

PeopleFocus

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Editor's Message

We are Singapore! We are Singapore! We're a nation, strong and free, forever more!

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In the next few days, Singapore will be celebrating its 39th Anniversary of Nationhood on 9th August 2004. As we rejoice in this special occasion, we must not forget the changes that had occurred in the workplace and the economy over the past four decades.

The workforce has become better educated, better skilled and better paid. At the same time, employees now realise that there is no longer an "iron rice bowl" – not even in the public sector – and employers are still faced with the challenge of hiring and retaining talented employees.

In this inaugural issue of the **PeopleFocus** newsletter, we take a look at why talented employees leave their current jobs and what organisations can do to make them stay. We also offer some suggestions to individuals to help them project an image of competence and confidence.

The **PeopleFocus** newsletter aims to provide informative articles and resources to organisations to help improve performances and to individuals to develop their personal effectiveness in career and life goals.

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The War for Talent

It's a War for Talent as organisations fight to Hire and Retain Talented Employees.

Retaining talented employees is a key problem for many organisations. Regardless of the rate of unemployment, attracting and holding the right talent is still a significant concern. This is exacerbated by the changing human resource landscape in Singapore with the downsizing of companies, the improving educational profiles and the increasing globalisation.

Talented people are realising that there is no longer an "iron rice bowl". There is a growing concern that their current jobs are not all that secure. It is ironic that despite downsizing, companies may also be concerned about losing their talented employees to entrepreneurship or to a competitor.

The issue is one of getting qualified and talented people that are a good fit into the right jobs and keeping them there. HR professionals, managers and CEOs are all searching for what they can do to attract and keep their good, talented employees.

Some organisations may turn to retention bonuses to attract and retain talented people. They may also dangle an array of perks and benefits to make employees' jobs more attractive or establishing programmes that addresses the work-life balance to make their lives more pleasant.

But, as they say, you can't buy love. Throwing money or gifts at people may not be enough to keep them. If they don't like the company, the people they work with, the boss or the way that they're treated, they will still leave. Finding solutions to employee retention means more profitable companies, happier and more productive employees, perhaps more satisfied customers, and may even lead to greater stock value.

Losing any employee, let alone talented ones, can be very expensive. Studies in the US have found that the cost of replacing lost talent is 70 to 200 percent of that

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person's annual salary. Expenses include recruiting, orientation and training, lost productivity during that period, and even lost customer satisfaction because of the change. Finding and training talented employees is a major investment.

So, what can a company do, once they have found talented people, give them valuable training and equipped them, to prevent them from walking out the back door and going to competitors?

Why They Go, Why They Stay

People leave their employers for many reasons, and significant of these is because of their direct supervisors, more so than any other reason. It is the manager who more than anyone else that can do something about retaining talented staff. The manager can be seen as being critical for creating a satisfactory working environment.

Line managers play a crucial role in nurturing and developing their talented staff.

The Hay Group once studied more than 500,000 employees in 300 companies. They found that of 50 retention factors, pay was the least important. Other studies bring up similar lists of the 10 most important reasons people want to stay with a company:

1. Career growth, learning and development
2. Exciting, challenging work
3. Meaningful work, ability to make a difference and a contribution
4. Great people
5. Being part of a team
6. Good boss
7. Recognition for work well done
8. Autonomy, a sense of control over one's work
9. Flexible hours and dress
10. Fair pay and benefits

This is of course contingent upon people having already attained a certain level of material comfort. That is, once people have their basic needs met, they care more about what they do and who they work with, rather than the money.

So, it is not just the money. Employers and managers should not view people as merely important capital

assets, or one that is as easily replaced. Employees need to be respected, nurtured and motivated. Developing the managers is just as important, as putting retention efforts in the hands of managers who are most closely working with the employees can make the difference.

The Relationship with the Manager

The Gallup Organisation has done some of the most comprehensive research on what makes a great company. Based on a wealth of data, the Gallup Organisation attempted to define not only what makes a great company, but because so much depends upon it, what makes a great manager.

In today's labour markets, companies compete to find and keep the best employees, using pay, benefits, promotions, impressive job titles and training. But these well-intentioned efforts miss the mark. The most important element in attracting and retaining key employees is the front-line manager.

The Gallup study found that people weren't necessarily loyal to the company, but rather to the unit they worked in, and this was because of their feelings toward their immediate supervisor. In other words, it is the supervisors who are the essential determinants in retaining talented people.

No matter how generous its pay, benefits or training, a company that lacks great supervisors and managers will suffer. Great managers, according to the Gallup research, have found that the following key behaviours set them apart from others:

- They set clear expectations and define the right outcomes rather than the right steps.
- They motivate people, by building on their strengths rather than focus on trying to fix their weaknesses.
- As employees grow, they encourage them to find the right fit for their strengths within the organisation

Creating Loyalty

The following four elements have been proven to be effective in creating employee loyalty:

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▪ **Regular feedback**

It has been said that no news is good news, but for managers interested in keeping the best employees, this is not true. For employees, not getting any feedback is tantamount to being ignored and it leads to complacency. Workplaces that do not provide regular feedback on performance will destroy the very human spirit that makes the true difference in quality output and service delivery.

Giving positive recognition during feedback is often thought of as coming strictly from supervisors or managers, but studies have found that employees also value praise and recognition from peers. Co-workers know the specifics of a job and when they give good feedback to fellow employees; it can be just as meaningful, if not more.

Organisations should foster an environment where their managers and staff are encouraged to give regular feedback, and to give appropriate praise and recognition.

▪ **A sense of contribution to the company**

Excellence only happens when people have a deeply felt sense of purpose in their lives. Human beings generally want to know they make a difference.

Organisations need to let their employees know how their job and their performance are important to the overall success of the company. There must be an alignment of the employee's personal reasons for being there and the purpose of the job. It is more exciting to share a mission rather than to simply accomplish a task.

▪ **Learning and development**

Despite shrinking budgets, it is still important to offer training and learning opportunities. Traditionally, management helps employees identify their weaknesses and then provides training for them to improve. While still useful, the emphasis here is on what the employee is not, rather than on developing more of who they are. Effective organisations are now employing assessment tools and hiring coaches to help employees and managers develop their strengths and to become more of who they are.

As they come to better understand who they are, they can see opportunities for growth in the

company, utilising their strengths and talents. As they move forward in their self-knowledge, they can look for places within the company where their talents are a good fit.

▪ **Quality relationships**

People also choose to stay at a job because of quality relationships, even in the face of other dissatisfactions. Managers should recognise that employees want to forge quality relationships with their co-workers and that company loyalty can be built from such relationships.

Developing trusting relationships with one's co-workers provides a significant emotional compensation for employees. While organisations pay close attention to the loyalty workers may feel toward the company, the best employers recognise that loyalty also exists among workers to each other. Great managers allow time and opportunity for these relationships to flourish.

Managers know that they need to attract and retain talented people in order to succeed in the competitive workplace. And they also have to find ways to get workers to improve performance. People usually don't think of themselves as performers, but as individuals with certain strengths and talents. Employees must know that the manager cares about them on a human level before they are going to be motivated to make extra efforts.

There is no one-size-fits-all retention formula, but here are the key ingredients:

- Honest communication and feedback
- Help employees see the big picture, that is, the corporate value of their contributions
- Workplaces that encourage employee development and learning.

There are no new tricks. It is the same old story - a great need to engage and enable the hearts, minds, and yes, even the soul of people at work. This engagement is far more important than bonuses, perks and even chair massages. It is fundamental to retaining talented people. ■

Be Competent and Confident

People tend to believe what they see.

If your tendency is to appear less than confident, there is a good chance that others will question your competence. Competence is an important commodity in the competitive workplace. Here are some suggestions to help ensure that the image you project is a true reflection of your abilities.

Eliminate communication patterns that suggest self-doubt or lack of control

Avoid disclaimers such as, "I'm probably miles off with this suggestion, but..." and wishy-washy phrases such as, "We'll, I'll try..." Weed out overly emotional language as well; "I'm so upset because this project is falling apart."

Honestly acknowledge shortcomings

Avoid being excessively apologetic. Instead, be concise, positive and action-orientated. For example, "The project isn't going as well as I expected, here are my plans to turn it around."

Watch your body language

Stand up straight, maintain steady eye contact and offer a firm handshake. Avoid nervous, fidgety mannerisms that suggest anxiety or self-doubt.

Sing your own praises

Mention your achievements in a matter-of-fact manner, where appropriate. Do not wait to bring them up in anger because no one has recognised what you have accomplished. But a warning here, do not go overboard, people will get fed up if you spend your working day blowing your own trumpet. As with most things in life, it is a question of getting the balance just right.

Increase your word power

Using obscure words to impress others tends to frazzle, not dazzle, them. However, a good command of the English language, including a well-rounded vocabulary and proper grammar, can enhance your overall credibility.

Fake it 'til you make it

Lastly, and probably the most controversial piece of advice, you probably do not feel 100% confident every day, but you can still act the part anyway. We all have our bad days, but you can still create the perception of competence by portraying confidence. ■

About Us



Lionel L Lim is the founder of Aurora Executive Solutions (AES), a Human Talent Management and Development Solutions firm. He is a US-certified EQ trainer, a career and life coach, a People's Association approved trainer, and a licensed facilitator of the Profiles occupational assessments. Lionel is also an experienced facilitator of the EQ Map, the Emotional Intelligence Style Inventory, MBTI tools and the INSIGHT Inventory.

Lionel is a graduate of the University of South Australia with a BA in Communication and Media Management. He also holds a Diploma in Training and a Certificate in Counselling Skills. Lionel has a varied experience in executive search, communication, leadership, training, coaching and mentoring, as well as the effective management of teams in both local and overseas assignments.

Lionel is a professional member of the Asian Association of Career Management Professionals, the Six Seconds Emotional Intelligence Network, the Career Planning and Adult Development Network, the National Resume Writers' Association and the International Association of Coaches.

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- **Hiring, Executive Selection & 360 Feedback Tools**
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- **Team Effectiveness**
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- **Emotional Intelligence Development**
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