

Staff Retention in the Disability Sector

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EXECUTIVE RECRUITMENT • HR CONSULTING • PSYCHOLOGICAL APPRAISAL

What is SACS?

- Organisational psychology business
 - Psychological testing, Wellbeing surveys, 360° feedback
 - Organisational and individual development – coaching, career transition management, workforce planning, change management
 - Recruitment process design and delivery
- Scientist practitioner model – Mainly Deakin Uni
<https://www.researchgate.net/profile/Andrew-Marty>
- Evidence based approach to people management.

Why do people leave their jobs?

1. How do you measure staff turnover and what is an acceptable staff turnover rate?
2. Do your prospective hires know what they are letting themselves in for?
3. Were they a good hire?
4. “Push Factors” and “Pull Factors”
5. Some research findings about why people leave their jobs.
6. Reducing turnover and increasing retention.

Your objectives...

Why do people leave their jobs?

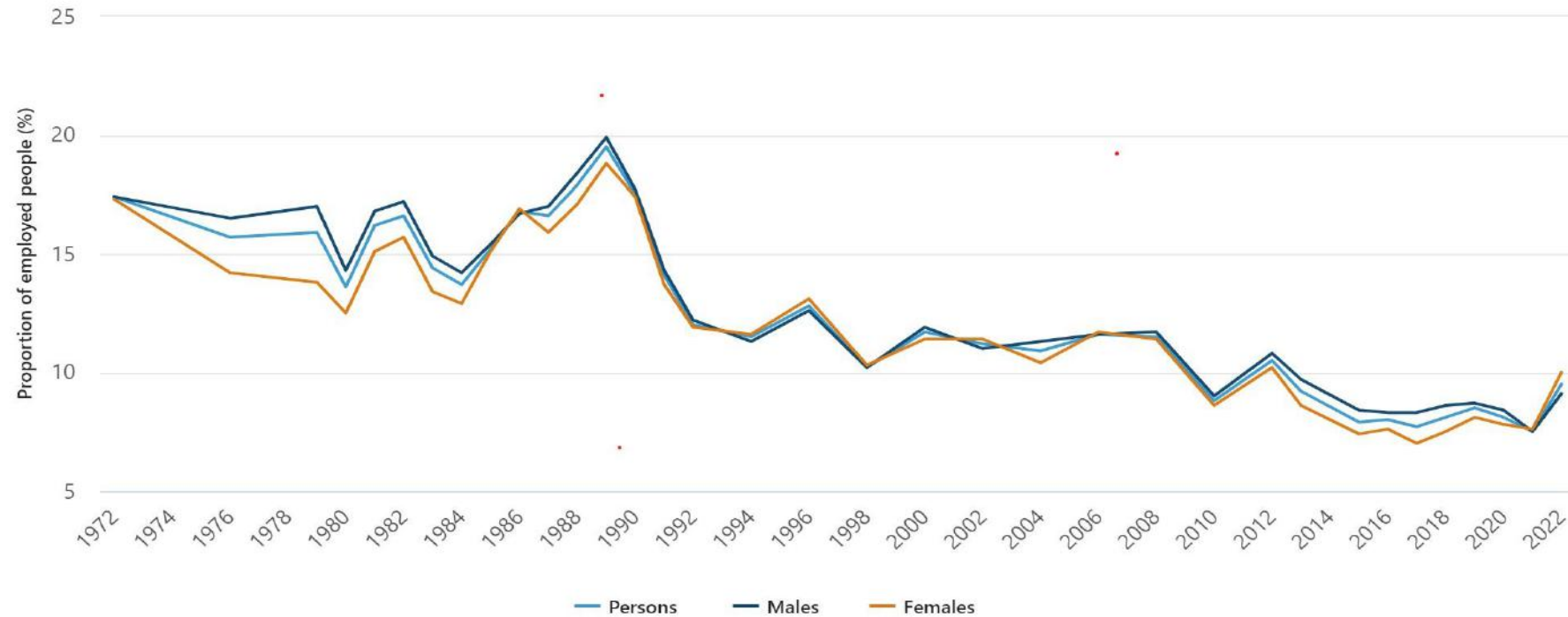
1. How do you measure staff turnover and what is an acceptable staff turnover rate?
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5. Cost of staff turnover and other research findings about turnover.
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Staff turnover – what is it?

- Raw staff turnover?
- Do we ignore temps and contractors?
- Discretionary and non discretionary turnover
- How do you measure it?
 - The typical method – number of staff who left as a percentage of staff at EOY – understates if you are growing and overstates if you are shrinking
 - The most accurate method is the “cohort method”.

Staff turnover rates – ABS...

Chart 3: Employed people who changed jobs during the year

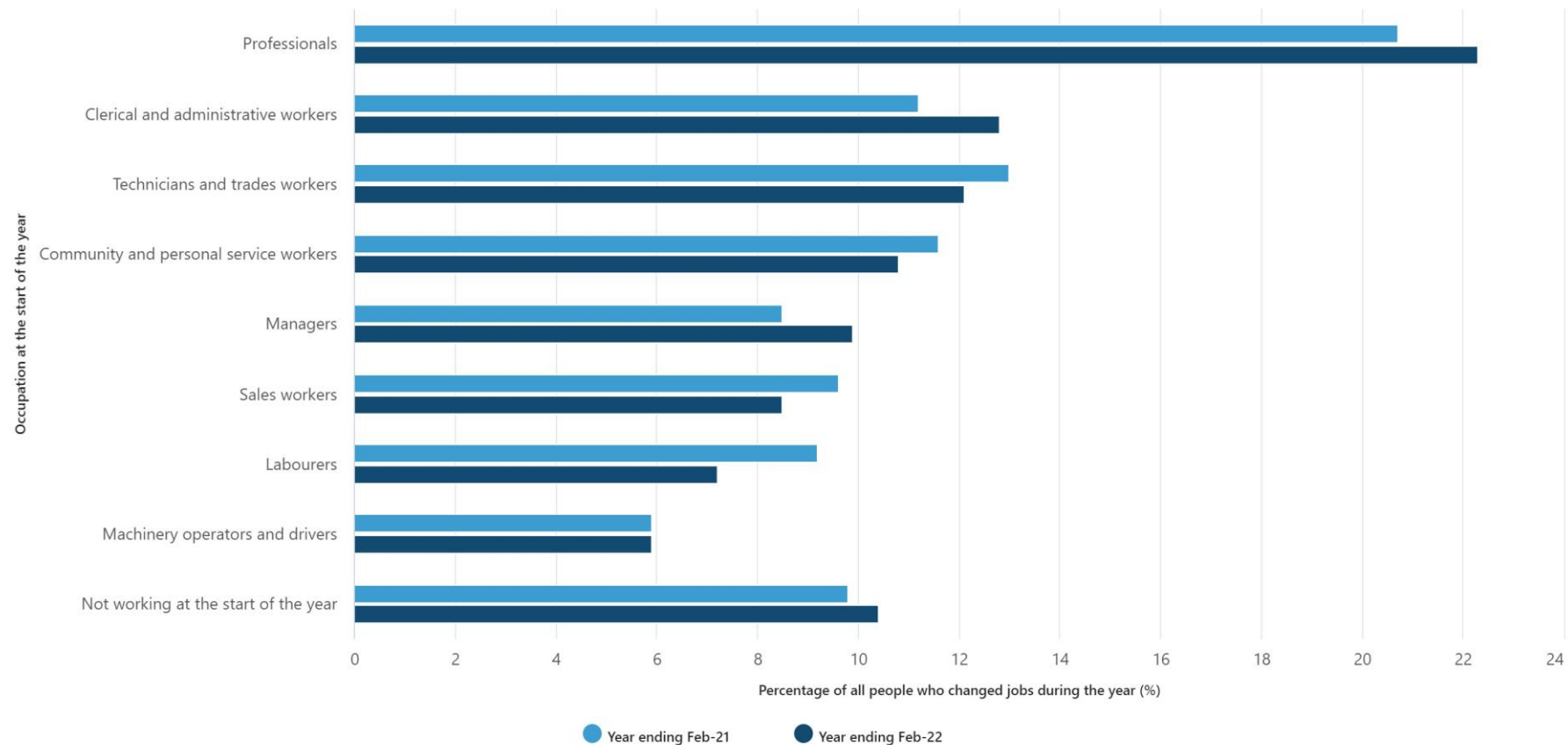


Note: 2015 to 2022 data are available from Table 01 in the data downloads section below. Pre-2015 historical data can be found in the 2018 release of Participation, Job Search and Mobility publication.

Source: Australian Bureau of Statistics, Job mobility February 2022

What is an acceptable staff turnover rate?

Chart 6a: People who changed jobs by occupation that was left



Source: Australian Bureau of Statistics, Job mobility February 2022

The value of conducting a “hotspot” analysis...

- Business unit?
- Tenure?
- Gender?
- Age?
- Professional background?
- Part time, full time, etc
- Can inform action
- Poll.

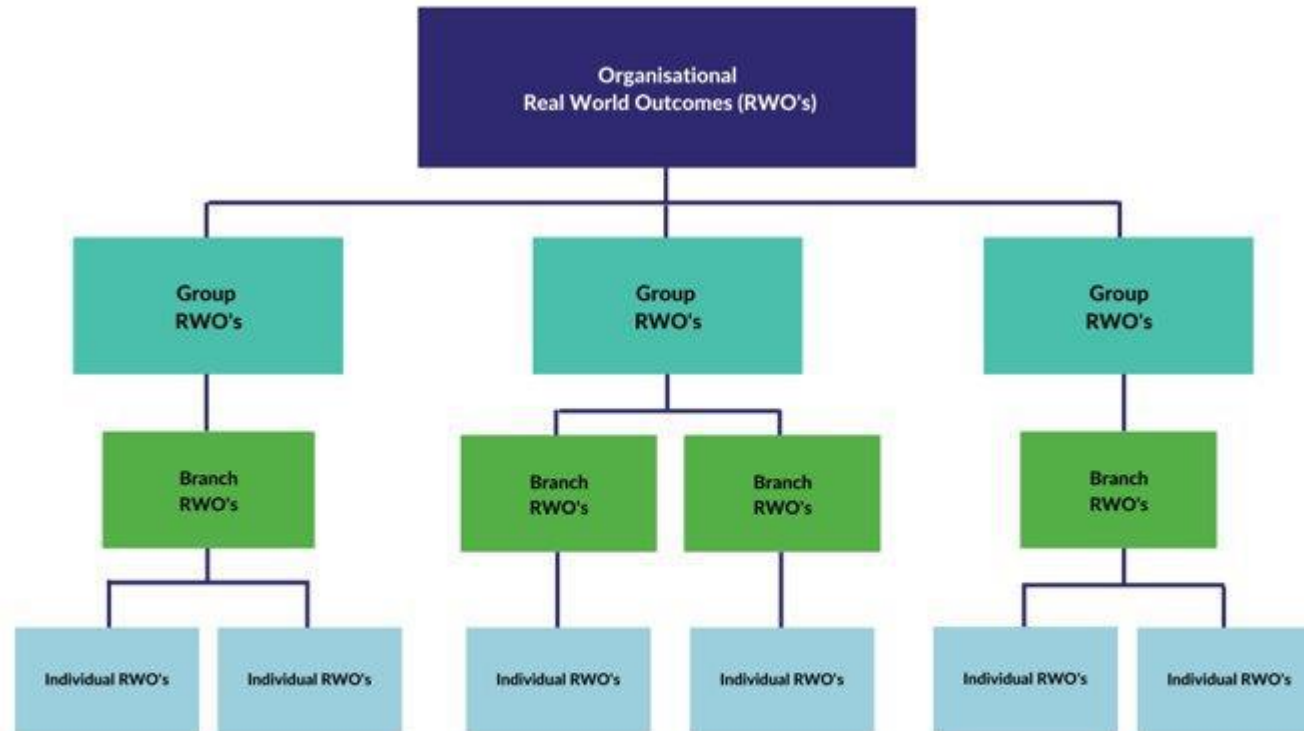
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Many organisations have high staff turnover in the first two years...

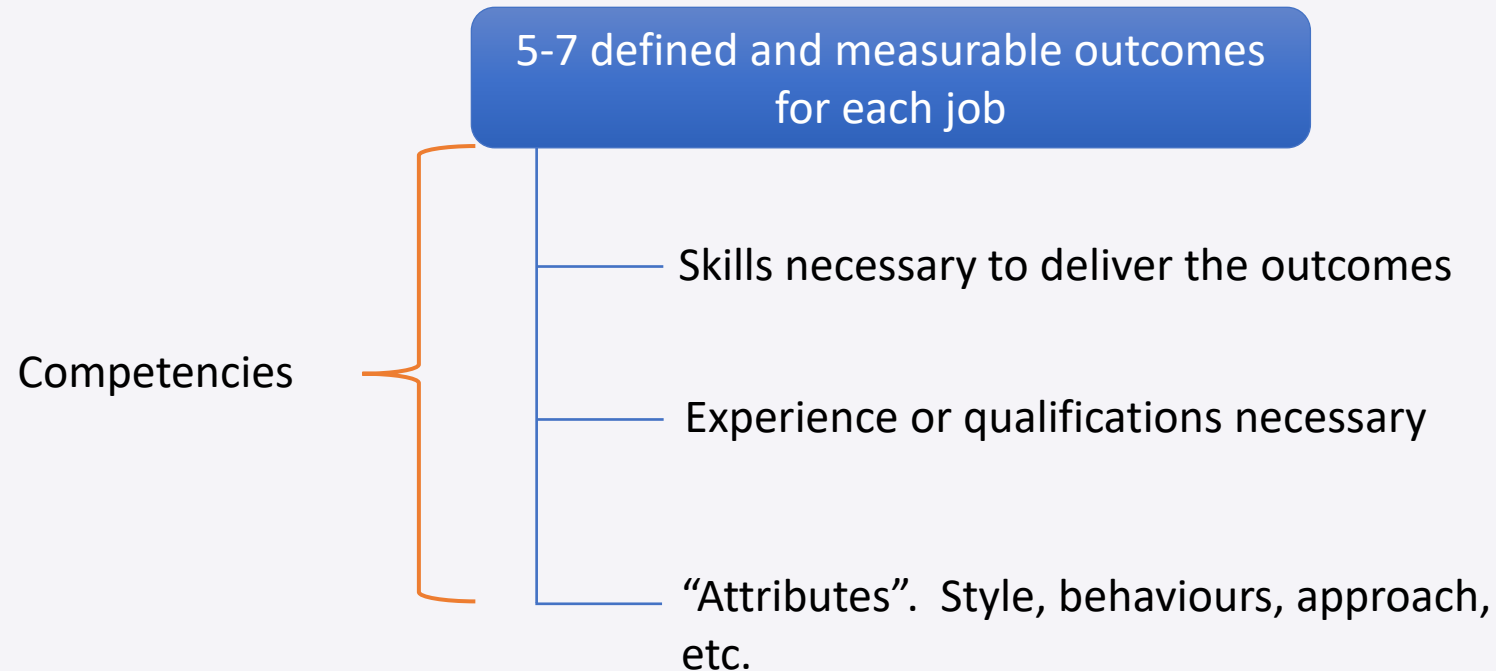
- They don't let people know the true situation:
 - Job
 - Team
 - Leader
 - Organisation
- They make selection errors.

Are people clear on what the organisation is for?



Clarity is 5-7 real world outcomes
at all levels of an organisation

Are people clear on what the job is about?



Let people know what they are letting themselves in for...

- Work sampling – eg internships
- Encourage them to “reference check” the organisation. Give them the details of existing employees to speak to
- Encourage them to ask important questions
- It is better to be open about the good and bad things than to have high staff turnover
- Poll.

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Selection errors...

- Type 1 – hire the wrong people
- Type 2 – reject the wrong people
- The right people:
 - Can do it
 - Like it
 - Fit in.

How can you tell whether a candidate is likely to succeed?

Poll

Measures	Validity (r)
Cognitive ability and Integrity	0.65
Cognitive ability and Structured Interviews	0.63
Cognitive ability and work sample	0.60
Work sample tests	0.54
Cognitive ability	0.51
Structured interviews	0.51
Personality tests as a measure of risk- 6 factor model with a focus on Honesty-Humility, Emotionality and Conscientiousness	0.50
Job knowledge tests	0.48
Values as a measure of risk	0.43
Integrity Tests	0.41
Personality tests as a measure of success- 6 factor model with a focus on Honesty-Humility, Emotionality and Conscientiousness	0.40
Personality tests – big 5 with a focus on Neuroticism , Conscientiousness and Agreeableness	0.40
Assessment Centres	0.37
Unstructured interviews	0.35
Biodata	0.35
Conscientiousness	0.31
References	0.26
Years job experience	0.18
Interests	0.1
Years of Education	0.1
Graphology	0.02
Age	-0.01

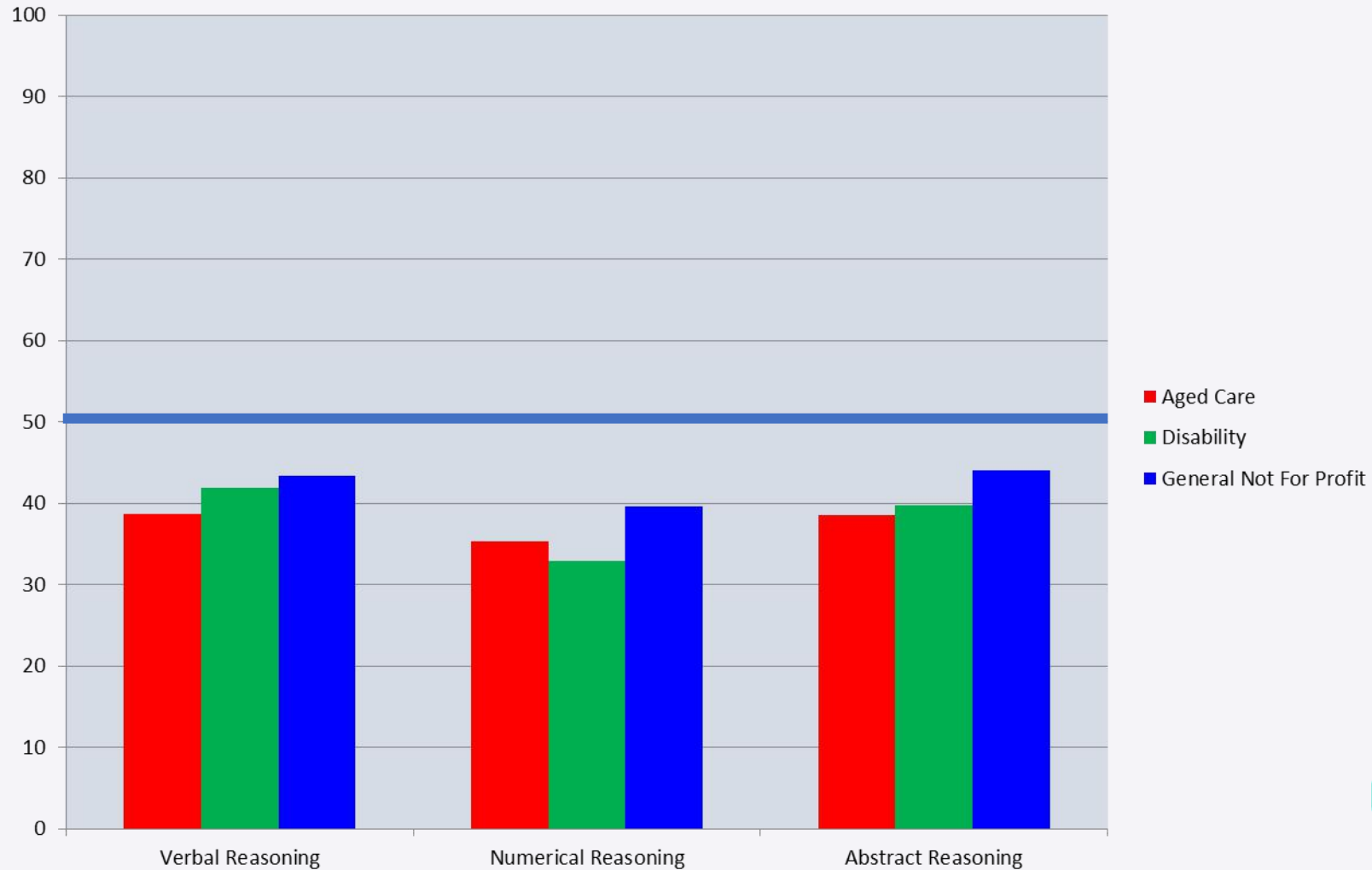
Source: Modified from Robertson, I.T & Smith, M. (2001)

Personnel Selection
Journal of Occupational and Organisational Psychology (2001), (74), 441-472.

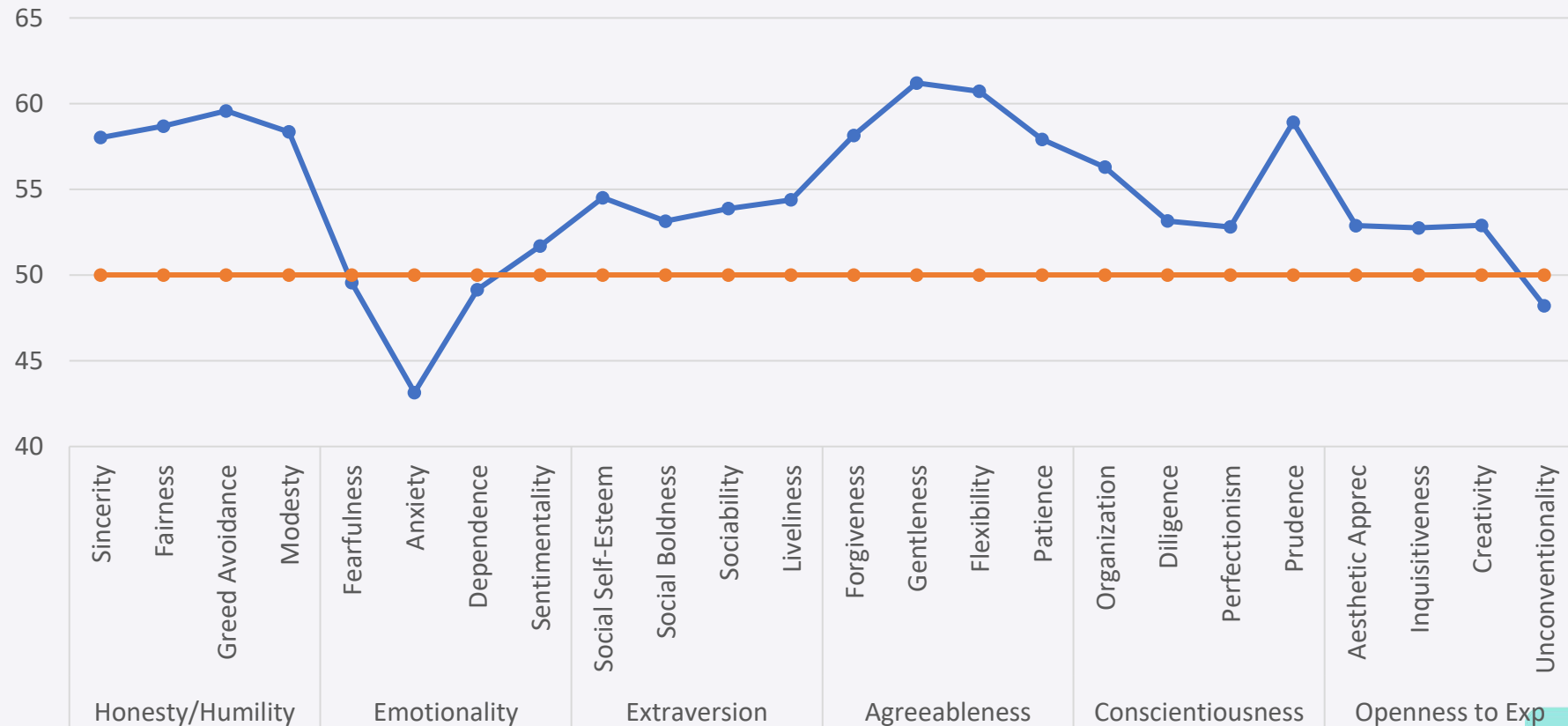
Cognitive ability...

- Verbal, numerical, abstract reasoning
- Gives you:
 - Speed
 - Problem solving power
 - Trainability
 - Less bad behaviours.

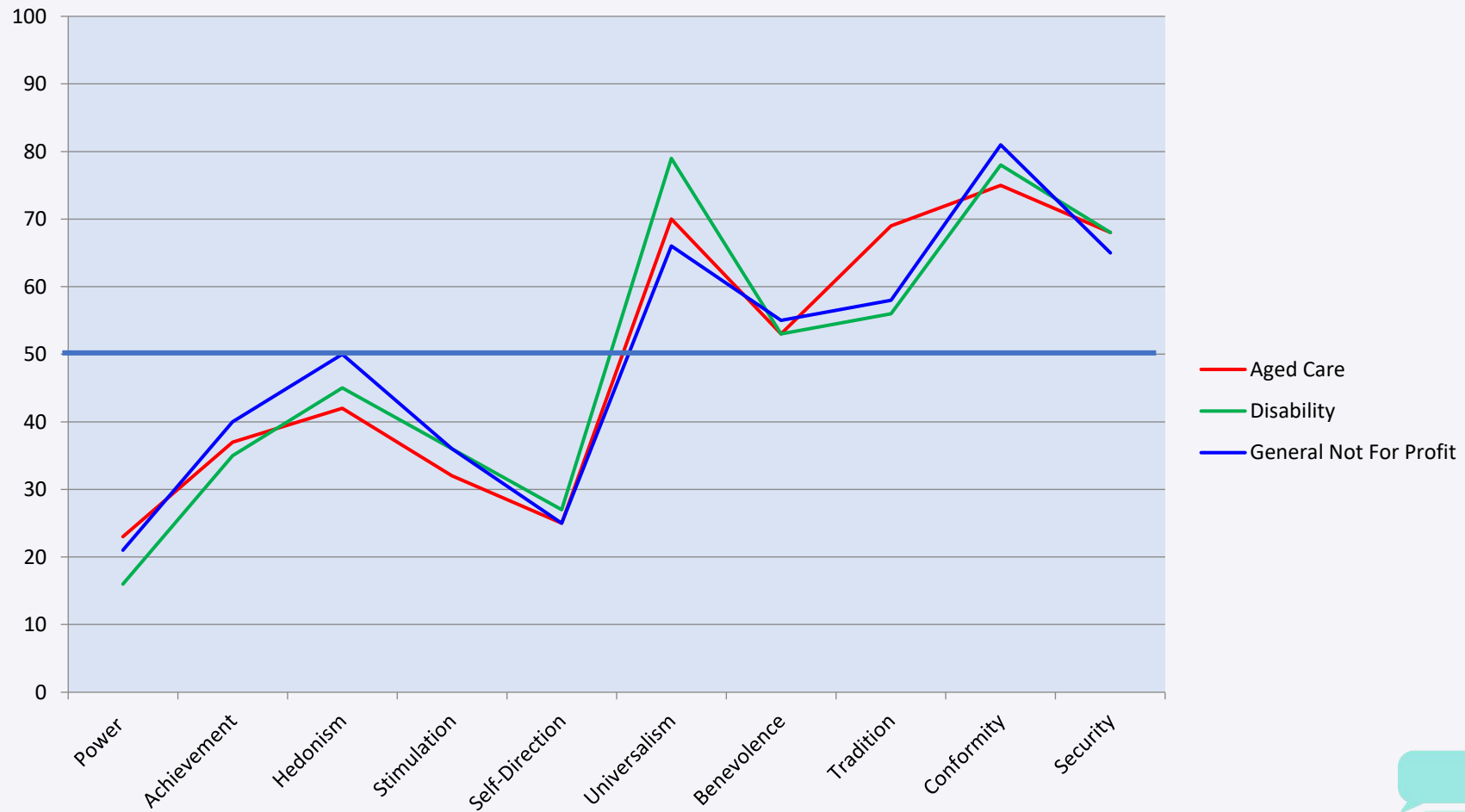
Cognitive ability...



Personalities in the disability sector...



Values



Why do people leave their jobs?

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Push Factors

- Factors that drive employees away – some examples
 - Job/workplace was not as expected
 - Too little coaching / feedback
 - Too few advancement opportunities
 - Feeling devalued / unrecognised
 - Stress from overwork and work/life imbalance
 - Loss of trust, confidence in senior leaders
 - Being encouraged to leave, but not fired
 - Lack of training & development opportunities
 - Need for meaningful work

Pull Factors

- Factors that entice employees to other jobs – some examples
 - Financial rewards
 - Advancement / career progression
 - Work/life balance
 - Retiring
 - Unexpected opportunities/ headhunted
 - Mobility
 - Family situation
 - Further study to upskill / change career
 - Environmental factors

Consider running a post exit survey process...

- Post exit interviews or surveys are accurate
- Third party conducted
- Conducted some time after they have left
- Much more accurate than exit interviews. Who wants to burn a bridge?
- Poll.

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What is the cost of staff turnover?

SACS study on staff turnover

- Australia wide
- N in excess of 2000
- 47.7% male , 52.3% female
- Age breakdown
 - 15% participants < 30 years old
 - 19% participants 31 – 40 age bracket
 - 27% participants 41 – 50 age bracket
 - 28% participants 51 – 60 age bracket
 - 11% participants > 61 years old
- We measured the ‘push factors’ and ‘pull factors’
- 49 questions asked

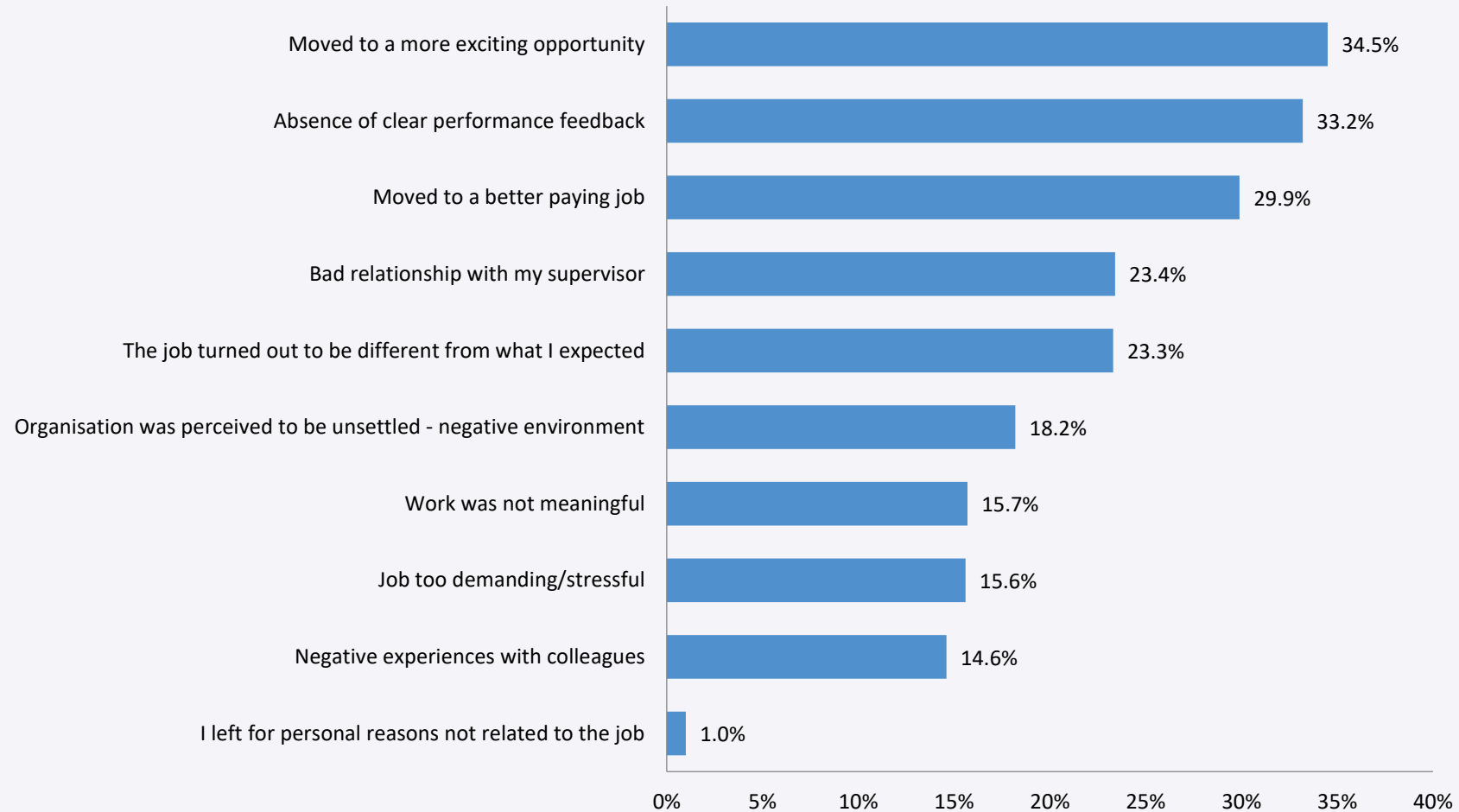
Questions asked - examples

- The work I was asked to do was different from what I expected
- The team that I joined was different from what I expected
- The organisation was different from what I expected
- I did not feel confident that I had the skills or knowledge necessary to do the job
- The employer did not place enough emphasis on building my skills and knowledge
- There was not enough clarity about what constituted good performance in the job – what I needed to deliver
- I did not receive clear performance feedback in the job
- I was encouraged to leave
- I had a negative relationship with the person I reported to
- I had to work too hard
- The hours I had to work were too long
- The organisation did not have a good reputation
- The job was boring and repetitive

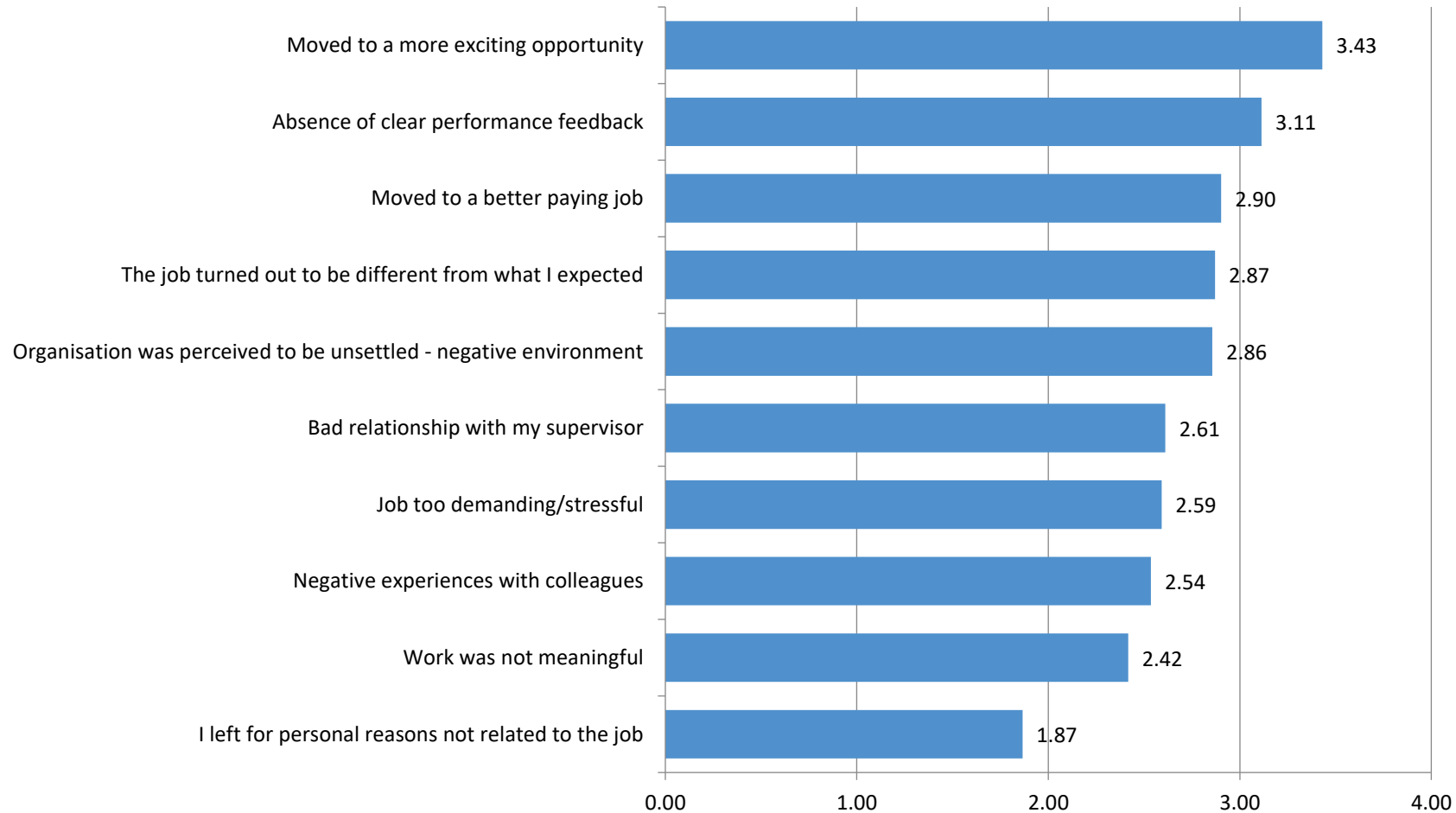
Questions asked – (continued)

- There was too much red tape for me to deal with
- My colleagues were not supportive
- I did not find the work meaningful
- I was in a fixed term role which finished
- My colleagues were negative and cynical
- I was not paid well enough
- There were no opportunities for advancement
- The organisation was in turmoil – lots of change
- The type of work was not well regarded by people I know
- There was not sufficient clarity about where the organisation was heading – what the future would be like
- There was not sufficient clarity about where the team I belonged to was heading – what the future would be like
- I did not feel valued
- My successes were not appropriately recognised

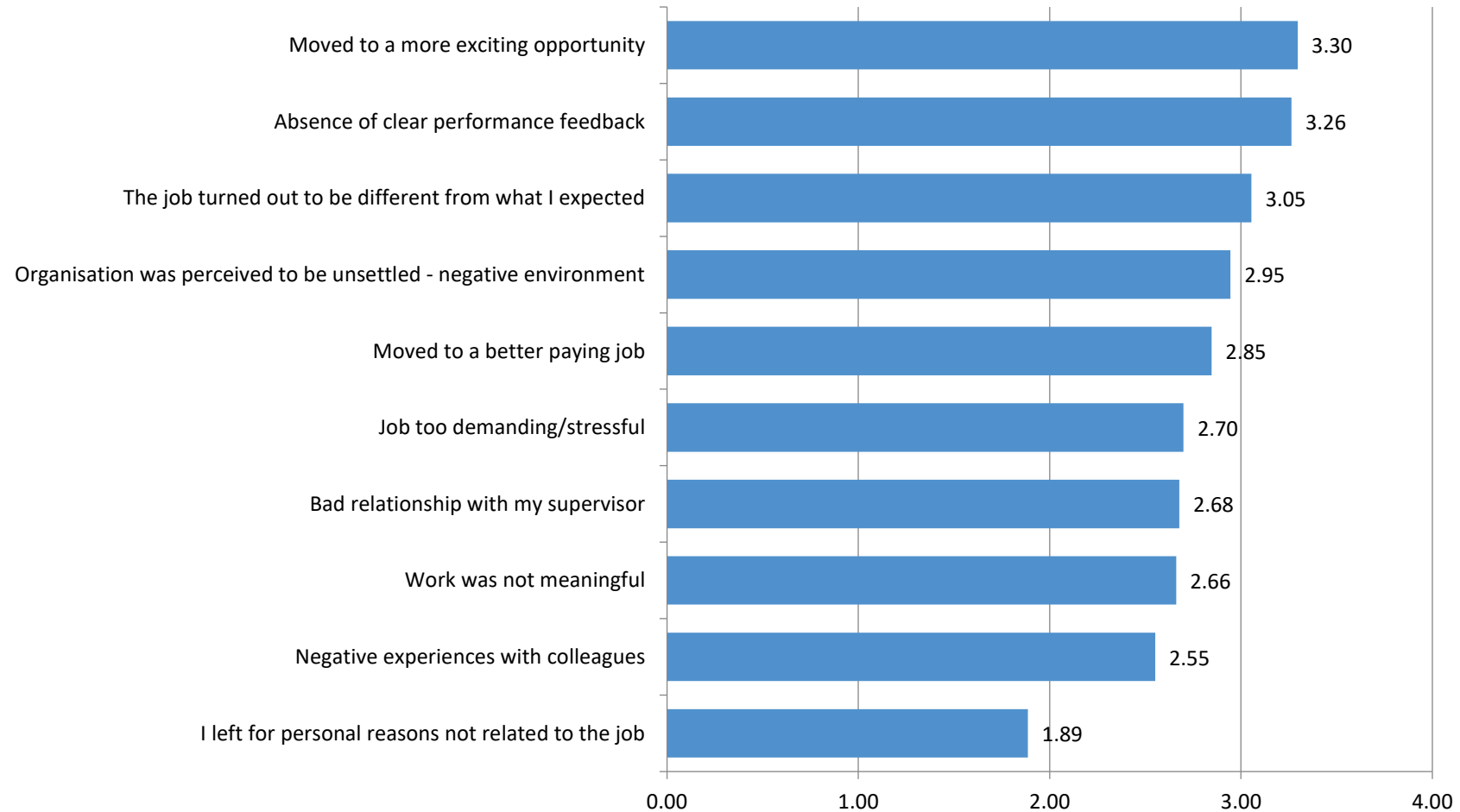
Main reasons for leaving...



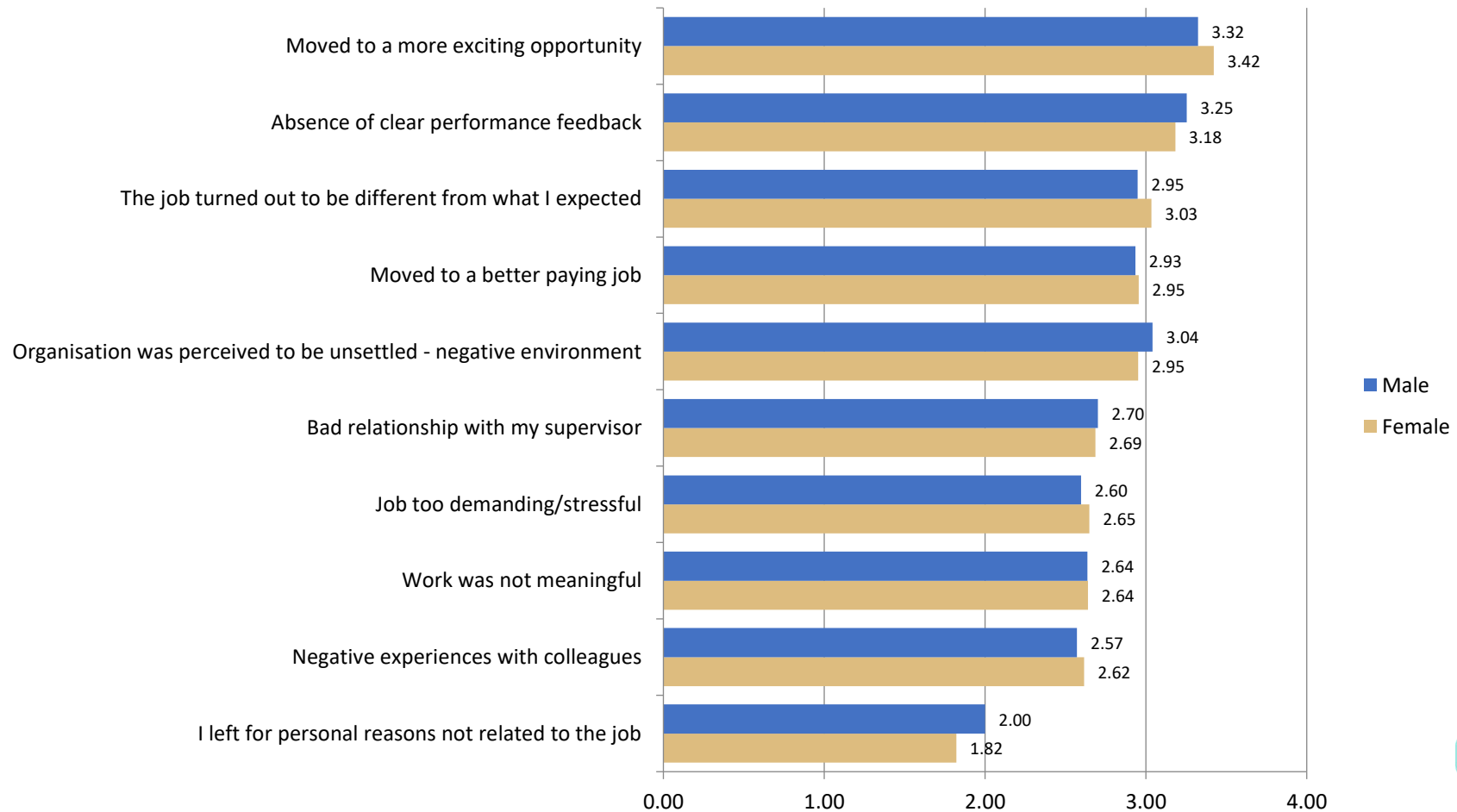
Health and Community Services



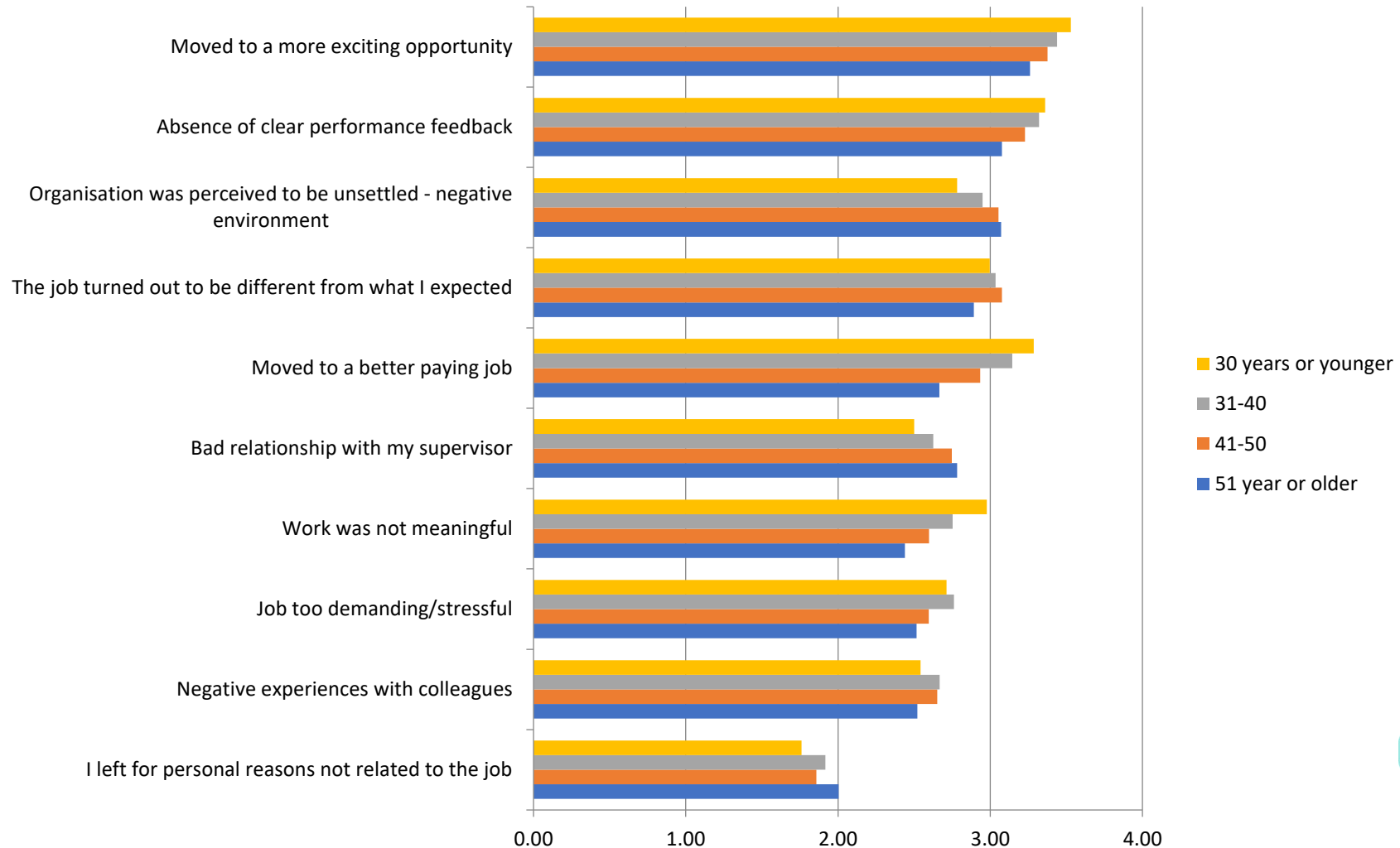
Personal and Other services



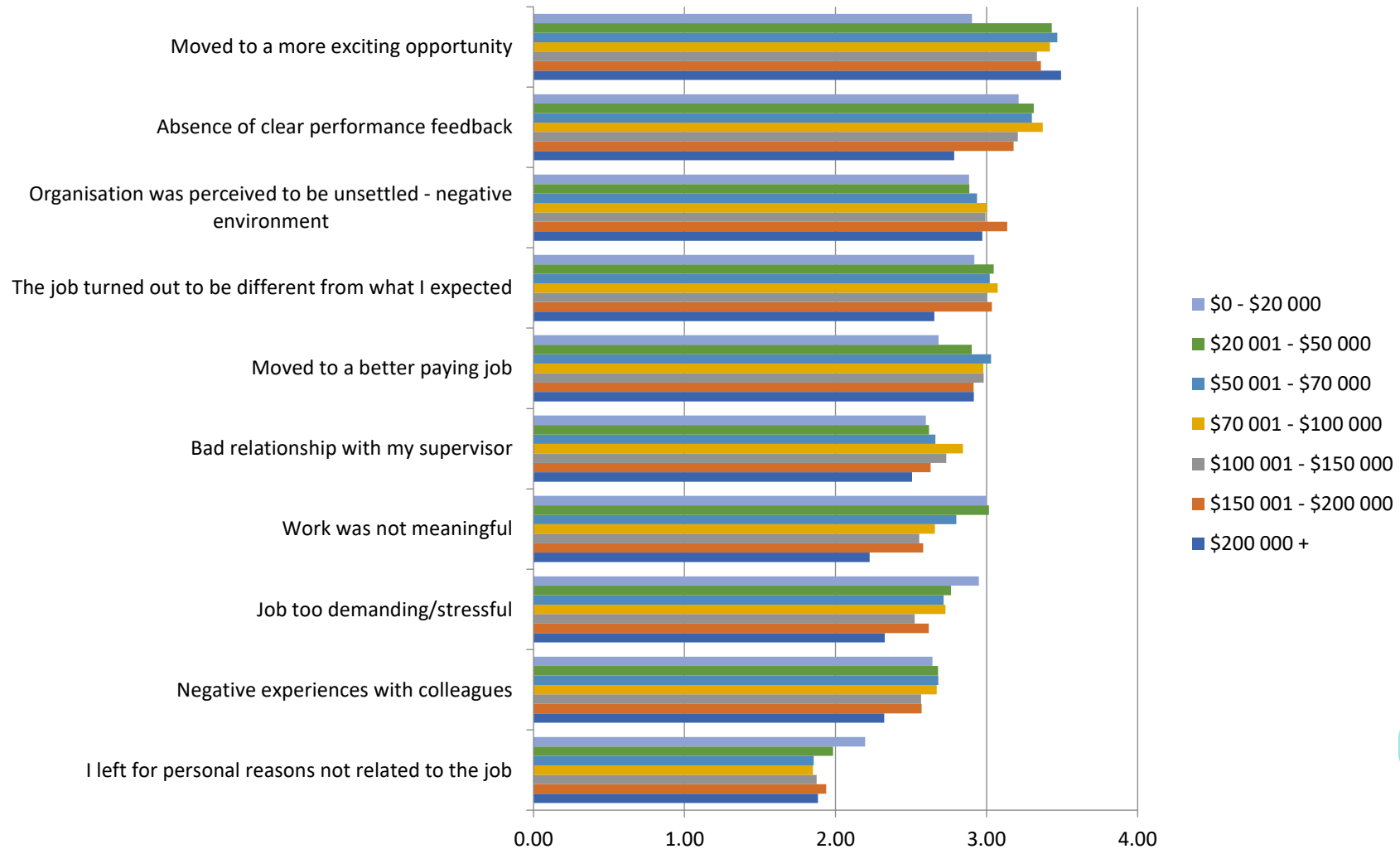
Gender observations



Age observations



Salary observations



The relationship between personality, values and reasons for leaving

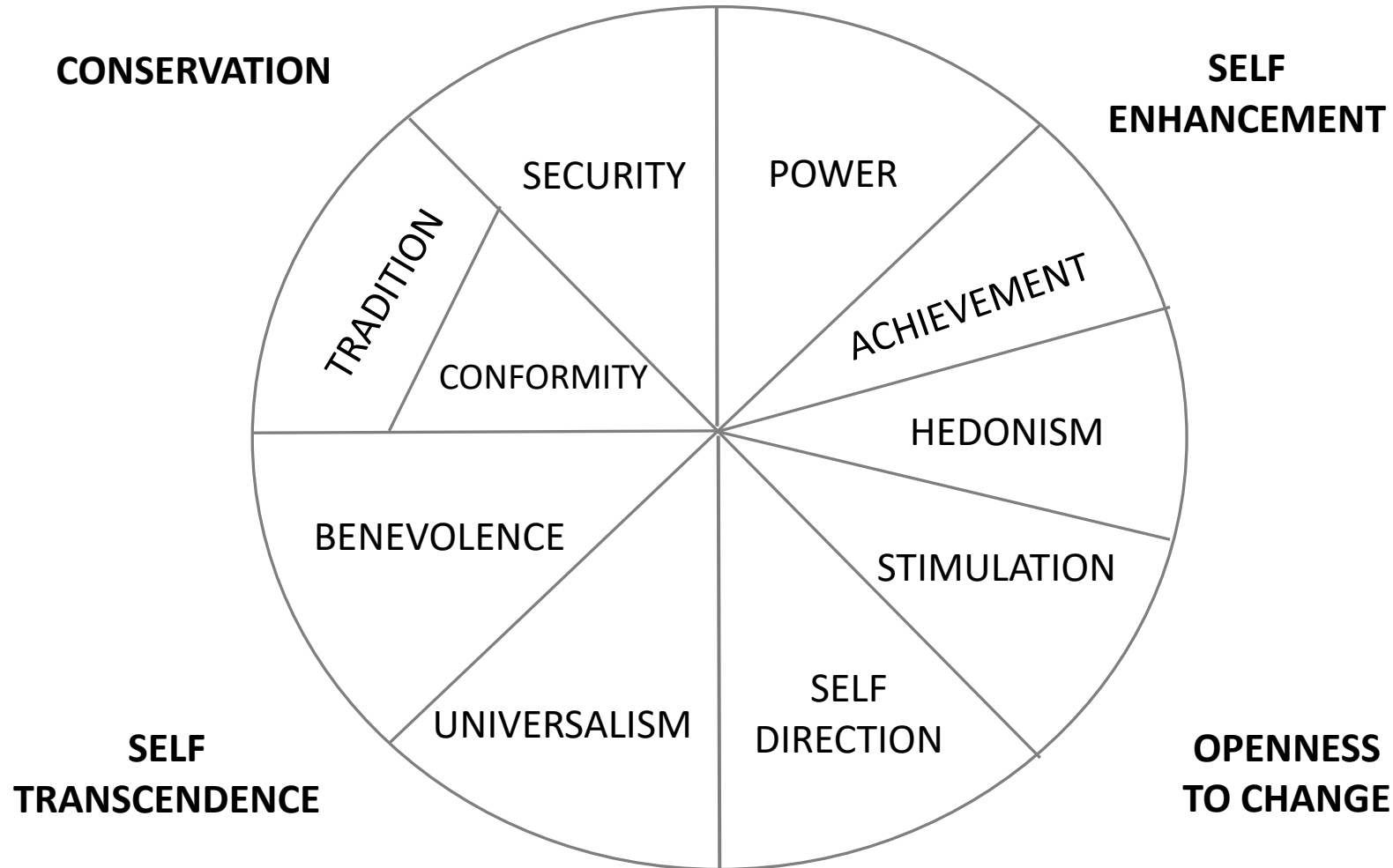


- EXECUTIVE RECRUITMENT
- HR CONSULTING
- PSYCHOLOGICAL APPRAISAL

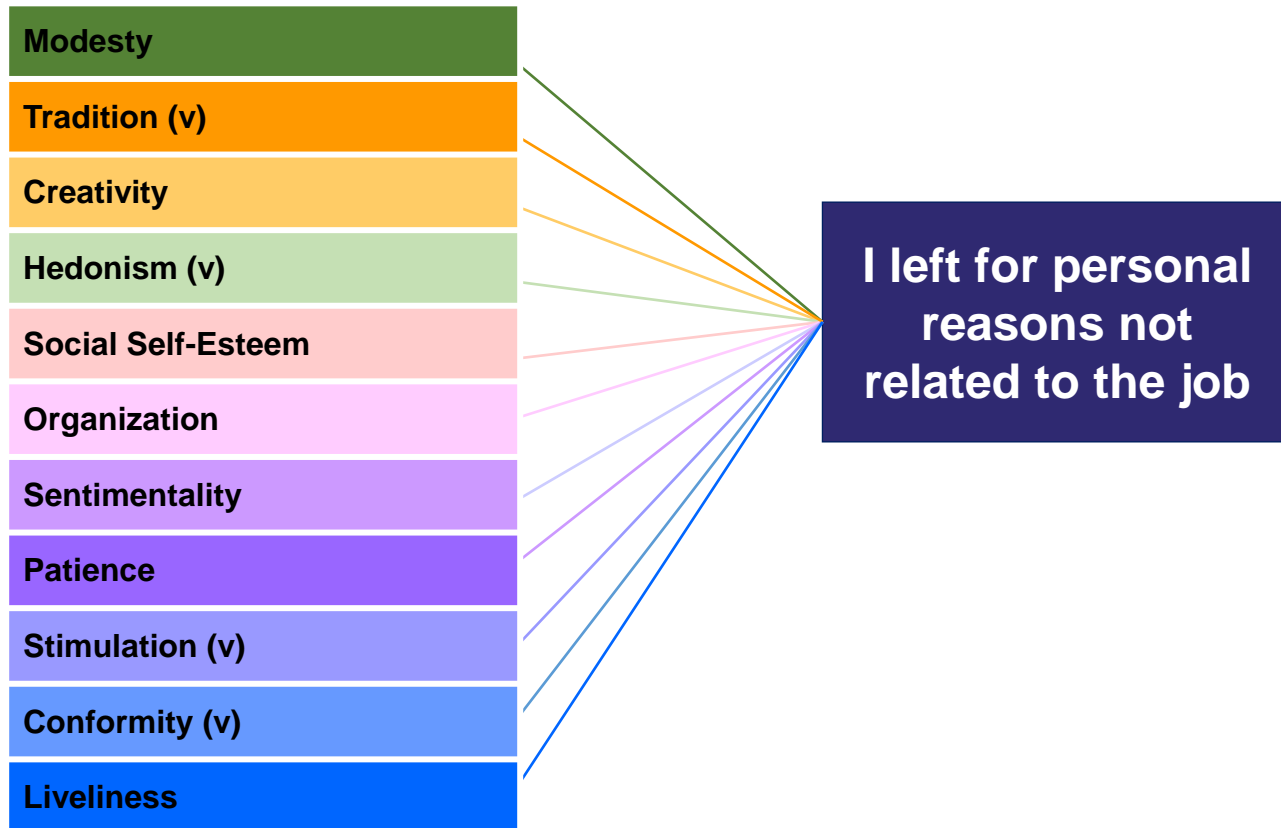
Personality – Lee and Ashton’s HEXACO

1: Honesty-Humility	3: Extraversion	5: Conscientiousness
Sincerity	Social Self-Esteem	Organization
Fairness	Social Boldness	Diligence
Greed Avoidance	Sociability	Perfectionism
Modesty	Liveliness	Prudence
2: Emotionality	4: Agreeableness	6: Openness to Experience
Fearfulness	Forgiveness	Aesthetic Appreciation
Anxiety	Gentleness	Inquisitiveness
Dependence	Flexibility	Creativity
Sentimentality	Patience	Unconventionality
		7: (Interstitial scale)
		Altruism

Basic Individual Values



Personal reasons

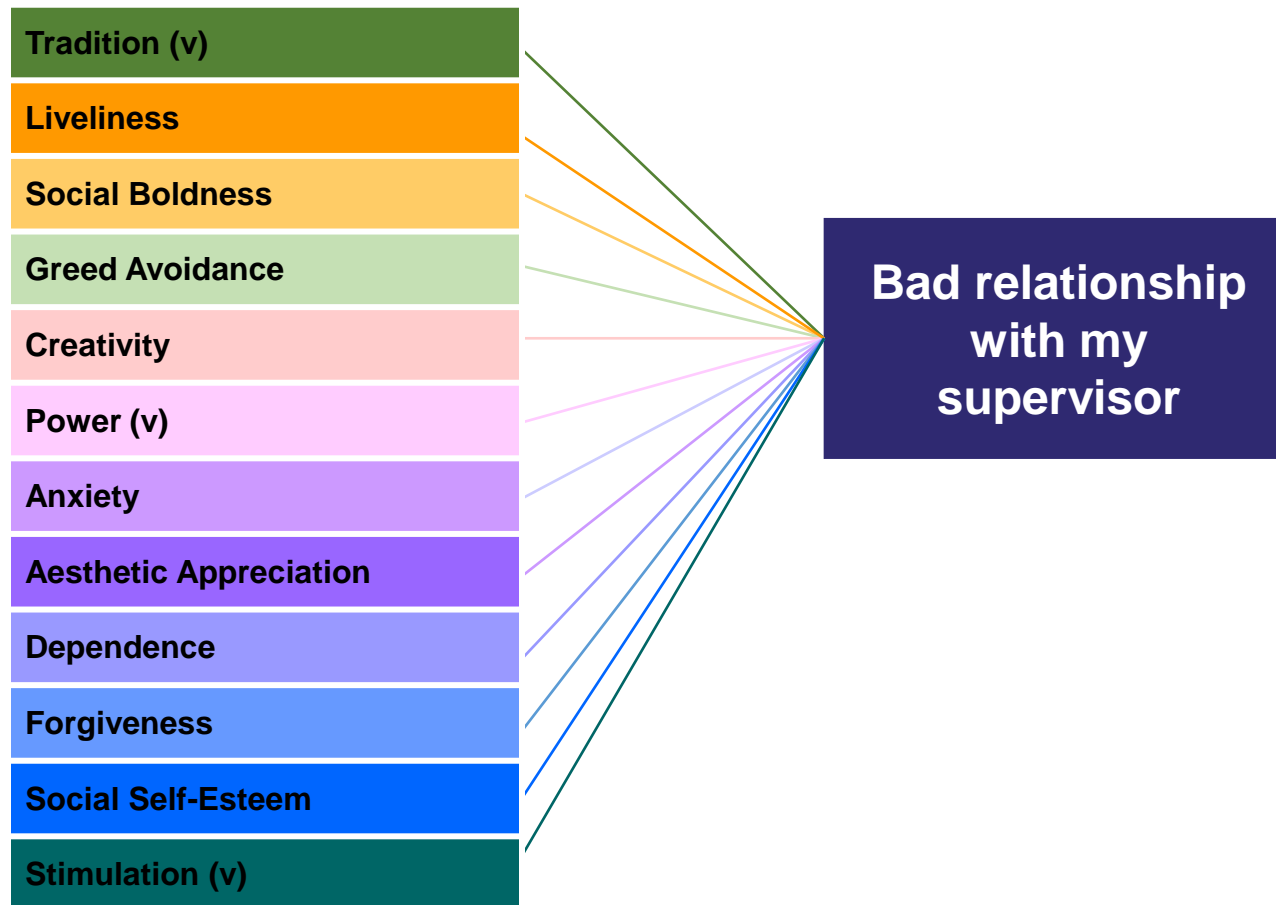


Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.554 ^a	.307	.230	.54073

Best Predictors	Beta Weights
Perfectionism	-.318
Stimulation (v)	.291
Sentimentality	.265
Tradition (v)	.259
Liveliness	-.203

Bad relationship with supervisor



Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.479 ^a	.229	.136	1.15897

Best Predictors	Beta Weights
Stimulation (v)	-.258
Tradition (v)	.248
Liveliness	.225
Social Boldness	.214
Greed Avoidance	.207

Work not meaningful

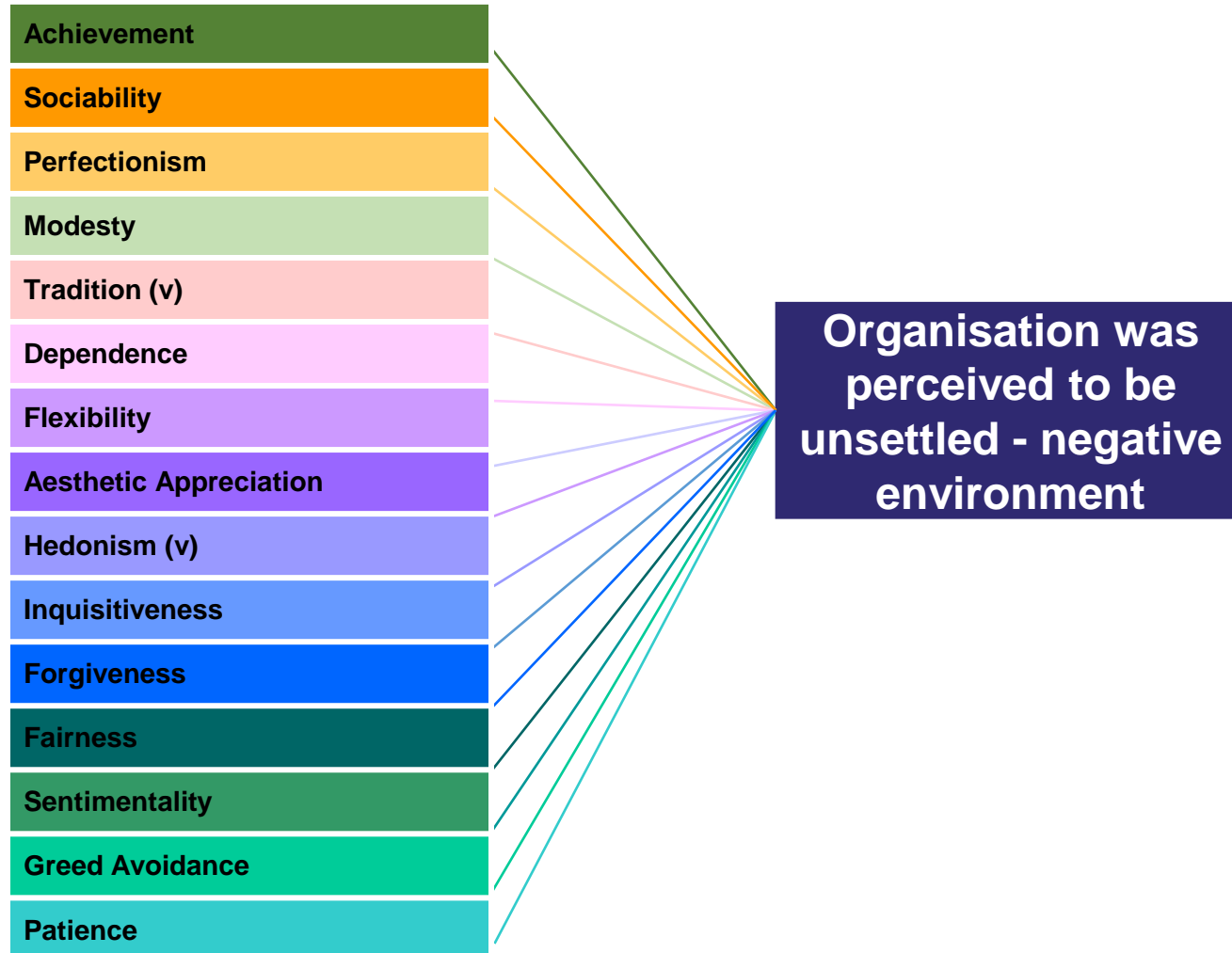


Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.608 ^a	.370	.287	.91085

Best Predictors	Beta Weights
Fairness	-.354
Greed Avoidance	.347
Sincerity	-.319
Liveliness	-.276
Organization	.269

Negative Environment

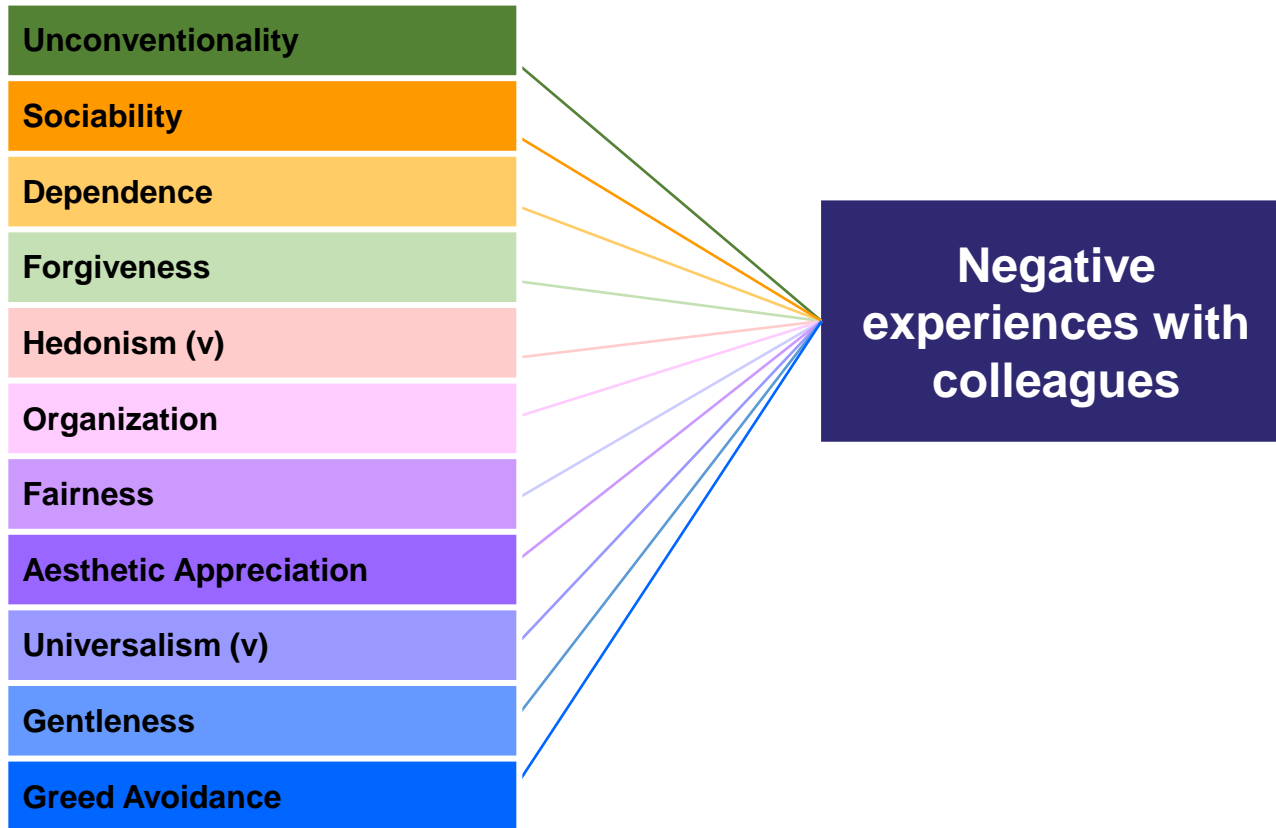


Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.551 ^a	.304	.196	.86683

Best Predictors	Beta Weights
Forgiveness	-.427
Greed Avoidance	.415
Hedonism (v)	-.335
Patience	.307
Fairness	-.264

Negative experience with colleagues



Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.537 ^a	.289	.209	.92646

Best Predictors	Beta Weights
Hedonism (v)	-.363
Fairness	-.323
Universalism (v)	.292
Gentleness	.266
Dependence	-.250

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Reducing staff turnover...

- Accurately measure turnover and benchmark – do you really have a problem?
- Undertake a hotspot analysis – is turnover coming from a particular area?
- Commission post exit interviews to find out what is going on
- Develop practical methods of letting people know about job, team, leader and organisation before they join. Job sampling is ideal, but failing this, info sessions, visits, offer internal referees to speak to. Aim for accuracy rather than “gloss”.
- Recruit well – intelligent, engaged, generous, emotionally stable people who will be there for the right reasons
- Lead well.

Main reasons for leaving...



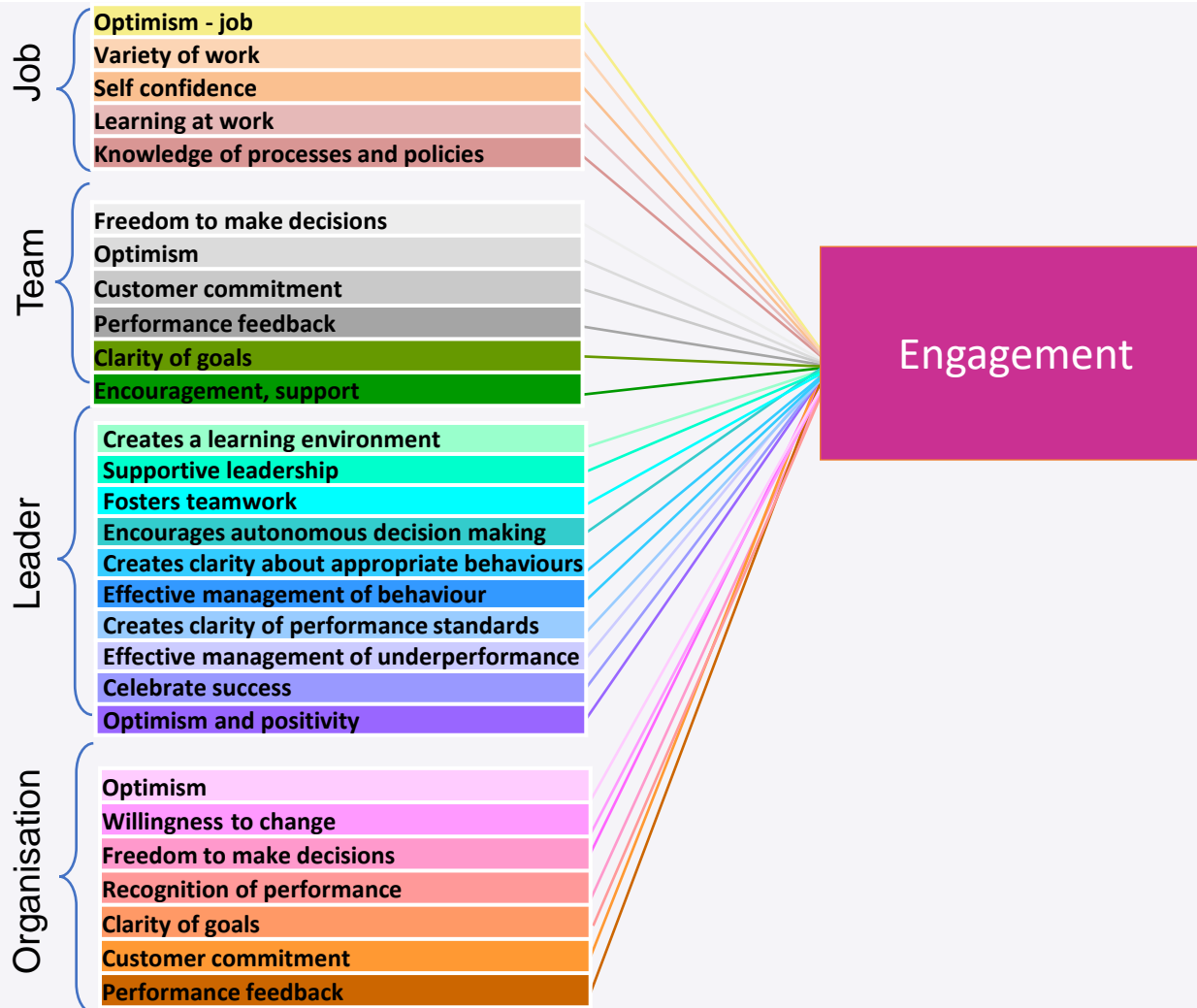
Bakker 2011 – work engagement

- **Vigour**
 - High levels of energy and mental resilience
- **Dedication**
 - Strongly involved in work. A sense of significance, enthusiasm and challenge
- **Absorption**
 - Fully concentrated and happily engrossed in work such that time passes quickly. A sort of extended version of “flow” (Csikszentmihalyi 2002)

The business case for engagement

- Productivity – varies with increases and decreases in engagement
- Internal measures – job satisfaction, absenteeism, attraction, retention – vary with engagement
- External measures – client satisfaction, stakeholder satisfaction – vary with engagement – some studies indicate 50-60% causation
- OH+S is affected by engagement
- Profit varies with engagement
- It is one of the best predictors of organisational outcomes we have found.

Job, Team, Leader and Organisation factors predicting Engagement



Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.806 ^a	.650	.641	.64165

Best predictors of Engagement	Beta weights
(J) Learning at work	.257
(J) Optimism – job	.238
(J) Self confidence	.207
(J) Variety of work	.189
(L) Creates a learning environment	-.131
(T) Optimism – team	.123
(T) Clarity of goals – team	.112
(T) Recognition of performance – team	.103

What is a transformational leader?

- 4 components:
 1. “Idealised influence”; ethical, principled, leads by example
 2. “Inspirational motivation”; works with staff to create a clear vision, optimistic and positive
 3. “Intellectual stimulation”; helps people to learn, encourages creativity
 4. “Individualised consideration”; supportive, encouraging, empowering, coaches and develops employees

Purvanova & Bono (2009)

Leadership Options

THREE MODELS OF LEADERSHIP

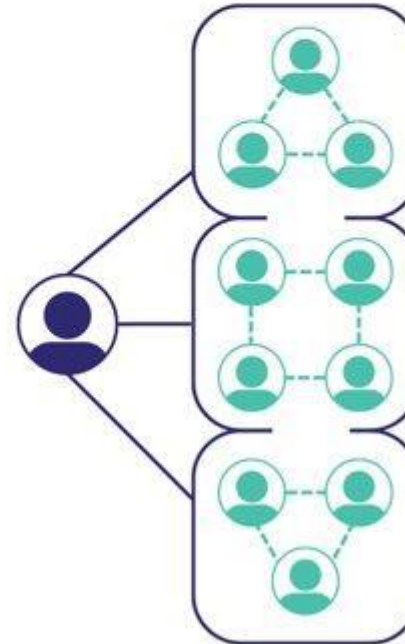
1
TOP DOWN



2
CONSULTATION



3
FACILITATION



Follow-up Session

- One hour community knowledge sharing zoom session -
 - When: 19th October @ 2pm (AEDT)
 - To register - <https://bit.ly/3R7fsrK>

References

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