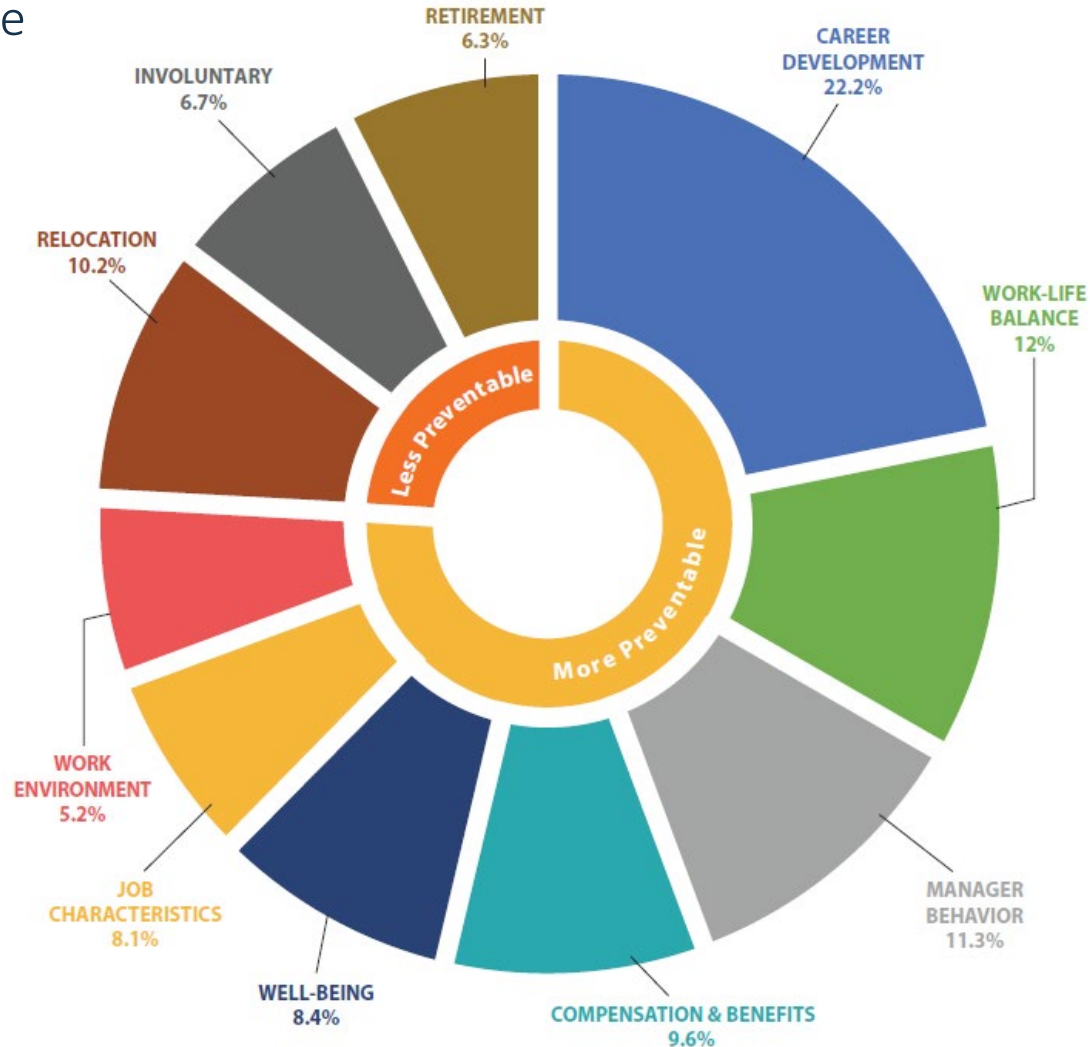# ADVANTAGE
MANAGEMENT | CONSULTING

Employee Retention: Building Loyalty

BC Log and Timber Building Industry
6 Oct 2021

2019 Retention Report

Work Institute

RETIREMENT
6.3%

INVOLUNTARY
6.7%

RELOCATION
10.2%

WORK
ENVIRONMENT
5.2%

JOB
CHARACTERISTICS
8.1%

WELL-BEING
8.4%

COMPENSATION & BENEFITS
9.6%

MANAGER
BEHAVIOR
11.3%

WORK-LIFE
BALANCE
12%

CAREER
DEVELOPMENT
22.2%

Less Preventable

More Preventable

www.advantagemanagement.ca

Exit Interview

2019 Retention Report

Work Institute

MORE OR LESS PREVENTABLE – WHAT IS AND WHAT IS NOT CONTROLLABLE?

Work Institute employee turnover themes are categorized as **more preventable** or **less preventable**. We found that 76.8% of turnover was more preventable as compared to the 23.2% that was less preventable.

77% OF THE REASONS EMPLOYEES QUIT COULD HAVE BEEN PREVENTED BY THE EMPLOYER

77%

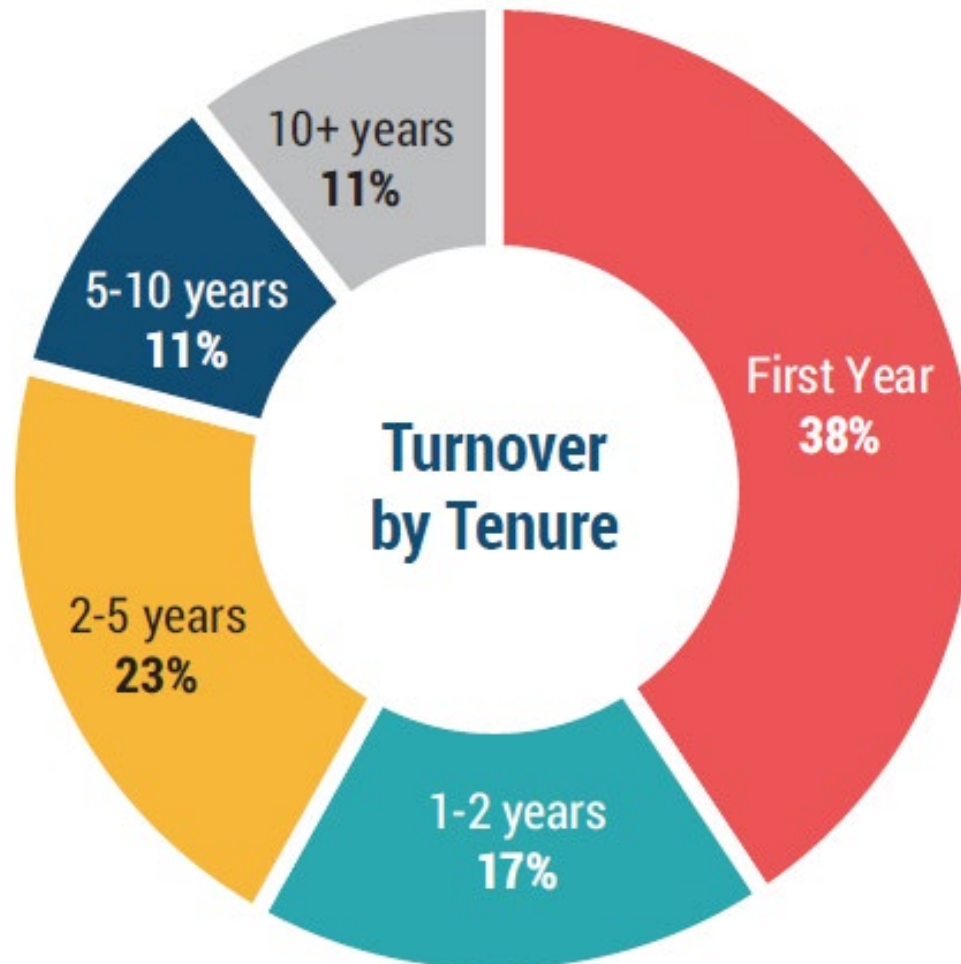■ More Preventable
■ Less Preventable
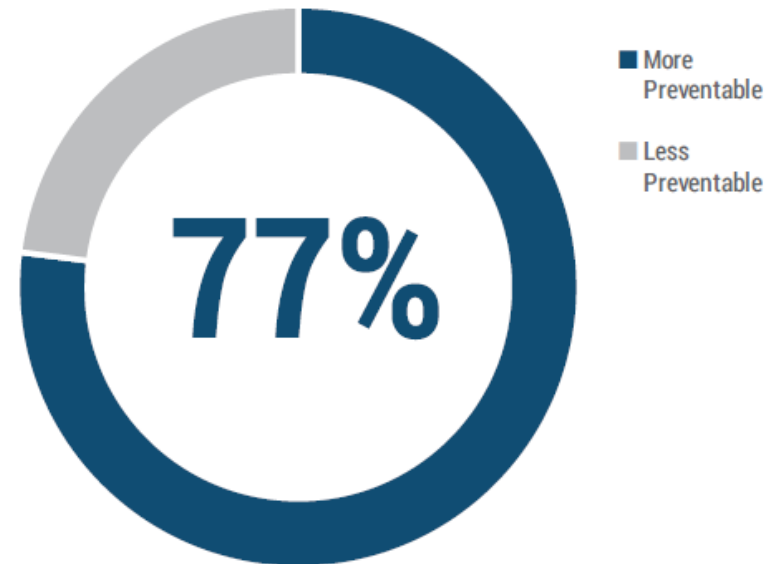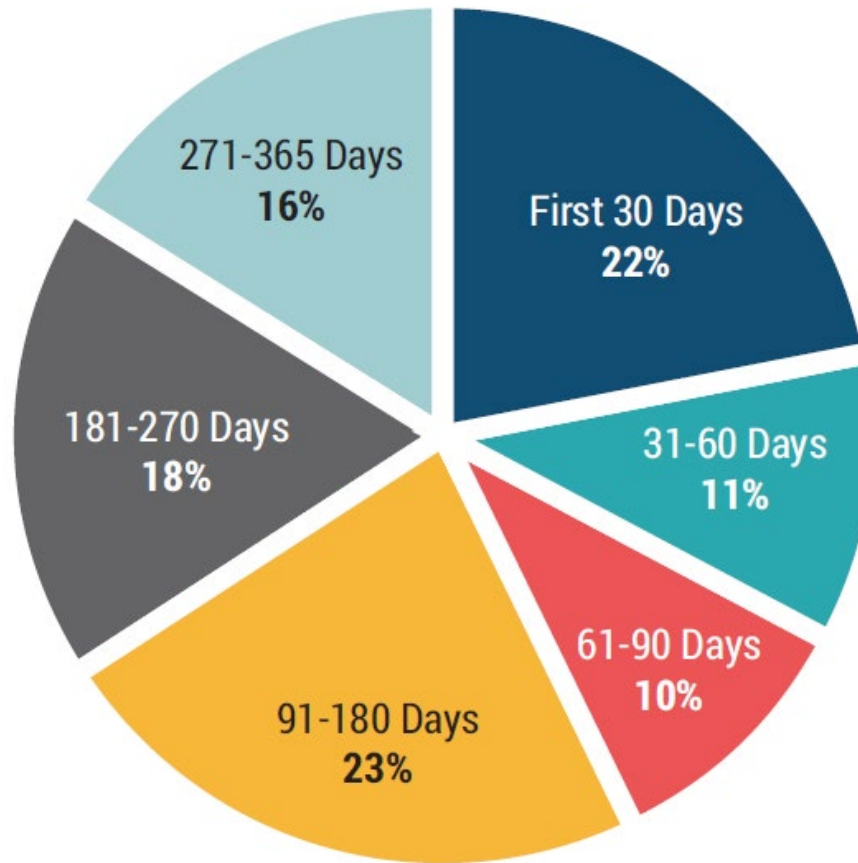
Main Causes of Turnover

1. Career Development (22% of turnover)

2. Work-Life Balance (12%)

3. Manager Behaviour (11%)

4. Compensation and Benefits (9.6%)

5. Well-Being (8.4%)

6. Job Characteristics (8%)

7. Work Environment (5%)

Main Causes of Turnover

Main Causes of Turnover

271-365 Days
16%

First 30 Days
22%

181-270 Days
18%

31-60 Days
11%

91-180 Days
23%

61-90 Days
10%

Increasing Employee Retention Requires a Strategic Approach

- Know the right information
- Hire for fit
- Invest in culture, people, processes
- Prioritise as a critical component of sustained business success

Flight Risk

www.advantagemanagement.ca

Career Development

- Intentional feedback mechanisms?
- Understand their own fit (assessments, clear outline of requirements, path for career development)
- Sense of Belonging – identify with the mission, proud of the skill, sense of being valued by leadership/owners
- Opportunity to build skill
- Stretch assignments, mentors, cross training

Equip Managers to Lead Well

- Leaders often promoted because of technical prowess
- Invest in 'soft skills'
  - Understanding team dynamics
  - Written and verbal communications
  - Handling difficult conversations
  - Building trust
  - Developing those under them
  - Behaving ethically

Job Characteristics

- Bait and Switch
- Selection Tools – match employee to job
- Clearly identify characteristics needed to succeed in job
- Hire people for fit to role (and organizational values/culture)

Work Environment

- Culture-fit needs to be part of the hiring process – compromising here for expediency is costly
- Problematic employees must be managed – don't tolerate negative behaviour, "correct or release"

Questions

www.advantagemanagement.ca

ADVANTAGE
MANAGEMENT | CONSULTING

Thank You

www.advantagemanagement.ca