

# Employee Retention Strategies for Associations

*Susan, the Manager of Member Programs, walks into your office at 4:00 p.m. appearing a little nervous. She advises you that she is resigning. She has found a job with another association. You haven't seen this coming and you are shocked. She is your best performer. Worse, your annual conference is in six weeks and Susan is the lead organizer. What happened?*

Your association's ability to achieve its business mandate and serve its members is highly dependent on the performance of your employees. Unanticipated changes in your employee resource pool can have devastating business impacts -- disrupted projects, overruns on schedules and budgets, quality issues, and loss of corporate memory to name just a few.

While some turnover is generally considered a good thing, what concerns managers the most is the unwanted and unexpected separation of high-performing talent.

## **Do You Have a Retention Deficit?**

How many of your top performers are simply biding their time -- waiting until the market improves before bolting to the next job?

There is a term called "warm chair attrition" which describes this. Employees suffering from warm chair attrition have already left their jobs, at least mentally. Their physical departure only awaits the first uptick in the job market. Look down the hall, how many of your people fit this category?

When staff do leave, it's generally not the laggards who go. The first people out the door will be the folks with the most options -- the best employees in your association.

## **Why is it Always the Good People Who Leave?**

Data gathered from exit interviews highlights the following reasons why people leave their employer:

### **Job Dissatisfaction**

This is the number one reason why good people leave. It is a catch-all term but, if people are unhappy, feel undervalued or unappreciated, they will soon leave.

### **Lack of Challenge**

Good people need to have their skills used and tested constantly. If challenge is missing, they will soon be missing as well.

### **Lack of Confidence in the Organization**

This reason often goes hand-in-hand with the above. If the corporate culture or the organization's image is not deserving of respect, good employees will soon find another, better environment.

### **Dissatisfaction with Co-Workers**

Personality differences within the staff can cause people to leave. It is important to consider the "chemistry" of people who must work together as a team. Mixing aggressive and passive people, for example, can lead to disruptive personality clashes.

## Compensation

Many studies have shown that compensation is usually way down on the list of reasons why good people leave. If the only right thing in a person's job is the pay received, no amount of money will keep that employee.<sup>1</sup>

## Top 10 Clues Your Best Employees are Leaving

- They start dressing better
- They take lunches at different times
- Their production drops off
- They seem "quiet" or "down"
- They request vacation one day at a time
- They are "sick" more often
- They stop championing their positions
- They stop volunteering
- They get more incoming phone calls than usual

and number 10

- They ask you for a reference<sup>2</sup>

## Retention Getters

So how do you get people to stay? The ability to retain staff so that they can provide effective contributions to your association's success is an outcome of your HR practices. But what works, and what doesn't work?

More money is not the answer. In any case, most associations these days don't have any more money.

Non-monetary HR practices that an association can employ to increase commitment and decrease turnover include:

- Non-monetary recognition of performance (try saying 'thank you')
- Empowerment (increased responsibility for work and decision making)
- Fairness (equitable rules and procedures)
- Employee development (job rotation, mentoring, training)
- Work-life policies (flextime, flexible leave practices)
- Information sharing (communicate, communicate, communicate)

For most professionals, a significant portion of their motivation is derived from the recognition they receive from their managers for a job well done and the feeling that they are truly an important part of the organization.

In addition:

- Training is too often seen as a perk when it should be viewed as an essential investment in the intellectual capital of the organization.
- Training, coaching, developmental assignments and job rotation programs send a clear message that management is seeking to establish a long-term relationship with employees.

- Managers must help employees shape and direct their careers, so they can gain experience within the association rather than outside it. Your association's ability to do this however, is a function of your size.
- Identify good performers early, use their talents, listen to their ideas and increase their responsibilities.
- An important retention factor is 'Quality of the Boss'-- how staff are managed. So how do you rate as a boss?

A recent survey found that the top retention techniques (by degree of effectiveness) are:

1. Challenging work assignments
2. Favorable work environment
3. Flextime
4. Additional vacation time
5. Support for career / family values
6. High-quality supervision and leadership
7. Visionary leadership
8. Cross-functional assignments, tuition and training reimbursement <sup>3</sup>

Treat your staff with R.E.S.P.E.C.T. This stands for:

- Relate to your employees
- Engage and communicate
- Support personal needs
- Personalize their development
- Encourage them
- Compensate fairly
- Trust them <sup>4</sup>

### **More Retention Getters**

What else can you do? Consider the following HR programs:

#### **Performance Measurement**

- Persistent and accurate feedback
- Annual 'traditional' performance appraisal
- More frequent appraisals
- 360-degree performance assessment

#### **Compensation and Benefits Systems**

- Bonus / variable compensation
- Market-anchored compensation (be competitive with other associations)
- Flexible benefits, sabbaticals (these can be self-funded)

#### **Learning and Development**

Frank and frequent communication between an employee and manager or mentor about career development activities is vital. The amount of development offered is a critical consideration in an employee's decision to stay or leave. Activities include:

- Identifying learning and development needs

- Development plans
- Line of sight career growth
- Learning to enhance current skills or to develop additional skills
- Competency training
- Tuition reimbursement
- Training programs
- Use of mentors

### **Recognition Programs**

These are programs that allow managers to recognize and reward outstanding or exemplary performance, such as:

- Non-monetary rewards (e.g. birthday cards, tickets)
- Awards
- Monetary rewards / bonuses
- Basic recognition activities such as saying ‘thank you’ and the ‘reinforcing memo’
- A ‘take your spouse out for dinner’ voucher for \$100, expensed as a business meal

### **Sense of Community**

Leaders who are successful in retaining their staff recognize the key role played by a sense of belonging and community within the organization:

- Management communications
- MBWA (Management by walking around)
- Keeping messages consistent
- Lunch with the Executive Director for all new employees
- Executive chats, group breakfasts
- Social activities
- Town hall meetings

### **Lifestyle Accommodation**

- Casual dress code
- Accommodating work / time arrangements such as:
  - Flexible start / end times
  - Compressed work weeks (e.g. four day week)
  - Bi-weekly schedules of nine days, with every second Friday off
  - Summer schedules

### **Conclusion**

The evidence is clear that associations adopting a long-term HR retention and investment strategy for their staff are most likely to experience the least turnover.

*Tim McConnell is an HR Strategist with McConnell HR Consulting in Ottawa. He assists associations with both Compensation programs (How to Pay Your Employees) and overall HR strategies such as Retention.. Tim is a past-President of the Human Resources Professionals Association of Ontario. He can be reached at [Tim@McConnellHRC.com](mailto:Tim@McConnellHRC.com).*

## ***End Notes***

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<sup>1</sup> “Why Good People Leave”, E.C. Pressler Jr., BankersOnline.com (1991)

<sup>2</sup> “Are Your Top People Ready to Leave You?”, F. John Reh, Management.About.Com (2004)

<sup>3</sup> “Above All Else, Workers Need Challenge”, Survey of Hiring and Retention Practices by the American Electronics Association, Patrick Thibodeau, Computerworld (January 2001)

<sup>4</sup> “Managing for the Retention of IT Professionals”, Management Workshop, Interpersonal Technology Group, Inc., Rockville Centre, New York (2003)