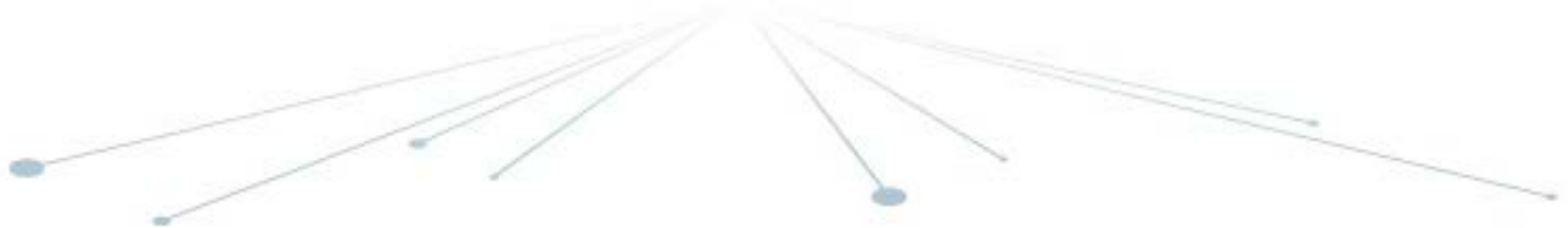




# Overdrawn at the Talent Bank

Emerging **research** on employee retention.



Anna Erickson, Ph.D.  
Director, Consulting Services  
Questar Global Survey Research

# Who am I?

- Industrial Organizational Psychologist
  - (Curious? Learn more about I/O Psychology at [www.siop.org](http://www.siop.org))
- 15+ years experience
  - Employee Selection/Hiring
  - Succession/Talent Management
  - Leadership Development
  - Employee Surveys
- Director of Consulting Services for Questar  
Global Survey Research

# Who is Questar?

- Survey research company based in Minnesota with offices in the United Kingdom
- Founded in 1985
- Singular focus on survey research including
  - Exit Surveys
  - Employee Engagement Surveys
  - Survey planning and follow up
  - Other Surveys including Customer Experience Measurement, 360 Feedback, Training Evaluation
- Global Data Collection
  - Multiple methods: paper, internet, IVR
  - 75 countries, 48 languages

# Talent Retention Exercise

- Talent retention at your organization is in crisis. Assume you have \$50,000 to spend on talent retention over the next 6 months. How will you spend this budget?
- Brainstorm in teams of 2-3. You have 5 minutes to make your decisions.
- Assume you can implement only 3 initiatives.

# Now – score your ideas

- Supervisor training – 1 point
- Update job descriptions or PMP – 1 point
- Implement new recognition program – 2 point
- Revamp work life balance programs – 3 points
- Review compensation plans – 3 points
- Take the executive team “on the road” – 5 points
- Alignment with company purpose – 6 points
- Job posting, career pathing, etc. – 8 points
- Gather input (surveys, focus groups) – 10 pts

*“People don’t leave the company, they leave their boss.”*

# The Evidence:

## Why do employees leave?

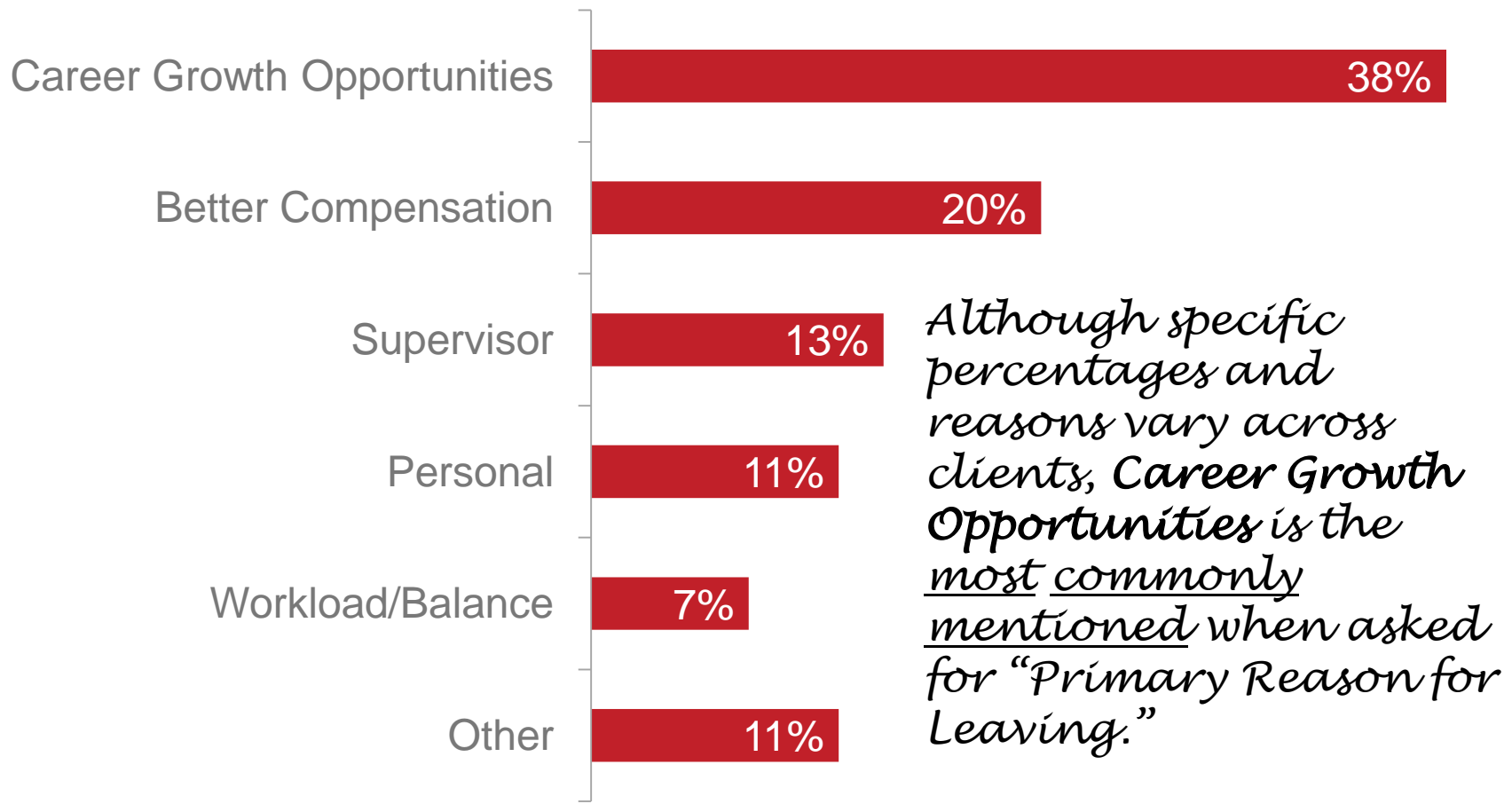
### Empirical Evidence: Sources

1. Exit surveys
2. Intention to leave
  - Inferential statistical analysis of Employee Engagement Survey data
3. Predictive data
  - Actual differences between “stayers” and “leavers”

Source One:

# EXIT SURVEY DATA

# Exit Survey – Reason for leaving



Approximate percents averaged over numerous clients. Actual results varies with client.

# Exit Survey Data

- Number stated reason for leaving –  
*Career Opportunities*

*Employee Quote:*

*“I attempted to look into other employment options with the company that were outside of HQ and found this search to be very slow. I would have loved to stay with the company, but when this opportunity arose the company was unable to turn around any other option in time.”*

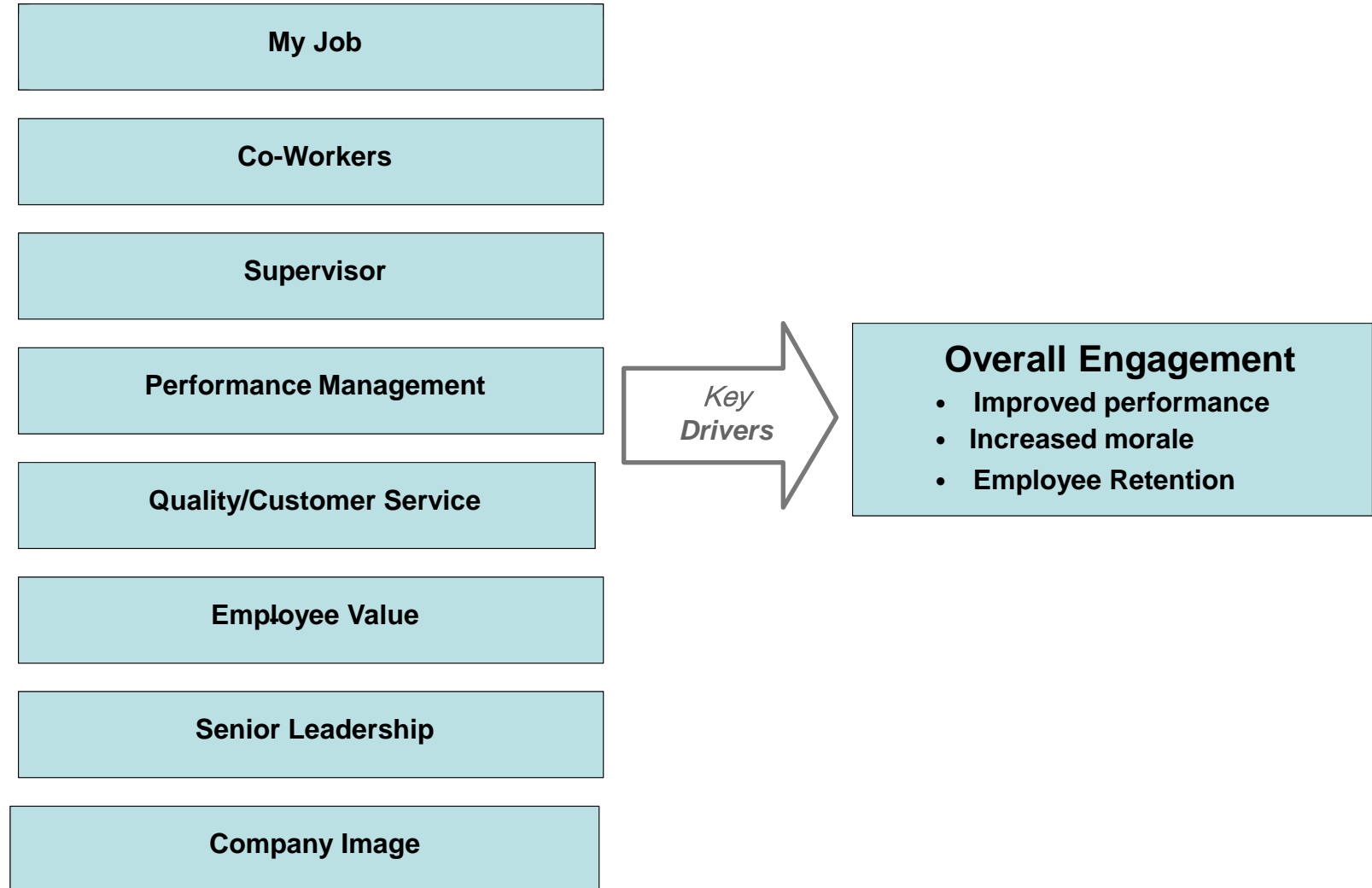
# Is there anything the company could have done to keep you?

*“Yes! The company could have helped with my career path. I met with my HR rep and stressed how badly I wanted to go into marketing, and her answer to me was 'have you considered [working through your current dept?]'!!!! I felt like she didn't listen to one thing I said! I was also told by sr managers in marketing that I would be an incredible asset to their team and they would be lucky to have me, but nothing ever happened. If the company would have a better career incentive for Ad Coordinators and let them evolve into marketing positions I would have stayed”*

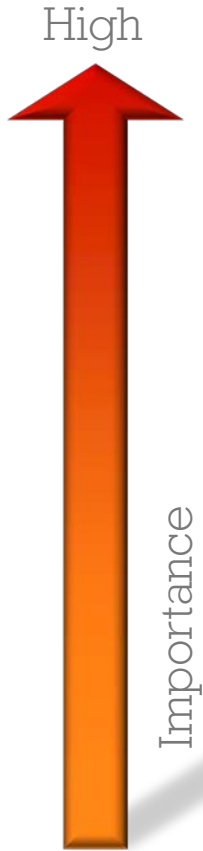
Source Two:

# INTENTION TO LEAVE

# Employee Engagement Model

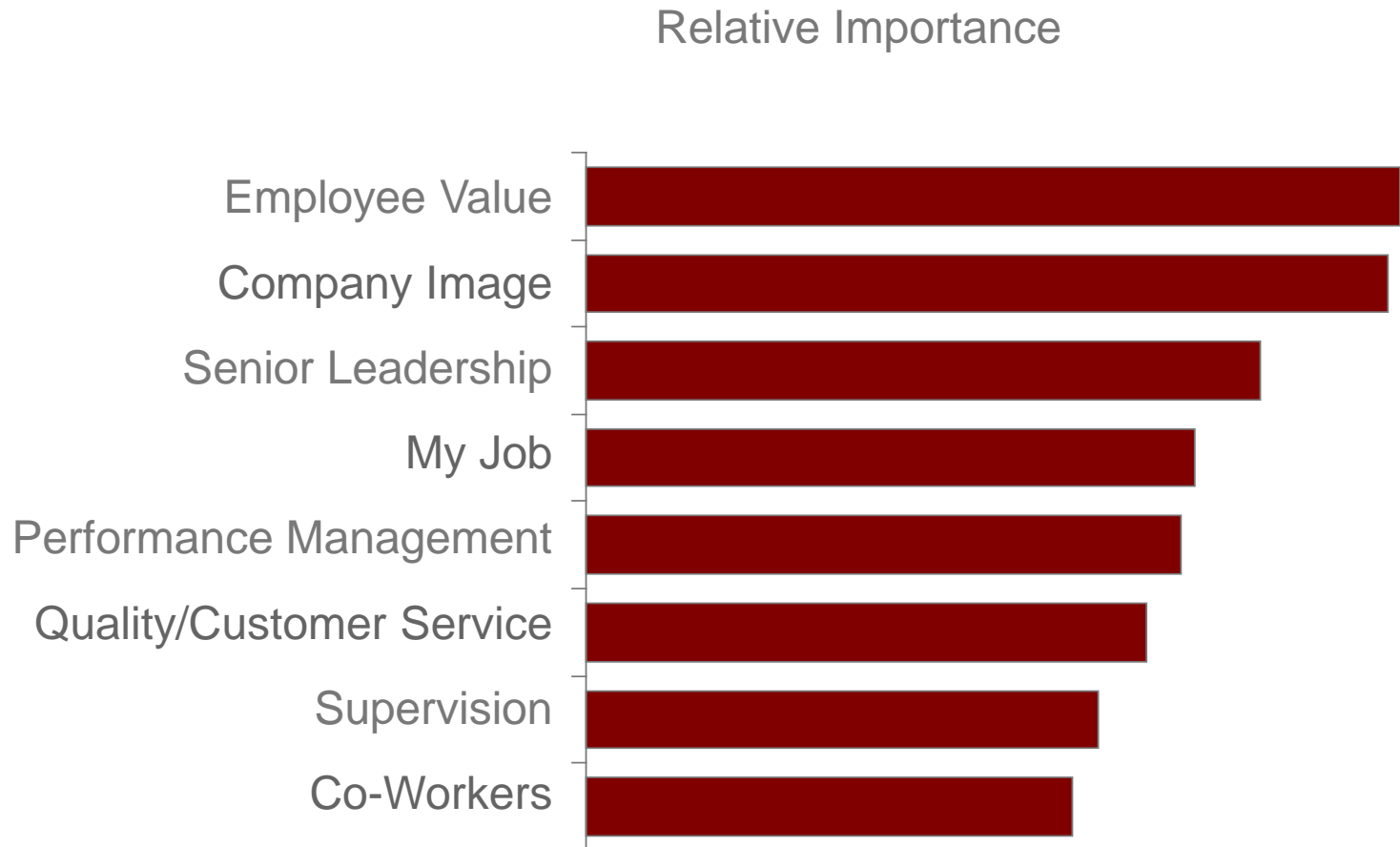


# Top Ten Drivers of Retention



- I feel good about my opportunities for career growth and development with this company.
- I am proud to say that I work for this company.
- This company's actions show that employees are important to its success.
- My work gives me a feeling of personal accomplishment.
- In this company people are supported in taking appropriate work-related risks.
- My job gives me opportunities to do what I do best.
- I am recognized when I do good work.
- I believe in what we do as a company.
- I trust this company's senior management.
- This company's values are in line with my personal values.

# Drivers of Intention to Leave



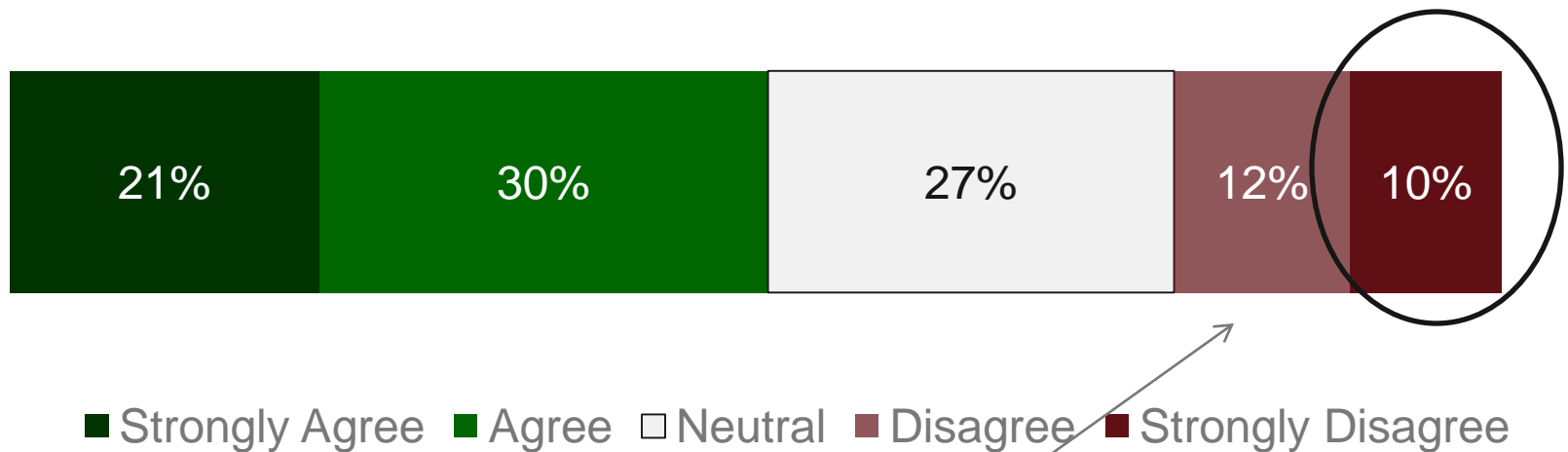
Includes data from a cross section of employed adults across industries and employers

# Among Younger Workers (<35)

- Company Image is MOST important
- Supervision is LEAST important
- The difference between these two areas is larger than it is for the population overall

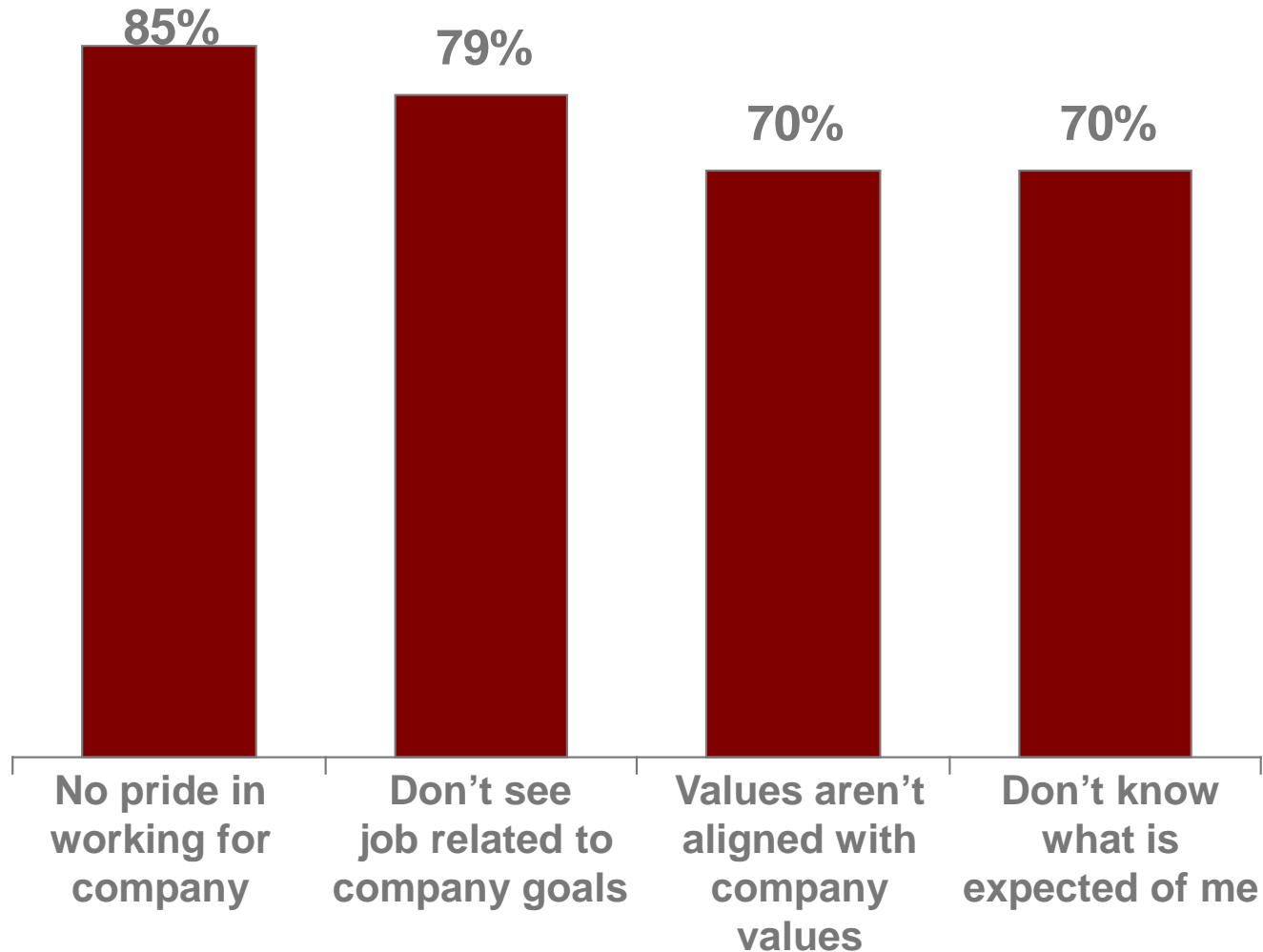
# Profiling those likely to leave...

*“I would remain with this company even if offered a comparable job in another company.”*

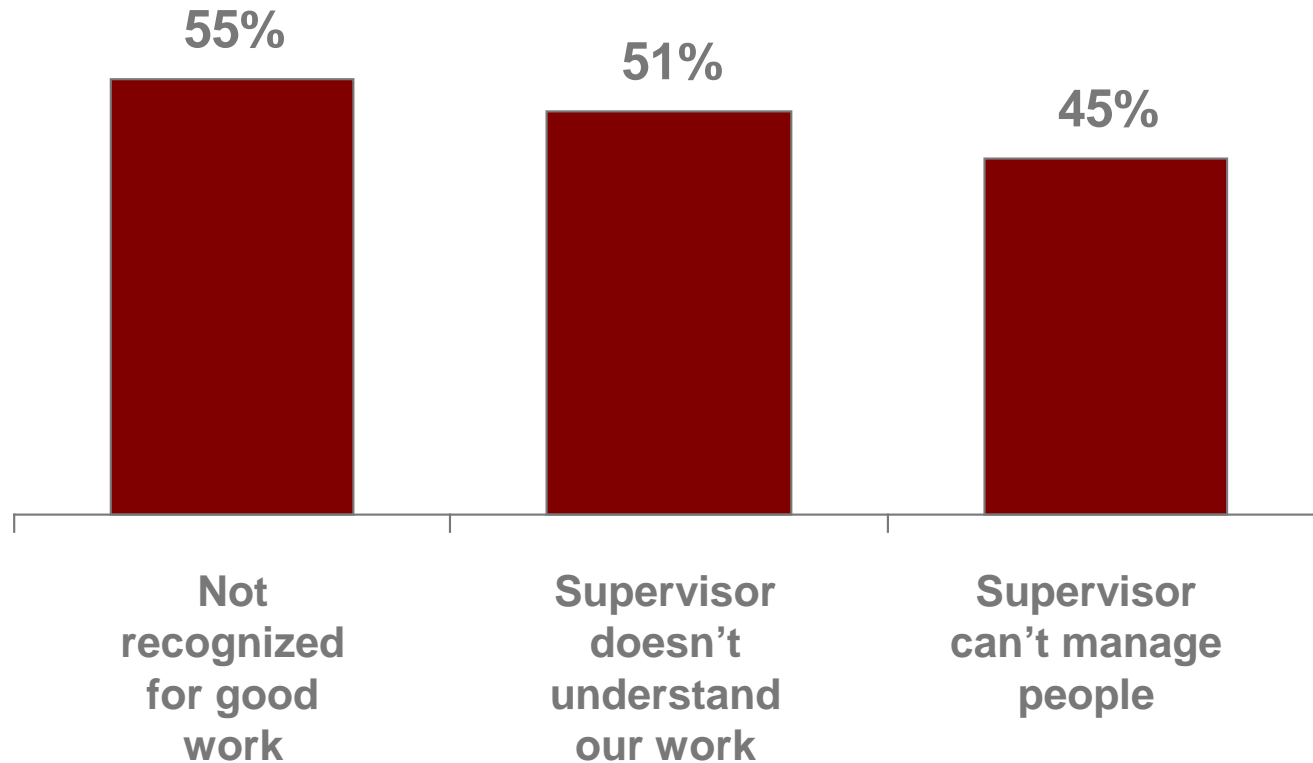


How are these employees different?

# Employees are highly likely to leave if:



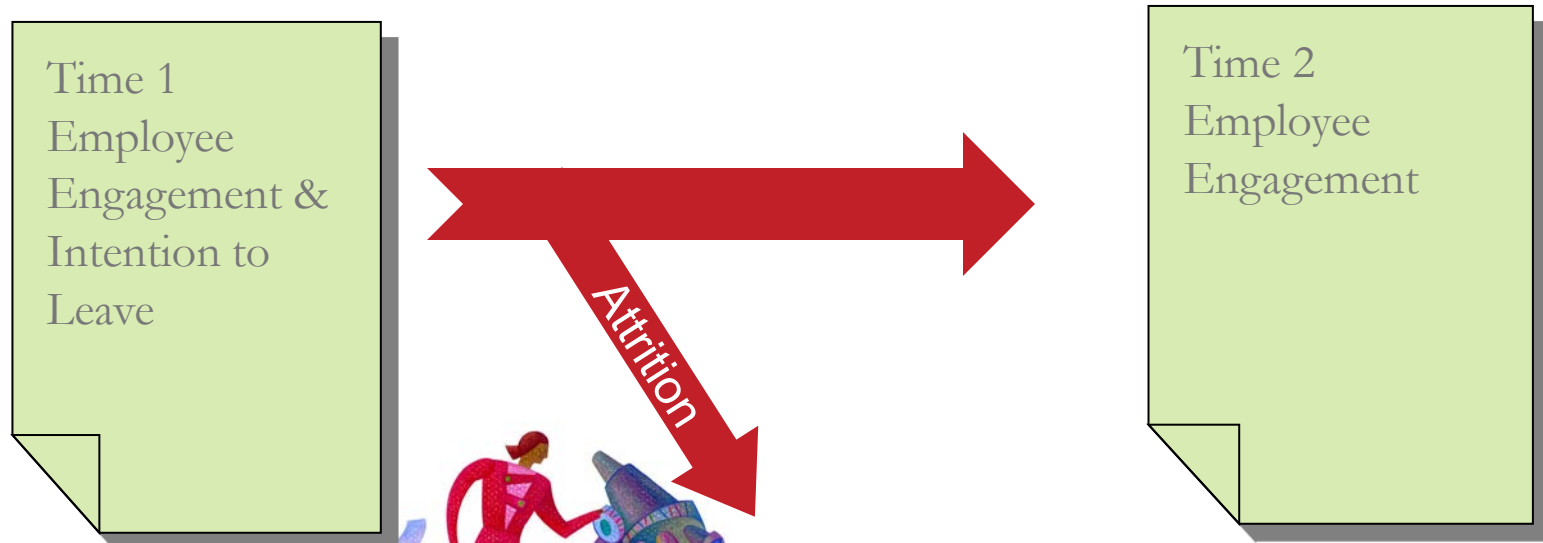
# Contrast that with...



Source Three:

# COMPARING ACTUAL “STAYERS” TO “LEAVERS”

# Predictors of Actual Turnover



Differences between actual “Stayers” and “Leavers” examined.

# Real Client Example

Intention to leave predicted actual turnover:

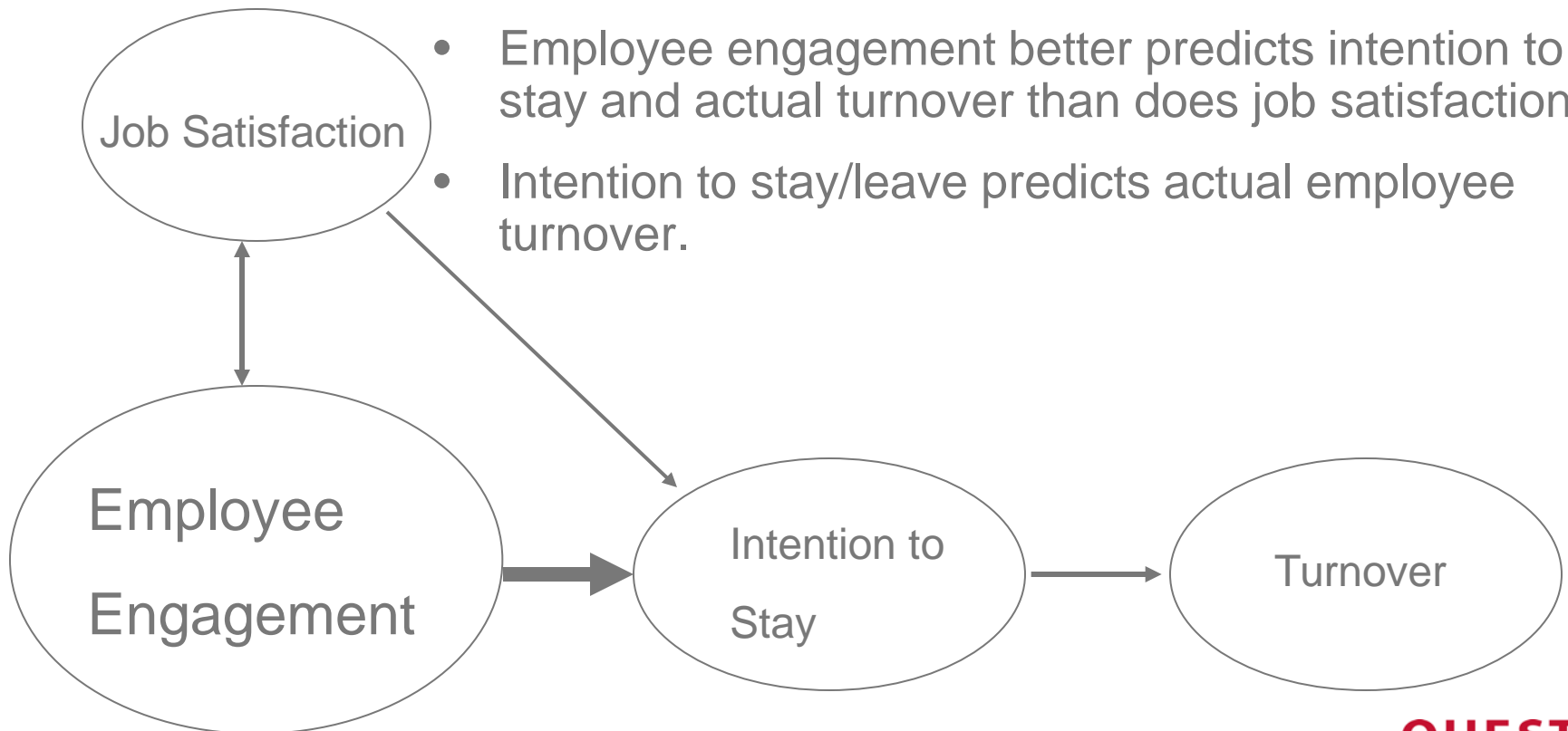
- 73% who said they would likely stay in year 1 were still employed 2 years later
- 51% who said they were **not** likely to stay in year 1 were still employed 2 years later

Employee satisfaction also predicted turnover

- 73% who said they were satisfied in year 1 were still employed 2 years later
- 48% who said they were **not** satisfied in year one were still employed 2 years later

# Employee Engagement

- Job satisfaction and employee engagement are closely related.
- Both job satisfaction and employee engagement predict intention to stay and actual turnover.
- Employee engagement better predicts intention to stay and actual turnover than does job satisfaction.
- Intention to stay/leave predicts actual employee turnover.



# Predictors of Actual Turnover



- My work gives me a feeling of personal accomplishment.
- My job gives me opportunities to do what I do best.
- I really care about the future of the company.

- My immediate supervisor treats me with respect.
- There is open and honest communication between me and my immediate supervisor.
- I trust my immediate supervisor.

# What does this mean?

- Employment brand is of growing importance for retention as well as recruitment.
- You can't discount the impact of senior leadership on employees' turnover intentions.
- It is important to measure broader constructs like company image and senior leadership as well as items actionable at a work group level.
- You should continually monitor reasons for turnover within your organization.

# Most Common Mistakes

- Assume that pay doesn't matter
- Gather data – but fail to act
  - Or fail to make action a priority
- Miss warning signs for turnover
- Miss relationships in the data
- Gather data in a non-objective way
- Fail to monitor progress
- Blame the boss

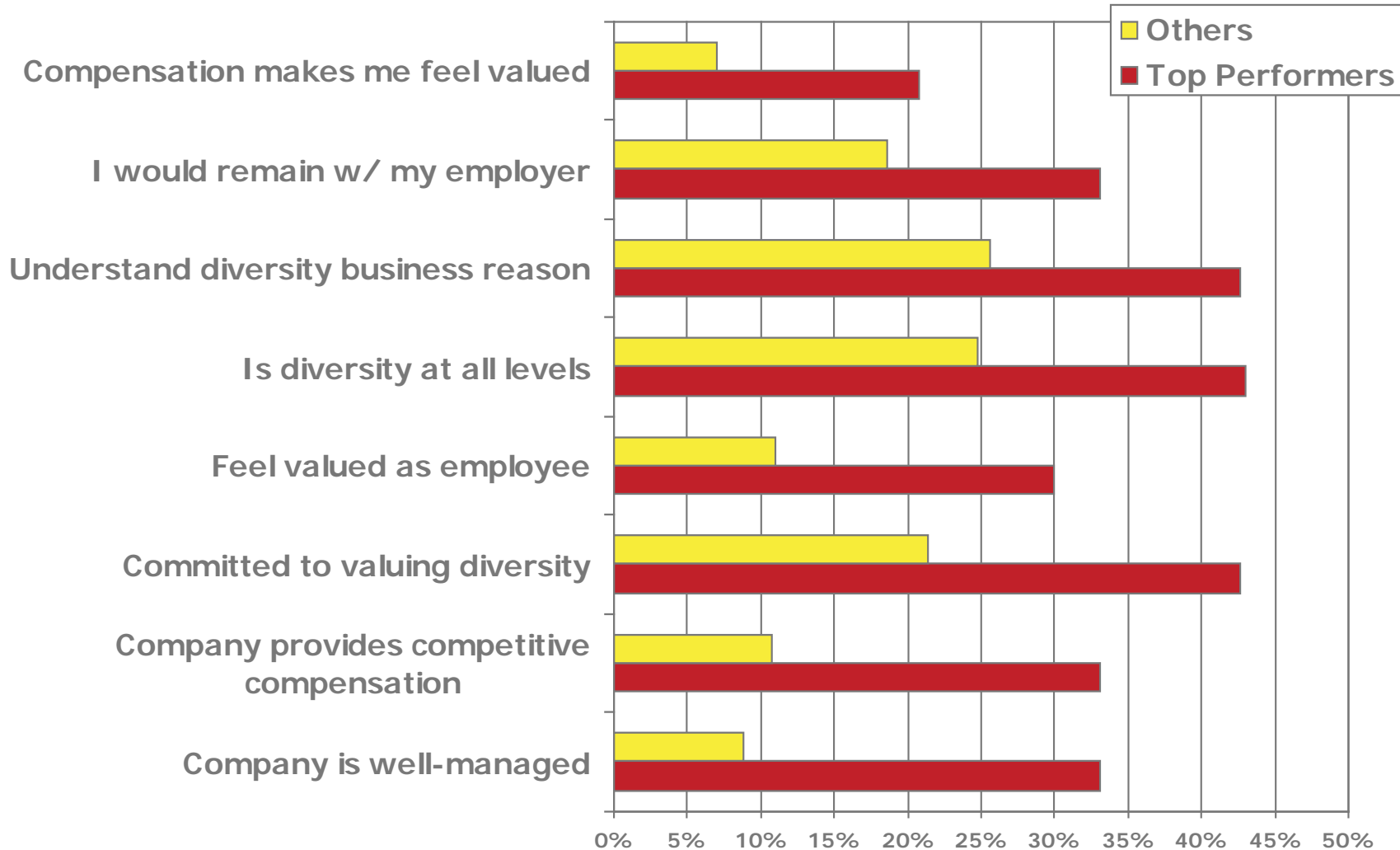
# Understand Employment Brand

- Inside and outside the organization
- Are employees confident in Senior Leadership?
  - In the future of the company?
- What do your employees value?
  - How does that align with company values?
  - Does it differ across age groups? Functions?
  - Is it different for top performers?
- Understand key drivers
- Leverage your strengths

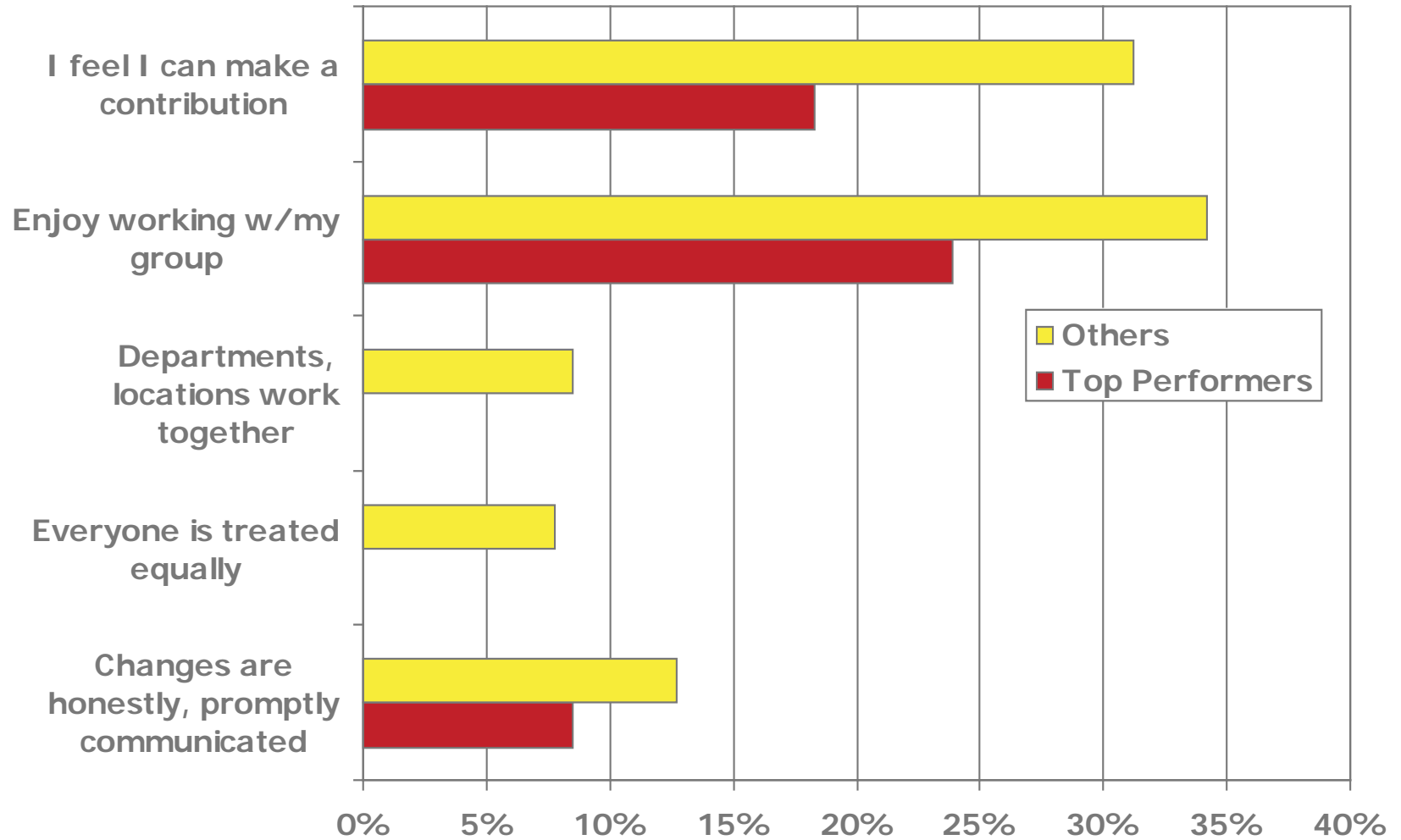
# Track Employee Engagement

- Understand data relationships (where possible)
  - With customer data
  - With quality or productivity measures
  - With talent management data
- Monitor intention to leave
  - Identify key drivers
  - Look for trends in demographics
- Integrate change to address root causes

# Understand Top Performers



# Understand Top Performers



# Effects of tenure



# Exit Surveys

- Do you really know why employees leave?
  - Subjective and objective measures
  - Timed right
  - Anonymity
- Tie it to your engagement measures
- Identify key drivers
  - Are they different for top performers?
  - Are they different for key positions?

# Questions for Discussion

- What changes have you noticed in what engages employees and what causes them to leave?
- How should this impact the way we work?
- If you were to design the perfect retention program, what would it include?

For more information, contact:

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