



## **IT'S RISKY BUSINESS FOR EMPLOYERS**

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As the war for talent heats up, employers need to be implementing risk management strategies to increase staff retention and reduce the costs associated with exiting employees, according to HR recruitment specialist Majer Recruitment.

Director Suzie Majer said employee turnover was costing companies up to 40 per cent of their annual profit with small to medium sized businesses usually the hardest hit.

“In light of the current labour shortage and the escalating cost of employee turnover, employers can no longer afford to avoid addressing staff retention issues,” Ms Majer said.

“The benefits of implementing risk management strategies are varied from minimizing the risk of a critical staff shortage to ensuring businesses are moving forward with the best possible talent,” she said.

According to Ms Majer employers need to be implementing risk management strategies right from the recruitment stage.

“If you want to be hiring people with skill sets that are in high demand and short supply you need to be doing more than just posting jobs online and cold-calling potential candidates at competitor companies- you need to get more creative,” Ms Majer said.

“You need to work on positioning your company in a way that appeals to the right candidate,” she said.

Ms Majer said another key area of concern relative to the risk of employee turnover was understanding the cultural differences between Generation Y, X and Baby Boomers.

“Speaking with employees one-on-one, surveys, email feedback, or conducting focus groups are ways in which the differing needs and goals of each generation can be determined,” Ms Majer said.

“You’ll find generation Y are enthusiastic and have a willingness to learn but tend to move more frequently from one employer to the next unlike Baby Boomers who tend to show greater loyalty to an employer and stay longer-term,” she said.

Operations manager Belinda McLennan said employers should also be aware of employees preferred style of management with many preferring a consultative environment as opposed to an authoritarian one.

“Employees want their input to be valued and listened to in order to feel like their managers have an understanding and appreciation of what their role really requires,” Ms McLennan said.

“Employers should try to tailor training and development programs to the needs of each generation, encourage open communication within the workplace and continue to monitor/review workplace issues to assist in improving staff retention and reduce overall workplace risk.”

Established in 2003, Majer is a young, professional and dynamic human resources consulting firm that is proudly Queensland owned and operated. Majer has been crowned “Australia’s Favourite Recruiter” in the Generalist Small/Medium category in the SEEK Annual Recruitment Awards in 2006 and 2007.