

# Retaining staff in the post-GFC world



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With the retail industry suffering and troubling statistics showing that many senior staff are unsatisfied in their current roles, Michael Floyd gives us a snapshot of what he's hearing on the ground and provides his top tips for motivating disengaged staff.

So the GFC is over, or so the economic gurus keep telling us. But for those of us working in the retail industry, we know this is only partly true. 2010 was meant to be the year of recovery for retailers, but the latest Commonwealth Bank Business Sales Indicator (BSI) has shown that June spending was the weakest since the GFC, with store spending down across the board. So much for those who claimed the GFC never took place!

And alarming survey results have uncovered some senior management secrets. Talent-retention specialists Performability undertook a survey of almost 550 managers, many working for the nation's top 100 listed companies, and found that nearly 75 per cent of senior staff are attracted to roles in other organisations. That's right – 75 per cent, or three quarters of the workforce, are looking to leave.

## A disengaged industry

So, why this sudden surge in disengagement?

Let's start with fatigue – many of the candidates that we are meeting with are tired as a result of the tumultuous events of 2009 and they need a change. These redundancy survivors were with their organisations when they faced tough times last year and they saw the best and worst of their leaders, managers and co-workers. They've seen workmates lose their jobs and have had their workloads substantially increased and, as a result, are exhausted and unmotivated.

Then there is the 'bonus' issue. The majority of organisations out there seem to have been unable, or unwilling, to offer bonuses or increases during the financial turbulence. In some cases, we have seen that employees have understood this, as they could see that their employer is struggling. However, there are also cases where the business has actually done well, but the individual has not achieved their targets for reasons outside of their control, so these employees are frustrated and despondent. We are witnessing the high-level of frustration that is being felt out there, as the cost of living has increased significantly, yet they are not getting any more money.

Then it comes down to opportunity – during the GFC roles simply were not available, so there was very little movement, with people staying in their roles for security. Well, despite the current state of the retail market, some companies have now relaxed their headcount freezes, so these redundancy survivors have seen that there are opportunities for career progression with new employers. Having said that, everyone is aware that retail is a tough place to be so you need to be ready to hit the ground running with enthusiasm and tenacity.

And let's not forget the uncertainty that many organisations are still facing – continued squeezing of margins and a tough market, reduced marketing budgets, restructures, mergers, acquisitions and changes in leadership/management are all issues that can greatly affect employee confidence. Many of the candidates that we are meeting with are pre-empting a shake up within their business and have realised that they need to look after themselves, even before further change takes place.

## Motivating the unmotivated

So while it is certainly an unusual – and unprecedented – time for the world of retail recruitment, let me assure you that it is not all doom and gloom. In fact, if you are one of those managers that is struggling with a disengaged team,

it is important to remember that you are not alone. The first thing to do is attempt to improve the motivation levels of your workers.

Start by having a clear vision and sharing it. It may sound cliché, but if the leadership team don't know – and can't articulate – this vision then your staff will be able to tell. A clear, well-communicated vision will galvanise the troops.

Then you need to talk and be transparent. If people know what is going on in the business then they'll often rise to the challenge. Communicate to the team what's happening in the business with regards to the overall business performance, clients, industry and employees. And yes, this does include having meaningful appraisals.

You should also ask for feedback, but only if you are going to take it seriously and make sure that you do something about it. There is no point in asking for feedback if it is a token gesture, as it can be more damaging to the relationship and you will just defer their inevitable departure.

And be sure to acknowledge exceptional performance and not just in a monetary way. One client of ours recently undertook an internal survey and discovered that monetary incentives were not the top priority for their staff – a staggering number of respondents said that they would be more interested in a 'casual Friday' dress code, or having pizza offered to them on nights they are working back late.

Finally, don't forget to celebrate success. Having a drink or get-together outside of the office will build morale and a sense of team so much more than grabbing time with them during the working week. It is absolutely vital to give your team an opportunity to relax and enjoy themselves, particularly when so many are still facing uncertainty – just as the late American author Pearl Buck once said: "To know how to do something well is to enjoy it." There are still tough times ahead and it may be some time until the industry makes a complete recovery, but your efforts are sure to pay off in the interim. 🍷