


*Recruitment & Retention - Strategic Solutions*

 **STACKPOLE  
& Associates, Inc.**


---

**Recruitment, Retention & Productivity:  
Strategic Solutions**



**Targeted Interventions  
For  
Organizational Improvement**

Stackpole & Associates, Inc.

 **STACKPOLE  
& Associates, Inc.**

---

**Agenda**

- Review Strategic Issues
  - Recruitment, Retention & Productivity
- Recruitment Recommendations / Tools
- Retention Recommendations / Tools
- Productivity
- Training / Interventions

Stackpole & Associates, Inc.

*Recruitment & Retention - Strategic Solutions*



**Historical View of Management**



Stackpole & Associates, Inc.

3



**Today's Management Reality**




Stackpole & Associates, Inc.

4

**Stackpole & Associates, Inc.**

*One Harvard Street, Brookline, MA 02445 ph 617 739-5900 fx 617 739-5929 [www.StackpoleAssociates.com](http://www.StackpoleAssociates.com)*

*Recruitment & Retention - Strategic Solutions*

 **STACKPOLE**  
& Associates, Inc.

---

## Strategic Solutions

3 areas of management control / influence:

- Recruitment
- Retention
- Productivity

} Loyalty

Stackpole & Associates, Inc.

 **STACKPOLE**  
& Associates, Inc.

---

## Recruitment Strategy

- Source / Segment
- Messages
- Distribution Channels
- Lead Management
- Interviewing

Stackpole & Associates, Inc.

*Recruitment & Retention - Strategic Solutions*



## Retention Strategy

- Managers / Supervisors
- Training
- Messages *for* Managers
- Messages *from* Managers
- Surveys
- Exit Interviews

Stackpole & Associates, Inc.



## Productivity Strategy

- What Must Be Done
  - Basic Requirements / Acceptable
- What Can Possibly Be Done
  - Capturing Marginal Energy

Stackpole & Associates, Inc.

*Recruitment & Retention - Strategic Solutions*



## The Strategic Issues

- Turnover
  - Direct Cost
  - Indirect Costs
  - Employee Productivity

Stackpole & Associates, Inc.




## The Strategic Issues – Turnover & Costs

- Staff Turnover Rates
  - 40 – 80%
- Direct and Indirect Costs
  - Average *direct* cost / turnover  $\approx$  \$5,000
  - Indirect costs can be 2 – 3 times direct cost!

Stackpole & Associates, Inc.


*Recruitment & Retention - Strategic Solutions*



## The Strategic Issues – Turnover & Costs

- Staff Turnover Rates
  - Assume 40%, among 150 employees
  - 60 “turns”/year
- Direct and Indirect Costs
  - Direct costs (@\$5K /yr)  $\approx$  \$300,000
  - Indirect costs (@2X)  $\approx$  \$600,000!
  - Estimated total costs  $\approx$  \$900,000

Stackpole & Associates, Inc.



## Strategic Issue – Direct Costs

Step 1. Check all the items listed below that apply.


Step 2. Calculate the cost of each item checked.

Step 3. Total all the costs to determine the costs of a bad hire.

| Direct Costs |   |    |
|--------------|---|----|
| '            | Advertising   | \$ |
| '            | Recruiters (hours spent x hourly rate)                        | \$ |
| '            | Administrator (hours spent x hourly rate)                     | \$ |
| '            | Training / Orientation (hours spent X hourly rate + expenses) | \$ |
| '            | Interviews (interviewer’s time spent x rate)                  | \$ |
| '            | Replacement (agency, temporary help)                          | \$ |

Stackpole & Associates, Inc.

*Recruitment & Retention - Strategic Solutions*


 **STACKPOLE & Associates, Inc.**

---

## Strategic Issue – Indirect Costs

| Indirect Costs |  |    |
|----------------|--|----|
|                | Lost Productivity – Remaining Staff Task Sharing                       | \$ |
|                | Lost Productivity – Managers / Supervisors Task / Schedule Shifting    | \$ |
|                | “Learning Curve” (Lost Productivity) of New Recruit                    | \$ |
|                | Lost Productivity – Remaining Staff during New Hire’s “Learning Curve” | \$ |
|                | Low Morale ⇒ Impact on Staff Retention / Loyalty ⇒ Reputation          | \$ |
|                | Low Morale ⇒ Impact on Resident / Family Satisfaction ⇒ Reputation     | \$ |

Stackpole & Associates, Inc.

 **STACKPOLE & Associates, Inc.**

---

## Strategic Issues

- **Employees As Competitive Advantage**
  - Loyal Employees → Loyal Customers
  - Word of Mouth Marketing → ↑ Referrals
  - Loyal Employees → Recruitment Magnet
- **Employees As Operational Advantage**
  - ↑ Loyalty → ↓ Recruitment Costs
  - ↑ Loyalty → ↓ Agency Costs
  - ↑ Loyalty → ↓ Management Costs

Stackpole & Associates, Inc.

*Recruitment & Retention - Strategic Solutions*



## Strategic Issues

- Management Starts /Ends w/ Employees
- Links In A Positive *OR* Negative Chain
- Relationships Are Predictors of:
  - Satisfaction
  - Loyalty
- It Comes Down To Management

Stackpole & Associates, Inc.



## Recruitment

- Top Ten Hiring Mistakes:
  1. Not knowing what you are looking for
  2. Inadequate Interview Preparation
  3. Poor Interview Questions
  4. Hiring too quickly
  5. Hiring based on similarity / liking

Adapted from Davila, L and Kursmark, L. How to Choose the Right Person for the Right Job Every Time. McGraw Hill, New York, 2005.

Stackpole & Associates, Inc.

## Recruitment & Retention - Strategic Solutions



### Recruitment

- Top Ten Hiring Mistakes (cont'd):
  6. Unrealistic standards (high or low)
  7. Only one interviewer
  8. No interview “process” or plan
  9. The “any warm body” mistake
  10. Inadequate reference checks

Stackpole & Associates, Inc.



### Recruitment

- To get “the right people on the bus”:
  1. Understand employee market segments
  2. Communicate mission and values, not just a job
  3. Make time & focus commitment
  4. Celebrate success, learn form errors
  5. Leverage current employee / resident & family loyalty

From Buckingham M and Coffman C, *First, Break All The Rules*. Simon & Schuster, New York 1999

Stackpole & Associates, Inc.

## Recruitment & Retention - Strategic Solutions



### Recruitment

- To get “the right people on the bus” (cont’d):
  6. Perform ratings-based assessments
  7. Ask behavior-based questions
    - Give me an example from your last job of when you...
  8. At least 2, maybe 4 interviewers
  9. Ask for demonstrations of skill
  10. Leverage current employee / resident & family loyalty

Stackpole & Associates, Inc.



### Recruitment Market Segmentation

#### ➤ *Recruiting Segments*


- *Different messages appeal to different segments*



Stackpole & Associates, Inc.

20

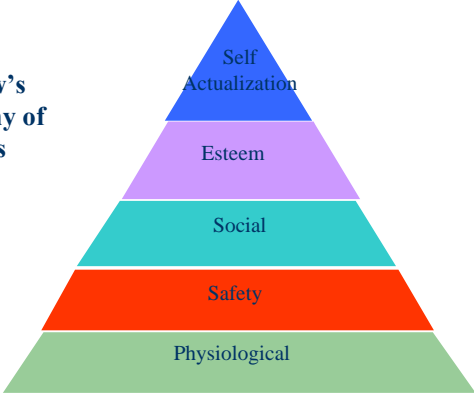
*Recruitment & Retention - Strategic Solutions*



---


## Construct of Retention

**Maslow's Hierarchy of Needs**



Self-Actualization  
Esteem  
Social  
Safety  
Physiological


Stackpole & Associates, Inc.



---

## Construct of Retention

**Recruitment, Retention & Productivity Hierarchy\***



Growth  
Team / Peers  
Management Support  
Basic Needs

\* From *First Break All The Rules*, Marcus Buckingham & Curt Coffman

Stackpole & Associates, Inc.

*Recruitment & Retention - Strategic Solutions*



## Construct of Retention

- Basic Needs

- Do I have the materials needed?
- Do I know where / how to find / access them?
- Do I know what is expected of me?
- Are there clear standards for my job?

Basic Needs

Stackpole & Associates, Inc.



## Construct of Retention

- Management Support


- Someone encourages my development
- Someone at work cares about me
- Receive recognition or praise
- Opportunity to do what I do best

Management Support

Basic Needs

Stackpole & Associates, Inc.

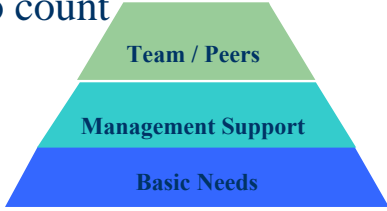
*Recruitment & Retention - Strategic Solutions*

 **STACKPOLE**  
& Associates, Inc.


---

## Construct of Retention

- **Teamwork / Peers**
  - Have a best friend at work
  - Fellow employees are committed to quality
  - Mission / purpose of the organization
  - My opinions seem to count




Stackpole & Associates, Inc.

 **STACKPOLE**  
& Associates, Inc.

---

## Construct of Retention

- **Growth**
  - Opportunity to learn & grow
  - Review progress at work with my supervisor



Stackpole & Associates, Inc.

*Recruitment & Retention - Strategic Solutions*



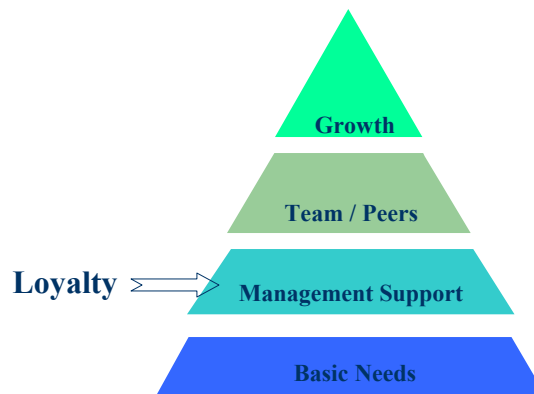
## Results of $\beta$ Research

- Staff - Loyalty
  - Respect for supervisors' knowledge & skill
  - Supervisor care about me as a person
  - Supervisor asks for my opinions & comments
- Staff – Disloyalty
  - At work, my opinion seems to count
  - My employer permits me to provide level of service that residents and families expect
  - Comp. & benefits reward those who give good service

Stackpole & Associates, Inc.



## Results of $\beta$ Research



Stackpole & Associates, Inc.

## Recruitment & Retention - Strategic Solutions



### Recommendations

- Department Specific
  - Specific supervisory training on interpersonal communications skills
    - How do I come across?
  - Use of performance standards as supervisory tool
    - It isn't about personalities, it's about the job!
  - Develop & implement a mentoring system
  - Diversity training & conflict management

Stackpole & Associates, Inc.



### Retention Solution

Mapping satisfaction & loyalty to the job, we can:

- Spot departments with problems
- Intervene and retain
- Create targeted interventions
  - One “size” does not fit all!

Stackpole & Associates, Inc.

*Recruitment & Retention - Strategic Solutions*



## Retention Solution

By mapping satisfaction with and loyalty *to the supervisor* we can:

- Reward and train
- Intervene and retain
- Increase training effectiveness.

Stackpole & Associates, Inc.



## Strategic Solutions

- One solution does not fit all situations
- If you don't know where you're going, any road will get you there.
- Target training and coaching to your maximum benefits.

Stackpole & Associates, Inc.

## *Recruitment & Retention - Strategic Solutions*



### **Bibliography**

Buckingham M and Coffman C, First, Break All The Rules. Simon & Schuster, New York 1999

Clark, D. Help Wanted: Recruiting, hiring & retaining exceptional staff. Towner Press 2001

Chase, R & Dasu, S. *Want to perfect your company's services?: use behavioral science*. Harvard Business Review June, 2001.

Cialdini, R. (1993). Influence: the psychology of persuasion. New York: Quill

Davila, L and Kursmark, L. How to Choose the Right Person for the Right Job Every Time. McGraw Hill, New York, 2005.