

Non-monetary perks pay off when competing for talent

Firms urged to know what motivates employees

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The ever-present lure of more money, better perks and the voracious appetite of headhunters is making it harder and harder for companies in hot economies, such as Calgary, to hang on to their best talent.

Merge Gupta-Sunderji, a leadership and workplace communication expert, says businesses have to look at retention in a broader sense if they want to win the war for talent. Employees, meanwhile, are the primary beneficiaries of a job hunter's market.

"In the old job market, when there wasn't this huge demand for employees, they stayed because there was nowhere else to really go," says Gupta-Sunderji. "Now, people have competing offers all the time."

Such a hiring atmosphere means companies have to think about retention strategies from every angle, leading to increased demand for everything from rewards and recognition specialists to wellness programs.

"We haven't done a good job of recruiting in the last five or 10 years," says Brian Lindenberg, of Mercer Human Resources Consulting in Calgary.

"Employers are finally acknowledging that we've got a perfect storm here.

"We've got to look after all of this other stuff because it's a potential differentiator between your environment and a competitor's," says Lindenberg.

All that other "stuff" he refers to includes removing bureaucratic red tape which prevents workers from doing their jobs, perks such as wellness programs and benefits packages — both monetary and non-monetary — leadership development, career path progression, corporate culture, flexibility, rewards and recognition, and anything else that affects an employee's daily functions.

"People joining the labour market ... have that upper hand; they have the power to influence the employer," says Sandra Hutchings, a recent university

graduate and compensation analyst for Mercer.

The fight for talent goes well beyond money. Fair compensation and benefits are a prerequisite. In fact, it appears companies are turning away from boosting salaries because it's not a sustainable recruitment and retention model, says Gupta-Sunderji.

"Money is not why people stay, but lack of money is why people leave," she says. "The challenge with money as a reward is that as soon as you take it away, it becomes a de-motivator" and can have the opposite effect than what was intended.

Instead, companies are looking to create rewards and recognition programs which affect how employees feel about showing up to work.

The trend is taking root across North America.

Bank of America, for example, recently introduced a program which offers up to \$3,000 US in rebates to employees who buy a hybrid vehicle. It's aimed at helping to alleviate the escalating cost of getting to work.

Others, such as law firm Frasier Milner Casgrain LLP, have devised their own awards and mentoring programs to help recruitment in a highly competitive field.

Adam Pekarsky, a securities lawyer turned recruiter for the law firm, says money is just one factor in retention. That realization led the firm to initiate programs beyond boosting bonuses and salaries.

"If you reward an associate of a law firm with a \$10,000 year-end bonus and they were sort of expecting \$15,000, you've actually disappointed them," he says, "which is odd."

So, the company has started offering weekend getaway trips for employees who have gone above and beyond in their work. It could be a trip for two to Vancouver Island or a long weekend at the Chateau Lake Louise.

"It generates an almost unquantifiable amount of goodwill," says Pekarsky.

The law firm's FMC University program, meanwhile, is the proactive arm of recruitment. It partners law school



Merge Gupta-Sunderji, leadership and workplace communication expert, advises companies to devise retention programs so as not to lose employees to competitors.

students looking to begin articling with senior lawyers. FMC opens its books to the law students in an effort to demonstrate how the company operates.

"You're instantly showing your people an immense amount of respect," says Pekarsky.

Gupta-Sunderji says that one size does not fit all, either. "Get to know your employees personally so you get to know what motivates each one of them."

Rather than implementing a series of programs, which are useful in their own right, managers and leaders should concentrate more on creating the kind of corporate culture that makes people want to stay. "It's never too late," Gupta-Sunderji says. "You've got to have all of this stuff in place on a regular basis and it's those companies that have less turnover."

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