

# The Retention Riddle: Why is talent turnover so high?

By Martin Kavanagh | February 14, 2020

I was scanning the Human Times's news round up from last week and this caught my eye:

## Workers planning July exit

According to a study, one in seven workers intends to leave their jobs by July. Data firm Zegami found a third are bored or need a new challenge, while 18% simply do not like their role. Other reasons are not feeling appreciated, missing a promotion, bullying or sexual harassment. Zegami said: *"Losing one employee costs a business £105,667 based on salary, hiring costs and productivity losses while training the replacement."*

The Sun

I see a lot of statistics around retention but this is stark. If this is a representative sample, this suggests over 50% of the workforce are not thriving in their role. So how do organizations respond? From my experience, a typical response is to look at line management and build action plans to build their 'soft skills' so that people enjoy what they do and are given more challenging tasks. Whilst of course line management quality is important, it cannot be as simple as this. Over time I've become convinced the way in which people are hired in the first place has a much bigger impact than is reflected in discussions around retention.

[In our 2018 candidate survey](#), we were told the two most important features of an online screening process are that (1) it results in a job the candidate wants to stay in and (2) it ensures the candidate is selected for a role they are well suited to. Yet the industry events I go to often leave you with a message that the most important thing you can do in a selection process is create an enjoyable experience which candidates publicly say great things about.

In some cases, I've seen celebrated case studies showcasing a process where the assessment exercises don't reflect the organization the candidate will be joining, or even the tasks they will be asked to carry out should they get the role. If this is the approach that's taken, it's little surprise that retention is a problem as there's a significantly higher chance that new starters will join organizations unclear about what it is they will be doing, why and for whom.

It seems logical that to identify the candidates who will thrive - and therefore want to stay - organizations have two options:

- 1. Give candidates meaningful insight into the role, and organization, during the assessment process so they get a really good idea of the job they will be doing, and who they will be doing it for.**

This is the approach we took when working with [Fujitsu in recruiting their graduates](#). We designed an immersive assessment that provided a realistic preview of life as a graduate. The assessment told prospective employees about the type of work Fujitsu do to make sure it meets their values and aspirations.

- 2. Gain a deep understanding of a role and the sort of person who will thrive in it. Once this is done, build an assessment process to find those people.**

You may be thinking it's not pragmatic to build a bespoke, immersive assessment for every role. And it isn't, so another option is to do the hard work for the candidate and decide for them whether the role is a good match. I was staggered by research from the Institute of Student Employers published last year that showed less than 20% of graduate employers use personality testing to screen candidates. In many cases, these organizations were opting instead to make aptitude tests (e.g. numerical and verbal reasoning) work harder by setting ever increasing cut scores.

Our recent analysis (Waugh, Kavanagh & Maclver, 2020) shows that a combination of personality and aptitude assessment is the most effective way to screen candidates and can help you make sure you are recruiting people with the cognitive ability to deal with the demands of the role, and the behavioural fit to enjoy what they are doing and thrive.

So, reflecting back on the Zegami data, if organizations are not helping candidates decide whether they are likely to thrive in a role in the assessment process, it's no surprise that people want to leave. Even the best trained, most engaging, supportive line managers will struggle to deal with a new starter who has misunderstood the role they have just started.



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