

HaRe Group newsletter: 29 October 2007

Subject: Keeping your best people...again (because it's important)

As the unemployment rate falls towards 4%, so the demand for talented people keeps rising. Without question, a huge challenge for many employers is keeping a good hold onto their best employees – especially when 3 out of 4 employees want to be headhunted for a better job (reported in a recent LinkMe survey).

Earlier this month, *BRW* had an excellent series of articles on Keeping Staff. While there are many beneficial issues discussed in these articles, here are a few of the best.

Firstly (and perhaps obviously), money alone is not the solution to retaining talent. Competitive, performance-based remuneration is important, but it needs to be delivered in concert with a tailored bundle of features, including:

- Challenging and meaningful work;
- Reputation for looking after employees (not just promises);
- Personal development (professional and individual);
- Enjoyable work environment (fun and positive);
- Career development;
- A suite of benefits that support preferred organisation culture.

This list may look logical, but in my experience, every organisation needs to independently discover which features will engage its talented employees most. Business leaders cannot assume that employees want certain things just because they are a certain age, or they work in a particular industry or profession. What is effective in one company will too often fail in another. Talented employees at all levels need to be heard and involved.

An effective approach to talent retention will generally include:

- An employee survey that discovers which organisational attributes are favoured by engaged employees;
- Group discussions to reveal the specifics about employees' needs & priorities;
- Employee dominated design teams to develop or revise programs aimed at talent retention.

Of course, financial incentives will have an important part to play in retaining talented people. The most effective incentive plans have design input from employees to help ensure that there are meaningful performance measures and suitable rewards for real contributions to business success.

Another integral feature is a fair and competitive base package. Employees should know that market rates (by job family and location) are the foundation for their employer's [remuneration structure](#).

When a company listens to employees about their needs & priorities, it is crucial that any subsequent promises are kept. If an organisation fails to meet its employment commitments, trust in business leaders is lost and motivation is crushed. Without a high level of trust and open communication, you cannot build a high performance culture and keep your best people.

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