

NOW HIRING HAMILTON RESOURCE GUIDE

RETENTION & ONBOARDING ESSENTIALS



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Retention & Onboarding Essentials

When employers have found the right employee with the appropriate competencies, there remain critical opportunities to facilitate the long-term retention of that employee through effective onboarding and the implementation of variable compensation methods. Below are a number of essential considerations employers ought to make when evaluating their own retention and onboarding practices.

The recommendations below reflect key themes identified in the Now Hiring Hamilton Project, and are reflective of focus group and survey data, as well as best practices as determined by industry professionals.

To access additional resources that support the development of your organization's retention and onboarding strategies, please visit www.nowhiringhamiltonresources.ca

Variable Compensation

As the cost of living continues to increase in major Canadian urban centres, job seekers are faced with greater expenses compared to a decade ago. These increasing financial pressures directly impact job seekers' decisions to apply for and maintain employment in a given position. Prospective and current employees require appropriate and commensurate compensation to reflect the rising cost of living; inadequate wages can contribute to housing instability and other personal challenges that can undermine a worker's ability to perform their job effectively. Where possible, employers should strive to pay a living wage, but also consider forms of variable compensation, such as benefits and flexible working arrangements, that help to attract and retain talent.

- Employers ought to be mindful of the costs of living within their geographic area when evaluating entry-level compensation. Employees must be able to afford where they live to effectively perform their job duties. The effects of financial stress can be deleterious on individual well-being and overall performance. For reference, living wage in Hamilton in 2022 is \$17.20/hour.
- Prospective employees have more choice than ever when it comes to potential job opportunities. Multi-channel recruitment has opened several new paths to employment that employers must consider when determining a competitive compensation package. Keep in mind potential offers from competitors and how your organization can deliver on value-added forms of compensation.
- Financial compensation, opportunities for raises, benefits package entitlements (health, dental, etc.) and vacation time are critical pieces of information employees evaluate when deciding to stay with an employer. Employers ought to establish minimum variable compensation packages that expand over time and detail to what these enrichments are at certain employment milestones (e.g., probationary period ends, work anniversary, decade of contribution, etc.)
- Consider implementing performance-based bonuses and/or incentives for employees where applicable. This practice can be motivating for employees and empowers them to achieve the compensation that they desire through job performance.
- Many employers are also now providing subsidies for staff with children to help cover some of their childcare costs. This is a way to indicate that the employee's contributions are so valued that the employer will go above and beyond to ensure that the employee can attend work, even if they would otherwise have parenting responsibilities.

- Consider implementing an annual evaluation system that focuses on assessing performance, delivering praise and suggestions, as well as providing additional perks where performance targets are met or exceeded. These can take the form of retention or performance-based bonuses, expansion of existing benefits, and considerations on greater vacation entitlements. Each of these demonstrates a commitment to the relationship between the employer and employee and facilitates open communication on expectations and performance needs.
- When reviewing retention practices, keep in mind that it is oftentimes a greater cost to recruit and train a new employee, compared to retaining and potentially rewarding existing staff. Investments in your employees will translate to greater overall performance and productivity, particularly insofar as staff feel valued by the organization.
- Empathy and employee mental health supports go a long way towards demonstrating commitment to their well-being and facilitating an open minded, non-judgemental and supportive workplace. Employers ought to pursue supports, education and investments in resources to equip themselves with the right tools to manage employee mental health well-being.

Employee Engagement & Training Investment

Successful SMEs have a culture of communication, engagement, and training that is programmatic and constant for all employees. Communication ought to regularly and continuously flow top-down and bottom-up, both within departments and across the organization to facilitate improved employee engagement and retention. Moreover, investments in communications, engagement opportunities, and training establishes a culture of openness and transparency that contributes to overall organizational health. These aspects of your human resources policies require investment and organizational commitment to realize potential benefits.

- Establish frequent and reliable communication channels between employees and management personnel. These can take the form of scheduled town halls, essential skills training seminars, EDI training engagements, print and digital communications, and open feedback channels such as surveys and focus groups.
- Provide opportunities and subsidies for employees to learn new skills that will help increase productivity and performance. Investments in your staff go a long way towards retention and moreover facilitate a positive relationship between senior staff and entry-level personnel.
- Specialized skills seminars are available through training institutions or organizations can work directly with an institution to create a new certification specific to the needs of the business. Alternative credentials or micro-certifications are a great way to empower your staff to acquire additional competencies, take on more responsibilities, and demonstrate a commitment to their career and well-being.
- Organizational investments in micro-certifications are useful in facilitating a culture of training because they are skill and competency based, are flexible in delivery and can usually limit time away from business, they can be adopted or developed in conjunction with other industry organizations to suit a specific skill or competency need, are short in duration, and also far more affordable than traditional credentials.
- Communicating with employees on their personal goals and ambitions and then taking action on assisting them with achieving those goals demonstrates a commitment to them, and underscores how the organization values their contributions to the overall success of the business.

Equity, Diversity & Inclusivity

Although many employers have taken steps to actively promote a more diverse and inclusive work environment, however, many others have not turned sufficient attention to their own equity, diversity, and inclusion (EDI) practices to create the sort of environment many job seekers are desiring. Sixty-two percent of job seekers indicated they would turn down a job if they did not feel that diversity and inclusion were valued by the organization. A workplace that does not encourage diversity and inclusion can result in isolation and adverse treatment for members of under-represented communities.* To expand the pool of potential candidates and improve overall organizational performance, organizations must reflect on their current equity, diversity and inclusion practices and ensure that they are actively engaging with staff.

- Organizations ought to conduct an EDI audit to examine opportunities to improve its commitment to an inclusive work environment.
- Ongoing and iterative dialogue must be maintained organization-wide with a commitment to regular training on EDI.
- Senior leaders must demonstrate commitment to EDI to facilitate organizational commitment to inclusivity.
- Detail organizational actions towards advancing EDI priorities in job descriptions and interviews.
- Promote the hiring of diverse candidates and participate in local workforce development opportunities to advance skills acquisition among diverse populations.

Strategies to Enhance Equity, Diversity and Inclusion in the Workplace:

- Clear commitment from senior leadership;
- Honest and open communication with employees;
- Routine discussion/meetings;
- Formal EDI Policy Adoption;
- EDI Training for employees (including at onboarding stage); and,
- Promptly dealing with issues impacting EDI.

Managerial Leadership & Mentorship

A critical component of employee retention speaks to the importance of managerial leadership and overall workplace culture. Organizations that place emphasis on managerial engagement, leadership, and mentorship experience far greater retention than those without effective mechanisms in place. Moreover, when management team members engage in these activities, they gain a far better sense of organizational health and employee well-being. These insights oftentimes result in greater investments in human resources as organizations learn from the needs and wants of their staff to encourage greater workplace participation and overall productivity.

Leaders who engage with all staff demonstrate empathy as well as a commitment to knowledge sharing and skills transfer that comes naturally with any mentorship relationship.

* To better understand your responsibilities as an employer, consult the Ontario Human Rights Commission <https://www.ohrc.on.ca>. EDI practices are also fundamental to creating a mentally healthy workplace; for further information see the Canadian Centre for Occupational Health and Safety https://www.ccohs.ca/oshanswers/psychosocial/mentalhealth_risk.html.

Moreover, these practices allow employees to better understand how their roles in the organization contribute to overall success and facilitates increased commitment to the organization once they know their personal impact on company performance and potential career trajectory. Establishing these relationships early during the onboarding stage will result in the greatest benefit.

- Ensure that your organization's leaders engage with staff at all levels at regular intervals. These engagements can be formal town hall style activities with a formal program deliverable, but can also take the form of informal relationships developed through frequency of interaction. Both contribute to greater retention outcomes and ought to be utilized as essential means of gauging overall organization health and employee motivation.
- Managers must demonstrate a commitment to advancing not only company priorities, but also those of its staff. Considerations on pay equity assessments are a great example of how leadership can consider the lived experiences of their staff and utilize those learnings to devise new compensation arrangements to better reflect needs in an increasingly expensive environment.
- Consider managerial training for leaders and invest in these individuals. Organizations ought to instill values in their senior officials beyond their primary job description and encourage them through training on EDI and intersectionality to become advocates and leaders for their staff. Moreover, when managers are committed to ongoing training, it increases the likelihood that the organization will adopt additional training modules for its general staffing population.
- In order to facilitate the recruitment and retention of diverse candidates, organizations must ensure that effective and impartial mechanism are in place to ensure investigation of complaints and providing support to those who launch complaints. Those organizations without effective mechanisms will find themselves losing employees following an instance of inaction in response to a given complaint. Moreover, the organization risks reputational damage through inaction.