

How I keep my staff from being poached

Friday, 30 April 2010 00:00

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Skye Recruitment, founded by Kye and Sophie Macdonald four years ago, focuses on recruitment for the engineering and construction sectors and is currently turning over \$2.2 million per year, with expectations for strong growth.



But Kye Macdonald says one of the biggest success stories is the company's ability to keep staff on and protect them from poaching, especially in an environment heavy on head-hunting. He says other small businesses need to introduce a "culture of honesty" to protect their best employees from leaving.

How did Skye Recruitment start?

We are a recruitment agency specialising in the technical and engineering sectors, civil construction, civil design, gas and mining and technical engineering. The business is coming up to four years old now, in about two months, and it was originally founded by myself and Sophie trying to put the best of practices from the Australia and Britain and create something a little different. We've grown to just under 20 staff.

How often do you see poaching happening with your clients, or your own business?

In the engineering sector, if you are half decent then you have a job, and the recruitment industry is similar. If you're a good recruitment consultant you will be getting job offers on a regular basis. With the recruitment industry, if you're hiring someone with experience you're hiring from your competitors.

Poaching and churn are major problems in our sector, and there's also associated elements of training costs, integration costs and simply to the time it takes to move people on. Sometimes it can become a problem for companies.

Have you ever lost an employee due to poaching?

Not directly. We've only had one person leave to go to another company, and we find that often is what happens to other companies as well. It's easy to find out who the staff are in your own industry, easy to find them, and we would probably have at least two calls a week to one of our staff members asking if they would like to work for another firm.

This is essentially sales work, and that's how it works. I personally don't like doing it to my competitors directly, I feel it's a bit underhanded. We use recruitment specialists ourselves to recruit staff, and we don't necessarily target individuals from other companies.

What do you do to prevent people from leaving?

Probably the biggest point is communication. We have both formal and informal reviews on a very regular basis. We have a formal review every quarter where there is a specific agenda and we focus on what went well, what didn't go well and how we can help move that along.

Also, ever year with every employee we have a conversation that really lasts for about half a day. The employee can talk about where they want to go, where they see the company going, and the big picture plays a very big part in it all.

Are there any other methods you use?

We make sure we follow through on any promises we make, and I think that's one of the biggest reasons for frustrations. Employees provide an idea, the business says they'll do it and then they

find six months later it's not happening.

This often happens when businesses really want people to stay on. They will offer an extra \$20,000 because they have a skills shortage. Our experience is that three out of four times, people take that counter offer and then say they shouldn't have stayed because whatever promises were made hadn't been fulfilled.

How do you counter those broken promises in your own business?

We are extremely careful and are honest with the people who work for us. Sometimes an idea may come, and you're not able to give an answer to the suggestion, but if you go back and just explain why you're not doing it, and for what reasons, that's usually enough.

The worst thing you can do is put a suggestion down and not explain why. Whereas if you can explain what's been put forward, the pros, cons, and then your decision as a result of that, that person can then take or leave that offer and there's not much you can do. If you treat them as an adult and not a child and have a conversation, things usually turn out well.

This also particularly works with Gen Y staff, because having them understand the rationale behind decisions is really the power to overcome 90% of any problems.

What advice could you give to businesses which may face staff being poached by a competitor?

Be approachable. One of the things that works for Sophie and I is that we actually sit in the sales floor in an open place office, and have a situation whereby people can come and talk to us. Now, not all businesses suit that environment, but having that environment where employees can come and talk to you is essential.

Employers are often caught out by someone leaving or finding out about a problem too far down the line, and that's because they're separated from that process. If a person feels they can come and talk to you and say something is wrong, and request input, then you're generally going to treat that problem before it even becomes an issue.

(2010). *How I keep my staff from being poached*. Available:
<http://www.smartcompany.com.au/hiring/20100430-how-i-keep-my-staff-from-being-poached.html>

Last accessed: Wednesday May 19, 2010