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Tina Radford – Interviewed by Prue Leng

CEO's fear staff exodus in Second War on Talent

With countless businesses having to let staff go during the downturn, industry experts predict businesses now risk losing the staff they as the market recovers. Tina Radford, Founding Managing Director of HR Business Solutions and Chair of The Executive Connection (TEC) says CEO's and senior managers are nervous they may lose their top performers in the new year.

"Six months ago responsible restructuring and dignified redundancies were at the core of Human Resources. Now it seems a growing number of CEO's are losing staff to their competitors," she said.

According to Ms Radford, during the slowing job market it was commonplace for redundant employees to accept lower paying positions or work without pay rises.

As the market recovers and the negotiating power of employees is reinstated, Ms Radford said many CEO's are worried that there will be more shoulder tapping of employees similar to that witnessed in the 2007 battle to attract and retain talent.

"While salary expectations were lowered and many were grateful to have a good job, growing confidence in job security will mean those who accepted less may start looking for more, so CEO's need to have the right incentives to keep them keen.

"CEO's must start developing 'out-of-the-box', creative remuneration strategies," she said.

In her role as a TEC Queensland chair, Ms Radford is part of a 250-strong network of local CEO's and business owners, and is privy to TEC members' business issues and challenges.

Ms Radford says recruitment and retention is now back on the agenda, saying CEO's and executives overwhelmingly report this is a major concern leading into a new year.

"It is interesting to hear what factors bosses think are enticing their top players away.

"Many believe these are purely financial in terms of bigger salaries or bonuses, but it may not necessarily be the dollars that are drawing staff away.

"Relationship with managers, a perceived lack of job security, limited career options and lack of training and development are the most common reasons for leaving an organisation," she said.

While the bottom line of many businesses are still recovering from the downturn, and cash flow remains at a premium, many of Ms Radford's clients are enquiring how they can retain and reward high performing staff whilst remaining financially secure.

"Money isn't everything when it comes to employee satisfaction, but fair and equitable remuneration practices are fundamental to employee retention.

"You can compensate your employees through non-monetary means, such as flexible work schedules, working from home, increased annual leave, stock options, professional learning and development, access to professional training and development such as providing coaches and good old fashioned praise and recognition.

"To be effective, it is crucial that employee rewards are meaningful to each employee," Ms Radford said.