



August 2008

ROUND TABLE REPORT
8 / 2008

Nurturing Talent to Manage Attrition

The Eighth BestPrax Roundtable congregated at the Sydenham Institute of Management Studies, Research and Entrepreneurship Education on 22 August 2008. The theme – Nurturing Talent to Manage Attrition – an issue affecting all companies was chosen to ensure that students get a flavour of what beckons in the corporate arena. The invitees were senior leaders and entrepreneurs from diverse sectors, with Dr Aneeta Madhok, Director, Open Spaces Consulting, moderating the two-hour discussion.

The Origin

Attrition has always been a cark for most companies. In recent times, companies have had to continuously grapple with increasing employee turnover – retention, has therefore gained paramount importance. India, as a growing economy is furthered by a plethora of job opportunities, and this has fuelled attrition further.

However, opportunity is not the cornerstone of attrition. Lack of growth, knowledge and expertise of the individual also play a key role in employee turnover. The eighth BestPrax Roundtable concentrated on one aspect of retention with its theme being – “Nurturing Talent to Manage Attrition”.

As tomorrow’s managers will also face similar challenges, BestPrax thought it would be appropriate to hold this roundtable amidst them.

Participants

Name	Title, Affiliation
Dr Aneeta Madhok	Director, Open Spaces Consulting
Ramola Mahajani	Managing Director, Human Edge Cutting Consulting
Adil Bhesania	Associate Vice President- HR, Eureka Forbes Ltd
Amar Deepika	Head - HR, Ashok Piramal Group
Nelum Gidwani	Director, BestPrax Club
Arvind Sridhar	Special correspondent, domain-b.com

Setting the tone

Aneeta Madhok invited the assembled participants to introduce themselves and also highlight a couple of key aspects of nurturing talent to manage attrition. The session gave the audience a taste of what was on offer.

Mrs Mahajani, who was earlier with Indian Hotels for 26 years, spoke about her brushes with managing attrition. She believes that turnover cannot be done away with, but it can surely be controlled. The top two reasons according to her that lead to attrition are the plethora of choices available today, and the other, a new phenomenon in India, laying off the bottom ten per cent of employees. Mrs Mahajani believes that these are two reasons that are here to stay.

Adil Bhesania, an ex-IITian and an alumni of IIM-B, speaking with his 29-year experience says, "Attrition or retention is not only linked with compensation. Often, in a facile manner, we say that money is not enough that is why the person leaves. Though that may be the only ostensible reason the person gives for changing the job, but dig deeper and you will find that there are other reasons. And I have learnt from my current company (Eureka Forbes), which probably does not feature at the top of the 'best-paymasters' list, that the culture of the company can be a great binding glue to keep people together."

Adding to the diverse points of view, Amar Deepika, who spent almost her entire career span with Punjab Tractors, believes that location of the job is an important factor for attrition. She goes on to say that employees should be treated as internal customers. She elucidates, "The way the marketing department of an organisation attracts a customer, and the way they can retain a customer, is something that too is very attuned to attracting employees and retaining them in an organisation."

Nelum Gidwani, a veteran in consulting with Indian and international companies, with a career profile spanning 42 years doesn't believe that attrition is a cause through a single event. "Today, changing a job is far easier as

opportunities have increased. Earlier, employees were willing to wait for their turn to grow and achieve their goals, but today's MBA does not have the patience for that. They

"Earlier, employees were willing to wait for their turn to grow and achieve their goals, but today's MBA does not have the patience for that. They have the opportunity to pursue their goals elsewhere and grab it."

- Nelum Gidwani

have the opportunity to pursue their goals elsewhere and grab it. Compatibility of the individual and the organisation is very important. And lastly, money plays a very important role. I know of a gentleman who was transferred to what I think, is the back of the beyond. He took up the offer, as he did not want to let go of the Esops that he held."

Aneeta Madhok weaved the introductory points under six broad themes, which were further elaborated on:

- What is the nature of the changes, where are they originating from, and what do organisations do to manage these changes. The nature of the cause-effect needs to be understood.
- Can we borrow from the marketing perspective and look at innovative ways of attracting and retaining employees, as they too are internal customers of HR?
- Culture is a binding glue that creates bonds beyond the employment contract and results in longer periods of retention of employees.
- Nurturing and fostering a sense of pride in an organisation as a prime way forward towards lower attrition levels.
- Multi-pronged solutions that the Roundtable can produce to identify the way forward.

Contours of change

“Since 1991, the demand for personnel has gone up phenomenally. Today, even if you are not highly qualified, you can still avail of opportunities galore. If you have a reasonable education and a reasonable personality and reasonable diligence, you can change jobs easily,” says Mr Gidwani. He continues, “lastly, the change in the attitude of the multinationals is a boon. Indians are now in great demand all over the world. The environment has thus changed dramatically by way of opportunities.”

Adil Bhesania, concurring with Mr Gidwani, adds, “one of the things that we can see growing enormously, is the amount of opportunities available to the

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- Adil Bhesania

youth. I see it daily in our organisation. You might have heard about Eureka Forbes’ friendly man, who knocks at your door to sell our products. We were the pioneers in direct sales. There was a time when these youngsters got an opportunity of a lifetime to get into direct sales and see a

career. You will be surprised to know that we have vice presidents in the company who started as salesmen. That is the ethos of the company. “

He states, “it is different today. Youngsters are in a hurry, they are impatient in terms of career building and career flow - and that has changed the dynamics of everything. When they see a little opportunity that is going to help them go a little faster with a little more money, they are willing to jump. This is the

challenge that we face – the impatience. We need to find out alternatives how we can address this challenge and how we attract talent and retain them.”

Mr Bhesania furthers comments, that today, hard work seems to have been thrown out of the window. People seem to want cushier jobs. An MBA who is passing out today thinks he will be into an air-conditioned office the moment he steps foot out of his campus. Mr Bhesania continues, “when I had completed my MBA, I had to cry my way to my first job. I was working with Sandoz Group, where I was put on the field. I had to go door-to-door to tell doctors about our medicines (as you would know, doctors don't buy, they prescribe). Success was not achieved in a flash. This is another syndrome that we need to address. A solid steady career needs to be built and that will take some time. These are some of the challenges at the entry level which we need to address.”

Mrs Mahajani also recounts her days at Indian Hotels where, even though she was in the Human Resources, she had to get her hands dirty – literally! “I had to learn how to make the rooms, how to make the beds, how to clean the bathrooms. Once, the internal union had raised some issues, and a meeting of the senior management was called. The workers were not performing their daily tasks due to the ongoing strike but even then, the hotel guests were not inconvenienced. We were all trained to make beds, clean bathrooms, etc. So the point here is that, it is important to get to grips with whatever you are going to do.”

She continues, “Yes, it is great to have an air-conditioned office, but it is crucial to know and learn each task well. You will manage people later in your career, who may do the job better than you. At this time, it will help to have known all tasks well. So while times have changed, in the long run, if you haven't dirtied your hands, you will soon be superseded.”

But what does the future hold in store for budding managers? “What I see in the future is that job-knowledge, wherever you are is universal and unless you know your job, people below you are not going to be managed by you because they too are going to become smarter over the years,” she clarifies.

Mrs Deepika believes that the shift has been due to the change in the value system of both, the corporates and the fresh graduates. “Like Ramola and Adil mentioned, we have all climbed the ladder through hard work. I worked in a tractor manufacturing company, I was supposed to rub shoulders with workers, understand their problems, learn how the machines worked and even how the tractor was assembled.”

“I soiled my hands and that was the way we were brought up. I underwent a rigorous training programme that the company emphasised on, but does a similar emphasis exist in today? We are in the age of speed, so corporates look for quick results in their hurry to reach number one.”

Mrs Deepika believes that all relationships, whether between two humans, or between a human and an organisation, are built on commitment and substantial time needs to be invested in it. It is imperative that both parties look into this. She firmly states, “If you are looking for greener pastures outside, it is a serious problem that needs to be addressed.

Attrition – A result of multifarious factors

As with most human issues, attrition too was not subject to single cause-effect relationships. The fact that an employee leaves is often a result of a complex situational flux. With all the participants agreeing that there were various factors to attrition, Aneeta Madhok invited them to further detail on their thoughts for the second session.

Mr Bhesania reiterated four points which according to him binds a person to an organisation, viz., a culture of belongingness, a culture of people’s growth and opportunities thereof, communicating various changes occurring within the organisation and its environment, and the fourth, creating a culture of recognition. Emphasising on the importance of the above points, Mr Bhesania gave the students a couple of examples of how a company can create the culture of belonging and also create a culture of identity for employees.

“At Eureka Forbes we have branded employees as Eurochamps - Euro from Eureka and champ from champion. We are one of the few companies which has a company anthem and it entirely revolves around the employees, especially, the frontline. All major event starts with the anthem with everyone on their feet, clapping to the anthem. High positive energy flows and emits the sense of belongingness and a sense of identity is also created. When we set up a technical headquarters in Bangalore, a statue of a Eurochamp was installed. Unheard of in the corporate sector, where usually gods and goddesses are installed or the founder’s bust is. But such was the dedication of the Eurochamp to the organisation, that it was most appropriate to honour them with this.”

“At Coca Cola, the bottlers’ employees wear a Coca Cola t-shirt and cap and go out to the field; even the managers are proud to wear that t-shirt. These are some of the ways which I believe can be created and once created, a strong bond will be established. Yes, it maybe possible to break it, but definitely not without difficulty”, says the HR veteran.

Mrs Deepika believes that the first measure to arrest attrition, is to find the right person for the right job. Moreover, it is also important to find a person who also fits the organisation’s culture. Apart from money, Mrs Deepika considers professional excellence and recognition as a motivating

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- Amar Deepika

factor for today's professionals. "Ensuring employees are aware of the organisation's goals is very important, so that they feel involved and understand the direction in which the company aspires to move. Just like in a family, where each one feels responsible for the well-being of the family and its members, employees also will feel the same way for their organisation," she says.

Mrs Mahajani concurred with the others that culture was a very important factor as are the values of the organisation. She feels that the competency and confidence of a new employee is key to reducing attrition.

"Belongingness also plays a role. Whenever a FedEx employee has a baby, a plane gets named after that child. One of the ex-managing directors of Tata Steel knew the names of each of the then 15,000 employees. He greeted all the employees by name. Similarly, in Indian Hotels, the chairman knew everybody's name, be it a bell boy or a manager. He spoke to that person like he was the most important person at that point of time - nothing else mattered. This is very critical. As a manager you must make an effort to bind with your people," articulates Mrs Mahajani.

Mr Gidwani however makes an interesting point about the need for innovation to help manage attrition. "If qualified engineers are not willing to do night shifts, what does a manager do? We can either force him to do the night shift but he will soon look for another job and leave in 3 months. Alternatively, we can train a supervisor, make them night supervisors and put an engineer on call. The supervisors might not have problems coming at night because the money attracts him. This is the sort of innovation that can help manage attrition. Ofcourse the solutions and innovations will differ from industry to industry," he says.

"The cultural change in an organisation must be handled extremely sensitively and creatively. At this time, it helps to get close to people - one on one."

- Ramola Mahajani

The interesting thoughts on the table led Arvind Sridhar to ask the panel to elaborate on how organisations can

create a cultural change. Mrs Mahajani responds that transparency is important during a cultural change which can be communicated to groups of people. Few employees may be unable to align themselves with the company's culture and at this point in time, attrition may rear its head. "The cultural change in an organisation must be handled extremely sensitively and creatively. At this time, it helps to get close to people - one on one."

Employee is an Internal Customer

Aneeta Madhok picked up from the flavour of Mrs Deepika's opening comment to not just expect loyalty from the internal customer but also create a family feeling, bonding and personal touch.

Mrs Deepika states that companies often tend to oversee the cultural environment of employees and also their own. "In Punjab Tractors, the seniors employees in the workers union had a unique request. They were above the age of 50, and most had served the company for about 25-30 years. Their children were of marriageable age and their unique demand was to provide them with a designation which had "engineer" in it. It could be junior engineer, assistant engineer or engineer also. They were open to any of these three. The reason given was that they could then marry their children into good families," she says.

The management was very apprehensive that if they gave them the engineer status, tomorrow they would refuse to work with their own hands - the legal system being such that the definition of a 'worker' would come into play.

The company resisted initially but soon looked at it closely to understand its impact to the company. "Eventually we gave them new designations - Engineer and in brackets - NS, i.e. Non-Supervisor. The company had no legal problems and in fact we got such a wonderful response from that set of employees because it met their requirements - it was a status symbol to them, " says a beaming Mrs Deepika.

Providing an in-depth marketing perspective, Mr Bhesania says, "the first thing we need to do is to listen to the customer. More the ways you develop to listen to your customers, the easier it becomes to satisfy them. This can be done through pointed surveys. Gallup has a very simple twelve-question Q12 survey. This regularly sets up an employee satisfaction tracking system. Then it feeds into their individual manager's performance appraisal because it shows what he gets to do for the employees. The more the number of ways you can get to know the employee, the better. "

"Eureka Forbes has taken Maslow's hierarchy theory and adapted it to our needs. We have a simple employee value proposition called ELPF - Earning Learning Pride and Fun. And so it becomes easy for even a manager in any city to know 'how can I help my employee earn more, to continue his learning and training, how do I help build his sense of pride in his own function in the company and how do I finally allow him to have fun on the job also.' We don't take the theory and apply it as it is, we need to adapt it to your organization," continues Mr Bhesania.

Mr Bhesania further states that many organisations have now begun to think about the stakeholder and not just a share holder. So while the financial results are very crucial, customer focus and employee focus is equally important.

Mrs Mahajani feels this is a top-down approach and that managers need to look at their internal customers and understand their needs and listen to them. She also believes that companies should aim at eliminating silos within the company to ensure that all employees work together. Narrating an incident from her Taj Hotel days, Mrs Mahajani says, “We identified room-boys and trained them to become bell-boys, where they would have customer interaction. We also taught a few to speak correct English and promoted some to become waiters. In some, where we saw the right competencies, we even made them cashier. We provided training regularly and soon a couple of them went on to become the managers and another became a general manager.”

Culture – The binding glue

Aneeta Madhok mentioned the results of a recent Hindustan Times survey, which tried to uncover reasons why people leave. “The employees gave two reasons to leave the jobs. One was the direct relationship with their boss. I didn't leave the organization, I left the boss.’ There is a plenty of this on the internet. And according to employers, financial compensation was the first reason for people to leave. So I would like to request the panel what do they think people leave an organisation? Is it compensation?” she queried.

“In a recent Hindustan Times survey, employees gave two reasons to leave the jobs. One was the direct relationship with their boss - *I didn't leave the organization, I left the boss.* According to employers, financial compensation was the first reason why people to leave.”
- Dr Aneeta Madhok

Mr Gidwani stated money, opportunity and the boss as the three main reasons that he believes is the cause of attrition. Mrs Mahajani also feels that the need for people nowadays to start something of their own and be independent is another reason for attrition.

Aneeta Madhok adds, “I would like to recommend 'Free Agent Nation' by Daniel Pink to everyone. According to Daniel Pink, the world of the future is that corporates will be small, skeletal structures and they will have a host of free agents working for themselves. The whole concept of employment will undergo a transformation. One individual will operate with several organisations. He talks of what he would like to do and have fun along the way. So the future of employment according to Daniel Pink is going to change. Perhaps today what we are seeing as a problem of attrition may tomorrow be the part two.”

“Employees look to have work-life balance. If this balance tilts unfavourably towards work over a period of time, the employee will get frustrated and eventually leave. Being unclear of their growth path instils the fear of stagnation in many.”
- Arvind Sridhar

Arvind Sridhar believes that there are more reasons

than just money, opportunity and the boss. "I think another aspect that employees look to have is work-life balance. If this balance tilts unfavourably towards work over a period of time, the employee will get frustrated and eventually leave. Yet another important reason why attrition occurs is due to insecurity and being unsure of their future in the company. Being unclear of their growth path, instills the fear of stagnation in many. These factors are all controllable by the company and it needs to look into these aspects."

Mr Bhesania adds, "One of the reasons may be a sour relation with the boss. I recently read 'Thirty Reasons Why Employees Hate Their Managers'. It's a research in which 30,000 employees had given 30 reasons they hate their managers. The point here is, let us not underestimate the role individual managers have."

Adding to Mr Bhesania's points, Mrs Mahajani says, "I was one of the judges in an event hosted by Qimpro on innovation. A variety of companies applied and one interesting concept came up from the Delhi-based Sona Group - a 'stay interview'. They are meeting up with people and they are conducting stay interviews to exactly address what Adil has said - is it the boss, is it the money, have I been superceded etc. I think that to introduce stay interviews requires proactivity on behalf of the management and it requires a certain sense of responsibility towards some people."

"Some companies have a practice of identifying who their key performers are, not necessarily high performers. Organisations need to make proactive efforts apart from stay interviews and make sure they stay in touch with these key people who are loyal to the organisation. They are the ones who maintain continuity even though the attrition levels are high. There are several such strategies that many organisations have already deployed," states Aneeta Madhok.

Looking Beyond

For the final session, Aneeta Madhok invited the panel to talk about looking outwards into the environment to create a change, a level beyond their immediate concerns so that we face lesser attrition.

Mr Gidwani expects India to borrow from the west in this regard. "In USA there is an interface between corporates and academia. Indian companies also have started recruiting well known professors from leading universities onto their boards. This is essentially to ensure a forward thinking approach," he says.

Agreeing with Mr Gidwani, Mrs Deepika says, "I think corporates have chipped in a very big way in the engineering institutes. Management institutes have gained from these corporate interactions. We have a very long way to go, I think, both corporate and academic institutes are working in isolation and there

is a wide gap that needs to be bridged. Therefore I think a lot more of interaction is required.”

“One of the ways to brand companies as employers of choice is to participate in international surveys. There is one by Hewitt Associates which is called 'The Best Employers Study'. This is done across many companies across many continents across the world. One reason for the companies to participate is that if they get a good ranking then it's a big honour for them. It helps them market and attract employees and also tell the existing employees that you are in the right place.

Another reason to participate in these surveys is to know where the company stands and helps them identify the path they need to undertake to know where they want to go in the future,” states Mr Bhesania.

Student interaction

The session was then thrown open to the budding management graduates of SIMSREE to address their questions.

Sachin Nayak asks, “if an employee wishes to move out for self development, is it advisable for the company to retain him and let him stagnate in his current role, where he sees no further self-development?” Mr Gidwani replies, “When I was working with a consultancy firm, we had many young men and women who had joined and were learning the ropes. But over a period of two or three years, we realised they were not cut out for this role. We told them, but not in a discouraging manner, and let them go. Sometimes, you just have to let go of some people and there is no harm in doing so.”

Mr Bhesania adds, “if you do let a person go for self-development, like for further education, he might come back to you after a couple of years, and add more value to the organisation than he did before. His leaving the company earlier made that difference and is then obviously a wise decision.”

Shivani Kallur asks, “Most customers prefer after-sales services. In treating employees as customer, how does one deal with their rising demands?” In response to this questions, Dr Madhok said, “Managing expectations is a challenge and ultimately the manager has to take a call and know where to draw the line. Managerial skills play a major role in ensuring a comfortable distance with the employee and a manager should not get too involved with any employee.”

Mr Bhesania emphasises that unkept promises are the reasons for dissent, and managers should take care to not promise employees the moon.

Mr Sridhar adds, “Apart from managing expectations, which is extremely important, is also to manage the emotions that arise from an unmet demand. A managers should convey why a demand is unmet and be transparent. I believe employees today, are willing to accept reason for their unfulfilled expectation.

This transparency will go a long way in handling potential attrites and will keep most, if not all, employees happy.

Key Takeaways

As the roundtable drew to an end, Aneeta Madhok invited participants to succinctly state their key takeaways from the roundtable.

Name	Key Takeaway
Nelum Gidwani	The manager is key to managing attrition and needs to understand his team member's needs. Managing people is not an exact science but a very subjective matter and needs to be dealt accordingly.
Adil Bhesania	It is critical to align employees with organisational goals. Managers need to be trained to retain employees as the key lies with them.
Ramola Mahajani	Getting the right people for the right job is important. Those who are already a good fit in the organisation must be held back and managers need to understand what makes them tick.
Arvind Sridhar	Culture plays a significant role in arresting attrition and managers need to create a conducive environment for their team. The other learning is managing internal customers' expectations. The 'stay interview' is a brilliant concept, where one can be proactive to find out what each employee needs.

Creativity Labs

Post the roundtable, BestPrax Club conducted a creativity lab for the students of SIMSREE. 'Brainwriting 6-3-5' lab aims to use creativity tools to eliminate chronic problems and simplify associated generic business practices. The concept stems from the fact that people possess the ability of generating new ideas through right brain thinking.

Brainwriting 6-3-5 is derived from the process of 6 members per team writing 3 ideas each in 5 minutes.

The students were divided into groups of six and each team was asked to record a problem statement on a sheet of paper provided to them. In hour, each group churned out about 108 solutions. Each student then reviewed each sheet and marked three ideas that they thought were the best.

This practice can be extended to corporate situations as well. This will lead a to plenty of ideas being generated which can then be shortlisted. The company can thus focus on key solutions to thwart issues they face.

Please help us improve our deliverables to you. Do let us know if this BestPrax Epsilon has been of any practical use to you. We would be delighted to hear your thoughts. Write to us at info@bestpraxclub.com.

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