HR And Corporate Strategy Analysis

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Main Reasons for High HR Turnover

- Flawed Hiring (Gleeson, 2017)
- Excessive Work Load
- Lack of Training
- Lack of Growth Opportunities
- Wrong HR Policies
- Low Morale of Employees (Skelton et al., 2019)
- Corporate Culture
- Attitude of Managers

The first reason for higher HR turnover is flawed hiring, which means that companies do not hire the right people and do not see long-term futures with their employers (Gleeson, 2017). Such workers quit whenever they have better opportunities elsewhere. As the HR manager, I have found that our entity has been committing this mistake in the past. It is one of the most important reasons that our turnover has reached an alarming level of thirty-eight per cent. The company should be careful about the excessive workload on workers. Similarly, the lack of training leads the workers to quit the job as they do not foresee any improvement in their skills, which might hurt their career progression. The most talented employees want to improve their skills. If the company deprives them of the opportunity to change or improve things, it will quickly make them hate their job. This restricts not only the employees but also the company. The lack of growth opportunities is the fourth main cause of the high turnover of employees. Hard-working employees want to excel in their careers. If managers do not make the effort to promote good people, it can be very discouraging for the rest of the staff and the concerned persons.

The fifth reason for high turnover is wrong HR policies. Many employees do not accept HR policies, including bonuses, financial incentives, and leaves. They prefer to leave rather than stick with such organizations. Similarly, low morale might induce employees to look for opportunities elsewhere (Skelton et al., 2019). Lower motivation and morale might keep the employees dissatisfied. The failure of employees to achieve their personal and professional development and unsatisfactory job growth might result in lower motivation and morale. Resultantly, the employees might leave the job. The seventh most important reason for high turnover is corporate culture. Sometimes, workers simply cannot get used to the corporate culture – for example, because they want flatter hierarchies. Sometimes, employers convey the wrong picture of corporate culture in job interviews. Or hire someone because of their expertise, even though they have the feeling from the outset that it doesn’t really work. Such employees start searching for alternative opportunities from the early days of their joining and quit when they succeed in their endeavours. The eighth reason for high turnover is the wrong attitude of managers. Sometimes, the managers might not treat employees well. Their tone might be inappropriate, and they might be indifferent to employees' concerns.

Financial Impacts of High HR Turnover

- High Cost of Hiring (Jou & Lee, 2020)
- Cost of Training
- Productivity Loss (Skelton et al., 2019)
- Competitor Factor

The costs of hiring a new employer are made up of many partial costs, including advertising for the job and testing. The sum of such costs might be considerably high (Jou & Lee, 2020). It is recommended that we find our exact dollar cost of recruitment, which would help us devise a comprehensive HR policy. Unfortunately, we have not already calculated the recruitment costs incurred in the company's previous recruitment processes. Similarly, training new employees costs time and money because, in the first three months, the employee will probably not perform at full capacity. During this time, they will receive a salary. When employees leave the organization, productivity goes down, which usually has negative financial implications in the form of reduced production and sales (Skelton et al., 2019). The seasoned marketing professionals take important contacts with them. The loss of trained employees might have severe consequences because it is not easy to replace trained workers quickly. If the company is in a business that requires the employees to have specific industry knowledge, the entity is helping its competitors to enjoy that knowledge freely. When trained employees leave, they might join the competing business. They would not need training in rival organizations as they are already skilled.

Techniques to Assess Morale of the Employees

- Keen Observation
- Attitude or Morale Survey
- Morale Indicator
- Productivity

The assessment of the morale of the employees is a complex task; therefore, I recommend that the entity not rely on one mechanism. It should use triangulation techniques used by researchers and scientists to produce accurate and reliable results. The first method to assess morale is keen observation. The managers and HR department might observe the employees for any obvious signs of low or high morale. For example, if the morale is low, the workers might arrive late. The second method is the attitude or morale survey. It might be in the form of a direct interview or questionnaire. However, the employees might be conscious of the nature of the queries and might deliberately frame their responses. Therefore, the company might use the next technique, which is the morale indicator, and refer to an assessment of various signs. These indicators include

- absenteeism,
- excessive late arrivals,
- training records,
- fluctuations in production,
- quality records,
- excessive waste and scrap,
- accident rate,
- number of grievances,

The last important technique is to assess the productivity of individual employees. If the productivity is high, the employee might not leave because his or her morale is high and vice versa.

Recommendations to Curtail Employee Turnover

- Revision In Recruitment Policy
- Rationalization of WorkLoad
- Provision of Training
- Provision of Growth Opportunities
- Corporate Culture (Gleeson, 2017)

It is recommended that higher management revise the recruitment policy so that the organization can induct workers who foresee a long-term future with the entity. It is high time that we learn from the history and our competitors. The jewellery industry requires sophisticated skills. We should not lose our trained employees; therefore, it is critical to have the right induction strategy. Equally vital is the need to reduce workload in some departments. Especially during the pandemic, employees feel overburdened. Apart from this, we should revise our training manuals to incorporate modern research and learning, which is essential to growing in the dynamic jewellery business realm. The entity should offer ample growth opportunities to employees so that they might excel in their careers. When they feel that their present employer is concerned about their professional growth, they will be less interested in finding job opportunities elsewhere. The last point is not least because the corporate culture has immense significance in employee turnover and morale. The toxic culture induces workers to leave; moreover, they become less interested in giving their optimum. According to Forbes, organizations which have a culture where employees can synchronize their individual objectives with those of the organizations might experience reduced employee turnover (Gleeson, 2017).

The Significance of HR Manager in Reducing Employee Turnover

- Right Recruitment Policies and Procedures
- Liaison With Higher Management
- Solution of problems of Employees
- Working Environment and Relationship (Denton & Maatgi, 2016)
- High Morale of Employees (Skelton et al., 2019)

HR managers play an immensely crucial role in modern organizations. Especially in the sophisticated jewellery industry, its role is vital because here employees need specialized skills and training. As the new HR manager, I have a comprehensive plan to reduce the current high employee turnover. I would present the revised recruitment policies and procedures to the board of directors. I have incorporated modern research in this recommendation, which has proven successful in solving similar issues in other organizations. Apart from this, I would liaise with higher management and try my best to solve the genuine grievances of the workers. I have noticed that many employees' issues relate to department managers, and such problems remain unsolved for a long time. According to the researchers, relations with coworkers play an important role in employee motivation and morale (Denton & Maatgi, 2016). As a result, the morale of the employees dives, and they prefer to leave. In this process, the entity loses trained employees, and our rivals end up having trained employees at our cost. I am very hopeful that my plan and recommendation will boost the morale of employees in a short time and help them achieve a high level of job satisfaction. The feeling of fulfilment in the work performed and the high morale of workers bring down employee turnover (Skelton et al., 2019).

References

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