



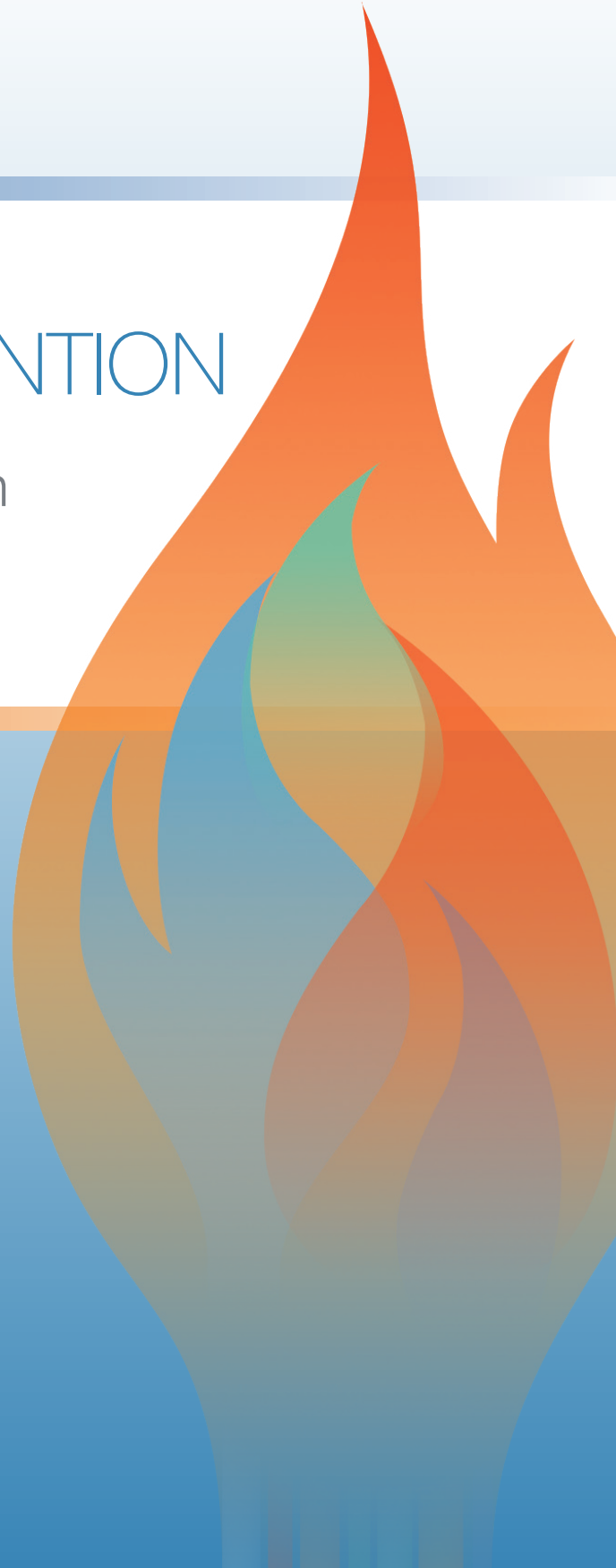
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RETHINKING RETENTION

A User Experience Approach
to Keeping Great People

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Over the last 20 years, a focus on user experience has become the norm in product and service development. User experience modeling creates a better understanding of the factors that might prompt a person to become engaged with a product or service, as well as what aspects of the experience will motivate continued engagement. While this approach is most common for digital interactions, it can easily be observed across interactions with any consumer brand. Where user experience does not typically surface is in the area of employee retention.

It is widely accepted that employee retention is important—and that turnover is extremely costly for organizations. However, the human and financial costs are typically reported in generic terms (e.g., “each voluntary quit costs \$x”).ⁱ Little time and attention are paid to the actual experience candidates and employees have that directly impacts their decision to join an organization, and ultimately, whether they stay or leave.

The irony is that it is difficult to imagine a scenario where the “user’s” experience is more important than in the case of an employee-employer relationship. This is particularly true in the context of retention, where it is intuitive to assume that the user experience is the dominant—and perhaps only—factor in decision-making.

While it is true that a user experience model can help to deliver the types of engagement people want, the model also offers another critical advantage to employers. Consistent commitment to user experience aligns everyone in an organization to a singular set of retention-focused expectations and behaviors. The end result is a retention mindset that is infused throughout an organization and considered in every interaction—from the resources available to employees to the design of physical space.

Inspired by what might happen if employers looked at retention from the perspective of those being retained, this paper seeks to explore how the user experience approach might be applied to a new model of employee retention.

A USER EXPERIENCE MODEL OF EMPLOYEE RETENTION

Fifteen years ago, Jesse James Garrett proposed a model of the “Elements of User Experience” that has had a significant impact on web design ever since.ⁱⁱ The core premise of user experience design is to walk through a product or service with the mindset of the user. By considering that person’s motivations, interests and behaviors in each step of the interaction, designers would be able to create products and services that best meet the needs of the user, thus encouraging a relevant experience and, ultimately, deeper and continued engagement. Apple is a good example of a company with a history of engaging its users in ways that have revolutionized the way the world interfaces with computers, tablets and smartphones — and has shaped and influenced everything that has come about since. So, how can we apply some of these same user experience principles when thinking about attracting and retaining talent?

Defining the “User”

To build a model for a retention-oriented user experience, the needs of both employees and candidates—the users—must be considered. Because of their varying stages of engagement with an organization, their needs will be similar in some instances and very different in others.

This also underscores the importance of thinking about retention even before someone joins the organization just as one would think about retaining an existing employee.



The Basics of User Experience for Retention

While user experience typically refers to a single product or service, the case of retention is somewhat different. In this situation, an employee or candidate's entire experience must be considered—starting with the moment a candidate first learns about an organization all the way through the exit interview (though now is a useful time to start thinking of it as a retention interview). Therefore, the “user experience” is actually the combined series of interactions, people, places, and touch-points that define an individual's engagement with your employer brand. The retention-oriented user experience model should shape all of these.



User needs: This is as much about understanding your own organization and your value proposition as it is about understanding the needs and aspirations of your employees and candidates. Employers must know what drives their candidates and employees, where to find them, and what they want in their careers. With retention as the goal, employers also must understand what compels them to stay with an organization (and what might cause them to leave).



Content requirements: A better understanding of the user helps to inform content needs. For example, candidates might be looking for more information about corporate culture before they even consider applying for a position. It is also possible that improvements to the candidate experience might be required. After people are hired, employees might need more content as it relates to expectations, personal development and future opportunities. These kinds of content needs can be gleaned through surveys and interviews with candidates and employees.



Functionality: Ask employees and candidates the question, “Is this working for you?” Constant communication is critical, as are building in systems to understand when, where, why and how retention is breaking down.



Interaction, information and navigation design: Web designers know that users need to be able to intuitively locate the information they need when they need it. In the example of Apple, we see a company that has made a conscious choice to forego detailed and complicated user manuals because of the intuitive interaction and navigation with its products. Candidates and employees are no different. The sheer number of opportunities that people have to engage with information—through digital channels, internal communications, managers and mentors, peers, third-party sources, etc.—highlights how important it is to look at the big picture and think seriously about when, where and how people interact with the employer brand.



Visual experience: This can be one of the most overlooked aspects of creating a retention culture. Companies that prioritize retention will demonstrate their commitment through actions and words, as well as through a highly visible presence (online, through social media and in workspaces, for example) that consistently promote the employer brand and opportunities for people to engage more deeply with the organization. In a sense, this is an extension of brand marketing activities and should be developed in a mindful way.

A Recruiter's Perspective:

Linking Employee Advancement and the Retention Mindset Perspective:

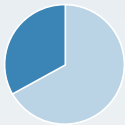


An experienced recruiter shares success factors she has observed related to one critical aspect of retention: development and advancement.

A growth and development plan must exist for every job.



50% of employees report that they lack "opportunities for learning and growth at work,"ⁱⁱⁱ



33% of job seekers identified "the opportunity for advancement" as a top factor in considering career changes.^{iv}

Treat and train everyone with recruiting and hiring responsibility as part of the talent acquisition team.



Development and advancement should be an organization-wide commitment. One financial services firm invests up-front time training every recruiter and hiring manager on corporate culture, recruiting for retention and developing employees. As a result, candidates and employees feel valued and supported.

Establish metrics, evaluate, refine, repeat.



25% of job-leavers are aware of their companies' internal mobility programs, yet;



70% of HR managers believe their programs are well known among employees.^v That mismatch is a functionality issue.

The programs might be great (or not), but their value is certainly diminished if they only exist for practical purposes on a piece of paper.

Dialogue is non-negotiable.

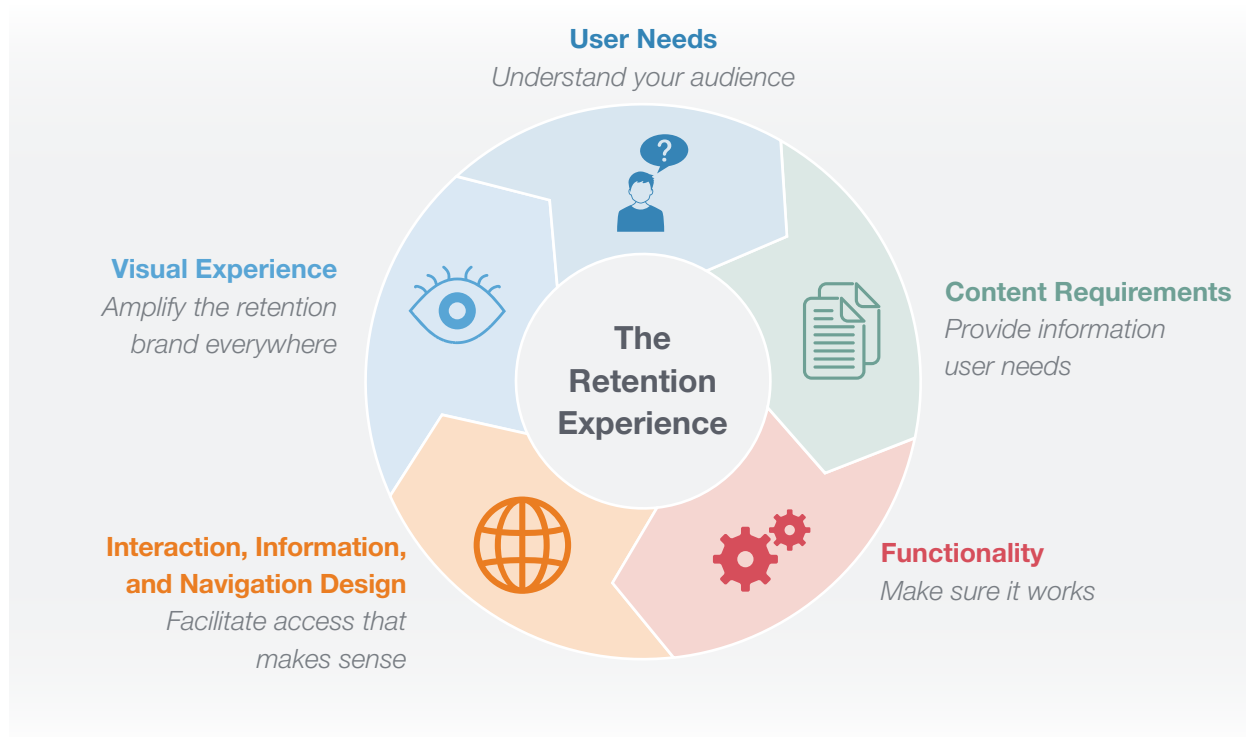


Companies that invest in regular communication with employees will reap huge dividends. One especially effective approach is regular meetings with direct reports to talk about development, skills gaps, goals and concerns. These are not performance reviews; but rather a chance to check in and collaborate on a path forward.

A retention mindset must exist everywhere, all the time.



One of the most impactful ways in which this concept can be brought to life is in providing non-hierarchical work spaces that encourage interaction at all levels. Zappos provides a well-known example of space that is deliberately designed to encourage people to bump into each other — an approach they hope will spur collaborative thinking and ideas.^{vi}



WHY EMPLOYERS UNDER-INVEST IN A USER EXPERIENCE FOR RETENTION

The tendency to under-invest in retention is often shaped by internal and external factors. Within an organization, much is said about the value of retention, but organizational cultures do not always emphasize this importance in actionable ways. Recruiters, hiring managers and others are left without a workable model for retention, setting the stage for a near-exclusive focus on filling the gaps and addressing near-term pain points.

Filling the Req becomes Priority #1

Hiring managers are not always HR managers. They are often line managers or supervisors who are hiring for specific roles on their own teams or the department as a whole. Their needs are often immediate and their priority is to fill the gap. As a result, their intuitive focus is to fill the requisition, which could come at the expense of long-term, strategic hiring. For example, a financial services contact center might have its longer-term need of improving overall customer service experience limited by sourcing candidates with specific industry experience (vs. broader customer service experience that is transferrable from another industry).

Line managers are not the only ones who may take a short-term view of hiring. It can be easy to create an environment where recruiters and HR professionals are also inclined to focus primarily on filling-the-requisition. One possible reason for this is that performance indicators do not always emphasize retention. Hiring managers and recruiters are often assessed against the number of roles filled versus quality of hire. They are asked to report on short-term cycles without an opportunity to track how they are doing over the long-term. The result is a cycle in which time is spent hiring and moving on, rather than investing in engaging and developing new employees.

Conventional Wisdom Guides Decision Making

Employers are often quick to adopt conventional wisdom about retention. On one hand, it is widely accepted that retention is always a must-have, when this is not necessarily the case. On the other hand, employers sometimes make the case that retention is impossible to achieve in an environment where job-hopping is the norm or competition for talent is intense and costly.

For example:

- Conventional wisdom says millennials are job-hoppers, but the data paints a very different picture. The reality is that many college-educated millennials do not have great jobs. Recent reports indicate 44% are in low-skill, low-paying jobs that do not require or leverage their degrees—the highest such rate in 20 years.^{vii} Likewise, it is common to hear that millennials expect to have multiple employers and do not expect to stay in their jobs long.^{viii} Again, this does not necessarily mean they are job hoppers. It could simply mean that they have seen what happens in a recession and they made compromises early on.
- The assumption is that people want to change jobs, when in fact people are incentivized, often unintentionally, to change companies. Forbes recently reported that those who stay in their jobs longer than two years can expect to make 50% less over their lifetimes.^{ix} The reason? Raises are small while new employees are paid a premium, especially in a low-unemployment environment.
- Many employers worry they cannot afford to compete, particularly when they rely on talent that is in short supply, such as engineering and technical professionals. Smaller and medium-sized organizations have found success by creating an environment people want to stay in, even without the higher salaries that larger firms offer. For example, a smaller technology company drastically increased employee satisfaction when it surveyed employees and expanded flexible schedules, volunteer programs and employee-directed corporate contributions.

The Emphasis is on the Job, Not the Organization

Companies talk about retention, but the hiring culture does not always support that. The rewards, measurement and culture often support retaining people in a job, rather than retaining people within the organization.

While managers may find it tempting to keep great employees in the roles in which they excel, retention has very little to do with a specific job. In fact, it can be quite risky to create a scenario in which the vast majority of employees stay for lengthy periods of time and no one fills the junior ranks. An example of this happened in the U.S. energy industry when the 1980s oil bust stalled hiring and curtailed training programs. This is a major contributing factor to issues that exist today in this sector—namely, that the average employee age is over 50, half of the workforce is expect to retire within a decade^x and not enough new leadership is coming up the ranks to fill these soon-to-be-vacant roles.

Retention Goals May Be Tied to Experience



This underscores the importance of focusing on the organization's larger, long-term workforce needs. Retention can be viewed along a spectrum tied to work experience. Certainly, there are specific jobs where organizations might benefit from an individual remaining in the same job and become tenured experts — nursing is one example. And there are jobs that are fixed term (recall all of the mid-career talent who once worked on Y2K upgrades) where it might be easy to assume retention is not important. Even there, it is easy to imagine a scenario where the best talent could thrive elsewhere within an organization long after the software upgrades were completed. There are also companies that don't expect entry-level people to stay in a role longer than two years. Success is realized when employees grow into new roles.

While the specifics of retention can vary, there is one constant. It all comes down to organizational needs. Retention is about long-term strategic growth and finding right-fit employees for the long-term survival and success of the organization, no matter what the role. Creating a culture and mindset of retention is something that needs to be adopted and embraced company-wide.

In a talent economy where talent has become the critical competitive asset in our information and knowledge-based economy, employers will create a retention mindset across the organization, and build it around the employee/candidate (user) experience. This creates an opportunity to develop one-size-fits-one solutions that are customized to the needs of a specific organization.

GETTING STARTED: PUTTING A USER EXPERIENCE MODEL TO WORK

Building a user experience model of retention is not always easy because of the competing forces of conventional wisdom and the short-term needs that command the attention of hiring managers, HR professionals and organizations. A user experience approach is likely to take a great deal of time, observation, planning and internal engagement with stakeholders. As a starting place, conduct an audit to gauge how your organization is currently creating a retention-focused user experience.

The table on the following page provides a framework for better understanding your organization's current status, strengths and gaps. Once questions have been explored, it is useful to consider what needs to be done to close the gaps and who should be involved.

User Needs



What is it from a Retention Standpoint?

Your employees' and candidates' goals, objectives and motivations. The specific elements that would motivate them to join and stay at your organization.

Critical Questions to Consider

Do you have a retention strategy? If so, what is it? What are your best people looking for in a job and a career? What motivates them? Demotivates them? How does the corporate culture influence the type of employee you want to retain? (e.g., Is it a highly collaborative culture? Or is independence valued more?)

Content Requirements



What is it from a Retention Standpoint?

The information available – e.g., job descriptions, info about company culture, career paths and development plans.

Critical Questions to Consider

What information about the job and the organization is available and how do people access it? How do people react to it? Are systems in place to create a consistent and deliberate experience? (e.g., Are job descriptions oriented toward the user experience?)

Functionality



What is it from a Retention Standpoint?

How the organization and individual departments must function on a day-to-day basis in order to meet user needs.

Critical Questions to Consider

What systems are in place to ensure that people are appropriately and consistently engaged? What works and what doesn't? Who's engaging with your people and how is that being measured? How are development plans created and communicated? What feedback loops exist (not just feedback given to employees and candidates, but feedback that's received from them as well)? How are managers sourced, recruited and developed to ensure that they are supporting the retention mindset?

Interaction, Information and Navigation Design



What is it from a Retention Standpoint?

Having readily available resources to help people do their jobs and fulfill their individual needs.

Critical Questions to Consider

How are user needs addressed during orientation and onboarding? How do people interact with their job? Peers? Managers? Do your people have the tools and resources they need to do their job and bring their personal best to work every day? What policies and procedures are in place to provide the necessary resources to your people? Do people know where to find the information they need?

Visual Experience



What is it from a Retention Standpoint?

The way people experience your organization from the standpoint of physical space, branding and culture.

Critical Questions to Consider

How do people experience your organization from the standpoint of: Your web/social media presence? Physical office/work space? External marketing efforts? Does your organization's visual experience align with your mission, vision, values and culture?

5 Steps to Creating a User Experience Model for Candidates and Employees



THE TIME FOR A NEW MODEL HAS COME

A clear path to employee retention was once a given. Employees had clear incentives – pension plans, for example – that motivated them to stay with the same organization for very long periods of time. Employers have since learned that models of the past are not sustainable today and in the future. That does not mean, however, that retention is dead. It simply means that we need to rethink our view of what it means and how to achieve it.

Organizations can tailor the work experience to the long-term needs of both the employer and employee by centering efforts on the individuals they want to retain. Importantly, a user-centered approach gives hiring managers the freedom to move away from a “fill the req” model and toward a model that strengthens the organization over the long term.

REFERENCES

- i. For those interested in exact figures, tools are available to estimate your cost of turnover. The Society for Human Resource Management provides the following template: http://www.shrm.org/templatestools/samples/hrforms/articles/pages/1cms_011163.aspx
- ii. It is worth noting that there are many different models of user experience (also known as UX). Garrett's was one of the first and remains one of the most influential. His work informed (loosely, we admit) the hypothesis being put forth here. More information on the Elements of User Experience is available at: <http://www.jjg.net/elements/>
- iii. http://www.nytimes.com/2014/06/01/opinion/sunday/why-you-hate-work.html?_r=0
- iv. ManpowerGroup Solutions. (2015.) "Hiding in Plain Sight: Tapping Into Passive Candidates. Passive Candidate Preferences, Behaviors and Transition Motivators"
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ManpowerGroup Solutions prides itself on the ability to analyze and forecast trends impacting the world of work and the marketplace. As skills and available talent change and marketplace priorities shift, it is critical for organizations to have timely, relevant, and accurate insights into the global workforce. With this in mind, we make significant investments to understand and share observations around macro-trends (e.g., demographics, employment, economics) and their likely impact on talent sustainability.

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