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HR LEADERS TALK

Tackling turnover

The economy can't stay bad forever, right? As it improves, there's no doubt employees will be tempted by greener pastures. We talked to HR professionals across the country to find out what they're doing to retain talent as more options become available.

Rhonda Lawson, senior vice-president of HR and facilities at Genworth Canada

The Oakville, Ont.-based company has 250 employees

Arriving at Genworth Canada early in 2013, Rhonda Lawson took the time to look at key HR trends at the 250-employee organization. And despite the economic downturn of 2008, she found it has had pretty consistent turnover rates, running about four per cent on average per year.

"We didn't go through the pain that some of the other insurers and financial services companies did in downsizing. We kept a pretty stable environment and we're very pleased that we didn't have a lot of turnover in the tough years and we continue to have pretty consistent turnover," says Lawson, senior vice-president of HR and facilities at the mortgage insurance company in Oakville, Ont.

While the economic crisis certainly called for tightening belts, Genworth has staffed to its levels and used natural attrition to manage staff levels, she says, which has meant no major recruiting or layoffs.

But, as the economy improves, that might change for a niche industry such as mortgage insurance, particularly in functional areas such as underwriting and claims, involving specialists with experience and knowledge.

"Where we might see increased turnover as the economy starts to improve and opportunities become more available is in the areas that support that core business — you know, finance, risk, IT, HR — so very transferable skills."

But Genworth is a well-managed company, with long-tenured management, experienced managers and a 91 per cent employee engagement rate, she says. "People tend to like to work here."

"We have very high engagement scores because we get our employees involved in our business. Being a small company, you walk through the office and the CEO's office is always open, employees can sit and talk with any of the executives. It's a very collegial and tight-knit little community, so we definitely don't see a lot of voluntary turnover in this organization and we expect that will continue because we have such an exceptional work environment."

While the company doesn't target certain groups, such as high-potentials, it looks at risks and opportunities when it comes to retention efforts, says Lawson.

"We make sure that we have competitive wages, that we benchmark salaries on an ongoing basis with the external marketplace, that we provide a balanced work life environment for employees."

Like all companies, Genworth has had to "really watch the pennies," she says, but it's managed to maintain the same level of compensation and benefits for employees.

"We would rather change other areas of our expenses and our expense management than focus on employees and employee compensation and benefits."

That means there are still Christmas parties for staff and for kids, along with engaging staff through employee meetings, regular town halls and bringing every employee from across Canada to employee meetings in the New Year.

"We treat employees extremely well and I believe that's one of the reasons why we have high engagement scores and low turnover," says Lawson.

"Employees definitely have a voice here."

Communication with employees is another way to combat higher turnover, especially when it comes to managers, she says.

"A lot of choices to leave, decisions to leave, (are) based on the relationship you have with your peers and/or one-on-one manager. It's important for management to reflect that culture of the organization, to understand what their role is communicating to employees about strategies, about goals, about objectives, about what we believe as an organization," says Lawson. "We spend a lot of time communicating to our employees."

Genworth also takes an "active, aggressive" interest in corporate social responsibility, supporting charities such as Habitat for Humanity, which fits nicely with its vision and values, she says.

"Going forward, you've got to have that employee value proposition — why would someone come and work here, what is the reason? It has to have all those components: A culture that people can believe in, a vision that people will aspire to, good marketable compensation and benefits programs, and allowing that employee to engage in the business, not just on a workday basis but an after-work basis as well, through corporate involvement, community involvement and having the organization they work for strongly represented in those spaces as well."

