

The Importance Of Retention

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I often get the opportunity to speak with CEOs and leaders of multi-nationals and SME's about the value of top talent to their business. I have come to the following conclusions:

- Talented executives are often motivated and attracted by the prospect of personal development as opposed to high compensation.
- Top talent attracts other top talent - a company with talented executives are more likely to attract other such candidates.
- It often happens that a company full of top talent will grow faster, recognised as a market leader and generate more profits than its competitors.

I predict that the topic of talent engagement will be one of the important issues for years to come. The current and future availability of talented executives are affected with anticipated changes in population demographics, more astute potential hires, technology and globalisation. Without a program to identify talent, strengthen the capabilities of existing leaders and increase the number of people in the leadership pipeline, a business is more likely to fail.

According to a recent study by Accenture, 80 percent of global business leaders believe that 'people issues' are more important today than they were three years ago, and 68 percent believe that retaining talent is far more important than acquiring new hires.

The labour market is already quite challenging in several economies and with many industries having difficulty finding suitable talented executives for critical business roles, all points to the fact that retaining talent should be a high priority. It is my opinion that companies without a clear strategy for finding and retaining talent will miss opportunities and have a greater chance of failing.

Some key points to consider in compiling a retention plan:

1. Identify the individuals who are the most critical to retain.
2. Recognise the environmental 'push and pull' factors that encourage retention.
3. Develop an employee value proposition for high potential-high value employees and compile strategies to implement this proposition.
4. Talent management is not confined to HR, it is something that every leader should do and be accountable for.

I am often asked if executive search firms are not at the root of corporate retention problems? To be honest, the answer is no. Of course if there was complete retention in companies then executive search firms would not exist, but retention is actually to our benefit. If recruited candidates quickly move on, eventually neither clients nor candidates will take the calls of executive search consultants who are unable, or unwilling to match the needs of the client and or candidate. I am convinced that a value-oriented model will outlive and surpass a transactional model. The executive search consultants who recognise this are the ones that help build their industries.

Success in finding talented individuals will lead to repeat business. Search firms who align their interests with their clients' have a much greater chance of succeeding in every search, thereby having a better chance of repeat business.

Successful executive search consultants force both the client and the candidate to make good and sometimes difficult decisions. Without trust this would not be possible - the focus should be on solutions, not just placements.

As the market for executive talent becomes increasingly fluid, as real and perceived loyalty of the employee to the employer decreases, companies without a clear strategy for finding and retaining talent will miss opportunities and ultimately fail.

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Executive search firm TRANSEARCH International (<http://www.transearch.com/>) has representation in most of the major economic centres of the world. TRANSEARCH International executive search firm has 54 offices in 34 countries and is currently rated as the 10th largest global executive search firm by Executive Recruiter News (ERN). For more information contact the TRANSEARCH Central Office: contact at transearch dot com. TRANSEARCH executive search firm website: www.transearch.com