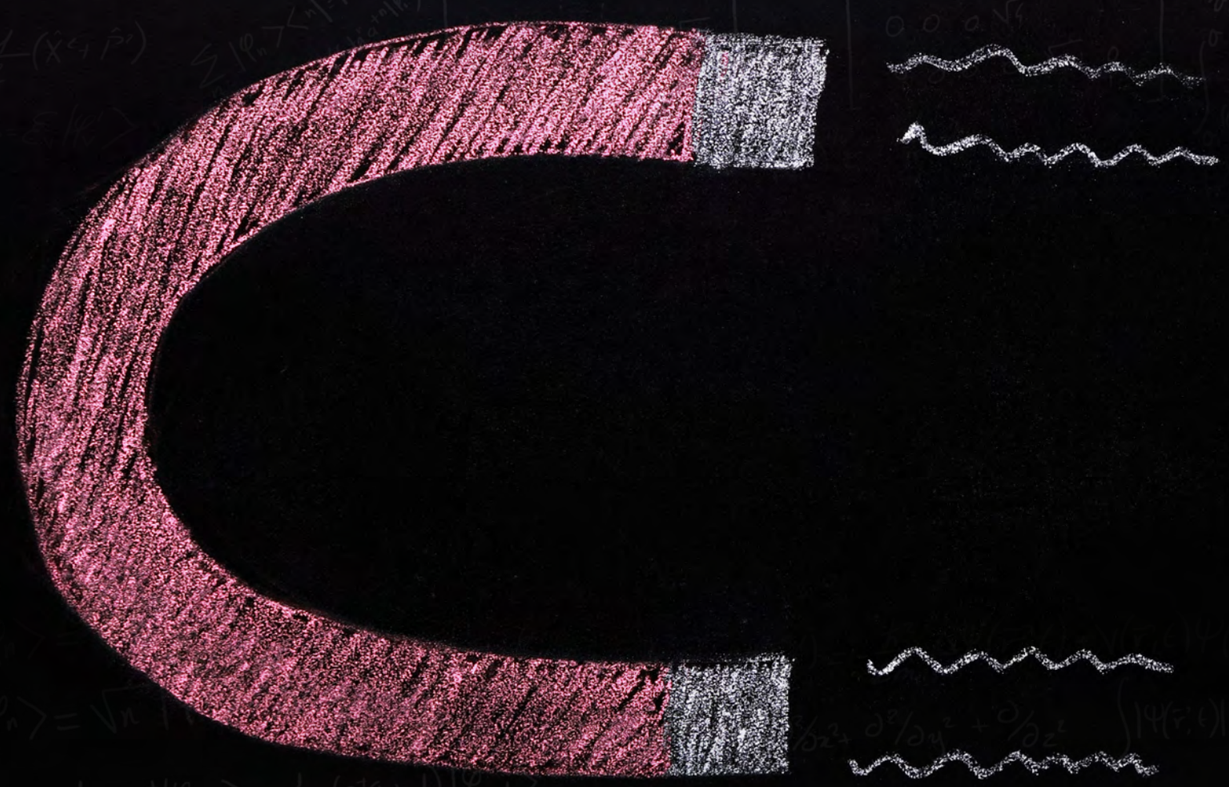

Understanding the Dynamics of Staff Retention

Seek to reduce departures with a culture of appreciation.

By Paul White

As many leaders come to understand over time, the reason employees give for their departure is often not the real reason they are leaving.

Research has shown that employees start thinking about leaving before they actually decide and act on it. This is hardly a surprise to anyone. But the process of people starting to think about leaving is worth addressing because this starting point creates problems in the workplace *before* an employee resigns.

Obviously, we all have bad days when circumstances have gone wrong, we had a difficult (and stressful) conversation with a client, or we had a conflict with one of our colleagues. When this occurs, many people have fleeting thoughts of leaving their current employment. Fortunately, usually cooler heads will prevail—largely by thinking through the practical implications of this action for their lives.

When an employee begins to think more frequently about the possibility of leaving their job, there are at least two trains of thought that begin. First, because of the impact of selective attention, they start to notice aspects of their job and workplace they don't like. As a result, they become more aware of the negative aspects of their job, like how long their commute is and the fact that they must work in the office (either full time or at least a certain number of days each week). They may become more in tune with how irritating some colleagues are, the large part of their job responsibilities they don't really enjoy or possibly a dissatisfaction with their workspace. Finally, employees also start to remember the number of negative experiences they have had over time (possibly years) while working at the firm. This is because one way our memories are cataloged is by emotional experiences. So when we feel devalued, memories of other times when we felt similarly pop up into our consciousness.

The second line of thinking also begins—comparing the current situation to other possible job possibilities. This is reflected in the proverb "The grass is always greener on the other side of the fence." A major challenge with this line of thinking is that the potential alternatives we may consider might be reality-based, but often they are either a fantasized distortion of a realistic option or the option may be totally imaginary, created solely in our mind.

Regardless of which line of thinking an individual focuses on, some negative results begin to appear. Most commonly, *disengagement* appears first. Because all of us have limited time as well as a finite amount of mental and emotional energy, we have difficulty investing our time and energy in multiple areas of our lives within the same time period. When we begin to think more about how much we don't like our current job or consider in our minds what better options might exist, our focus on our current work diminishes. A common description of employee disengagement is "being present physically but not fully engaged mentally or emotionally."

The consequences of disengagement by an employee include less productivity, more mistakes, not completing tasks, less focus in conversations (seeming "somewhere else"), lack of motivation and a general apathy.

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Another result that stems from employees thinking about leaving is general negativity in their interactions with others. This is an obvious derivative from their focusing on what they dislike about their current job. Clearly, their positive comments about work diminish. Then they start vocalizing some of what they are thinking—usually to colleagues with whom they work. This can come in the form of short, sniping comments about the firm, complaining about various policies and decisions, sarcasm, cynicism, and gossiping about others.

A key point to note is that improving staff retention does *not* start by retaining staff but by reducing the amount of time they spend *thinking* about leaving. This fact has important implications for how to attack the problem. If leaders within a law firm focus solely on the challenge of team members leaving, their efforts will be less effective in retention than if they address both aspects of the process—why people leave and what contributes to people thinking about leaving.

KEEPING EMPLOYEES FROM LEAVING

This issue raises the question: Why do people leave?

External circumstances. Many times, firm management and law firm leaders do not pay a lot of attention to all the factors not directly related to their firm, which often are the actual cause of why an employee is leaving. Common circumstances include a spouse or significant other has a life circumstance change (transferred to another location, pursuing a degree from a university in another city); a new child or deciding to stay home with their child(ren); moving to care for a senior parent; or moving to be closer to extended family.

As an employer there is nothing you can do to prevent team members from leaving because of these circumstances. However, tracking how many of your lost employees fall into this category may be a good practice to initiate so you don't confuse these departures with "We have a bad culture" or "We need to pay our employees more." The reality is that our society is highly mobile, especially among younger adults, and losing staff to normal life transitions is common.

DISTINGUISHING STATED REASONS, INFERRED REASONS AND REALITY

Stated reasons. As many leaders come to understand over time, the reason employees give for their departure is often not the real reason they are leaving. Frequently, the reason stated is rather vague and feels like a smoke screen, hiding the truth. "There is nothing wrong here and no specific reason I'm leaving; I just feel like it is time for me to move on to a different opportunity."

Multiple reasons account for this behavior: lack of trust, desire for privacy, a sense of shame that their reason for leaving isn't really good enough, not wanting to have to explain themselves further, leaving to work for a competitor, wanting to reserve their emotional energy, or a fear of "losing it" and venting inappropriately.

Inferred reasons. When law firm leaders or team members don't believe they have been given the employee's real reason for leaving, the desire to make sense of the situation kicks in. We ask ourselves and others, "I wonder what the *real* reason is for their leaving?" This then leads to conjecture and creating hypotheses based either on partial information or our own prior life experiences. In truth, our decisions are often influenced by mixed motives and multiple reasons, with the seemingly obvious (or most recent relevant event) only being the tip of the iceberg.

Trying to figure out why a colleague is choosing to leave, unless they have told you honestly, is largely a waste of time and energy and sometimes is pursued to serve the purpose of finding a reason to blame them for abandoning you and the firm.

Reality. We like to know other people's reasons for doing what they do partly so we can take action to correct a relevant problem. In truth, we often are not totally clear on why we make the decisions we make, given the multiple factors and issues involved. An article from Forbes notes that most business leaders and managers (89%) believe employees quit to go to another employer to earn more money. However, in a study by the Saratoga Institute, only 12% of employees reported they were leaving for more money. The reality is the employee may make more money at their next place of employment, but they report money is not the primary reason they are leaving.

WHY EMPLOYEES LEAVE

When examining human behavior, a common fallacy is to look for logical reasons for various choices and behaviors. Much of the research related to decision-making in real life, as opposed to artificial laboratory situations, finds that many decisions are made largely due to *emotional* factors. And this is true in the case of leaving one's job. The process of deciding to leave, exploring alternative options, disengaging from one's current workplace and collegial relationships, deciding what to do when one leaves, and starting on a new pathway, whether it is a new job or a different course of action, all adds up to an extremely large amount of emotional energy.

It therefore takes a significant emotional driver to make the decision to leave to overcome the demands encountered throughout the process. This is supported by recent research completed at the MIT Sloan School of Management. The researchers found that, during the Great Resignation, dissatisfaction with workplace culture was over 10 times more likely to predict an employee's quitting than compensation issues did. Another study found that 79% of employees who leave a job voluntarily cite a lack of appreciation as one of the core factors affecting their decision.

If you take some time to reflect and think about people you know who have quit jobs (possibly including yourself), you probably can connect a strong emotional component as a reason for their leaving—feeling treated unfairly, not valued, offended or being tired of conflict with co-workers.

RETAINING TEAM MEMBERS

Two key factors have been shown to be directly related to keeping employees long term.

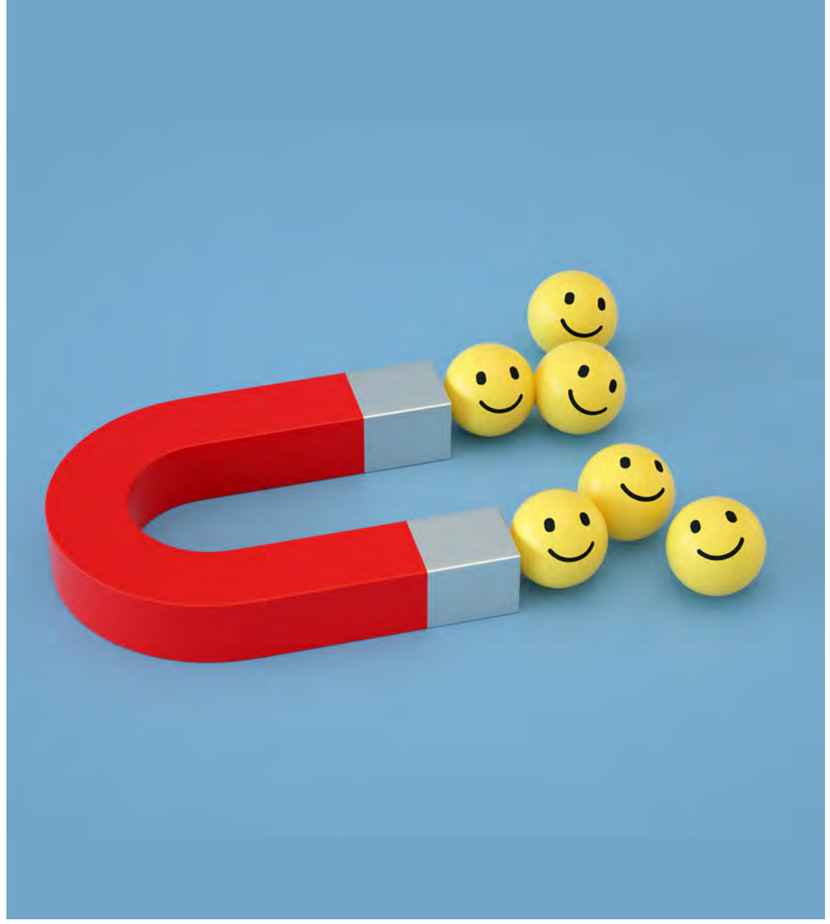

IMAGE CREDIT TK

First, people are more likely to stay at their current job if they enjoy their work. No surprises there. But the critical follow-up question is: What factors lead people to enjoy their work? A major study of 200,000 global employees by the Boston Consulting Group found that "feeling appreciated" was the most important factor contributing to job satisfaction reported by employees. Similarly, Gallup found that appreciation at work was one of the top factors related to employee engagement. It is important to note that employee recognition programs do not necessarily lead to employees feeling truly valued.

In our work with hundreds of thousands of employees, we have identified four components necessary for team members to feel truly appreciated. The appreciation must be communicated:

1. **Regularly.** The desired rate varies across individuals but clearly must be more than at performance reviews.
2. **In the ways valued by the recipient.** Many supervisors communicate appreciation in the ways they value, which often misses the mark because their team members prefer different types of appreciation.
3. **Personally and individually.** Group emails ("Way to go, team. We met our quarterly revenue goal") are OK, but they do not communicate appreciation sufficiently to the administrative assistant who worked late to ensure a large contract was completed on time.
4. **Authentically.** If a person is struggling to genuinely value a colleague, we strongly advise "Don't try to fake it." Communicating appreciation when it is not genuine (or not perceived to be) undermines trust. It is better to wait and work on determining what you value about your colleague.

Relational connection with team members is the second key factor contributing to keeping employees for the long term. This is especially true in the era of remote, hybrid and long-distance employee relationships. In our work in helping create healthy workplace cultures, we have found that a key component is creating relational connections at a personal level. That is, colleagues not only communicate about work-related issues, but they get to know one another personally. Why is this important? Because employees are people first; they are not just producers. They have lives outside of work that intersect with their day-to-day functioning, and if we ignore what is going on in their lives outside of their job, we can easily misunderstand their behavior at work. We must remember that we all are social beings, and relationships add value, depth and purpose to our daily lives. Relationships are sticky—they help create bonds that keep people in place. (When someone retires, do they say, "I'm really going to miss the work"? No, they say, "I'm really going to miss you all.")

Generational differences. In the past, an employee's relationship with their supervisor or manager was the key relationship for them. In fact, there was a common adage: "People don't leave a job, they leave a manager." This has changed for younger employees. Their concern is less about their relationship with their manager and more about collegial relationships. If they get along with and enjoy their colleagues, they are more likely to stay than if they have a positive relationship with their supervisor but aren't connected to their peers.

Improving the ability of a law firm to retain its staff is multifaceted. Understand that retention has two intertwined components: the factors that can keep employees from leaving and the important components necessary to retain team members. Focusing solely on incidents when employees quit can blind leaders to the actions that can be taken to create a workplace culture where employees want to stay. Law firms that are proactive in creating a culture of appreciation among colleagues and that facilitate relational connections between team members will see their ability to retain quality employees increase significantly. **LP**

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