

# There's nothing wrong with 'soft and fluffy'

Attracting, developing and retaining talented employees

## PART SEVEN

Show your staff you care about them – or lose them. Employees want to be known as a person, not just a step in a process or a body in a department, says KELLY DAGG.

With staff turnover rates in the automotive industry ranging between 28% and 50%, it's a real surprise that retention is not one of the key business goals.

Research into businesses across all sectors shows that more than half of all new starters leave their organisation within two years – and one in four leaves within six months. Estimates regarding the cost of labour turnover vary between an average of £4,883 and up to twice the employee's annual salary when taking into account direct and indirect costs.

Employee retention is one of the primary measures of the health of your organisation. If you are losing staff you could put money on the fact that other people in your business are looking to leave too.

Managers don't tend to think about retention until after the fact. But as part of their accountability, they should be set "people-related" targets, including retention.

Some of the key areas that influence retention are:

### First Contact

First impressions really do count – from the initial job advert through to

the interview. These impressions will build expectations of the company, its people and its culture

### Recruit Properly

Even companies with recruitment processes either don't follow them, or are not clear what they want from the new recruit in terms of skills, knowledge, behaviour and experience, so they don't test for the appropriate qualities. Is it any wonder that people leave?

### Terms & Conditions

It seems obvious to say this, but offer an attractive, competitive, fair, salary and benefits package with components such as life insurance and disability insurance and flexible hours. Ensure that bonus commission structures are clear and directly linked to the employee's role and overall business targets. Then get them to forget about the money and focus on other factors that help retain staff. The money alone won't retain your talented staff but their every day experience at work will.

### First Day

It's your new employee's first day as a service adviser. They are welcomed by the receptionist, who takes them over

to the service manager. He shows them their desk and says: "Your first customer is waiting; I'll leave you to it." No introduction to colleagues, tour of the dealership, explanation of processes, product, etc. In short, no induction. Inductions need to be comprehensive covering the brand,

the products, the people, the job, the processes and their objectives; everything to make sure the employee feels as settled and informed as possible to be able to do their job from day one. New employees leaving the company by lunchtime or job hunting on their first day is not uncommon.

### A "Good Boss Environment"

This all boils down to having managers who can actually manage people rather than just the figures. In the recent rts survey 'Employee Retention in the Retail Motor Industry', management style was one of the key reasons for quitting a job. Typical comments were:

- 'lack of trust'
- 'not being up front about what was expected'
- 'unachievable targets'
- 'no feedback from management'
- 'lack of clear direction'
- 'no professionalism'

'low calibre managers'  
'poor leadership/vision'

With good 'people managers', employees will be working in an environment where they will:

- Be informed about the business
- Be clear about their job role, its objectives and targets
- Be given responsibility and ownership of their job
- Receive continuous feedback on their performance and be recognised for success
- Be listened to and their suggestions about role and company improvements valued
- Will know where the respect in the work place boundaries are and will know that unacceptable behaviour and poor performance will be dealt with appropriately
- Have support to remove obstacles

### Not Just a Number

Show you care. Now this might be a bit too "soft and fluffy" for a traditionally male-dominated environment, but show your staff you care about them or lose them. Employees want to be known as a person, not just a step in a process or a body in a department. Managers need to find out what motivates each individual and offer them challenges, involvement, opportunities for growth, job swaps, career progression and training. Employees need to be clear on the contribution they make and that their work has "a point to it". And remember that communication is a two-way process: Not being listened to or asked for a view creates frustration.

### Learn From Goodbyes

Employees don't just leave without a reason. All too often it's because of grievances mentioned earlier. So exit interviews are an invaluable means of monitoring staff morale. Ignore the comments at your peril! And bear in mind that every good employee you lose is likely to add to a competitor's strength. **MIM**



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To receive a copy of the rts 'Employee Retention in the Retail Motor Industry' report, contact Gemma Pritchard at [gpritchard@rts-uk.co.uk](mailto:gpritchard@rts-uk.co.uk)