



# Love the Ones You're With

## Talent Acquisition's Secret Sauce for Success

While preparing for yet ANOTHER presentation to Human Resource leaders on the current challenges around talent acquisition (TA), it occurred to us; we've missed something. Our focus is hyper-fixated on how to find that next great hire, yet, in truth, we're letting too many of our very best hires slip out the back door. Whoops!

### Employee Retention

We're talking about employee retention. It needs to be a critical component within our talent acquisition strategy.

And, hey, TA specialists, we're not blaming you for not bringing this up. Employee retention is not the job you've been asked to do. You get called into action when there's an opening to fill. It's pretty simple, pretty straightforward.

And strategy sessions in your world focus on how to fill more openings quickly, efficiently, and cost-effectively.

Human Resource leaders, it's not entirely your fault either. When TA became a beast in need of management, we created specialist roles to handle it. In the process, the concept of employee retention as a talent acquisition strategy was lost and the direct correlation between the two largely fell by the wayside.

It's time to reset our approach.

### The Details Behind Employee Turnover

**Gallup** shared the results of an employee turnover survey in July and, quite frankly, the statistics were jarring.

The firm surveyed 717 individuals from across the country who voluntarily left their positions within the last year. Referring to these self-reporters as voluntary leavers, the results indicate that:

- The risk of employee turnover is the highest it's been since 2015.
- One in two employees (51%) is actively seeking a new opportunity or keeping their eyes peeled for one.
- Nearly half of the voluntary leavers (42%) feel their managers or organization could have taken action to convince them to stay.
- Three-fourths (77%) of respondents leave within three months of looking for a new job.
- A third of the voluntary leavers (36%) resigned before talking to anyone about their intentions.

**Here's what these statistics means to you:**

- The majority of your employees are poised to make an exit – right now.
- They will leave in three months or less.
- A third of the voluntary leavers don't speak up as 36% of self-reporters resigned before talking to anyone about their intentions.

Ouch! It's time for a change.

We've been in the talent acquisition business, supporting West Michigan companies for well over 20 years. We talk to employed professionals throughout the region every day. In fact, more than 50% of our time is spent hearing why people want to leave their employer – or what makes them stay.

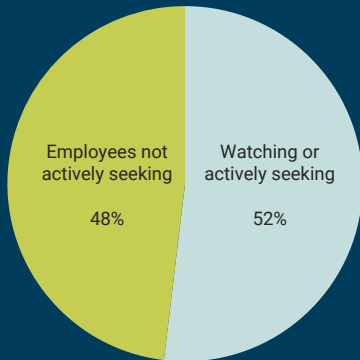
Unfortunately, Gallup's statistics support what we're hearing, but our local approach to TA and retention offers Welsh & Associates some actionable insights. Get ready for some frank, "inside baseball" on employee retention.

Employee retention is a key component of a good talent acquisition strategy. While it's not THE solution, we believe it's a critical tool that may be missing from your tool box.

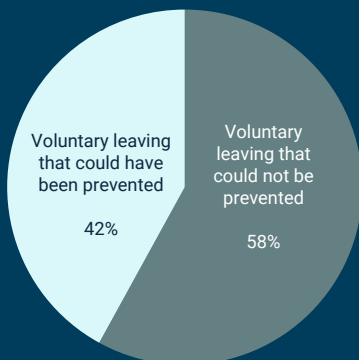
Without retention efforts, you're essentially going to work on a construction site without a hammer. While you won't need the hammer for every task, not having one in your tool box will make your job infinitely harder.

**Data Reported from the Gallup Employee Turnover Survey**

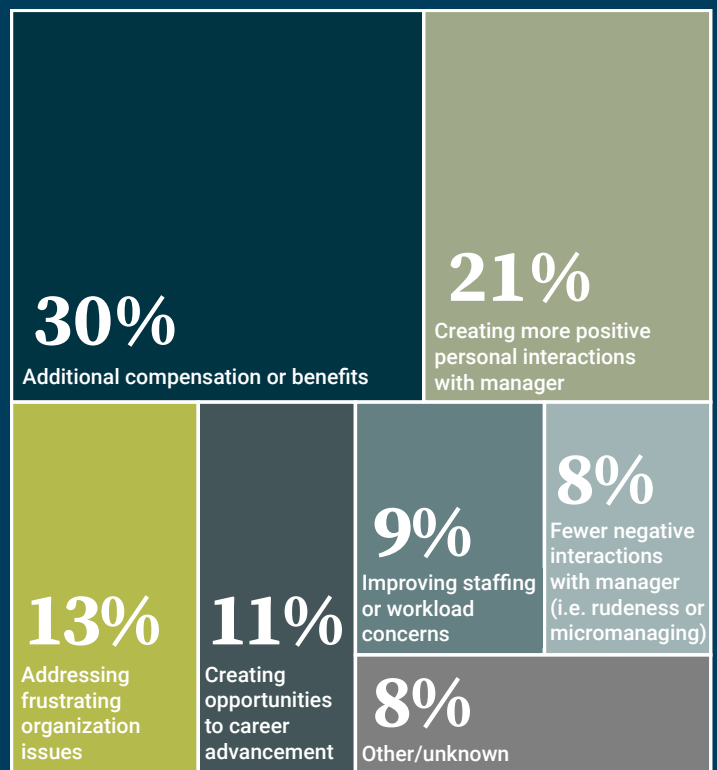
**Percentage of employees watching or actively seeking a new job**



**Percentage of voluntary leaving that could have been prevented through action by manager or organization**



**Suggestions by leavers of what managers or organizations could have done to prevent leaving by percent**



## 5 Steps to Improve Employee Retention

Here's how to improve employee retention, and simultaneously ease the demand for talent acquisition.

### 1. Acknowledge the problem & gather buy-in.

Note: All of your organization's leaders – from the C-suite to the front lines – have to be on board. It's impossible to solve an issue that is unrecognized or not understood. This is a critical first step in the process. If you are unable to secure the support of your leadership at all levels for this strategy, it is destined to fail.

- a. Communicate the situation – Take the time to meet with your leaders and share the data points above. Help them see that a radical change in your approach to talent acquisition is in order. Show them what that could mean to their respective departments (i.e. lowering employee turnover by a mere 25% means you'll only have to hire one new person next year). Once you have leadership and manager buy-in, acknowledge that the strategy you're developing will require their support. Share that you will come back to them with the plan soon.

### 2. Quickly develop a customized strategy.

Note: Your approach will differ based on your industry. These tactics should be included to ensure success regardless.

- a. Schedule regular one-on-ones – Perhaps some of your leaders conduct one-on-ones with their staff regularly, but more than likely, not everyone does. Gallup's research shows that one meaningful, weekly conversation with a manager made employees 400% as likely to identify as highly engaged. Just taking 15-30 minutes each week with direct reports demonstrated meaningful results for workers at all levels – frontline, hybrid, and remote.
- b. Conduct performance appraisals – Often these meetings focus solely on past performance and leave no room to talk about what really matters – how we move forward together. Make sure these conversations also include time to discuss the employee's future, covering their career goals and aspirations as well as the company's future plans and opportunities available to and for them. You're bound to discover a wealth of information about what your employee needs to remain happy and successful on your team.

c. Institute 'stay' interviews – A great way to kick off a new year, these conversations should center on topics such as engagement, retention insights, improving communication, and addressing concerns. Use pre-planned, open-ended questions designed to open dialogue. Hold performance expectation discussions for a different time.

d. Have 'gut-check' conversations – We've all experienced times when someone's comment made us stop and think, "Huh? There is more to unpack here." Instead of brushing the comments and your internal concern aside, take a minute to explore what you observed or heard with your employee. Do it privately, in a place where you can have an open and honest conversation. You may uncover an issue that needs attention. And it's best to address it quickly before it festers. The seeds of discontent are often sprouting right in front of you.

### 3. Train managers to execute tactics.

a. Support with preset questions and training – Help your managers to be successful in conducting good one-on-ones, performance appraisals with a retention conversation built-in, and stay interviews. Ensuring that those using these tools know how to effectively utilize them includes agreeing on and distributing preset questions. This effort will dramatically increase the likelihood that they'll use the new tactics consistently and successfully.

b. Emphasize the importance of gut-checks – For some, these conversations are second nature. For others, you'll need to break it down. As part of your training, ensure that everyone has a good understanding of this concept, the signs for when you need to hold this conversation, and the scripted questions to ask to make them successful.

c. Share how to be successful – [Knowhonesty.com](https://www.knowhonesty.com) outlines a wildly successful approach to having meaningful conversations that every leader should consider. Check out the methodology for how to be a masterful communicator and connect with anyone. We wished we'd learned this years ago as it's made a significant impact on our team!

#### 4. Respond to what you have learned.

a. Acknowledge your issues – Once you dive in and start employing these new tactics, you'll quickly uncover some issues that need to be addressed. Don't be afraid to tackle them head-on. The most common reasons candidates tell us they want to move on revolve around:

- i. Compensation and benefits.
- ii. Frustrating organizational issues.
- iii. Career advancement.
- iv. Staffing or workload concerns.
- v. Management challenges including rudeness and micromanaging.

b. Think of ROI – Consider the return on the investment between fixing an issue versus letting it continue long term. It's easy to throw your hands up and say, "Well, we can't pay more! We can't provide additional benefits right now!" Consider that addressing your issues may require shifting your paradigm.

i. New hire costs – Gallup's research shows that replacing an employee is an expensive proposition. Your replacement cost for that key employee could be as high as:

1. 200% of salary for leaders and managers.
2. 80% of salary for technical professionals.
3. 40% of salary for frontline workers.

Do the math. Can you afford to ignore the issues?

ii. Long-term organizational costs – Toxic managers and organizational dysfunction are challenging issues to address – the kind that make you want to ignore it and hope it resolves on its own. However, when you consider the cost to the organization long term (again, get out your calculator), you may quickly discover it's well worth the effort to address issues and invest the time and effort now.

c. Create an action plan – It's likely this strategy shift and approach will reveal exactly what you need to do, what you can afford to address, and what you can't afford to ignore. Now it's just a matter of execution.

#### 5. Measure your results and adjust accordingly.

Note: Don't make the mistake of assuming that your fixes are working; instead measure and check your actual results. Then adjust your approach as needed. The following tools will help reveal if the new emphasis you

have placed on employee retention is easing the burden for talent acquisition.

a. Conduct exit interviews – These interviews, when conducted by someone the departing employee trusts, will unveil an incredible amount of information. Are you really moving the needle in addressing the employee retention issues you've identified? You'll find out! In addition, you will likely discover new, previously unknown concerns that may need to be addressed.

b. Analyze turnover statistics – We all love data. This basic measurement is the single most important data point we should turn to as we evaluate the success of our retention-focused work. If it's not on the decline, ask why and be prepared to dig deep for the answers.

c. Review open recs – While somewhat less reliable, this statistic can also support the idea that your employee retention strategy is working. If your turnover drops and retention numbers rise, it stands to reason that your talent acquisition team may have fewer jobs to fill.

With over 20 years of experience in helping West Michigan companies find great talent, we've learned a few things. After engaging with thousands of candidates across multiple disciplines and industries every year, we have a wealth of knowledge and expertise regarding why employees stay and what makes them leave an organization.

Will this concept eliminate turnover? Probably not. And it certainly won't eliminate your talent acquisition team. We can say with certainty that these efforts will ease the burden and expense of finding top talent though!

Desperate times call for desperate measures. Now is the time to shift your paradigm and employ a better approach to talent acquisition. We can't wait to hear your results!

Reach out to Welsh & Associates to share your related experiences or reach out for specific assistance.

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