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13 Factors That Impact Retention

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In a recent competition among structural engineering firms, one of the top-rated firms to work for (PCS Structural Solutions) reported median employee tenure of 12 years. The median tenure for all the other competing firms was only 6 years. Clearly, as one judge put it, "the company's high retention rate indicates its success in keeping employees motivated and engaged."

Motivation: The Fuel That Drives High Retention

Motivation is not found in a given job per se. Virtually any job can be motivating and satisfying. Rather, it's the conditions and circumstances that surround a job and the individual's interpretation of the overall situation that interacts with motivation. Basically, the things that make jobs motivating are pretty much the same for everyone. It's really not the job, it's the *work*. A parable illustrates:

> Three people were at work on a construction site. All were doing the "same" job, but when each was asked what they were doing, their answers varied: "Breaking rocks" the first replied. "Earning a living," said the second. "Helping to build a cathedral," said the third.

To effectively motivate, engage, and retain your key people, you must look beyond external factors and avoid these 13 internal de-motivators:

De-motivators are any adverse conditions that touch people and their jobs. Usually they are not a function of ill intent by the organization. Rather, de-motivators are viewed as normal operational practices and their adverse impact on people's desire to contribute to the enterprise goes unnoticed or is downplayed.

1. **Bottomline blinders:** An overemphasis on quantitative indicators and the short-term. People end up feeling like cogs in a machine, interchangeable and dispensable. There's no overarching purpose or call to arms.

2. **An emphasis on activity:** Quantitative factors like hours, production, and volume are viewed as fundamental, instead of true success metrics like *value-added, profitability, and results*, which are all linked to a strategy and core principles. Quantitative factors, when <u>overemphasized</u>, create an assembly-line environment.

3. **Ill-defined expectations:** Many organizations still do not understand the power of goal setting and role clarification. People don't really know what constitutes a "birdie", "par", or a "bogie," so they flounder, play it safe, and do just enough to get by.

4. **A rewards disconnect:** Inconsistent or non-rational links between the performance required and that which is rewarded: for example, rewarding quick fixes, the squeaky wheel, individualism instead of teamwork, or conformity instead of something like risk-taking.

5. **It's just talk:** When leaders don't walk the talk but instead merely *say* what they want people to hear. They don't set an example through bold action. The workforce is quickly disillusioned when they observe this hypocritical behavior.

6. **A recognition-less culture:** There are still many organizations that are extremely poor at acknowledging, supporting, complimenting, celebrating, and cheerleading. Sincere recognition is a high-leverage behavior: lots of bang for the buck. It's a huge motivational opportunity that many are not taking advantage of.

7. **Rules rule:** Basically, rules are infantilizing and are best reserved for kids. Rules can transform otherwise capable adults into partial children. Rules and high-performance are often mutually exclusive.

8. **Silo behavior:** "We're better or more important or more expert than they are." Many, if not most, organizations have created non-collaborative cultures marked by an inter-functional "us vs. them."

9. **Criticism:** There is no such thing as *constructive* criticism; it always bears an underlying hostility. Feedback with a clear developmental intent is the preferred alternative. And mistakes must be valued as the royal road to innovation.

10. **Look the other way:** Many organizational cultures are marked by denial and they avoid confronting sub-par performance squarely and firmly. This has an immediate and insidious demoralizing effect on solid performers.

11. **Incomplete initiatives:** A lack of follow-through on well-publicized organizational initiatives has a chilling effect on morale and motivation. People gradually become skeptics and then cynics.

12. **Politics and unfairness:** There are marked differences in organizations along this dimension. Some are refreshingly open and fair. Others are suspicious, political, manipulative, and arbitrary – another motivational chiller.

13. **Close to the vest:** People within an organization also have an acute sense of how candid and sharing management is with the organization's key resource – information. Again, people feel infantilized by this situation, as though they're not trusted by the powers that be. Time and again, this is a factor that's found to correlate highly with dissatisfaction and with a de-motivated workforce.

We all know that you can't push a rope. Adults have to *want* to do something before they'll do it. So how do you galvanize your key people? You have to begin at the beginning, with motivation. This is why retention strategies must be conceived *from the inside out*.

To discuss your retention situation please call Dr. Larry Gard at
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