

IN CHAPTER TEN:

- **WHAT MAKES A HAPPY, PRODUCTIVE STAFF?**
- **WHY ARE SOME EMPLOYERS SUCCESSFUL AT KEEPING EMPLOYEES?**
- **WHAT OWNERS AND MANAGERS SAY**
- **WHY DO GOOD EMPLOYEES LEAVE?**

10

■ When All Is Said and Done

Throughout the *Human Resource Handbook* to this point we have discussed tools, tips and techniques used in applying human resource management. In Chapter 10 we will discuss the consequences and the value of being familiar with and utilizing the practice of effective human resource management.

WHAT MAKES A HAPPY, PRODUCTIVE STAFF?

This is an age-old question for employers. Recently the question has been amplified by the difficulties of attracting, retaining and motivating employees in a changing employment market. Studies on employee satisfaction continue. Today the research is accelerating due to increased employee mobility, changing demographics, characteristics of new generations in the workplace, flexible work arrangements, the impact of technology and, most recently, innovations to foster a “green” work environment and approach.

Fortune magazine’s “100 Best Companies to Work For” compiles annual rankings of companies based upon employee input. Today the foundation trend for rating employers as “best” is work and family balance. Business is finding ways to satisfy employee needs and at the same time

enhance work output. Most common business approaches are flexible work schedules and telecommuting. The Great Place to Work® Institute, which annually researches and compiles the “best” companies list for *Fortune*, notes that highly rated businesses are more flexible, more supportive of employees raising families and more fun to work for today.

Significant changes in the workplace include compressed workweeks, job sharing programs and telecommuting considerations. Employers use compressed workweeks with employees who are able to effectively complete their work with schedules other than the normal eight-hour, five days per week. For example, an employee may work four, 10-hour days to put in a normal 40-hour workweek. This approach can be convenient for the employer who needs work coverage during specific times of the week, e.g. late hours to restock. At the same time this arrangement may aid a student going to school a full day during the week.

Job sharing is a practice where two employees do the work of one full-time job. This is becoming popular for employees “downshifting” to fewer hours worked as they approach retirement. For the owner and manager, this arrangement can offer more flexi-

bility in hours of the day covered to meet customer demand.

Telecommuting is working by means of telecommunications equipment and electronic computing. Often this is accomplished with the employee being off-site. For the employer this can save workspace, reduce interruption to the employee and attract employees who may have difficulty traveling to or working at the worksite. For the employee it can be a money saver in travel, clothing and food away from home. Telecommuting is evolving in today’s business and should be considered carefully for implementation. Not everyone is suited to work from a remote location or home. In a retail setting there may be few jobs that would accommodate telecommuting. Costs, logistics, policies and how to manage telecommuters are important points to consider.

Other key changes are in the realm of employee benefits. Domestic partner and same-sex couples participating in health care plans are growing trends. Other enhancements and alternatives to health care are evolving at an accelerated rate. At the same time, “social” benefits such as time off, parking, holidays, etc., are attracting employer attention and employees to employers offering them. Programs for increased racial and gender diversity, improved

LEADING COMPANIES TO WORK FOR

SMALL COMPANY (50-250 EMPLOYEES)

1. Badger Mining Corporation
2. InsureMe
3. Analytical Graphics, Inc.
4. Heinfeld, Meech & Co., P.C.
5. Professional Placement Resources, LLC
6. Triage Consulting Group
7. Root Learning, Inc.
8. Insomniac Games, Inc.
9. Dixon Schwabl Advertising
10. McMurry, Inc.

MEDIUM (251-999 EMPLOYEES)

1. Holder Construction Company
2. The Beryl Companies
3. Ultimate Software
4. Stark Investments
5. ACUITY
6. Nevada Federal Credit Union
7. EILEEN FISHER
8. The Integer Group
9. Sage Products, Inc.
10. Orange County Teachers Federal Credit Union

Source: Society for Human Resource Management, 2007

internal communications and increased use of employee stock ownership programs are cited among top companies to work for. More in-depth discussion of these benefits is outside the scope of this handbook.

Employees rating “best” companies also focus on management practices. A key finding is that employees feel “best” management encourages them to balance their work lives and their personal lives. Findings indicate that employees are attentive to management’s competence. Generally, in higher rated companies, employees rate management higher on competence. Further in the realm of management practices, employees’ perceptions of opportunities to receive special recognition rate higher in “best” companies.

Owners and managers should note that as they improve the employee work experience and work/family balance, the “best” companies continue to outperform their peers. The HR return on investing in people is growing the company and increasing earnings. The adage “happy employees make happy customers” is proving itself in

today’s marketplace.

Businesses realize they cannot compete successfully unless they attract, retain and motivate the best and most qualified personnel. And what brings these people is attention to the employee and work practices.

The churning workforce today proves employees will not tolerate a poor workplace. Employees seek, and are finding, work situations they prefer. And if employees do not like the work situation, they do not hesitate to leave the employer. In particular, women workers are demanding a more family-friendly work environment. Women will set out to find and change to an environment and job which suits them.

In June 2007, the Society for Human Resource Management (SHRM) announced its selections for 50 Best Small & Medium Companies to Work for in America. The top 10 in each of these two categories are listed in Table 10-1.

As with the *Fortune* magazine listing, these were selected and ranked by the Great Place to Work® Institute, Inc. (GPTW). The list and related stories appeared in the July 2007 HR Magazine and online at http://www.shrm.org/press_published/CMS_022027.asp.

The top ten SHRM highly rated companies are listed here so owners and managers can learn more about their specific successful characteristics via Internet contacts directly to the company sites. Many best practices may be adapted and adopted by small as well as larger organizations. The SHRM survey notes that best practices include environments where:

- Employees can trust management.
- Employees take pride in their work.
- Generous salaries and benefit packages are provided.
- Leaders communicate clearly with employees and encourage shared opinions.
- Owners and managers encourage fun at work.
- There is open, clear communication with employees.

Table 10-2

QUALITIES FOR SUCCESS	
FUNCTIONAL QUALITIES	
RESELLER Able to and continues to demonstrate and prove the value of products, services and value to customers.	KNOWLEDGEABLE Accomplished in area of responsibility, certified where applicable and able to resolve at least 85% of job issues on own.
PROBLEM-SOLVER Clarifies problems, suggests solutions, initiates actions, documents actions and shares solutions with others.	RELATIONSHIP BUILDER Able to identify and coordinate the complementary characteristics of individuals, groups, departments and resources to build synergy for maximum achievement of goals and potential.
PERSONAL QUALITIES	
FLEXIBLE Open to and able to take alternate courses of action and adjust for changes.	DECISIVE Able to make objective decisions and come to a decision promptly.
QUICK STUDY Promptly understands functional area as well as business in general.	EMPATHETIC Able to sense another's point of view, to assist others and build win-win relationships.
RESPONSIVE Takes prompt, decisive and positive action to resolve issues and complete a job.	TEAM PLAYER Works well with people in leadership as well as participative roles.
ENTHUSIASTIC Sparked by opportunity, cheerful and able to recognize the positive aspects of situations.	KNOWLEDGEABLE Has functional know-how, builds on experience and background and uses street-smarts.
POSITIVE ATTITUDE Takes a can-do approach, moves forward rather than dwelling on past and seeks opportunities.	PRESENTATION SKILLS Able to speak and act in front groups of any size, level or make-up.
PROFESSIONAL IN APPEARANCE AND DEMEANOR Leads by example, takes pride in self, dresses appropriately, handles self well with others at any level and "walks their own talk."	

Retention of good employees is only as good as the selection of the right employees.

If we compare a prospective employee with some of our most effective, long service employees, is there a profile which may indicate maximum success and longevity? This would be a valuable tool because we could use the profile to select the candidates with the greatest potential for success in our organization. Table 10-2 details characteristics which have been shown through research studies to contribute to the longevity and

success of employees in smaller and mid-size organizations.

We can evaluate these characteristics in an employment interview and we can corroborate a candidate's success potential using some of the test instruments discussed in Chapter Three.

Using the considerations above, owners and managers can maximize their employee retention by:

- Applying effective management and leadership skills
- Matching their employees to a preferred employee profile

- Recognizing and responding to individual factors which retain employees
- Recognizing generational characteristics and using them to deal with employees

WHY ARE SOME EMPLOYERS SUCCESSFUL AT KEEPING EMPLOYEES?

Success in attracting, retaining and motivating employees comes with 1) knowing the human resource management trends in our workplace, 2) being aware of and applying best practices and 3) knowing our employees.

Successful owners and operators watch and respond proactively to the trends in business. The “SHRM Workplace Forecast 2006” targeted and prioritized 10 key trends in HR management for the next several years which large and small businesses need to monitor:

- 1) Increasing health care costs
- 2) Expanded use of outsourcing/offshoring of jobs
- 3) Increased health care/medical costs on U.S. economic competitiveness
- 4) Increased demand for work/life balance
- 5) Large group retiring at approximately the same time
- 6) Changing attitudes on aging and retirement
- 7) Increase in the number of employees and families without health insurance
- 8) Increase in identity theft
- 9) Work intensification due to increased productivity goals with fewer employees
- 10) Vulnerability of technology to attack or disaster

In SHRM’s “Strategic Research on Human Capital Challenges, Final Report, October 2007”, researchers identified 13 key human resource management challenges in priority order—

- 1) Succession planning
- 2) Providing leaders with the skills they need to be successful
- 3) Recruiting and selecting talented employees to fill positions
- 4) Engaging and retaining talented employees
- 5) Rising health care costs
- 6) Managing the people side of change
- 7) Creating and maintaining a performance-based culture
- 8) Building and sustaining a diverse workforce
- 9) Measuring the financial and

non-financial impact of human capital initiatives

- 10) Managing a global workforce
 - 1.1) Integrating people and systems during mergers and acquisitions
 - 1.2) On-boarding and integrating new employees into the organization
 - 1.3) Setting up and implementing HR systems and processes across countries

To review the Human Capital Challenges report, visit <http://www.shrm.org/foundation/07chro.pdf>.

These trends affect the business as well as individual employees. To learn more about best practices, to keep up with them and to apply them, we need to keep up with the human resource management sources. Information on interventions to address these trends can be found by sourcing and reading HR studies and suggestions, e.g., at www.shrm.org, www.bna.com, www.BLR.com, and other resources local libraries can suggest.

Contacting and discussing interventions with local human resource practitioners can yield direct solutions as well as additional resources. Trade associations have helpful resources and information resources available. Civic organizations sponsor talks, roundtables and seminars on relevant HR matters. And business contacts can be invaluable in sharing experience and best practices.

WHAT OWNERS AND MANAGERS SAY

Owners and managers who are successful at attracting, retaining and motivating good employees use an overall positive approach to the everyday operation of their business. We corroborated this by personally interviewing a variety of business owners and asking the question, “What are some of the best employee management practices you find

to be successful in dealing with your employees?”

The following summarizes candidly shared best practices directly from owners and managers. Readers will note a common thread across these ideas is “stick to the basics.”

Sourcing, Screening and Selecting

Selecting the right people for the specific job, worksite and company culture reduces turnover. Numerous methods and resources are used to advertise positions. Internet job boards are an effective innovation; however, additional lead sources should be used. Internal referrals were the most effective way to enhance job tenure. This is because the referring employee has a personal interest in the success of the referred employee and they strive to enhance success.

A formalized interview process which uses a structured interview format with pre-written interview questions asked of each candidate is effective in matching the most qualified and most suitable candidate to the job.

Training and Development

The first six to 12 months “make or break” the new employee in the owners’ opinions. Close attention needs to be focused on the new employee during this period. Planned, sequential and comprehensive orientation training and continued challenges retain employees. Owners realize the value of rewarding successful completion at each step in the training process.

The concept of “step-rate pay,” where employees are given a modest pay increase at fixed (often six-month) increments, increases retention, motivates employees and encourages learning. “Competency based” pay, where employees are awarded pay increases for successfully

completing instruction and/or earning certifications also is a strong employee motivator.

Continuous training motivates and retains employees and also stimulates better service to customers. Owners noted that when training ceases, employees leave.

Compensation

Pay and benefits are two critical components of compensation. Both serve individual employees, but in varying ways. The proper mix of pay and benefits increases employee loyalty. Many of today’s stores have employees in two main groups: a younger generation group and second career or nearing retirement generation group. Often pay is more important to the younger generation, while benefits may be more important to employees approaching retirement. The key is to offer the right mix to each employee.

Pay must be monitored routinely and effectively — at least annually. Benefits are evolving in the manner in which they are offered (e.g., health care options such as PPOs, HMOs and POSs), in their breadth of services offered and in the depth or extent of a particular benefit. Similar to pay, health care as well as social benefits should be evaluated at least annually. Many new-concept benefits are highly valued by employees and effectively serve as retention tools.

Effective Management

Good management practices as identified throughout this handbook are fundamental to retaining employees. Employers must practice and encourage continuous improvement of management skills among supervisors, managers and executives...or employees will leave. Continual, people-oriented management in the form of leading rather than managing has a better retention effect on

employees across generations and across the map.

Careful attention needs to be paid to management selection. Too often the age-old trap of advancing a stellar worker into management backfires because s/he does not possess the management skills, abilities, disposition or desire to lead others. Succession planning to identify new managers as well as other candidates for advancement must be planned and practiced

Evaluation

Performance evaluations and routine feedback are key factors in employee retention. In particular, newer generations of employees seek frequent, candid input on how they are doing. Still, carefully prepared semi-annual and annual evaluations using written forms are most effective.

Owners and managers offered mixed opinions on whether to award pay increases at the time of evaluation or shortly after the evaluation. The chief reported reasons to combine the appraisal and the pay adjustment are ease of administration, time savings and fewer meetings with employees.

Respondents did acknowledge the value of separating the evaluation from the pay adjustment is that the employee can focus on the developmental aspects of the evaluation.

Owners emphasize the retention value of two-way feedback. This gives employees an opportunity to critique the business and management and to expect genuine, effective response from the company to change for the better.

Good Practice

Knowing key HR trends and tapping various sources for proactive actions to take, our next step is to ensure we know and understand our employees. And then we need to lead them in the direction we want our business to go.

Basic good management is often cited as fundamental to retaining employees. This is not only putting into practice the theories and practices needed for everyday operations, but also knowing and understanding employees and people in general. Failure to do so can have catastrophic effects on a business.

Today’s workforce is fluid and competitive — it is constantly changing. As

Table 10-3

MANAGING VS. LEADING EMPLOYEES	
YESTERDAY’S MANAGER	TODAY’S LEADER
Did the creative thinking	Inspires creativity
Directed and controlled	Supports employees
Implemented technology	Humanizes technology
Listened	Ensures employee understanding
Made the decisions	Empowers employees
Solved the problems	Resolves conflicts

a result, to retain and motivate employees we are required to change with it. A major change in approach is the move from the old practice of managing people to today's need to lead people. Table 10-3 highlights some of the differences between these two approaches.

By leading employees, we demonstrate our commitment to the success of the business, the professional life of the employee and the employee's personal development.

Understanding our employees, young and older, can feel like a daunting task. We need to understand human nature and the characteristics and culture in which our employees grew up. Many employers and worksites have a healthy mix of younger and older employees or, in sociological terms, workforce generations.

Table 10-4 suggests some of the differences among the generations. We can use our knowledge of these differences and similarities to approach, manage, lead and even conduct meetings with our employees in the most generation-effective way.

It is not uncommon in many organizations to have four different employee generation groups working side by side— Traditionals, Baby Boomers, Generation Xers, and Millennials. Executives, managers and supervisors need to understand where their employees fall in the generational scheme when giving instruction, coaching, mentoring and leading.

Table 10-4 juxtaposes the three most recent generations in our workforce. Comparisons between the generations on these factors give insight on how to successfully approach people coming from widely differing perspectives.

How does an employer with a multi-generational workforce maintain harmony, maximize productivity, and

retain employees? Experts interviewed by the Bureau of National Affairs (BNA) offer employers the following advice:

- Let Generation Xers (born between 1965 and 1980) and Generation Y/Millennials (born after 1981) mentor Baby Boomers (born between 1946 and 1964) and Traditionals (workers born before 1946) on technology.
- Have older generations instill younger employees with a sense of the living history of an organization.
- Build cross-generational project teams.
- Execute principled leadership, consistency of execution and consistency of enforcement of expectations.
- Communicate without generational assumptions.
- Perhaps most importantly, understand and tolerate each generational group's predilections.

WHY DO GOOD EMPLOYEES LEAVE?

When employers in smaller and mid-sized organizations were asked why employees left their companies, owners most frequently noted dissatisfaction with workday scheduling, limited career opportunity and pay dissatisfaction.

There are practical, easily implemented and cost effective ways to deal with termination situations. Table 10-5 details common issues and offers several solutions.

Today, with more of a generation mix of Gen Xers and Millennials, employee reasons to leave and to stay are more consistent across groups.

In June of 2007 the Canadian Management Centre, an affiliate of

the American Management Association (AMA) International cited seven reasons why employees leave organizations and seven reasons why they stay (Table 10-6).

As owners and managers work with employees, they should be attentive for signs of dissatisfaction among employees. Again the Conference Board of Canada is helpful in identifying dissatisfaction warning signs and the phases employees move through as they disengage from their employer (Table 10-7).

There are several factors which may contribute to an employee leaving the business. Often good employees leave because they want to expand and develop themselves. Owners may be providing top-notch opportunities within the store or organization, but the person may still want to gain experience in another environment, industry or situation.

More often good employees do not leave for money; they go for self-development. Sometimes employees will resign or threaten to leave to gain more attention or to focus management's actions on development.

To understand the general reasons why employees leave a job, we should consider three concepts involving job structuring — job specialization, job enlargement and job enrichment.

Job specialization, which occurs when work is divided so that proficiency at a particular task increases, can lead to boredom and dissatisfaction, a low sense of achievement and an early departure. Jobs may become narrow and restrictive, providing the employee with limited opportunities to take the initiative, increase responsibility or exercise control.

Job enlargement can be a solution to the problem of specialization. Enlargement involves expanding the

CHARACTERISTICS OF TODAY'S WORKFORCE GENERATIONS

Table 10-4

	CHARACTERISTICS	BABY BOOMERS	GENERATION X	GENERATIONS Y & Z
	Era	1946 –1964	1965 – 1980	1981 – 20??
	Referred to as	Boomers	Gen-Xers	Millennials
	U.S. Population	52 Million	68 Million	To be determined
1	Respond to leaders who are:	Visionary, confident, puritanical, virtuous	Cautious, open to suggestion, practical	Imposing, comprehensive
2	Technical aids used	Rooted in main-frame computers with local, connected terminals	Began with personal computers which are stand-alone	Comfortable with Internet, networking and multimedia
3	Technological evolution	Specialization in science; fewer general theories	Extreme specialized scientific fields	Emphasis on minute aspects of specialized science
4	Educational approaches	Use conceptual knowledge and try to make things the way they “should” be	Secondary education stepping stone for advanced degrees	Pursue technical rather than practical education
5	Communications tools	Satellite communications and TV	Computer networks, cell phone and faxes	Internet
6	Patience	Intolerant	Tolerant	Even more tolerant
7	Focus	Self-centered	What’s best for situation	Focus on others
8	Social interaction	Coffee shops, drug-stores	Extreme activities	Relaxed, informal friendships
9	Media sources	Initial, local TV programming	Satellite and cable TV; CNN, world networks	MTV; young viewer targeted programs; fully international
10	Life – work concerns	Inflation a concern, capitalism growing	World moving from socialism to democracy	Rich get richer, poor get poorer notwithstanding capitalism
11	Job market	Many new jobs mainly for males	Few jobs available; few promotions; earn less than parents	Limited career opportunities and advancement
12	Family relationships	Absent, busy father; strong mother attachment; marriage optional; marry when older; rebel against elders; retirement seen as time for creative pursuits	Single parents; dual-parent working providers; independent of parents; low/negative perception of marriage; marry at oldest age; no interest in elders; retirement seen as slide from opportunity poverty	Father attachment; begin younger marriages; seek elder interaction; obedient; retirement seen as effort just to live in polluted environment
13	Work environment	Large corporations	Service oriented, small companies	Undetermined

14	Future view	High activity due to optimism	Wait-and-see attitude because pessimistic	Increasing activity because practical and matter-of-fact
15	Male-female roles	Fight for equality	Androgynous	Male-female roles begin re-separating
16	Right vs. wrong	In youth tested limits; mid-life reform	True to self; circumvent traditional morality	Undetermined
17	Shopping habits	Local shops	Boxes, supermarkets and hypermarkets	Fast service outlets
18	Attitude	Foreboding, seek to challenge	Individualistic, unscrupulous	Gravitate to group, gallant in acts
19	Positive attitudes	Idealistic, determined, inventive, scrupulous	Practical, aware, separate, street-smart	Altruistic, proficient, sensible
20	Negative attitudes	Conceited, egotistic, hypocritical, merciless	Amoral, fatalistic, mercenary, unrefined	Arrogant, capricious, heartless
21	Meeting preferences	Meetings with long breaks; awards nights with dinners, motivational speakers and celebrities; golf and spa, group activities; dislike trendy hotels	Short meetings with no breaks; eating while meeting; speakers with relevant information not available elsewhere; no team activities; demonstrated value of meeting; dislike award meetings	Short meetings with no breaks; techie friendly (wi-fi, PDA and IM opportunity); opportunities to show confidence and empowerment; opportunities to ask questions and get involved at any level; opportunity for interactivity (My Space, You Tube); dislike not being pampered
22	Perception of changing jobs	Job change puts me behind	Job changes is a necessity	My daily routine involves job change
23	Feedback preference	Annual review with much documentation	Quick, impromptu updates on "How am I doing?"	Available feedback whenever the Millennials themselves want it
24	Training perception	"Give them too much and they will leave"	"The more I learn, the more reason for me to stay"	"Constant learning is a way of life to me"
25	Work – life balance	"What is work life balance?"	"I want balance now, not when I retire"	"I want flexibility to fit in what I want to do"

WAYS TO REDUCE EMPLOYEE TURNOVER	
TERMINATION REASON	POTENTIAL INTERVENTION
Co-worker problems	<ul style="list-style-type: none"> • Conduct routine opinion surveys, exit interviews and focus groups to discern issues. • Address the matter directly with co-workers in attendance and work for solutions. • Meet individually with employees to determine issues, what each seeks and how each feels the matter can be resolved.
Terminated for cause	<ul style="list-style-type: none"> • Use progressive discipline with the intent of molding and correcting behavior rather than punishing. • Counsel and work with problem employees before the point of termination. • Ensure employees have a clear understanding of what is required and that management understands why things are going wrong.
Retirement	<ul style="list-style-type: none"> • Use succession planning to identify who will be leaving, who will replace them and who will replace that person. Plan it before it happens. • Automate if possible; fan-out other duties across the remainder of employees. • Explore how the retiree may want to work fewer hours, days or tasks.
Dissatisfaction with work	<ul style="list-style-type: none"> • Clearly explain the job prior to hiring candidates. • Implement effective, comprehensive orientation programs. • Use pre-employment testing to match the candidate with the job.
New job/better benefits	<ul style="list-style-type: none"> • Survey your market to determine competitiveness of pay and benefits. • Review demographics of workforce to determine what benefits are best for your specific employees; shop for same with benefits providers. • Use a suggestion box and ask for employee input on social and health benefits suggestions.
New job/better working conditions	<ul style="list-style-type: none"> • Benchmark working conditions with other retailers and make adjustments. • Survey, inspect and improve working conditions and equipment. • Strive to implement new innovations in the work area.
Unhappy with working conditions	<ul style="list-style-type: none"> • Respond to employee comments and suggestions on conditions. • Establish a safety committee and encourage appropriate enhancements. • Meet with work group to determine issues and solutions.
Lack of work	<ul style="list-style-type: none"> • Cross train employees in other departments or jobs. • During slack periods utilize vendor training and in-house skills training. • Consider alternative work schedules.

<p>Job elimination</p>	<ul style="list-style-type: none"> • Explore all alternative work arrangements to maximize flexibility; e.g., temporaries, contractors, students, leased employees, etc. • Strive to phase-down rather than abruptly eliminate the job so as to facilitate employees into other jobs.
<p>Relocation to another city/family need</p>	<ul style="list-style-type: none"> • Constantly keep job candidates in the pipeline to fill vacancies and/or hire ahead of opening so a trained replacement is available. • Know employees well enough to know of changes before they happen. • Ask for replacement referrals from departing employee.
<p>Health/medical problems</p>	<ul style="list-style-type: none"> • Explore light work, reduced hours, working from home/telecommuting, other accommodations for health matters. • Always have doctors' and workers' compensation authority input. • Consider alternatives such as job sharing, other employee assistance on selected tasks and seek advice on what other organizations have done.
<p>No advancement opportunity</p>	<ul style="list-style-type: none"> • Determine employee aspirations and plan a career path. • Employ cross-training, job rotation, job enlargement and similar means. • Establish advancement levels in jobs, e.g., starting, intermediate, senior; set requirements for each and have employees advance through the levels.
<p>Took another job</p>	<ul style="list-style-type: none"> • Determine from co-workers what may have been the issues. • Encourage candid exit interviews. • Use opinion surveys and suggestion boxes.
<p>Other</p>	<ul style="list-style-type: none"> • Determine what the reasons were using exit interviews, opinion surveys and other employee feedback means. • Genuinely use an open door policy to keep abreast of what is on employees' minds. • Seek out best practices at other employers.

STAY OR LEAVE?

	WHY EMPLOYEES LEAVE	WHY EMPLOYEES STAY
1	It's not what they expected	Have realistic expectations of job/workplace
2	Bad person-job fit	Are in the right jobs and challenged
3	No feedback and coaching	Receive ongoing feedback and coaching
4	No career growth	Learning and growth opportunities
5	Feel devalued/unrecognized	Feel valued and acknowledged
6	Feel overworked/stressed-out	Have sustainable work-life balance
7	They don't trust senior leaders	Have confidence and trust in leaders

(Source: How Canada Performs [A Report Card on Canada] Conference Board of Canada, summary at http://www.cmc-training.org/events/reasons-employees-leave/reasons_employees_leave.pdf)

scope of a job by widening the number and types of tasks performed. With an enlarged job, the employee not only performs additional duties but also learns additional skills to meet new demands.

We may enrich the job as well as expand it. Enrichment involves increasing the depth of a job by increasing the employee's responsibility for job planning, organization, control and evaluation. Enriched jobs empower the employee to:

- Determine a way to attain performance objectives
- Establish his or her own work pace identify and correct errors
- Monitor and inspect output

There are specific items we can evaluate and actions we can take to prevent future unexpected turnover and loss of good employees. Key areas to check include:

- Do we conduct exit interviews to gain insights into workers' reasons

for leaving the business?

- Are supervisors empowered to be in a position to facilitate their employees' advancement?
- Do we encourage and assist each employee to develop a realistic career path that capitalizes on talents and abilities needed by the business?
- Can we improve communications upward, downward and between departments with useful tools such as:
 - employee opinion surveys?
 - suggestion programs?
 - complaint or open-door practices and procedures?
- Do all new employees attend an effective orientation that incorporates a discussion of company policies and procedures and emphasizes programs or activities to enrich work life?
- Are supervisors properly trained in recruitment and other company procedures? Are they familiar with and have an understanding of business policies?

- Do we monitor and analyze wage and salary scales and compare them to those of competitors or benchmark industry data? We face competition from other companies in our industry as well as competition from similar job opportunities in other industries.
- Do we offer monetary and non-monetary incentives for superior performance, acting upon what is most appropriate for the individual employee?
- Is it possible that our selection methods and procedures need revision and improvement?

In the case of a good employee leaving, a prudent employer recognizes the positive value of the employee and the contribution s/he made to the company. If the business is unable to retain the employee, it is appropriate to genuinely offer the person an opportunity to return in the future if they wish and if they have the requisite knowledge, skill and ability.

Consider the expanded experience

Table 10-7

WARNING SIGNS OF EMPLOYEE DISENGAGEMENT	PHASES OF DISENGAGEMENT
Body language	Start with enthusiasm
Fewer hours	Question decision
More frequent absence	Disillusioned
Overworked	Consider quitting
Paid less	Search for options
Performance issues	Receive offer
Report to bad boss	“Quit or stay?”
Tenure patterns	Quit-stay
Under-challenged	

(Source: How Canada Performs [A Report Card on Canada], Conference Board of Canada, summary at http://www.cmctraining.org/events/reasons-employees-leave/reasons_employees_leave.pdf)

with which the employee may return to the company. Take the opportunity to ask the employee for referrals who may have interest in the company. It can be particularly flattering and positive to ask a departing employee to recommend persons internally and externally to fill the job or other opportunities which may occur as the company fills the vacancy.

If it is a situation where the person leaves because of difficulties in the job or with a supervisor, management should make every effort to determine the problem, the cause of the problem and effect a prompt solution.

There may be reasons completely outside of the control of the business that require the person to leave. When an employee leaves a company, for whatever reason, his/her departure should be dealt with in the most professional and positive manner possible. Employees leaving a business can carry strong positive or negative messages about the company into the community and into the marketplace.

Of course we want the message to be positive.

Going Forward

This *Human Resource Handbook* is intended to be an overview of the key points in effective human resource management. It is provided as general information and is not a substitute for legal or other professional advice. It is a jumping off point and it includes resources for examining and going into greater depth on specific matters which arise day-to-day for today's managers. We encourage further study of the field of human resource management, discussing best practices in human resource management among colleagues and contacts and devising and designing solutions best suited for your worksite to attract, retain and motivate the best and most qualified people available. ■