

Summary Note: Muktasamvad 18th May 2012



***Retention Policies- Which Ones
Really Work?***

This time Chatur Knowledge Networking (CKN) collaborated with MCCIA (Maharatta Chamber of Commerce, Industries & Agriculture) to organize Mukta Samvad (MS). Meeta Kanhere introduced the theme of MS, talked about CKN and MCCIA and how Knowledge Sharing on common platforms leads to learning.

Topic for discussion: *“Retention policies- which ones really work?”*.

The panel members were Mr. Sudhir Gogate (Executive Director HR, Kehin Fie Pvt. Ltd.) Mr. Damodar Tota (Sr.GM HR & Admn, Mahindra Navistar Automotives Ltd.) and Mr. Vishwanath Joshi(HR Consultant). Some of the thoughts which they have shared are compiled below-

Mr. Gogate's sharing:

1. Which level of employees are we looking at? (top brass or the lowest level- including unionized employees)
2. Our ancient scriptures have a beautiful word 'Upjivika' - what you do for living (addressing hunger), what you do for life -'jivika'(addressing the larger goals in life). If the senior most people concentrate on upjivika only then there will be dissatisfaction. But when jivika and upjivika are aligned, then Tendulkar's are created. How do we match jivika and upjivika?
3. Deskilling is a way of sharing knowledge of one person in the entire organization and hence enhancing one's knowledge for going up on the organization ladder.
4. Employees should be encouraged to grow vertically as well as horizontally. The graph on slide no.5 shows employees at the lower level can be retained by increasing their CTC/salary and employees from middle to top can be retained by empowering them and giving them challenges and opportunities. The external environment also plays a big role retaining people.
5. People in the senior level are also encouraged to join some NGO and do something for the community at large.

Growing vertically in orgn goes hand in hand with Maslow's hierarchy of needs

✓ Training

✓ Communication

✓ Transparency

✓ Bonding

✓ Challenges

✓ Spiritual Quotient

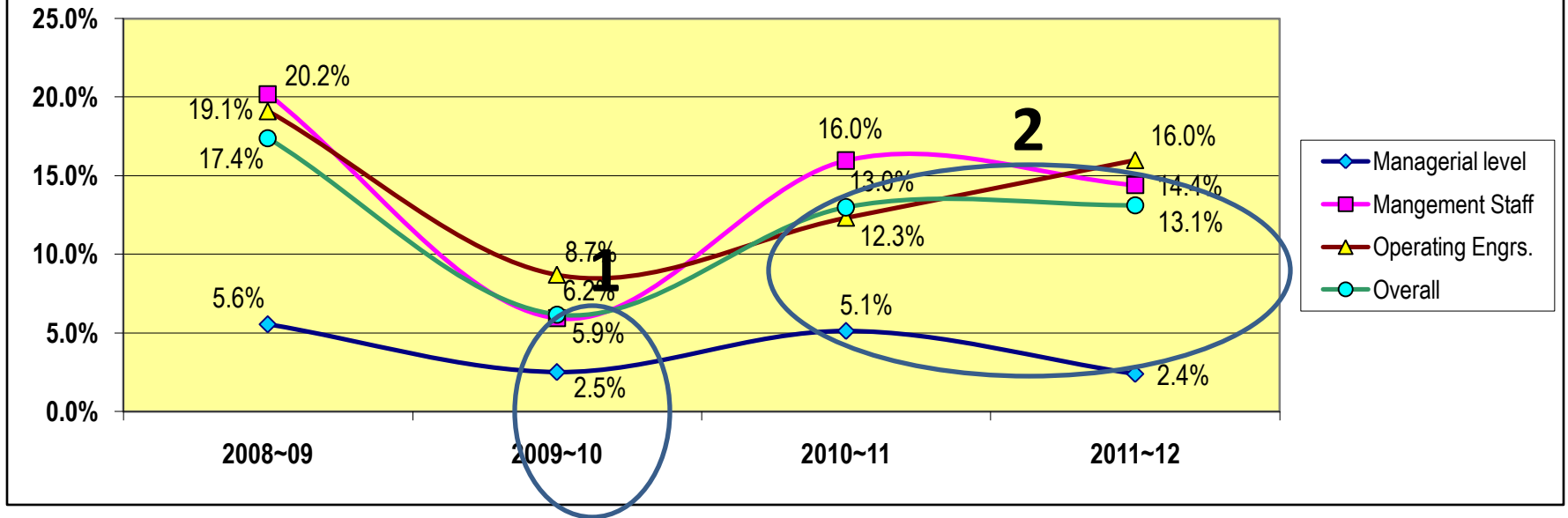
Perceived joy
of unknown



Joy of staying

= Increased Retention

Attrition details : Yearwise / Employee level wise



1. Major adjustment in CTC across the organization / Crises due to financial melt down & resultant recession.
2. In spite of fair wage revision attrition rate increase due to favorable external environment. However, majority attrition is below 2yrs tenure in company.

Mr.Tota's sharings

- Employees don't leave organizations, they leave bosses.
- He further shared various tools of retention, design and deployment, business relevance, and business impact it generates at Mahindra Navistar Automotives Ltd (MNAL).
- **Strategic retention tools which are used at Mahindra Navistar Automotives Ltd (MNAL):**
 - 1.Communication- CEO talks, informal chats,newletters
 - 2.Reward &Recognition
 - 3.Employee Stock Option Plans
 4. Empowering employees
- **Tactical adjuncts:**
 - 1.Capability building- Executive Education programs with Management Institutes
 - 2.HR connect- Team building programs, offsite program, First impression tracking system
 - 3.Corporate Social Responsibility &
 4. Employee engagement activities – Engaged to disengaged employees ratio has increased substantially

Mr.Vishwanath Joshi's sharings:

- Presentation focused on research done in the last 3 years with 35 IT as well as non-IT companies.
- Frameworks which he found relevant in the space of 'retention' and some guidelines to think about retention
- Third an idea borrowed from Mr. Tota- what do people mean when they say, they are leaving for "better prospects?"

- He concluded with these research findings:
- Compensation and career planning are important areas to retain young employees
- Opportunities to grow within, continuous training are highly valued by middle- level employees, seniors respond much better to empowerment and leadership opportunities

OCTAPACE



CHANGING THE SMELL OF THE PLACE



CONSTRAINT



CONTRACT



STRETCH



COMPLIANCE



DISCIPLINE



CONTROL



TRUST



SUPPORT

Q &A

Q. What is the role that is played by mismatch of personal and professional values leading to retention of employees? How much can role mentoring help in engagement of employees?

Ans. Having mentors on board helps in a big way to retain employees. The organization should build a philosophy of employees first, customers later. In case there is a huge gap in personal and professional values, and neither the employee nor the employer can bridge this gap, this attrition will prove useful for both.

Q. Do organizations plan for attrition? Is all attrition really good?

Ans. Most of the separations happen on a bad note. How can we aim at building a culture of 'parting on a good note?' Some attrition is mandatory, because it is like blood pressure- if you don't have blood pressure, your heart won't pump blood. Similarly we need to weed out disengaged employees from the orgn to cleanse the system. Yes attrition can be planned, Mr. Gogate knows of a company in Kerala who hires women employees for a particular job for 4 years and then they leave with a golden handshake and they themselves recommend the next batch of new joiners. Talent management is nothing but a demand-supply exercise.

Q & A

Q. How to retain employees in an advertising company who are trained for 10+ yrs and then they leave to start their own company and become our competitors?

Ans: We have to accept the fact that people will leave once they move up the knowledge and skills ladder. Give them more opportunities for innovation/challenge and creating something new.

Q. We have lot of openness in our organization to the extent that people who get an offer share it with HR? How should HR retain such people and if it is right to retain such people?

Ans: Mr. Joshi shared -The answer is yes as well no. Because the HR manager will only come to the table with a counter-offer and the negotiation process begins. Most of the times the negotiation process goes down the level of numbers- 10%,20% etc and the conversation can sound like a fish market. Mr.Tota shared that we should not try to retain such employees because there is no guarantee that despite giving promotion/pay hike, these employees will not leave the organization.