

Seven considerations to attract, engage and retain the best people for the job



Introduction

Welcome to the Good Workplace.

It's a place where all employees feel safe and respected. Productivity is high, teams are dynamic and diverse, and everyone is united and motivated by a shared purpose. Each person's contributions are genuinely valued, and they are supported to reach their goals, both at work and in life.

As a result, the Good Workplace is appealing to potential employees, and a place where current employees are highly engaged and actually want to stay.

There's no hard and fast roadmap to get there. But there are a few characteristics research shows will make it easier for you to find and keep the people you need to help your business thrive – even at times when labour is scarce.

With that in mind, let's take a look at seven considerations that can help your organisation provide a Good Workplace.

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Purpose

Research shows that purpose-oriented companies experience 40 per cent higher levels of workforce retention than their competitors¹. It's not surprising, given studies have also shown that up to 90 per cent of people would be willing to take a pay cut in favour of more meaningful work².

A well-defined purpose will be a beacon that guides all the activities of your business. It will also provide a focal point for employees, allowing them to understand how their role fits within the organisation's goals and the broader social context.

It includes things like your vision – what you want to become; your mission or strategy statement – your common intent; and your values – what behaviours you will abide by. This serves as a guide for what individuals, departments and organisations do on a daily, monthly and yearly basis.

It may also include your approach to environmental, social and governance (ESG) factors.

For example:

- What actions is your business taking to reduce emissions and help combat climate change?
- Are you a good corporate citizen, practicing to a high legal and ethical standard?
- Are respectful and ethical practices embedded into all aspects of your operations?
- Does the business support community development or other causes, e.g. through donations, public advocacy, or providing time off for employees to volunteer within the community?

These kinds of considerations are increasingly important, especially when it comes to attracting and retaining Millennial and Gen Z talent. In fact, up to 77 per cent of millennial employees consider organisational culture to be just as important as base salary and benefits³.

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Purpose

Purpose is a complex and evolving thing, but it's important to get it right. It is your story, incorporating where you've come from, where you're trying to get to, and how you're going to get there. Make it a compelling one, that is clear and relatable and that the organisation lives and breathes.

In the Good Workplace:

- 1. Purpose is clearly defined and articulated, and all business activities are aligned with it.
- 2. All employees understand and have bought into the purpose. They feel that organisational purpose supports their pursuit of their own goals.
- 3. Good environmental, social and governance practices are part of the lifeblood of the business, embedded in policy, practice and culture.
- 4. The leadership team is aligned with the purpose and prioritises actions that achieve it.



Diversity & Inclusion

The benefits of diversity to businesses' bottom line have been well established. More diverse companies have been shown to have higher cashflow, revenue and profits than less diverse companies⁴. Diversity improves decision-making, collaboration and innovation.

But increasingly, diversity, equity and inclusion are key factors when it comes to attracting, engaging and retaining staff. This is especially true of millennials and Gen Z.

Consider the following statistics. Research has found that⁵:

- More than three quarters of job seekers and employees consider diversity an important factor when evaluating job offers.
- Nearly a third would not apply at all to a company where there is a lack of diversity.
- For those already employed, 39 per cent would leave their current organisation for a more inclusive one.
- For millennials, that number ballooned to over 50 per cent.

It's clear that diversity, equity and inclusion are more than just corporate buzzwords. They need to become central to the way a business operates. If you don't have internal expertise, seek external advice – Diversity Council Australia is an excellent source of information.

In the Good Workplace:

- 1. There is a diverse range of people, experiences and perspectives within the business.
- 2. Each member of this diverse team is respected, connected, contributing and progressing.
- 3. Everyone has access to the support, resources, treatment and opportunities they need to succeed.
- 4. DEI is recognised as an ongoing journey requiring collaboration and resource allocation.

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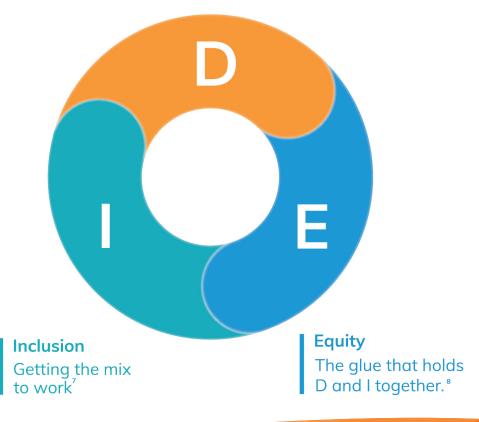
Diversity & Inclusion

Considerations

- Establish baseline diversity data for your workforce.

 Diversity Council Australia has comprehensive resources to assist with developing a data collection approach⁶.
- Review your approach to attracting talent. Consider whether there are other avenues to reach talent from outside your usual cohort, e.g. via community groups or peak bodies.
- Review hiring processes to ensure they do not disadvantage people from non English-speaking backgrounds, with experience of disability, or other protected attributes.
- Train hiring managers in overcoming unconscious bias and what it means to create an inclusive team environment.
- Provide reasonable adjustments within the workplace to eliminate potential barriers.
- Ensure all internal and external communications meet accessibility standards.

DiversityThe mix of people in your organisation⁷



Wellbeing Practices

Meaningful employment is good for people's mental health. On the other hand, as much as 45 per cent of mental health problems experienced by employed people are due to work-related factors⁹.

Having good mental health practices in the workplace is essential to retaining staff. One US study found 68 per cent of millennials and 81 per cent of Gen Z had left roles for mental health reasons¹⁰.

In Australia, a study by Beyond Blue found 91 per cent of employees believe mental health in the workplace is important – a larger group even than those who valued physical safety (88 per cent)¹¹.

Supporting mental health and wellbeing in the workplace means taking steps to remove or minimise psychosocial hazards. These are social and environmental factors that interact negatively with an individual's thought and behaviour.

They include things like:

- Unreasonably long work hours
- Unrealistic job expectations
- Workplace bullying and harassment
- Isolation, for remote or hybrid workers
- Micromanagement or lack of autonomy

Mental health conditions in Australia are on the increase, along with a greater awareness of the impacts of workplace stress. Making psychosocial safety a key part of your value proposition to job seekers and employees is more essential than ever.

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Wellbeing Practices

In the Good Workplace:

- 1. Mental health, wellbeing and psychosocial safety are core components of Workplace Health and Safety plans.
- 2. Employees are informed and aware of workplace factors that impact mental health.
- 3. Managers understand how to promote wellbeing and are trained to respond when an employee needs help.
- 4. The environment is safe for employees to communicate when they encounter psychosocial hazards, and there are processes in place to resolve them.



Considerations

- Consider engaging a Lived and Living Experience workplace consultant to talk with staff, review your HR policies and practices, and provide advice.
- Offer training such as Mental Health First Aid to managers and staff. Consider including this as part of onboarding.
- Offer rewards that focus on wellbeing, such as exercise or yoga memberships, selfcare or wellbeing days.
- Provide access to an Employee Assistance Program at a minimum, or more comprehensive health and wellbeing services as part of your employee benefits package.

91

The percentage of Australian employees who believe it is important to have a mentally healthy workplace

45

The percentage of mental health problems experienced by employed people that can be attributed to work related factors

220

The estimated annual cost in billions of dollars of poor mental health on Australia's economy, government and society each year 12

Flexibility & Trust

Flexible work is increasingly becoming the norm. Employees want it, and most employers would agree that things like working from home and flexible hours are here to stay. Consider these stats from a study conducted for SEEK¹³:

- 63 per cent of candidates think work-life balance is extremely important.
- 56 per cent want hirers to offer remote or flexible working.
- 54 per cent of employees think flexible work is at least as important as a 5 per cent pay increase.

When it comes to flexibility, working from home, either all or some of the time, isn't the only thing to consider. Flexible work arrangements can also consist of:

- Scheduling hours around parenting, carer or study commitments.
- Condensed weeks, where staff work longer hours in exchange for an additional day or half day off.
- Asynchronous work schedules, allowing staff to work at times when they feel they can be most productive.

The flipside to flexibility is trust. Increasingly so, with the shift towards work from home and hybrid work. A report by Microsoft found that 85 per cent of leaders say remote working has made it challenging to have confidence employees are being productive¹⁴.

Yet by contrast, 87 per cent of employees report they are productive at work. Bridging this gap in perceptions is a challenge that needs to be navigated.

This is where trust comes in. Micro-management or "surveillance" of remote workers have negative impacts on mental health, and can increase "productivity theatre" – a performance of busyness that fills scheduled hours without producing tangible results.

The solution is to view workers holistically, as individuals for whom work is just one aspect of who they are. Communication is key: talk with team members about what flexibility looks like to them, and come up with a plan that you are both comfortable with.

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Flexibility & Trust

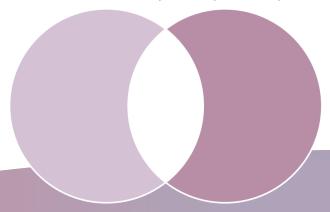
In the Good Workplace:

- 1. Flexibility is optimised as much as is possible to maximise team members' work-life balance.
- 2. Strategies are in place to ensure there is good connection across the team, even when some or all are working remotely.
- 3. The right technology and tools are in place to support collaboration within dispersed teams.
- 4. Workers lead mentally healthy, well-rounded lives, morale is high and stress levels are low, leading to increased engagement, innovation and productivity.
- 5. Leaders understand and respect flexibility, working with their teams to effectively communicate and enhance collaboration both formally and informally.



- Speak to staff about what flexibility looks like to them.
- Consider asynchronous work schedules for your team, with set crossover times for team meetings, brainstorming sessions, and mutual availability.
- Assess productivity by the quality of your team's output, rather than tracking minutes spent in front of their screen.

The Productivity Perception Gap



87% of employees report they consider themselves productive at work.

85% of leaders lack confidence employees are productive working remotely.

Reward & Recognition

Making your employees feel their contributions are valued is about more than providing a competitive salary. In a recent Global Burnout Report, respondents identified receiving more recognition from leaders as one of the top three methods to alleviate stress-related burnout¹⁶.

It seems like an obvious point. The more valued employees feel, the healthier, more engaged and productive they are likely to be. Likewise, jobseekers are more likely to be drawn to a workplace where their contributions will be appreciated.

That can be achieved through a combination of rewarding people for their efforts, and also finding ways to recognise their achievements.

But what's the best approach to reward and recognition?

That will depend on the size and type of the company. It might also depend on the individuals in your team, as not all may speak the same "language" of appreciation¹⁷.

Some will respond best to small gifts or team outings. Others might feel invigorated by public acknowledgements or being celebrated by their peers.

Generally, your R&R program will include some combination of elements from two categories¹⁸:

- Monetary, including things like pay increases, commissions, bonuses and fringe benefits
- Non-monetary, such as empowerment, promotion, gifts, celebrations and thank yous

Having a sound approach to both reward and recognition is a great way to ensure your company doesn't leak talent – either through lost productivity due to people burning out, or through losing staff to other workplaces where they feel their efforts will be better appreciated.

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Reward & Recognition

In the Good Workplace:

- 1. Recognition of people's achievements is commonplace and communicated in both formal and informal ways.
- 2. Every employee is contributing and feels their contribution is valued.
- 3. Formal incentives (monetary, non-monetary, or both) further motivate staff to perform their duties with respect, integrity and to a high standard.
- 4. Leaders regularly recognise and reward employee achievements.



Considerations

- Ask your team about what motivates them.
- Align your approach to reward and recognition with their preferences.
- Be realistic. Maybe you can't afford to give everyone a big bonus, but a \$100 gift card can go a long way.
- Leaders check in with employees periodically about the effectiveness of their reward and recognition activities and make adjustments if needed.



The gift of time: give staff a day off for their birthday, let them knock off early on Fridays, or offer a free day at the end of a major project.



A slice of the pie: reward success with offers of profit sharing, employee stock options, bonuses or commissions.



Lifestyle benefits: paid exercise sessions or accessories, subsidised childcare, paid volunteer leave, other product discounts.

Career pathways

When we polled our networks about what mattered most to them when choosing an employer, out of more than 500 respondents, 36 per cent named "opportunities for growth" as their number one priority¹⁹. It was the most popular response, ahead of things like culture, purpose and flexibility.

Opportunities to learn, develop and progress also play a key role in retention. One study found even 10 months without a job title change resulted in a statistically significant increase in a person's likelihood of leaving²⁰.

But career pathways need to go beyond simply opportunities for internal promotion. People are less likely to stay in any job for as long as they used to. Recent ABS data²¹ shows that:

- Of 13.4 million people employed in February 2022, 55 per cent had been in their current job for less than five years.
- 21 per cent of those employed in February 2022 had been in their job for less than a year.

Therefore it's important conversations about career pathways take a holistic view. Managers should work with team members to develop a plan that considers:

- What are their overall career goals?
- In what ways does their current role support or align with these goals?
- What opportunities are there for progression within the company?
- What professional development opportunities would assist them in taking the "next step"?
- Do they have any overall life goals that are also relevant?

If employees have a clear idea of how the role is helping them to get where they want to be, and feel supported in their pursuit of that goal, they are likely to stay longer.

And if they do leave, they are more likely to continue being promoters of your brand.

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Career pathways

In the Good Workplace:

- 1. Leaders work with team members to understand and plan towards their career goals, and take an active interest in learning and development.
- 2. Employees have a clear idea of how the role supports their overall career objectives.
- 3. Learning and development combined with opportunities for internal progression are provided in line with the career pathway plan.
- 4. Job requirements are transparent and clear so employees understand what competencies are critical to progression.



Considerations

- Develop a clear and transparent job family framework or competency framework, so employees can see exactly what career progression is available to them, and what competencies are required to progress.
- Ensure leaders have the knowledge and training required to support employees in their career.
- Allow time for research and training on the job to create a culture of active learning.



The percentage of people who changed jobs during the year ending February 2022

10

The number of months without a change in job title before a person becomes statistically more likely to leave

36

The percentage of jobseekers who consider opportunities for growth as top priority when choosing an employer

Promote your EVP

You've done the hard work. Now it's time to spread the word. The things we've explored in this guide form part of your Employer Value Proposition (EVP). This is your pitch, to both current and prospective employees, for why working with you is going to help them flourish, in work and life. In short, it tells people why your workplace is a Good Workplace.

Here are a few ways you can go about spruiking your EVP:

- 1. Develop a concise, catchy summary that can be adapted for things like job ads or your careers page.
- 2. Produce blog and social media content that points strategically to your EVP's key themes.
- 3. Use meetings and internal communications to promote core aspects of your EVP to employees.
- 4. Consult with employees often to ensure workplace reality is aligned with what your EVP promises.

5. Ensure leaders understand and contribute to adding value to the employee experience.

Remember actions speak louder than words. The most powerful way to promote your EVP is to live it. Make sure it is embedded in the life, culture, and policies of your business.

If your workplace is a Good Workplace, show it off. Both your staff and your business will benefit. If you have work to do, recognise this is an ongoing journey. Make sure you set and monitor progress towards short, medium and long-term goals.



Need more guidance?



Our experienced team can assist you in finding the right talent for your business and provide advice as you evolve your workplace.

Learn more

Resources

- 1. https://www2.deloitte.com/us/en/insights/topics/marketing-and-sales-operations/global-marketing-trends/2020/purpose-driven-companies.html
- 2. https://hbr.org/2018/11/9-out-of-10-people-are-willing-to-earn-less-money-to-do-more-meaningful-work
- 3. https://www.macquarie.com.au/business-banking/how-to-define-your-true-business-purpose.html
- 4. https://www2.deloitte.com/content/dam/Deloitte/us/Documents/about-deloitte/us-about-deloitte-unleashing-power-of-inclusion.pdf
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- 6. https://www.dca.org.au/research/project/di-101-collecting-diversity-data
- 7. Diversity Council Australia, Diversity & Inclusion Definition, Sydney, Diversity Council Australia, 2017.
- 8. https://www.linkedin.com/pulse/what-equity-workplace-get-ahead-by-linkedin-news
- 9. https://apo.org.au/sites/default/files/resource-files/2021-05/apo-nid313144.pdf
- 10. https://hbr.org/2021/10/its-a-new-era-for-mental-health-at-work
- 11. https://www.headsup.org.au/docs/default-source/resources/bl1270-report---tns-the-state-of-mental-health-in-australian-workplaces-hr.pdf
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- 18. https://www.hrhelpboard.com/contract-letters/articles/what-are-the-different-types-of-incentives-for-employees-at-work-280.htm
- 19. https://www.linkedin.com/feed/update/urn:li:activity:6996251894838923264
- 20. https://hbr.org/2017/03/why-do-employees-stay-a-clear-career-path-and-good-pay-for-starters
- 21. https://www.abs.gov.au/statistics/labour/jobs/job-mobility/latest-release

