

Managing the employee lifecycle

Is your organization clear why some employees stay and others go?

If not, this question should be gaining more importance.

One way to start to understand the complexity behind this question is to determine the average employee lifecycle for all positions.

All employees are important, although some positions are more complex and harder to fill, and when they're vacant the organization is more exposed to risk.

Every organization benefits from having a framework that outlines how long it expects to retain its employees in all positions. For example, a call centre with an annual turnover rate of 30-40 per cent of its frontline operators may determine its average expected lifecycle for operators is 30 months.

This assists the organization to define how much training it will invest in a position, as well as what it can do to retain operators for a minimum 30-month period.

The next logical goal would be to find ways to extend the average lifecycle past 30 months so fewer dollars would be spent on hiring, on-boarding and training.

To understand an employee lifecycle it's helpful to understand the factors that can motivate an employee to leave. Five common factors are:

- **Upfront game plan** – the employee takes the job with a pre-existing plan as to where they really want to be and uses the job as a stepping stone. Different kinds of jobs lend themselves more to this type of situation.
- **Broken contract** – the employee believes the role they are currently filling is not the role they signed on for and feel the organization has broken this psychological contract. It's important when hiring an employee to present the role accurately and honestly to reduce the risk of misperception and unfulfilled expectations.
- **Breached values** – the employee has observed behaviors that are inconsistent with their core values and they see no way the organization can be aligned with their beliefs. Organizations need to educate all new hires on the organization's core values and what its leadership is working toward achieving.



- **Change in function** – an employee’s role may be changed due to organizational changes or realignment and if not supported they may not be able to adapt to the new function. Organizations that use best practices in change management and communication during times of change have more opportunity to retain their people.
- **Unresolved conflict** – an employee has a conflict that they believe can’t be resolved or feel the organization is unwilling to help them address. The best and most proven path is to get all the facts and not turn conflict into an *us vs. them* mentality.

After looking at past and current trends as to what the average employee lifecycle is in all positions and understanding why employees leave, the final step is to determine why they are staying.

This process positions the organization to accurately determine the average employee lifecycle in all positions and what they can do to increase it.

Organizations that understand the average employee lifecycle are dealing with facts, not assumptions. This puts them in a position to determine the benefits to take action, such as putting emphasis on employee engagement.

Employers often are shocked when they discover the cost of doing nothing (e.g., not changing current management practices or engagement goals). Over the long term the current way of doing business is often many times more expensive than maximizing their staffing model to assist leaders to manage the bottom line more efficiently.

Understanding the average employee lifecycle is smart business because the economy can vary but organizations will always benefit from having a stable and effective workforce, meaning having the right people filling the right positions.

