



Human Resource Management: Retaining Talent under Constraints

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Main Objectives of the Session

- **Strategic Approach to HRM**
 - **Motivation & Engagement:** defining key concepts
 - **Workplace Policies and Strategies to Increase Employee Engagement**
 - **Workforce Diversity & Generational Differences:** Approaches to Accommodating these Differences
 - **Small Group Session:** Best Practices of Employee Engagement under Financial Constraints
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Strategic Approach to Human Resource Management

- **Context for the Strategic HRM:** technological changes, increasing long-term fiscal pressures, massive shifts in the workforce (aging, increasing diversity, dynamism)
 - **Strategic HRM Tenets:** 1) An agency effectively responds to environmental pressures via HRM practices; 2) Employees are viewed as stakeholders.
 - **Engaged and motivated employees** ➡ lower employee turnover, improved retention, higher organizational productivity
 - **Public sector constraints:** we can't rely on the same 'boosts' of motivation as private sector companies do. **What can we do to improve employee engagement and retention?**
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Employee Turnover and Its Major Causes

(Abbasi and Hollman)

- 1. Hiring Practices:** inconsistency between employee goals and qualifications and agency culture and strategy.
 - 2. Lack of Competitive Compensation System**
 - 3. Lack of Recognition:** lack of professional growth opportunities, performance appraisal issues, lack of informal recognition.
 - 4. Managerial Style:** narrow background, adherence to status quo, short-sightedness.
 - 5. Toxic Workplace Environment:**
 - Forced choice between life and career
 - People are treated as a factor of production (means to an end)
 - People are treated as overhead, salaries, benefits and costs rather than assets
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What is Good Management?

“Management is nothing more than motivating other people.”

Lee Iacocca, Father of the Mustang, rescuer and long-term CEO of the Chrysler Corporation.



Understanding Employee Motivation to Improve Engagement & Retention

- Factors which **incite** and **direct** an individual's **action** (Atkinson, 1964)
 - The set of **internal** and **external** forces that **initiate behavior** and determine its form, direction, intensity, and duration (Pinder, 1998)
 - **Motivation** is not:
 - **directly observable;**
 - the same as **satisfaction/goal achievement;**
 - always **conscious;**
 - not **directly controllable**
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Motivation and Its Effect on Employee Engagement and Retention

➤ **Equity Theory (Adams, 1965):**

- Explains how a worker reaches a conclusion that he/she is being **treated fairly or unfairly**;
- 2 types: 1) subjective calculation of the balance between inputs (contributions) and outputs (recognition);
- 2) comparison with other employees.

➤ **Expectancy Theory (Vroom, 1964):**

- Relationship between **job satisfaction and performance**
 - **How much an individual wants something versus perceived effort-reward probability:** 1) subjective value of rewards and punishments; 2) probability of rewards and punishments; 3) confidence in one's ability to perform the job.
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Motivation Toolbox: Extrinsic and Intrinsic Rewards





Motivating People in Organizations: **Extrinsic and Intrinsic Rewards**

➤ **Extrinsic rewards:**

- **tangible rewards** given to employees by managers
- external to the work itself; other people control their size and whether or not they are granted
- generally, a **very effective** and **universal** source of motivation

➤ **Intrinsic rewards:**

- **psychological rewards** that employees get from doing meaningful work and performing it well
 - a relatively **healthy and sustainable** source of motivation
 - **4 main categories of rewards:**
 - Sense of **meaningfulness**;
 - Sense of **choice**;
 - Sense of **competence**;
 - Sense of **progress**.
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Drivers of Employee Engagement

(Norma Davila and Wanda Pina-Ramirez)

1. **Intrinsic Motivation**
 2. **Leadership**
 3. **Manager-Employee Relationship** (strong predictor of retention)
 4. **Performance Management** (aligning employees' goals with organizational goals)
 5. **Career Development** (strong predictor of loyalty and retention, growth and development opportunities)
 6. **Financial and Extrinsic Incentives**
 7. **Organizational Image** (reputation, culture)
 8. **Brand Alignment** (integrity, unique value of an organization, mission-driven organization)
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Employee Development Approaches

➤ Training:

- Provides learning for *current responsibilities and tasks*
- Learning focuses on *skill-building* (but can also include understanding concepts and theories, and increasing self-awareness of one's own personal attributes, perceptions, attitudes, thinking)

➤ Education:

- *Future oriented*; prepares individual for new responsibilities and changes (ex. getting an academic degree)
- Puts greater emphasis on *learning* and *competencies that can be generalized to different situations* (but may include skill building)

➤ Staff Development:

- *Future oriented*, but the future is less clear and defined
- Prepares employees for *changes that are not specifically anticipated or clearly known*;
- Less skill-oriented – emphasizes *attitudes, knowledge, competencies*



Effective Use of Employee Development Strategies

- **ED:** 1) training that prepares employees to perform their **present jobs better**, and 2) career development activities for **job growth and greater responsibilities**.
 - **Focusing on competencies** as a set of knowledge, skills, abilities.
 - **Supervisor's role as a "Performance Coach":**
 1. clarifying **performance** and behavioral **expectations**;
 2. helping employees understand the organization's **long and short-term goals**;
 3. identifying **learning opportunities**;
 4. giving positive and corrective **feedback**;
 5. and providing necessary **resources**.
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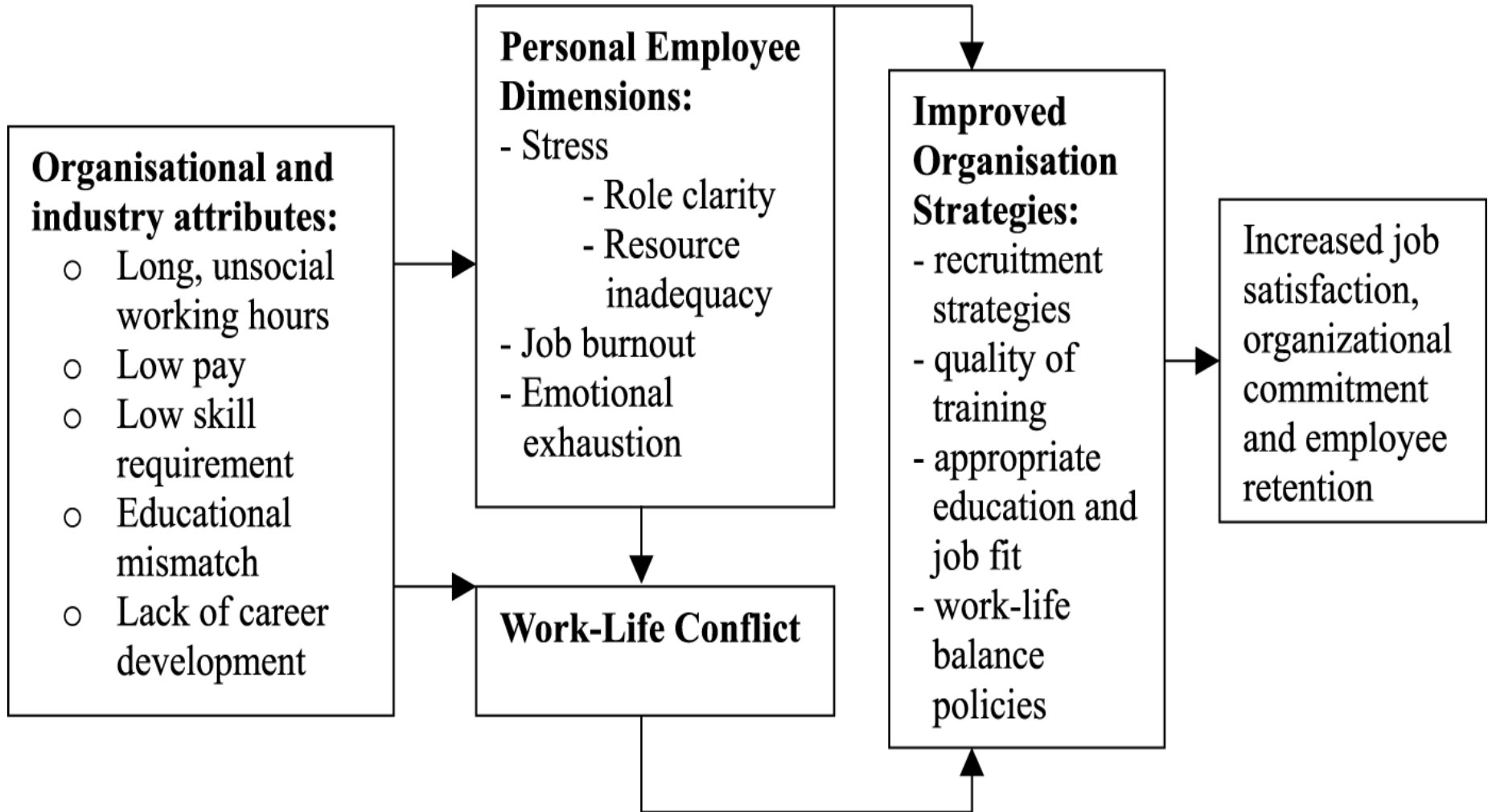


Examples of Employee Development Activities

- **Events:**
 - Classes, workshops, seminars
 - Webinars
 - Conferences
- **On-the-Job:**
 - Cross-training
 - Challenging assignments
 - Job shadowing
 - Observation & demonstration
 - Mentoring
 - Coaching, counseling
 - Buddy assignments
- **Organizational:**
 - Team/committee membership
 - Committee leadership
 - Job rotation & enrichment
 - Professional organizations
 - Cultural competency/diversity
 - Ethics training
- **Education:**
 - Degree Programs
 - Certificate Programs
- **Independent learning:**
 - Reading Assignments
 - Online Training



Employee Retention & Work-Life Conflict: Organizational and Individual Factors





Meeting Employee Needs: Life-Work-Balance Programs

- **Employer-Sponsored Child Care:** parental leave, on or near-site facilities, financial assistance, referrals, emergency needs.
 - **Adoption Assistance:** paid & unpaid time off (use of sick and other leave), reimbursement for legal and medical expenses.
 - **Elder Care:** paid & unpaid time off, referrals, assistance with insurance paperwork, information and support services, care management services, discounted backup homecare.
 - **Family-Friendly or Single Hostile?** Life-style friendly policies (paid education, professional development, etc.).
 - **Stress-Reduction Programs:** wellness programs & employee assistance programs; assessment, observation, feedback and coaching; workshops on time & stress management.
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Emergent Benefits & Incentives: Flexible Working Arrangements

- **Job satisfaction reports indicate the increasing demand for flexible work schedules and other work accommodations.**
 - **Flextime:** varying starting and ending times.
 - **Compressed workweeks:** fewer than five days.
 - **Regular part-time:** less than full-time status.
 - **Job sharing:** two part-time employees sharing a full-time job.
 - **Phased retirement:** gradually reducing hours before retirement.
 - **Telecommuting:** regularly working at a site other than office.
 - **Accommodating diversity:** individual preferences, cultural and spiritual needs, age-related needs.
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Focus on Diversity Management: Government-Wide Diversity and Inclusion Strategic Plans 2011 and 2016

- **Executive Order 13583 by President Obama**
 - **Philosophy:** to cultivate **high performing organizations**
 - **Purpose:** 1) to identify and adopt *best practices* to promote diversity and inclusion; 2) to identify and remove any *barriers to equal employment opportunity*, consistent with merit system and law.
 - **Diversity:** a collection of individual attributes that help agencies pursue organizational objectives efficiently and effectively (race, gender, veteran status, national origin, language, socioeconomic status, family structures, persons' background & experience).
 - **Inclusion:** – a set of behaviors (culture) that encourages employees to feel valued for their unique qualities and experience a sense of belonging; **inclusive diversity** as a promotion of collaboration.
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The Practice of Diversity Management (James Rogers)

➤ Diversity Management as a Deliberate Organizational Strategy:

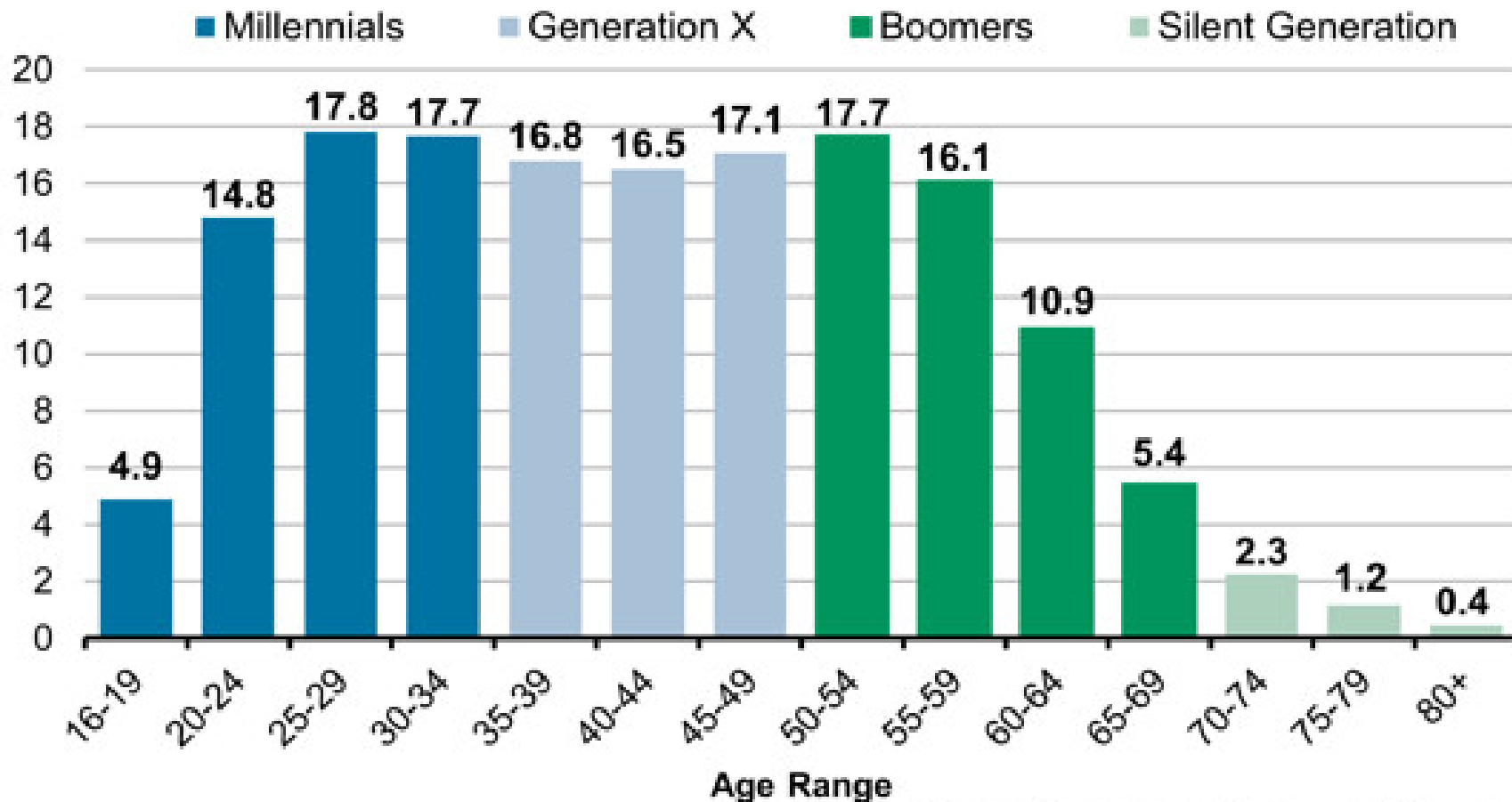
1. **Capable Selection** (actively search for and engage the right diversity of people for each team and project)
 2. **Deliberate Team Formation** (diverse teams are at first inefficient; altering team members to reduce disagreement and conflict, navigating among different perspectives)
 3. **Masterful Facilitation** (the art of driving diverse people to consensus)
 4. **Consensus Validation** (reaching agreement and support of team members about the consensus)
 5. **Relentless Execution** (everyone's perspective has been heard, people accept the solution; everyone works toward common goals)
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Multigenerational Workforce: Strategic Challenges and Opportunities

The Workforce in 2015

Projected size of U.S. labor force (in millions) by age, for the year 2015



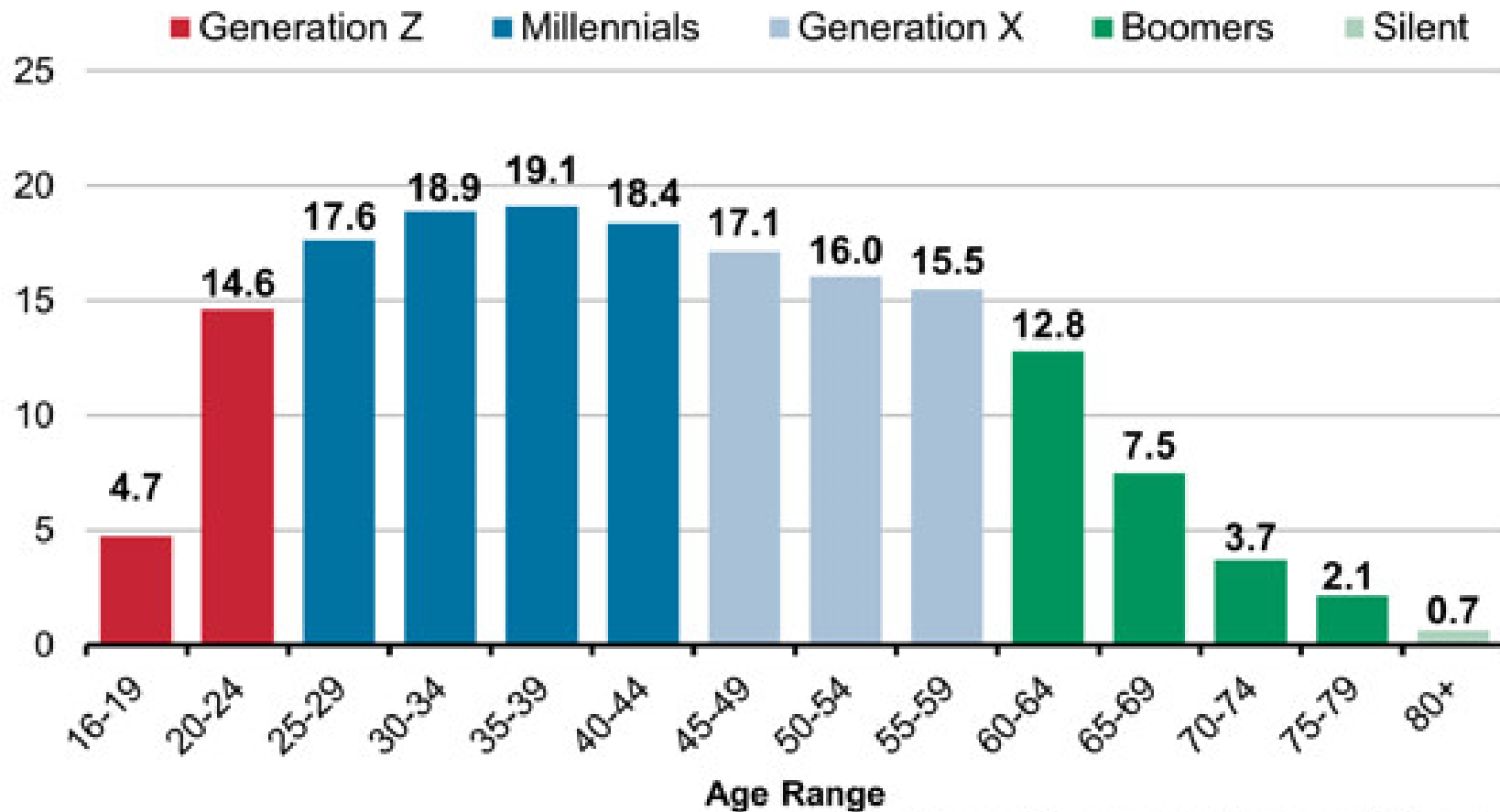
Source: Department of Labor | WSJ.com



Multigenerational Workforce: Looking into the Future

The Workforce in 2025

Projected size of U.S. labor force (in millions) by age, for the year 2025



Source: Department of Labor | WSJ.com



Considering Generational Differences in the Workforce

- **Generational Cohort Theory** (Strauss & Howe, 1991)
 - **Traditionalist/Silent** (1929-45); **Boomer** (1946-64);
Generation X (1965-79); **Generation Y/Millennials** (1980-99)
 - **Generations are a social construct:** individuals born in a certain time period are influenced by historical and social context & specific events \longrightarrow shared values and attitudes
 - **Generational cohorts possess a unique set of preferences** that distinguish their workplace tendencies.
 - **Common perceived differences:** use of technology, communication, work climate, leadership and feedback, work-life balance, team orientation, involvement and empowerment.
 - **Competing explanation:** Life Stage Theories.
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Generational Differences in the Workforce: **Engaging the Millennials**

- **Generation Y** is *technology-driven, multitasking, confident, optimistic, skeptical* (need an explanation why), *higher turnover rates* as compared to their older counterparts.
 - Prefer a *culturally sensitive, fun-at-work* workplaces.
 - Prefer a *team-oriented work environment*, bosses with whom they can relate and who value employee input.
 - Prefer constant and instantaneous *feedback from leaders*.
 - Value *work-life balance* and prioritize *engagement with family and friends* over work commitments.
 - Workplace policies: mentoring programs, more employee development, team-based environment, flexible work arrangements, performance-based rewards, more technology.
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Generational Differences in the Workforce: **Engaging Generation Z**

- **Generation Z:** iGeneration, Gen Tech, Gen Wii, Net Gen, Digital Natives, Plurals (between 7 and 22 years old in 2019).
 - **Shaping events:** September 11 attacks, The Great Recession, school shootings – no generational memory of a time the U.S. was not at war with ‘global terrorism’.
 - **Life attitudes:** entrepreneurial and independent; concerned about cost of education and living; frugal; civically engaged and politically active; open minded and tolerant.
 - **Workplace attitudes:** appreciate job stability and continuity; no longer just want a job, want a feeling of fulfillment and excitement.
 - **Workplace policies:** more employee development, flexible work arrangements, more technology, community engagement.
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Employees with Mental Health Disabilities: Who They Are?

- 44 million adults (18.5% of the U.S. population) in the U.S. report having had any mental health condition during the past year.
- 18% of workers report having a mental health condition in any given month (one of the most common disabilities under ADA).
- Common psychiatric diagnoses: anxiety disorder (18%), depression (9.5%), attention deficit/hyperactivity disorder (ADHD, 4%), bipolar disorder and schizophrenia (3.6%).
- Depression is one of the most significant risk factors for suicide and a leading cause of workplace absence and low performance.
- Suicide takes the lives of about 38,000 Americans each year.
- The majority of the suicide deaths in the United States are among working age adults (ages 24–64), especially men.
- Each year over 8 million adults think seriously about taking their life, and over 1 million make an attempt.



Employees with Mental Health Disabilities: Key Points for Managers

- ✓ Work is good for mental health but a *negative working environment* can lead to physical and mental health problems.
 - ✓ Depression and anxiety cost global economy is \$1 trillion per year in *lost productivity*.
 - ✓ *Harassment and bullying* at work are common and negatively impact mental health.
 - ✓ *Effective organizational efforts to promote mental health include:* structural (policies), cultural (stigma, taboo), and leadership (open door, healthy boundaries) interventions.
 - **Burn-out is an “occupational phenomenon”** included in the International Classification of Diseases, but not classified as a medical condition: feelings of energy depletion and exhaustion; increased mental distance from the job; feelings of negativism and cynicism related to one’s job; reduced professional efficacy.
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Employees with Mental Health Disabilities: How to Meet Their Needs?

- **Flexible Workplace** – telework, flexible scheduling, part-time
 - **Leave and Breaks** – paid and unpaid, flexible use of vacation
 - **Physical modifications** - reduction of distractions, adding room dividers, soundproofing and noise cancellation headphones, increased natural lighting, music and white noise
 - **Equipment** – tape recorders, e-organizers & calendars, remote access, laptop computers
 - **Job duties** – modification, removal, restructuring, division of large assignments into smaller goals, additional training
 - **Management/Supervision** – positive reinforcement and feedback, structure of supervision (more frequent meetings to help prioritize), additional forms of communication, to-do lists and checklists; regularly scheduled meetings; written work agreements; education about accommodation rights; training for all employees
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Employees with Mental Health Disabilities: How to Meet Their Needs?

Helpful Resources:

- The Job Accommodation Network - a free consulting service from the U.S. Department of Labor's Office of Disability Employment Policy. <http://askjan.org> and 1-800-526-7234 (V/TTY).
 - The Center for Psychiatric Rehabilitation's Reasonable Accommodations page <https://cpr.bu.edu/resources/reasonable-accommodations/>
 - Regional ADA National Network Centers <https://adata.org>
 - The Equal Employment Opportunity Commission's Enforcement Guidance on the ADA and Psychiatric Disabilities <https://www.eeoc.gov/policy/docs/psych.html>
 - The American Foundation for Suicide Prevention <https://suicidepreventionlifeline.org>
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Ways to Decrease Disengagement (Lynne Cowar; Public Manager, 2014)

- ❑ *Get to know an employee and what motivates him/her*
(including generational differences)
 - ❑ *Engage in collaborative goal setting*, developing personal growth plans, design opportunities for development
 - ❑ *Show that an employee is a valued member of the team*
(assignments, regular feedback with specific examples)
 - ❑ *Recognize employee accomplishments* and organize employee events to *foster a sense of belonging*
 - ❑ *Sponsor professional memberships and other networking opportunities*, agency sponsored lunches, speakers, workshops
 - ❑ *Collaborate with others and share best practices*
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Strategic HRM: **Engaged Employees – Productive Workplaces**

- **Small-Groups Session: Best Practices of Employee Development & Engagement under Financial Constraints**
 - **Employee Development & Engagement Worksheet**
 - **Fill out the top part individually, share with your group, come up with 2-3 recommendations**
 - Additional Resources on Strategic Approaches to HRM:
 - Books and articles
 - Reports
 - Web sites
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