

# Retaining your best talent in uncertain times

By Karen Cariss, CEO of PageUp People

As many employers look to make costs savings in these uncertain times, it is important not to abandon retention plans and always communicate to valued staff, as their morale is vital to a businesses' long term prospects, says Karen Cariss

## How will the financial crisis impact companies that rely on people to stay in business and are pressured to cut costs?

During periods of economic instability employers will naturally be looking for ways they can control or reduce expenditure. Historically the first port of call was to downsize staff company-wide then look at where else the company can cut costs. In actual fact there is absolutely no long-term benefit in this approach if you want your business to succeed in the boom times. Instead companies must first look at overall costs and reduce spending outside of people. You need to work hard to retain your star performers as they are the ones that are going to get you through this difficult period and bring prosperity to your business in the longer term. Take care not to cut back too much on entry level hiring, particularly if these roles are to fill future leadership positions. If you cut back too much you'll see a negative impact in the next two to five years and you will be faced with bigger problems.

We recommend to our clients to engage in some priority planning. Map out the worst case scenarios and play out what would happen if they were to occur. Prepare the company with a 'what if?' strategy similar to organisations who have crisis plans in place for product recalls or a workplace accident.

To create a plan you need to identify your trigger points. Every company has them. For example, clients may declare reduction in spend at contract renewal stage, which you need to be prepared for. Accounts receivable become longer or the most obvious happens, sales drop. Once you've identified your scenarios, create an action plan. Be mindful that you need your star staff to action your plan.

## What is your advice to companies who are uncertain about the company's future and are worried about staff feeling the pressure?

In such times, it is particularly important to maintain or boost the morale of talented and valued employees who may easily become demoralised by the loss of colleagues through redundancies, or when struggling under the increased pressure of a bigger workload.

Employers want to ensure they are able to retain talented staff and avoid the high costs associated with recruiting new employees, particularly your most talented ones that you want to hold on to for the rebuild phases. The best way to overcome all these issues in one is to communicate, communicate and communicate! Keep staff informed, engage them in management's decisions, involve them, ask for their help, and get them to come up with innovative ways to save the organisation money. This could be as simple as ensuring all the lights are switched off before they leave the office. Run competitions on the intranet or set a new KPI for every employee, particularly your stars. Play on the altruism of human nature - often we seek comfort in banding together and helping each other. As they say, 'all for one, one for all.'

Another effective way to motivate staff during a slowdown and a period of rising inflation is to address the fact that some will be struggling to meet basic living costs, for example, offering them fuel and supermarket vouchers. Show that you value them and that you are empathetic to everyone's situation equally.

## Any tips for organisations who have had a sudden 'budget ban' in human resources development, particularly in the growing area of technology?

If you have absolutely no access to technology and no funds, keep spreadsheets and focus only on retaining highly critical roles that define the business.

Having a talent management strategy in place is still crucial in times of financial freezes. Take the same approach as I mentioned before and create hypothetical scenarios, identify if you took certain roles out of the business how would they impact the top or bottom lines.

Technology plays an important role in chain and people management, if anything, it acts as an effective risk management instrument as well as a relationship building and recruitment driver. For companies who have a high volume of recruitment and staff management needs, for example a mining company, management would really need to assess the pros and cons of totally banning investment in technology. We have seen it happen many times, when companies freeze their technology investment, they spend the money in outsourcing, and often end up spending more which defeats the purpose in the first place. Take a long look at your urgent requirements and look at the bigger picture before you support management's decision to budget freeze. Build an argument for the cost of not investing as well as the saving in the longer term and communicate it to the top.

For more information about effective talent management strategies and research in this area, visit: [www.pageuppeople.co.uk](http://www.pageuppeople.co.uk)