

# Finding and Keeping Service Industry Employees



There are more people looking for work than there are jobs available in Canada right now, that is what a 6.8% rate of unemployment tells us (among youth ages 15-24 that unemployment sits between 13.5% to 14.5%). As you walk around the local mall or into a restaurant often reveals a number of help wanted signs. If you hire employees in the retail, food services, hospitality industry or any industry that includes service jobs finding and retaining good employees can be a challenge, even when there are 1000's of people looking for work.

Within the services industry there are often 3 challenging issues organizations may need to attend to, 1) high turn, 2) employee theft and 3) poor customer experiences as a result of bad service.

According to a recent survey by PeopleMatter (a US workforce Management platform) 70% of services industry employers cited finding, hiring and retaining employees one of their biggest challenges. With a 49% turn over rate it is easy to see why these issues are concerning. When the cost of hiring and training a new services industry employee sits at over \$5,000 it is clearly important to find ways to find and keep the best employees for as long as possible.

## Finding and Selecting The Right Employees

The respondents in the PeopleMatter survey reported that service industry workers are most often recruited through employee referrals (71 percent), directly from the company website (59 percent), job boards (59 percent), walk-ins (48 percent), social media (34 percent) and local advertising (34 percent).

They further reported that while outside recruiting sources brought in a volume of applicants social media brought in the better candidates. With this in mind there are a few ways to improve employee-sourcing effectiveness:

- Look at a Candidates level of pre-engagement. Consider the level of

interaction, engagement and time a candidate has put into sourcing your organization before making the hire. A walk in candidate who has first read about your organization and even followed you on Facebook might be a great find but a candidate who just happened to be walking in the mall and saw your sign may not.

- Be cautious with employee referrals. Frequently organizations presume that referrals from other employees are a good way to source good candidates. This may not be as clearcut in the services industry, especially if you employ many young and/or unskilled employees. These employees may be less invested or less experienced in evaluating which of their connections is really a good candidate.

## **Retaining the Right Employees**

Turnover is more frequently a challenge in some services industry jobs and perhaps always will be. There are a variety of reasons employees leave an organization, 7 common reasons include:

1. The job or workplace is not what they expected.
2. The job is not a fit for the employee
3. There is too little training and feedback.
4. Limited growth and advancement opportunities.
5. They feel devalued and unrecognized.
6. Stress from overwork and with no work/life imbalance.
7. They do not trust and or have confidence in leaders.

Increasing retention time even by months can produce a cost savings and improve the delivery of services. Here are some tips to help retain services industry workers a little longer

- Onboarding: The job may be un-skilled or semi-skilled but that does not mean you should avoid a solid onboarding. The emphasis of onboarding should include safety, your workers rights and building relationships in addition to the basics of the job functions. Connecting a new employee to an experienced buddy with the right knowledge and attitude for the first 1-2 weeks may mean a little schedule juggling but it can help the new employee ease into both the job and the company cultural expectations.
- Communicating Career Development Opportunities: Employees who see a future and believe the organization cares about their future are more likely to work hard and stick around. Offering on the job training, bringing in training and sharing career future information and images can help some employees feel valued.
- Have good managers: Most workers will leave jobs because they do not like or trust their managers or co-workers and in a services industry job relationships can be the thing that helps keep someone around.
- Investment and Ownership: Create opportunities for employees to feel invested in the organization as being more than a place they work. Offer them opportunities to participate in corporate social responsibility activities, ask them to suggest new ways of doing things, evaluate their strengths and offer useful praise.

Many successful people began their careers in service industry jobs. The more you can help an employee stay connected and feel protected usually the more they want to stay connected and help protect the organizations assets.