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## THINKING SMART

### Is cleverer recruitment the key to reducing staff turnover rates?

With levels of voluntary resignation on the rise in the UK, high turnovers are causing major headaches for some businesses. Could 'strengths-based recruitment' be set to change all that?

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**A**ny leader running a successful business will know it's the people who make the company, not vice versa. But how can you really tell which eager applicant promising commitment and hard work will help your business grow and which could become a costly liability?

Traditionally, senior managers have relied on competency-based methods of assessment when deciding who to employ, trusting HR departments to find the right person for a role. But with many organisations suffering huge staff turnovers – with a detrimental effect on revenue – perhaps the question should be, 'does this selection process work?'

In Standard Chartered Bank's case, the answer was 'no'. The British multinational wanted to attract more employees who were not just good at what they did, but excelled at it. So, in 2000, the HR director decided to experiment with a new selection method – instead of looking for people to match a predetermined skillset, the bank's HR team were encouraged to hire staff for their talent and motivation.

They began by studying their best revenue-generating employees, analysing their behaviour, actions and the way they interacted with colleagues and customers. That information was used to look for the same qualities when recruiting for similar roles. In just six months the new staff selected brought in 40 per cent more revenue. 'Strengths-based recruitment' (SBR) was born.

Word slowly filtered through to other market-leading businesses which were willing to be more innovative in their approach to



finding talent. "It is a simple concept of identifying the 'DNA' of great performers," explains Sally Bibb, founder and director of SBR consultancy Engaging Minds. "You look at who your best people are and use qualitative and quantitative methodology to pinpoint their strengths."

Bibb set up Engaging Minds in 2010, with the aim of using in-depth profiling to ensure companies selected employees who could thrive in their roles. The company also incorporated strengths-based leadership development programmes to help leaders better utilise their own assets.

"People always perform best when they are doing what they are good at and enjoy doing," says Bibb. "There is no template for great leadership, but there is evidence that shows people who understand their

strengths and play to them will perform better."

The consultancy's first major client was Starbucks, which was concerned about engagement and staff turnover in some stores. With rivals such as Caffè Nero expanding, the UK and Ireland arm of the group wanted to ensure that it was consistently providing excellent customer service.

"They needed something to give them a competitive edge," says Bibb. "Staff turnover was too high, which can make a huge dent in revenue. Money has to be spent on advertising and recruitment, not to mention the loss of productivity, disruption to service and time lost by managers interviewing candidates."

Engaging Minds began by analysing some of Starbucks' best-performing managers, observing the way they interacted with staff and



**Keeping talent:** Sally Bibb of Engaging Minds, whose SBR method helped Starbucks, top, to reduce staff turnover by one-third in just a few months

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customers, questioning them about the things that did and didn't motivate them, and what they liked and didn't like about their roles.

"We then compiled all of this data and presented it to the branch director and HR director and set about training senior managers to recognise and look for these qualities when selecting new staff. It was everything from the way they advertised, to the type of interview questions they asked," says Bibb.

The result was a one-third reduction in staff turnover in just a few months, leading to huge savings.

Another organisation to benefit from the strategy was the Shelford Group, which represents 10 leading NHS teaching hospital trusts. It turned to SBR after a 2013 report thrust issues of patient safety and standards into the limelight and action was needed to restore faith in the profession. Knowing that the role of ward sister was the most influential in a ward setting, Shelford Group employed Engaging

Minds to improve existing methods of selection for these positions.

Following the SBR process, ward sister recruitment changed. Standard competency-based questions, such as "how do you cope under pressure?", were ousted in favour of queries such as, "do you prefer starting or finishing things?" The effects were felt at University College London Hospitals, whose chief nurse Professor Katherine Fenton noticed a greater "focus on compassion-centred patient care".

"This demonstrated again," says Bibb, "that SBR can transform the bottom line of any organisation and vastly improve service, too."

Last year Engaging Minds commissioned a study called *The Strengths Revolution*, which assessed the impact of SBR on five major companies. Among the results was a 50 per cent fall in staff turnover achieved by a healthcare provider, and a financial services business reporting a 20 per cent rise in productivity. The study concluded



Healthy change: University College Hospital in London. The NHS foundation trust to which it belongs noticed greater "compassion-centred care" following the introduction of SBR

SBR not only led to reduced staff turnover, but was cost-effective and delivered more engaged employees.

"When the wrong people are in the wrong job, nobody benefits," says Bibb. "Therefore it makes more sense to ask 'what is this person really like deep down inside?' in a selection process rather than whether they fit a list of skills criteria."

For more information, visit [www.engagingminds.co.uk](http://www.engagingminds.co.uk)