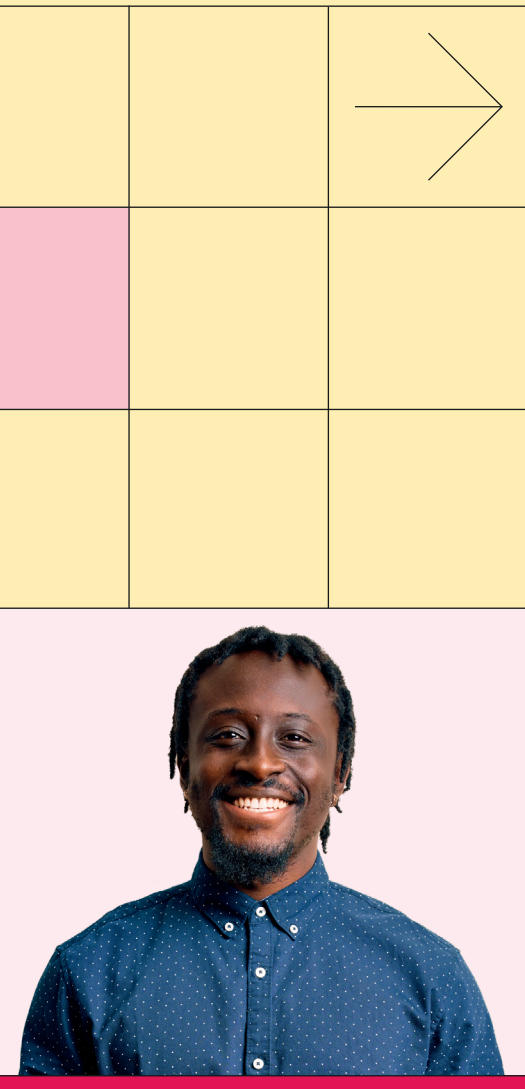


5 best practices for finding and *Retaining* talent

A guide for people teams to optimize talent management through employee experiences



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Foreword

Unlocking talent management means continuous investment in your culture, people, and managers.

This goes back to company values more than anything. Well-crafted values should be what differentiates you from other companies. If you've got values that really get to the heart of why your organization is different from others, then that becomes a really important framing for employee branding.

Values help people self-select in or out of a company. If you're really clear about what you know, what differentiates your company, and what type of people you are looking for, you build an employer brand that attracts and retains the right people. This creates a positive domino effect: great people want to work with other great people.

To achieve this, commit to taking action on feedback and understanding the different needs of different groups. Be deliberate in the way that you develop people, especially since hybrid and remote work make it harder to learn by osmosis. Focus on creating shared learning opportunities and environments for a distributed world where all your employees can thrive.

With that, I'm excited for you to dive into our playbook of five data-driven best practices to find and retain talent.

We hope it'll inspire you and help you grow your talent tree.



Justin Angsuwat

Chief People Officer, Culture Amp

Unlock your organization's full *potential*

In the changing dynamic of today's workplaces, where innovation and excellence drive business success, a good talent management strategy has the power to transform an organization's vision into reality.

Talent management not only recruits and retains employees, but offers a complete approach that nurtures, develops and empowers employees to reach their full potential.

Technological advancements and the breakdown of geographical barriers offer ample opportunity for organizations to innovate and stay ahead. The companies that prioritize talent management will become the employers of choice—making it easier to recruit and retain the best talent, especially in challenging economic times.

At Culture Amp, we're passionate about helping organizations build a culture of continuous performance, ensuring engagement levels remain high regardless of the challenges in front of them. Our People Scientists analyzed data from over 6,000 customers to identify five key best practices to finding and retaining talent through better employee experiences.

This guide explores their recommendations:

1	Listen and act on engagement surveys
2	Show recognition and appreciation
3	Create a culture of continuous feedback
4	Develop clear and transparent performance processes
5	Create opportunities for development and career advancement



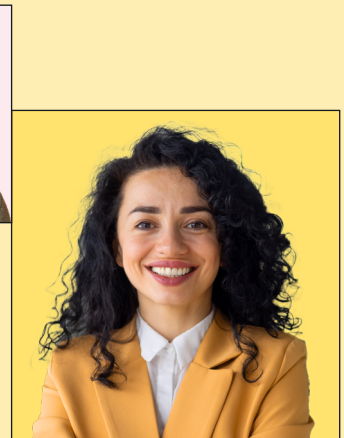
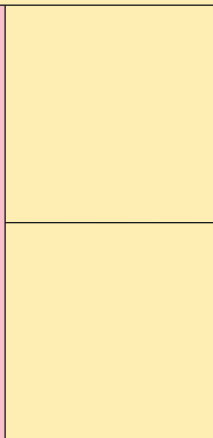
When we refer to **leadership** in our questions and our insights, we are referring to senior leaders. However, we also refer to **managers** within this guide, which means someone with direct management responsibility.

Why does this matter?

From our data, we have found leaders are playing a larger role in engagement and attrition than managers, with the exception being how managers approach development conversations.



Read on to find out the simple best practices that ensure your organization fares better in the year ahead.



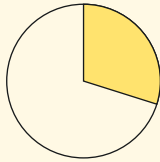


When organizations focus on engagement, they can generate **25% higher share price** than those who don't.

Engagement surveys are a great opportunity for HR to understand the intricacies of employee experience and engagement and get an accurate reading of what the company culture is like.

They can also help to **shape your recruiting process**. Job seekers want to know they'll be happy and if they fit into the **company culture**. They're keen to find out about the work environment, the company's values, and how well current employees feel equipped to succeed. By using your employee engagement data, you can give accurate information about a wide range of factors that matter to job seekers.

When looking internally, if engagement surveys are not acted on appropriately, this can lead to a greater disengagement in your organization.



Culture Amp research found employees are **28% — 36% more likely to leave** if they don't agree that "action will take place as a result of this survey."



"People don't get survey fatigue, they get lack of action fatigue. HR should be intentional in how they link what they found in the surveys to their Employee Value Proposition (EVP), only promising things that can actually be delivered upon."

Jess Brannigan

Lead People Scientist, Culture Amp

An organization won't be able to dive deep into areas of improvement that have an impact on engagement if they don't seek feedback from their employees. It's thanks to engagement surveys that HR can spot engagement variances on a number of factors including size of company, ethnicity, gender, age, plus cultural points such as development and leadership.

But companies can't just ask for feedback. Our research found employees equate a lack of action on survey responses to employers not listening to their needs. As a result, survey participation drops, alongside an increase in employee cynicism and employees believing their expectations are not being fulfilled. Where left unaddressed, this creates the perfect cocktail for employees to disengage and leave the organization.



In action

How Deezer's engagement surveys offer new opportunities

Music streaming platform Deezer uses Culture Amp engagement surveys as a direct line to their employees so the company can understand what they are doing well and what aspects of the employee experience can be improved.

It found two significant growth opportunities from the company's first employee survey: Employees wanted more clarity around career development opportunities and more meaningful work. This has allowed Deezer's People Team to focus and prioritize what they need to improve on as part of their EVP.

What can HR do today?

Employee engagement, and how it impacts individuals, plays a key role in winning over job candidates. Take the time to talk with potential employees about what employee engagement is and why it's important to your company.

Discuss key talking points in the data with candidates, such as the top driver of engagement at your organization. This offers insight to candidates on how you foster an environment of highly engaged people at work.

For existing employees, HR needs to not just listen, but also act on what is frustrating and demotivating employees. They can then use the data collected in engagement surveys to develop strategies that will boost engagement and enable people to perform to the best of their abilities.

Layoffs, a volatile market, and the end of COVID-19 restrictions have created a strain between what senior leaders see as necessary for the business, and employee expectations for humanity at work.

Motivation wanes when there's more pressure to achieve challenging targets. Recognition and appreciation from senior leadership and managers goes a long way in ensuring employees remain engaged.

Financial recognition, such as pay raises and bonuses, may no longer be an option given high inflation rates and slow economic growth, but HR and people teams can improve motivation and wellbeing by ensuring employees feel their efforts have been recognized.

Employees are increasingly placing a greater importance on what they get out of the work relationship and what they are expected to contribute, with their overall motivation affected if there is an imbalance.

When employees feel their efforts are contributing to business success, they are more likely to become high performers and go the 'extra mile' for their employers.



“Reward and recognition is an area that has increased in importance to employees in the last year. Employees are very attentive to perceived balance or imbalance between effort and rewards, and by utilizing the right recognition tools, HR can help boost motivation.”

Eleni Teichmann

Senior People Scientist, Culture Amp

Culture Amp data found¹ employees with good managers score 27% higher on motivation and are less likely to leave their organizations. Managers who recognize and enhance their employees can make a huge difference when it comes to organizational success in the year ahead.

1. [Manager Effectiveness Research \(2023\)](#)

What can HR do today?

Use effective employee recognition tools that are timely, frequent, specific, visible, inclusive and values-based. HR should work to empower managers to diversify the recognition they offer.

Options could include:

1	<p>Day-to-day verbal recognition: A public shout out or celebration of workplace anniversary, from either a manager or peer-to-peer.</p>
2	<p>Informal recognition: A one-off reward such as a gift card given to employees who produce great results or <u>amplify company values</u>.</p>
3	<p>Formal recognition: Given to the very top employees who consistently go above and beyond. This could be a structured sabbatical program or an extra holiday day.</p>

It's easy to assume your recognition efforts are working, but you don't know until you measure the outcomes. Engagement surveys with questions relating to reward and recognition can help HR understand what type of recognition is most effective and why. They can also make comparisons with different demographics to understand how identity shapes engagement.



A committed and enthusiastic workforce does not happen by accident. It is created when employees are given clear expectations and the right support and attention from their managers.

HR can deliver this by empowering managers to introduce 1-on-1s with their employees and using appropriate development tools. Every part of the workforce can be empowered by offering continuous feedback, and it's up to HR and people teams to design processes where managers are incentivized for delivering feedback.



Our People Scientists found that in companies where managers give actionable, regular feedback, employees are **67% more likely to agree** that they felt motivated to go above and beyond than those employees who don't receive this feedback.

Continuous feedback can also make year-end reviews much easier given there is already a collection of feedback that has been delivered, collated, and compiled.

If managers can provide sustainable and impactful performance management and continuous feedback, employees feel more valued and are more motivated in their roles, helping to retain talent.



“Retention, productivity and engagement can all be influenced by delivering on what we call ‘brilliant basics’. These include regular 1-on-1s, development conversations, participative goal setting, giving constructive and continuous feedback and having productive conversations about performance.”

Jess Brannigan

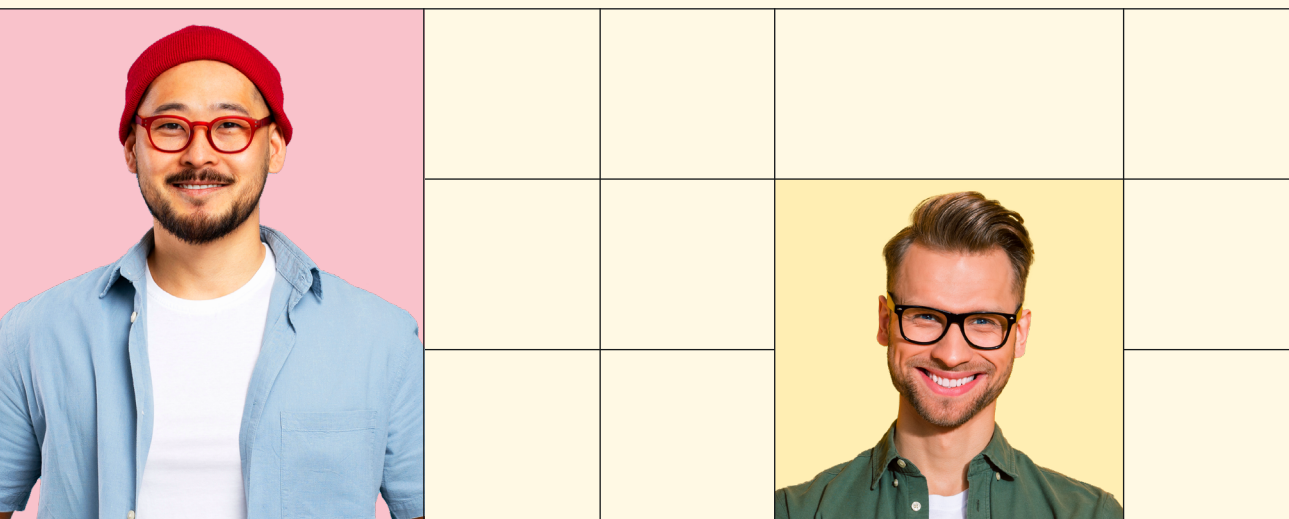
Lead People Scientist, Culture Amp

What can HR do today?

The first step is to understand why continuous feedback may not yet be in place in your organization. This could be down to psychological safety or a lack of confidence from managers when delivering feedback.

HR then needs to use a phased approach and develop an understanding of what is working well and why. An easy place to start would be through 1-on-1 conversations. This transforms performance from a periodic talking point to an ongoing conversation—something that's crucial for organizations who want to achieve high performance.

The final and potentially most frustrating point is to practice patience. It's tempting to want to change things overnight, but a phased approach helps to make the entire process feel more doable, and gives managers and employees time to learn, practice, and internalize the change one step at a time.



Develop clear and transparent performance processes

Performance processes need to be transparent and simple to be effective. Culture Amp research found high-performing employees like to be surrounded by other motivated people and want to work in an environment where performance is managed in the right way.



“Organizations should consider what skills are most crucial to their success; examining, in particular, talent that may be a flight risk. This can help them further pinpoint key development interventions, such as career conversations and development planning in pursuit of their aspirations, ensuring that employees, especially high performers, feel adequately engaged and developed, and are committed to the organization.”

Jess Brannigan

Lead People Scientist, Culture Amp

Employees need to feel that performance is evaluated fairly and that their wellbeing is supported, so direct manager buy-in is crucial to a good performance process. Employees also need to have a good understanding of how promotion processes work, which helps them feel reassured that the right people are rewarded.

What can HR do today?

Both performance processes and continuous feedback are vital to employee development. HR should establish performance processes that encourage managers and employees to share their feedback regularly. When feedback is requested, a culture of continuous growth and improvement is achieved.

This feedback then needs to be documented, tracked, and be readily accessible for performance process conversations. Employees should be encouraged to set goals to be discussed in their 1-to-1s.

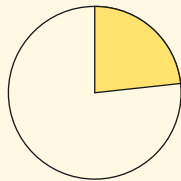
These goals should then be regularly revisited and set employees up for success. Get this right, and you not only improve performance in your organization, but also become a talent magnet when it comes to recruitment.

Create opportunities for development and career advancement

Developing a talent management strategy that creates opportunities for employees to advance their careers and continuously develop their skills helps organizations boost retention rates.

This is where data makes the difference. HR can create ample opportunities for career development by collecting data on who the top talent is, designing career paths and giving access to development tools. This makes it easier to proactively fill possible vacant positions.

Our research found a lack of development was one of the main reasons why employees leave a job, but the potential to develop their skills or career can also be why an employee opts to join a new company.



Companies that prioritize employee development experience see **24.3% more company growth** as measured by headcount.

“

“Managers should discuss development plans and explain what kind of options people have to develop in your company. This can also increase the likelihood that people will be interested in joining your organization.”

Eleni Teichmann

Senior People Scientist, Culture Amp

Communicating company goals at Wave

Water retailer **Wave** used to issue paper forms to collect feedback from employees as part of their annual performance review. When it came to completing the form, employees who recorded their challenges and achievements throughout the year often misplaced their notes, leaving them with few insights to add. Others tried to remember the year's major milestones but simply couldn't.

At the time, only 30 to 50% of employees submitted employee feedback forms for their performance reviews. But thanks to Culture Amp's performance management tools, Wave's People Team have found a more practical approach to conducting **1-on-1s**.

Instead of collecting paper-based feedback once a year, managers began using Culture Amp to schedule regular meetings with employees, track their goals and key results, analyze their wellbeing on a sliding scale, invite them to offer **continuous feedback**, and engage them in more personalized conversations.

Managers at Wave now have more data and a stronger process in place to prescribe specific solutions for each employee, help employees course correct in real time as needed, and drive meaningful change across teams.

Organizations who are able to retain talent by creating transparent and straightforward career opportunities are better able to deal with the changing nature of work. Communicating clear career pathways is an easy way to prompt career development conversations and discuss promotion opportunities.

A clear performance process can also help to ease uncertainty when it comes to the changing dynamic of the workplace. Technology advancements, such as the increasing use of AI in organizations, means employees will need to reskill or upskill in the year ahead.

By setting clear expectations on job requirements and opportunities to develop through performance processes, managers can help to ease anxiety as business needs continue to evolve.

What can HR do today?

Identify skills gaps to help managers and employees develop the most appropriate learning and development plan. **Development plans** should sit in a sweet spot that intersects business needs and alignment, individual aspirations, motivations and passion, and individual skills and strengths.

Communicating and involving employees within the creation of a development plan ensures all goal-setting is aligned between the individual's aspirations and company needs.

What are you waiting for?

Our employee sentiment data suggests that employees are losing confidence in the future success of both their organizations and their leaders ability to navigate them through radical change.

People fundamentally want to feel like they're working for a successful organization that will continue to do well and grow. Employees' own successes are inextricably tied to the success of their employer, impacting their feelings and decisions around whether to stay or leave.

There is a level of effort and proactivity required to boost the employee experience during periods of instability and change, and those organizations who do so effectively will reap the rewards for the long term. By following these five best practices for talent retention and management, HR can reassure employees that they will be listened to and their careers will grow regardless of future challenges.



Looking for a science-based performance process, rooted in human insight, that your employees will love?

Ask for a demo of Performance by Culture Amp.

Contact us