of hiring and more effective leadership. Here's to Effective Leadership!

