Measuring Employee Attachment / Detachment

A Business Case for Both

When an employee decides to move on, mentally, the decision to do so was made long before their letter of resignation was tendered. Something happened, or didn't happen, that made them decide they were no longer happy. For some managers a resignation comes as a shock... for others it's no surprise at all. Each deals with it in their own way and everything carries on as normal. Nothing changes.

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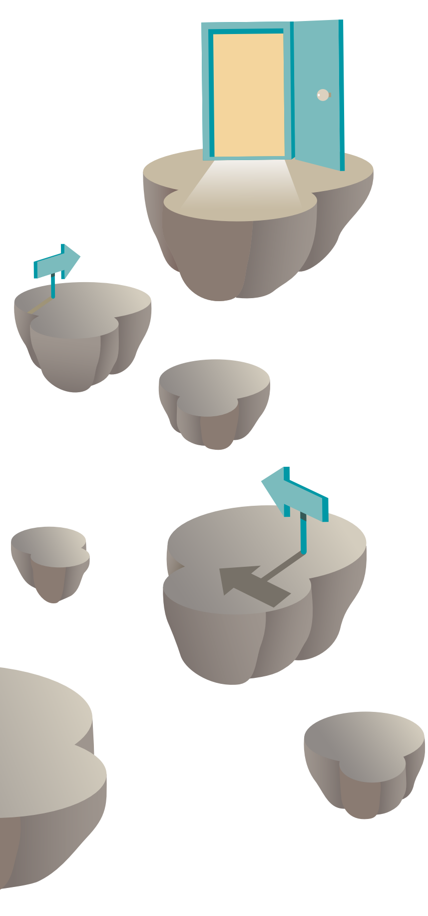
The Dominion Post of Friday 30 May, 2014 carried two articles, the first stating that New Zealand's top 10 skill shortage areas include engineers, accounting and finance staff, IT staff, management and executives, sales representatives, secretaries and administration staff and doctors.

The second advised that as they look to Britain to help fill some of the 160 vacancies it has for software developers in New Zealand, Xero has spelt out its offer to British recruits saying it will help pay for successful job candidates and their families to move here.



Why are these two articles concerning? Because it means that we have organisations in New Zealand that are potentially on huge growth paths and whose growth opportunities are being stunted because they can't source, engage and retain the staff they need to deliver on the demand for their products and services.

To meet the recruitment demands and expectations of today's C-Suite, savvy HR leaders will have to differentiate between their organisations 'consumer brand' versus their organisational 'employee brand', the latter being the market perception of the organisation from their potential employees perspective. The time has come to create an environment where their talent are telling their friends, "hey, if ever a vacancy comes up here, you gotta go for it. You're mad to be working anywhere else!"

So where is all this leading?

A two-year survey conducted by Gallup was published in October, 2013 stating New Zealand's low level of employee engagement poses a barrier to global competitiveness and economic success. Key findings were:

- Only 23 percent of New Zealand employees were mentally and emotionally engaged in their jobs
- Over 60 percent of Kiwi respondents were found to be "not engaged", meaning they were uninspired, lacked motivation and would do just enough to fulfil their job requirements
- Another 15 percent were "disengaged", meaning they were not only unhappy at work but likely to act out of unhappiness
- That actively disengaged workers

cost the New Zealand economy an estimated $7.5 billion a year
- Employee engagement would become an increasingly important concern for countries and organisations seeking to boost labour productivity as the global economy continued its rapid pace of change.

It also found that in Australia and New Zealand, just under a fifth of employees in leadership positions were engaged in their jobs, and these are the people organisations rely on to conduct their on-boarding programmes!

Your process for on-boarding can be as systematised as you like but it will only ever be as good as the people conducting it. It soon gets out when an organisation has a great on-boarding process and, given that the on-boarding process provides a perceived reflection of how an organisation treats its staff, it can become a defining difference between enticing good staff to move from one organisation to another... or not.

So how can an organisation begin to improve its employee engagement? There are two approaches each of which will impact on the other. The first is right at the start of the employee's relationship with the organisation.

Most organisations know that thousands of dollars are wasted each year as a result of poor employee engagement, and they spend thousands more trying to fix it.

What if we could break the cycle of disengagement altogether?

Enter the Employee Attachment Inventory (EAI). A psychometric survey created and patented by Anthony Sork, Sork HC, Australia.

Human beings are genetically and neurologically geared to form attachments with others. We see this in nature every day. For the workplace, this means all new employees go through a critical attachment period and this occurs during the first 120 days of employment. And who has the greatest influence over the strength of this bond? Their direct manager... but since managers are not mind readers, they rely on hard data to make informed decisions, and this is your opportunity to give it to them.

No, we aren't talking about another on-boarding survey. That will tell you nothing about an employee's level of emotional commitment to the business.

We are talking about measuring "attachment", the bonding period that occurs between a new employee and the organisation in the first 120 days.

We know many organisations measure employee engagement but by the time you implement your annual employee engagement survey, you've probably already missed the "attachment" boat. To be fair though, up until now, there hasn't been a recognised instrument that an organisation could use to measure attachment, but there is now.

So why start now?

Using an infant/parent scenario, if a child does not attach to their parent (i.e. they do not feel a sense of security, trust and value, acceptance and belonging), the child can have difficulty forming and sustaining healthy relationships throughout adult life.

Now replace parent with manager and it's a similar story for the workplace.

> *Organisations that treat departing employees with fairness and respect during the exit phase are generally held in high regard by exiting employees.*

From an organisations perspective, research shows that based on average direct and indirect costs, the average cost associated with finding, recruiting and up-skilling new talent to a minimum performance standard exceeds $100,000 per new employee over their first three months of employment.

The average time it takes for a new employee to "pay back" the organisations initial recruitment/training investment is anywhere between 12 and 18 months depending on the role, industry and learning curve to reach full competency.

Any attrition prior to a new employees "break even" point represents a financial loss to the organisation. Add this loss to the cost of replacing the employee and very quickly the $100k investment increases dramatically with each new recruitment exercise.

Developing the Employee Attachment Inventory involved assessing key factors that cause employee attrition across a wide range of industries and a diverse range of people. The research showed that for a new employee, there are 20 critical drivers they are assessing both consciously and subconsciously during their first 120 days with their new organisation and it is how we choose to manage these perceptions, or not, that will determine the level of attachment and subsequent engagement.

The second place to look to improve employee engagement is from the other end of the employment cycle, at the time of exit. The Employee Detachment Inventory (EDI) provides HR professionals with an objective methodology for measuring the reality of the departing employee. It measures the degree to which various aspects of the employment experience led to their ultimate decision to leave the organisation.

Traditional exit surveys are no longer enough if an organisation wants to build its 'employee brand'. They are often one sided, they seek feedback from the exiting employee only and do little to engage the manager in the process.

The EDI differs from traditional exit interviews in that it seeks feedback from both the exiting employee and their manager. It's important to know the reasons why an employee decides to leave, but it is equally important for the manager to understand the extent to which each driver had an impact on the decision.

The comparison of response between the employee and manager to the same set of questions enables the manager to identify the gaps in their perceived view of how satisfied the employee was in the role compared with the employee's actual ratings. The power of the EDI is in surveying the manager.

As organisations spend more time and effort building their "employee brand", the last thing they need is a handful of influential ex-employees pulling it apart.

Regardless of what led to their decision to leave, organisations that treat departing employees with fairness and respect during the exit phase are generally held in high regard by exiting employees. If a strong "employee brand" is an outcome you are chasing, then that has to become a critical influencer.

Both the Employee Attachment Inventory and the Employee Detachment Inventory are online questionnaires. The EAI consists of 100 questions across 20 Key Drivers and should take no more than 15 minutes to complete while the EDI consists of 64 questions across three clusters of Drivers and should take no more than 10 minutes to complete.

Both will produce Trend Reports searchable on the selection criteria provided at the time of your organisations initial set up.

To quote Bill Logue, President and CEO of FedEx Freight; If you take care of the people, they'll take care of the service... and they'll generate a profit **HR**

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