

Why Employees *Leave*

Ross Blake, Conversations at Work

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One of the questions I'm asked most often by employers of all types, is "Why do employees leave?"

Some research shows thirty or more reasons why they do.

Here are ten of the most common reasons employees leave; I haven't ranked them in order with the exception of the first one, which is usually the single largest reason for leaving.

10 Common Reasons Employees Leave Employers

1. Poor relationship between the employee and their immediate boss.
2. A poor match between the employee and the job or the employee and the organization.
3. Compensation not competitive.
4. No direct link between strong performance and increased rewards.
5. A lack of stimulating or meaningful work.
6. A lack of appreciation, recognition, and rewards.
7. Insufficient coaching and feedback.
8. The quality of the people the employee works with.
9. Lack of career advancement.

10. Insufficient alignment and communication about how the employee's work helps achieve organizational objectives, and how the employee can be a greater success.

Reason #1: Poor relationship between the employee and their immediate boss

There's a cliché that says, "People leave managers, not companies." In many ways, it's very true.

And it's often because of the way their supervisor or manager communicates and works with them.

Their boss may frequently criticize them while withholding praise and appreciation for quality work; demean them in front of others; pile on more work as a "reward" for being productive; refuse reasonable requests for time off or other matters; and act disagreeably.

Many employees became supervisors or managers after demonstrating a good work ethic and the ability to get the job done, but they often lack essential people and communication skills.

What can you do?

- a. Make employee retention part of their job descriptions and base at least 25% of their bonuses on employee retention.
- b. Provide training in how to give corrective feedback-and in how to praise and recognize employees.
- c. Help them understand the high cost of employee turnover and how it affects their performance and department.
- d. Train them to conduct "stay interviews" with their employees so they find out why they continue to work there, what would entice them to leave, what they like most about their jobs, and other skills they want to learn.
- e. Get employee input about how their supervisor works with them-and

how they can improve how they work with them. (Notice that we haven't used the terms "good" or "bad" or "right" or "wrong" here—only what they do well, and what would *improve* what they do. Your goal is to help develop supervisors and managers, not criticize them).

- f. Consider coaching for supervisors and managers who need it; my experience is that most can make improvements.

Reason #2: A poor match between the employee and the job or the employee and the organization

Many new hires start with a fair amount of enthusiasm when they begin a new job with a new employer. However, when the new hire, the job, or the employer haven't been well-matched, many will leave while the employer incurs expensive replacement costs.

How can you increase the number of successful new hire "fits?"

- a. Use exit interviews, preferably by a third party who can promise confidentiality to find out why some employees leave.
- b. Be certain job descriptions are accurate and up-to-date, and identify the skills and competencies the job requires, not just the tasks. Be able to state what is required to be successful in the job.
- c. When you have qualified candidates, pay them to shadow a capable employee in the same job for one day, and then get feedback from both of them.
- d. Ask the prospective employee to identify the needs and expectations they have of the job and the organization. Spell out the needs and expectations the organization has of them, and then compare what both of you have *written*. How close are you?
- e. Continue to review the needs and expectations you have of each other at least once a month during their first three months.

The better job you do of informing prospective employees about the job, the organization, its culture, policies, procedures, and match expectations up front, the more good matches you'll make.

Work to be certain you understand the key needs both new and existing employees have. For example, one call center manager I know had a lactation room created in his company due to the number of new mothers in his department.

Experience has shown that measures like these which organizations don't have to do-but are wise for them to do- greatly increase employee loyalty, effort, and retention.

Reason #3: Compensation not competitive

Compensation isn't the large factor many managers assume it is for employees who choose to leave.

No doubt many employees leave for higher compensation at new employers after developing their skills at one employer for several years.

However, when salaries and wages are competitive for similar work in the same geographical area, there usually are other more important reasons for leaving.

Are your salaries, wages, and benefits competitive with what other employers in your area or industry pay? If they're not, you can expect to lose people unless there are other compelling reasons for them to stay for slightly lower wages.

In addition, are you paying only minimum wage? If you are, then you're vulnerable to losing employees to other employers for increases as little as 5% in their hourly pay!

Reason #4: No direct link between strong performance and increased rewards

Employees work for paychecks and benefits, and employers want them to perform well as they improve their skills and performance.

This seems more than reasonable to employers, and it is.

However, think of two key factors associated with this:

1) You have an employee who gets the job done, on time, and meets the specifications while overcoming any obstacles that occur. You know you can rely on them, and you often think of them first when you have an important task or when a deadline is approaching.

So you assign work to this employee again and again because you know they'll get the job done.

However, what's their reward for doing a very good to an outstanding job? More work! What do other employees who just perform adequately typically get? The same amount of work!

While it's flattering to have the confidence of the boss and to be their "can do person," at some point you need to increase the rewards they receive for their increased efforts, or you'll demotivate them.

Employees need to know that increased performance at some *reasonable* point leads to increased rewards whether it's more decision-making authority, extra skills training, higher wages, commendations by the CEO, etc.

2) The second factor: we need to design work and compensation systems so there's a very clear and direct link between improved performance or productivity and what employees can earn.

Do your employees know what they can do to improve their performance and productivity in order to earn more?

If they don't, or if there isn't a way for them to do so, they're likely to reach a plateau which consists of doing work that's good enough to keep the job, but without a willingness to work closer to their full potential.

Developing a work-compensation link isn't easy, but companies have been doing this in one form or another for a long time. One example is salespeople who receive a base salary and commissions and/or bonuses for higher sales.

Or, gain-sharing plans where employees receive a percentage of production gains achieved over a certain level in a given period of time.

The logistics of developing such programs are too lengthy to be covered here, but you can research them or get outside consulting help on how to build direct links between increased performance and increased rewards/compensation.

Reason #5: A lack of stimulating or meaningful work

I must admit I don't know how some people do the jobs they do: repetitive, boring, little thinking required, and little chance for advancement.

Some jobs will always have some of these elements no matter what we do to redesign or improve them.

How can we make some jobs more meaningful and stimulating?

1) By acknowledging the value of the job, and more importantly, the employee doing the job. Every job is beneficial to an organization's internal and/or external customers in some way, yet it amazes me when managers don't recognize the hard work some employees do.

If my boss thinks the work I do is important and tells me (and others), then I will often place a higher value on the work I do-and often on myself.

2) Cross training: some job monotony can be reduced by cross training employees so they have a variety of tasks to perform to reduce boredom and burnout.

3) Ask the employee what the significance is of the job they do. If they say, "I'm just a cleaner," help them understand they do much more than this. For example, "You help over 100 employees have a clean, enjoyable, and productive place to work, and we have a building that helps us look good to our customers and new business prospects."

This isn't untruthful or stretching the truth; it just sounds odd because many jobs-especially lower level ones-are seen as trivial or are talked about in negative terms.

4) Can you give the employee more choices in how they perform the job? Review what the job must accomplish as an end result and discuss any safety or legal matters, and then ask them how to improve or redesign the job.

Reason #6: A lack of appreciation, recognition, and rewards

We won't spend a long time on this section other than to underscore its importance since there are already so many books and resources available about delivering rewards and recognition.

I recommend conducting employee surveys once a year (or every 18 months), provided you act on and report the results. This will give you valuable information about how well employees feel appreciated and recognized. Negative ratings in these areas are a reason some employees will begin to consider looking elsewhere.

In terms of appreciation, research conducted by Gallup found that effective supervisors and managers praised each one of their direct reports a minimum of once every five working days.

Other research has continually shown that what employees want most in the workplace is "appreciation for a job well done."

Exactly what is this? Bonuses? Prizes? More money? No, employees define it as a "thank you."

What's the best way of expressing this? By thanking the employee and telling them exactly what it was they did that merits praise.

Incomplete: "Cindy, thanks, you're doing a great job."

Much more effective: "Cindy, thank you, you did a great job on this project. You completed it a week ahead of the deadline, and \$800.00 below the budget."

Answer this question about appreciation: How many people-including yourself-have ever complained that their boss gives them too much sincere praise and appreciation?

Reason #7: Insufficient coaching and feedback

It's surprising, but research shows that many employees don't get the positive feedback they need so they know that they're doing a good job; such feedback encourages them to continue to do good work.

In addition, they often don't get the corrective feedback they need to be able to improve their performance.

You'd think most managers would easily dispense positive and corrective feedback based on what employees do everyday in their organizations, but they too often don't.

Feedback is especially important in developing and retaining new hires. They're often a bit nervous in their new positions; effective feedback helps them understand what they're doing well, builds their confidence, and helps them improve their performance.

In many ways, management shapes the quality of the employee performance it gets by how often and effectively it provides feedback.

Three feedback guidelines:

1. Give praise or positive feedback as soon as an employee, especially a new one or an employee learning a new process or how to operate new machinery, does something right or well so you reinforce their good performance and make it more likely to occur again.
2. Discuss in advance how employees would like to receive feedback. For example: "We're going to be working on a lot of projects together. From time to time, I may need to let you know how to improve or correct something you're doing. How do you want me to give you this information so you feel okay about receiving it?"
3. Deliver four times as much positive feedback as you do corrective feedback. If you go looking for what your employees are doing right instead of what they're doing wrong, you'll accomplish this.

In my experience, giving positive and corrective feedback is one of the most effective, yet least used, managerial and employee retention tools there is.

Reason #8: The quality of the people the employee works with

This reason isn't often thought of, and it usually isn't near the top of the list, but you'll quickly see its value.

What are the people the employee works with like?

- Are they a group of complainers that nothing ever goes right for?
- Are they interested only in doing enough to keep their jobs and no more?
- Do they see hidden, negative agendas in nearly everything management proposes?
- Do they criticize instead of encourage each other?
- Do they slack off so other employees get more work?

If so, how do you think these behaviors impact the employee and her or his outlook and performance? In addition, they may wonder about management's commitment to recruiting, developing, and retaining solid employees who are rewarding to work with.

Even those with generally positive attitudes will find negative employees and a negative work environment difficult to overcome, and may decide to work elsewhere.

However, suppose the employee's co-workers are like this:

- They look for ways to help each other out when needed.
- They want to improve the work they do because they place value on what they do.
- They compliment and support each other.
- They share knowledge and expertise.

- They look for what they can do instead of complaining.

How do you think these behaviors impact the employee and his or her outlook and performance?

You may need to review how you recruit, interview, and orient employees and how you help shape their beliefs and attitudes; to some degree, every employer always shapes these.

- Do you use instruments to help you determine applicant suitability to join your organization?
- Do you use team interviewing so the people a candidate will actually work with interview them and help make the hiring decision?
- Do you train supervisors and managers in retention skills and how to work with their employees to help bring out their best?
- Does your culture reward positive attitudes and above average performance, or only espouse them?
- Does your organization “go the extra mile” for employees first with the expectation most of them will follow suit on the organization’s behalf? Or does it demand good performance and extra efforts from employees first and then decide if it will reward them later or not?

Remember: it is management’s job to recruit, hire, develop, and retain the most positive, motivated, and productive employees it can-for its benefit, the benefit of its customers and shareholders-and for the benefit of its other employees.

Reason #9: Lack of career advancement

Many employers now have many Generation X (those born between 1965 and 1980) and Generation Y (born between 1981 and 1994) employees in their workforces.

Both of these generations are much more determined to add skills, training, and expertise to better develop their careers and stay more marketable and promotable.

Their supervisor or manager is usually the person best qualified to help them identify and develop new skills since they're the ones who are most familiar with the employee's capabilities, preferences, and performance on a daily basis. Your organization will likely need to train managers how to do some career planning with their direct reports (even though it's still primarily the employee's responsibility).

In addition, work to provide "stretch" assignments so aspiring employees can increase their capabilities.

What new or expanded areas of expertise can your organization benefit from if employees add new skills? Could you better meet customer needs? Or offer new services to customers?

Who can supervisors and managers introduce their employees to within the organization who will help them learn, network, and develop?

If two jobs and companies are fairly similar, and one employer offers career advancement help while the other does not, which employer do you think is more likely to attract and retain qualified employees?

Reason #10: Insufficient alignment about how the employee's work helps achieve organizational objectives, and how the employee can be a greater success

We need to show employees how to be successful in their jobs; this should be covered during orientation and in meetings with their immediate boss.

Here are four key areas to review:

- How will the employee know if they're successful in their job or not? Who or what measures will tell them?

- What are the “insider secrets” for success in the job from other employees who are, or have been, successful in doing it *from both a technical and a human relations standpoint*?
- Why does this job need to be done? What is its importance or value? What will not occur if the job is not done? When it’s done properly, what gains does the organization make?
- Who are the employee’s internal and external customers, and how does the employee’s work benefit them? What do they do next with the employee’s product or service?

Here’s something that always amazes me. When do most employees see the performance evaluation forms that will be used to help evaluate their performance for the first time?

They see them when it’s time to do their first performance appraisal!

Instead, give employees, especially new ones, copies of the performance appraisal forms for their jobs, walk them through the process, and answer all questions and concerns.

When do you want them to know as much as possible about how to succeed in the job? In advance-or when their performance isn’t what it could be because there are important things they don’t know?

We’ve covered ten of the most common reasons good employees leave employers.

There are others, and some of them are particular to specific individuals.

However, if you work to resolve these, you’ll resolve most of the reasons for employee turnover in your organization.