

Talent Retention Strategies

Insights From Our
Latest Salary Guides

Introduction

In an economic world where talent retention is vital for success, losing a valuable employee can cost you more than just their salary. Did you know that, on average, it takes a staggering six months' worth of salary to replace a departing team member? That's a hefty price tag, and it's a cost no organisation can ignore.



As your trusted partner in talent acquisition, we've embarked on extensive research to understand the current market trends. This whitepaper is the culmination of valuable insights gathered from our in-depth salary surveys spanning the diverse sectors of Architecture & Interiors, Business Support, Construction, Engineering, Energy, Manufacturing, Property, Rail and Resources.

Within these pages, you'll find more than just statistics and data. We've poured over the numbers, dissected the trends, and conducted meticulous research and analysis to unearth the secrets of employee retention. It's a valuable set of actionable recommendations designed to help you foster a workplace environment where top talent chooses to stay, thrives, and propels your organisation to new heights.

As you navigate through this whitepaper, you will uncover:



INDUSTRY INSIGHTS

A breakdown of the current retention scenario across the industries mentioned above, providing a comprehensive comparison and trends overview



RETENTION CHALLENGES

An exploration of the specific challenges faced by organisations in retaining talent, including the factors that drive employees to seek new opportunities.



EFFECTIVE RETENTION STRATEGIES

Actionable strategies and best practices designed to empower you to proactively address talent retention in your organisation.



THE PATH FORWARD

A forward-looking perspective on how talent retention can play a key role in your organisation's growth and provide cost-effective strategies

Unveiling the Retention Landscape

In pursuing effective talent retention strategies, it is essential to examine the current state of employee retention across various industries. Our extensive salary surveys have provided valuable insights into the diverse landscape of retention rates among employers.

The Pinnacle of Retention: Architecture & Interiors and Business Support

Our analysis uncovered a noteworthy trend that stands out among the sectors under scrutiny: Architecture & Interiors and Business Support emerge as leaders in employee retention. These industries have successfully created environments where professionals are more likely to stay committed to their current employers.



Within the Architecture & Interiors sector, we observed an astonishingly high retention rate. An impressive **96%** of respondents reported having been with their current employers for over two years. This remarkable stability speaks to the industry's ability to nurture and maintain a loyal workforce, fostering an environment where employees thrive and choose to remain a part of their organisations' journey.

Similarly, the Business Support sector has demonstrated commendable retention rates. A significant **87%** of surveyed professionals in this field have committed to their current employers for over two years. This underscores the industry's dedication to creating an environment where employees find value and longevity in their roles.

Navigating High Turnover: Construction & Engineering

While Architecture & Interiors and Business Support showcase remarkable retention, we also observe a contrasting trend in the Construction and Engineering industries. These sectors grapple with comparatively higher turnover rates, warranting a closer examination of the factors at play.

Analysing both sectors together, our data reveals that, on average, **58.5%** of respondents have been with their current employer for less than two years. This suggests a substantial portion of professionals within this industry experience a relatively shorter tenure with their employers. Dissecting the unique challenges companies face in retaining their talent is imperative.

As we delve deeper into this whitepaper, we will explore the underlying factors contributing to these retention trends within the Construction and Engineering sectors. By gaining a comprehensive understanding of the challenges and opportunities specific to each industry, we can develop targeted strategies that enable organisations to bolster their employee retention efforts effectively.



The Impact of Compensation on Talent Retention

In the intricate complexity of talent retention, compensation plays a key role. Unsurprisingly, salary remains a prominent driver for employees when contemplating a change in employment.

Our survey data highlights that **44%** of respondents indicated that a better salary would make them consider a new job offer.

The remuneration packages offered to employees can significantly influence their decision to stay with an organisation or seek new opportunities. In this section, we delve into the correlation between pay rises and employee loyalty, drawing from the rich data gathered through our salary surveys.

Pay Rises: A Retention Catalyst

One of the striking findings from our surveys underscores the undeniable influence of pay rises on employee retention. The data reveals that a significant proportion of respondents who have received a pay rise over the past two years have chosen to remain loyal to their current employers.

A remarkable **72%** of respondents who received a pay rise over the past two years have expressed contentment with their current roles and are not actively seeking new opportunities. This statistic is a powerful testament to competitive compensation packages' role in keeping employees engaged and committed.



In stark contrast, our surveys also illuminate the predicament faced by those who have not seen an increase in their compensation over the same period. This group of professionals, who have not received pay rises, exhibits a heightened propensity for actively seeking new employment.

53% of respondents who have not received a pay rise in the past two years are actively exploring new job opportunities. This finding underscores the delicate balance that organisations must strike regarding compensation. Neglecting salary adjustments can inadvertently trigger attrition and hinder talent retention efforts.

The insights gleaned from this section underscore the critical role of compensation in talent retention. Organisations must consider their compensation practices carefully to build robust and effective retention strategies. Balancing the need to reward and motivate existing employees with the realities of budget constraints is a delicate art that requires meticulous navigation.



What is Work/Life Blend?

In the modern world of work, the traditional boundaries between professional life and personal life are evolving, giving rise to a concept known as "work/life blend." This whitepaper section aims to comprehensively understand what work/life blend entails, why it matters, and how it intersects with talent retention strategies.

In an era where work/life blend is gaining significance, achieving a harmonious balance between professional and personal life is a compelling factor for many employees. Coming right after a better salary, **34%** of respondents revealed that better work/life harmony would be the primary motivator to make them consider a new job offer. Organisations offering flexibility and support for work/life integration may gain a competitive edge in retaining their workforce.



Redefining Work and Life Integration

Traditionally, individuals have sought a clear demarcation between their work and personal lives. Work was typically confined to office hours, while personal time was reserved for activities outside of the workplace. However, the advent of technology, changing workforce demographics, and evolving attitudes toward work have blurred these lines.

Work/life blend, also referred to as work/life integration, represents a shift from the rigid separation of work and personal life to a more fluid and flexible approach. It acknowledges that employees have diverse responsibilities and aspirations, both within and outside of their professional roles, and seeks to accommodate these multifaceted aspects of their lives.

Key Components for a Positive Work/Life Blend

Flexibility: Offering employees the freedom to structure their work hours and locations to better align with their personal commitments and preferences.

Facilitating remote work options allows employees to balance their professional responsibilities with family, leisure, or other personal activities.



Well-Being Support: Providing resources and programs to support the physical, mental, and emotional well-being of employees, recognising that a healthy workforce is a more engaged and loyal one.

Autonomy: Granting employees the authority to make decisions about how, when, and where they work within the parameters of their roles and organisational objectives is a key aspect of fostering autonomy.

The use of a decision matrix can be a powerful tool to guide employees in making informed choices while ensuring alignment with organisational objectives. Decision matrices provide a structured framework for evaluating options, weighing factors, and arriving at the most suitable course of action.



To truly provide autonomy, it's essential to create an environment where employees feel secure to make decisions without the fear of retribution, encouraging open communication and a culture of trust.

Understanding and embracing work/life blend is crucial for talent retention strategies, as it enhances employees' satisfaction, boosting morale and sometimes increasing productivity at the same time.

Career Development and Progression Paths

In the quest to retain top talent, companies must recognise the essential role that career development and the presence of a clear progression path play in shaping employee satisfaction and loyalty.

Talented professionals have ambitions to advance in their careers, and providing a structured path for growth allows them to see a future within the organisation, fostering a sense of purpose and commitment.

Career development opportunities, such as training and mentorship programs, enable employees to acquire new skills and knowledge, benefiting their careers and contributing to the organisation's overall expertise.

These aligned with a well-defined progression path engage employees by giving them a sense of direction and purpose. When employees see a clear route for career advancement, they are more likely to be satisfied with their current roles, leading to increased retention rates and creating a win-win scenario where employees are motivated to stay and grow while the organisation benefits from their expertise and commitment.



Talent Retention and Cost-Effectiveness

The significance of retaining top talent cannot be overstated. The value of keeping seasoned employees lies in the continuity, productivity, loyalty, and engagement they bring. It's not just about keeping your workforce intact; it's about capitalising on the benefits they offer.

Talent retention is not just good practice, as it's also a cost-effective strategy. Considering the expenses associated with recruitment, onboarding, and the learning curve for new hires, our experts estimate it costs, on average, a six-month salary to replace someone.

These costs can be significantly reduced or eliminated when employees stay with your organisation. A focus on talent retention leads to long-term financial savings and a more efficient workforce management model, as shown below:

Continuity and Stability: Retaining seasoned employees fosters continuity within an organisation. Their institutional knowledge, experience, and familiarity with company culture and processes are invaluable assets that contribute to stability and consistent performance.

Employees who feel valued and invested in their roles are more likely to demonstrate loyalty and commitment to their employers. This loyalty translates into increased engagement, positively impacting productivity and innovation.



Onboarding Expenses: Onboarding new employees involves training, orientation, and integration efforts. This requires time, resources, and often the involvement of experienced staff. In contrast, retained employees are already familiar with company processes and culture, reducing onboarding expenses.

By focusing on talent retention, organisations can achieve a cost-effective approach to talent management. The investments made in retaining and nurturing existing employees often yield substantial returns, both in terms of enhanced productivity and avoiding considerable expenses.



Conclusion: Nurturing and Sustaining Your Greatest Asset

As this whitepaper illustrates, nurturing and sustaining your existing workforce can yield substantial returns in terms of high morale, productivity and cost efficiency. It's an investment that not only bolsters your bottom line but also fosters a thriving, loyal, and dedicated team of professionals who are essential to your organisation's success.

As we bring this whitepaper to a close, we are left with a resounding realisation: your employees are not just a workforce; they are your most valuable asset. Their knowledge, dedication, and commitment are the driving forces behind your organisation's success.

We have highlighted the factors that motivate employees to consider new job offers and underscored the cost-effectiveness of retaining existing talent, illustrating how investments in employee satisfaction, engagement, and development yield substantial returns.

It requires a deep commitment to understanding your employees' needs, fostering an environment where they can thrive, and continuously adapting to the changing expectations of the modern workforce.

In conclusion, the path to successful talent retention is multifaceted, and it demands a thorough approach. At Design & Build, we are committed to supporting you on this journey. Our expertise, industry insights, and dedication to understanding your unique needs are at your disposal.

If you need support from our specialised team regarding talent acquisition and retention within your organisation, click below, and one of our experts in your industry field will reach out to you shortly.

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