



# Talent Retention Toolkit

*Human Resource and Knowledge Management Committee*



# Agenda

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## Talent Definition

## Talent Retention Survey

Aims

Methodology

Results

## Talent Retention Practices

General Talent Retention Practices

Specific Talent Retention Practices

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## Talent Definition

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Specific Talent Retention Practices

## Talent Definition

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**"A person who has a high development potential, who has critical and / or scarce knowledge of the market or has demonstrated consistently high performance."**

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**Talent Definition**

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Methodology

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General Talent Retention Practices

Specific Talent Retention Practices

# Aims

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To identify the key challenges, current practices and future needs of Human Resource Management of companies belonging to Arpel



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**Talent Definition**

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General Talent Retention Practices

Specific Talent Retention Practices

# Methodology

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The Talent Retention Survey was conducted between November and December 2011 and involved 30 member companies of Arpel.

The methodology used contemplated the execution of the following activities:

- A survey was designed to respond to the objectives and content to be discussed
- A Web platform was designed for the survey to be available to members of Arpel
- Members of Arpel responded according to their experience
- The results of the survey were analyzed
- The following report was developed from the overall results



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# Results

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## What attributes define the concept of talent in your organization?

- 67% of companies consider Talent to be attributed to individuals whose development exceed that of others (**High Potentials**)
- 40% of people possess **critical and scarce** skills and knowledge
- 40% of people display higher performance levels than the other employees (**Top Performers**)

About 70% of companies **have no restrictions** to identifying and selecting talent, i.e it is not dependent on the rank, age or type of contract (union or non-union).

## Does your organization formally identify talented people with Name and Family Name ?

- 19% have identified the talent in their organizations
- 54% of Companies Have not Identified Their talented people
- 27% do not know if formally identified

The tools applied for such identification is:

- 31% Performance evaluations by their leader
- 27% Assessments future development potential

# Results

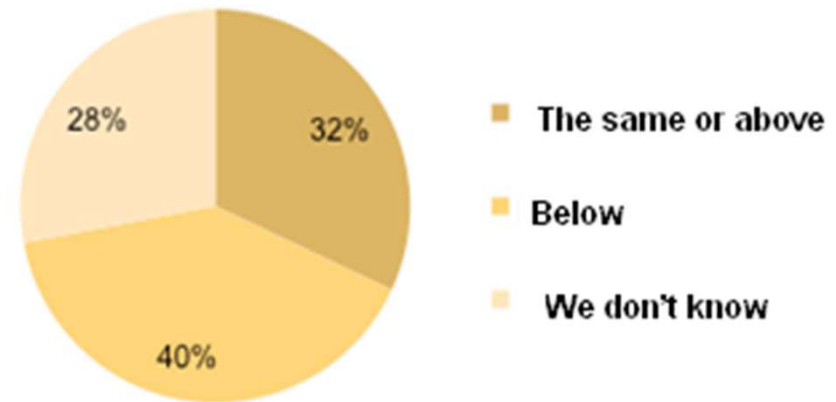
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## What processes are used to manage the talent in your organization?/ Top Performers / High Potentials

- 48% reports to senior management of the organization
- 36% informing the supervisor of the talented of person / Top performer / High Potential”
- 28% define differentiations in training and development programs for the Top performer / High Potential“

However the 69% do not differentiate between the "talents of their organization”.

## What is the current level of turnover of "talented" people of the organization in the last 3 years?



**40%** of companies believe that the turnover of talented employees has decreased in the last three years

# Results

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## What profiles are those with higher turnover / escape voluntary?

- For hierarchy level:
  - Senior Management
- By Area:
  - Production
  - Exploration
  - Maintenance
- By Age:
  - 26 - 35 years
  - 36 - 45 years

Only 20% of managers participates actively in the promotion decision / ascent / career of your team

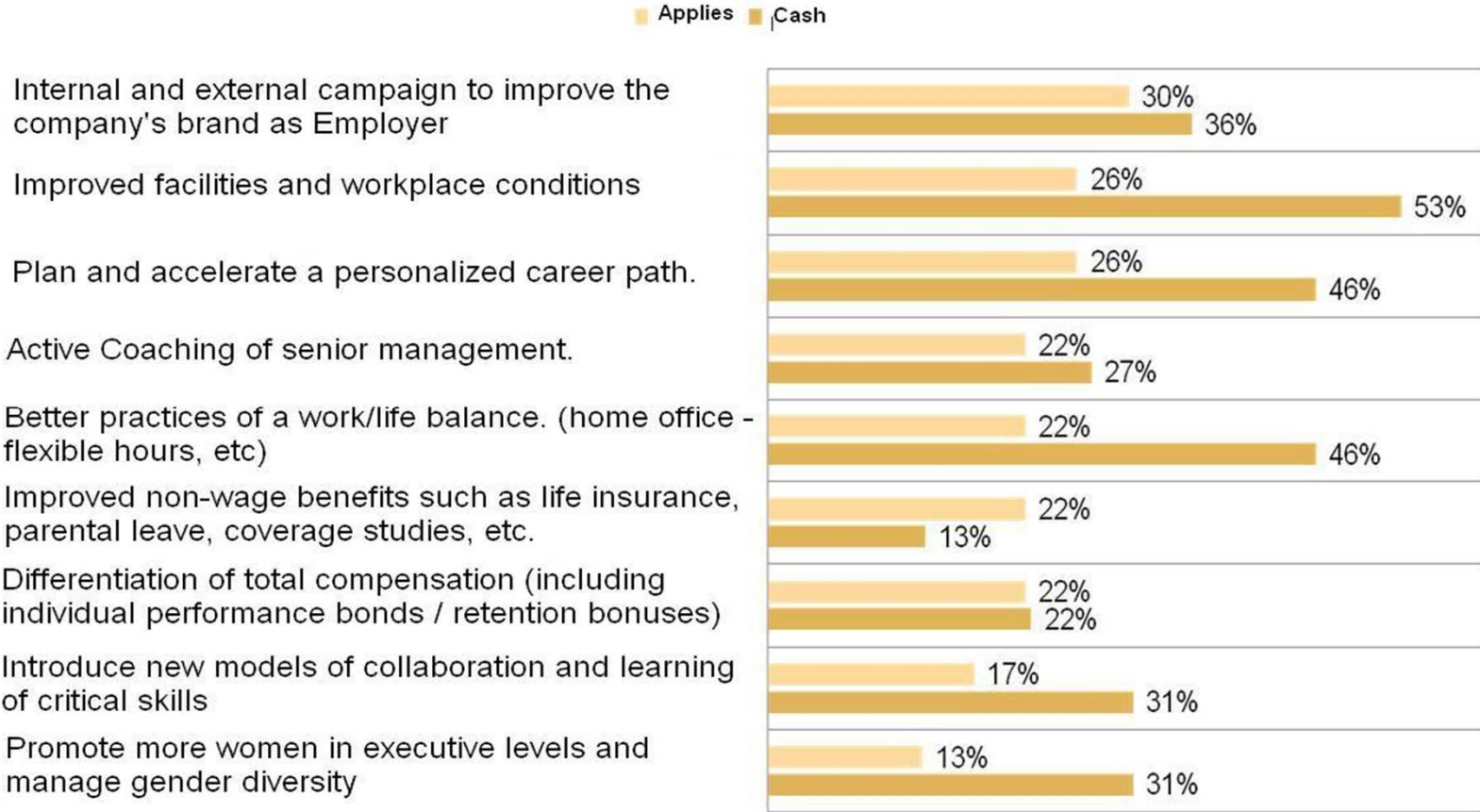
## What are the main reasons for turnover / leakage of these key people?

- a) Financial compensation.
- b) Career projection.
- c) Work safety.
- d) Prestige and image of the organization.
- e) Balance of work /personal life.
- f) Conflict with their boss.

**60%** of those who leave are going to the competition.

# Results

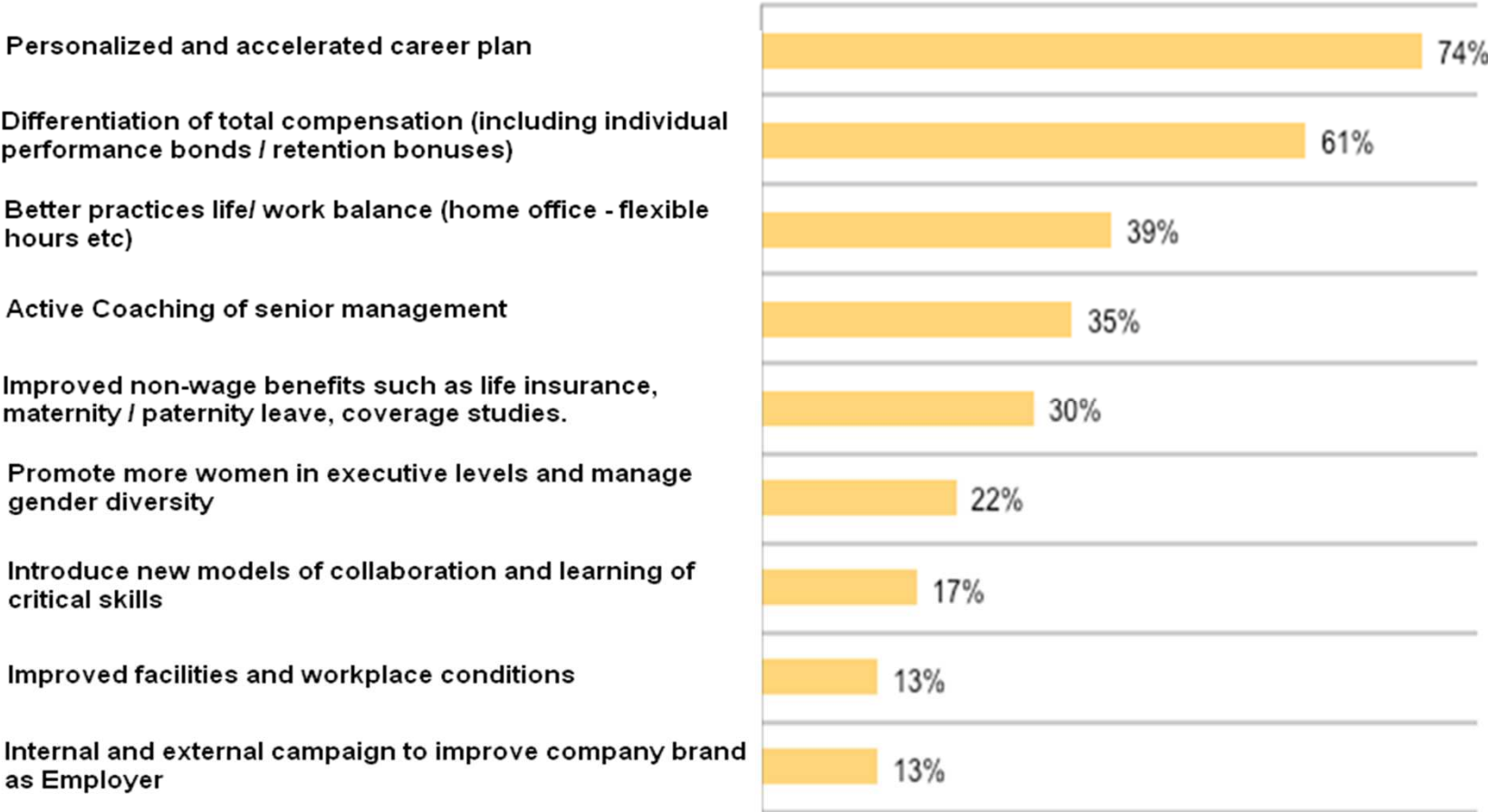
## What talent retention tools are implemented at present by the organization and how effective are they?



# Results

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**What tools should organizations consider implementing to improve their capacity to retain talented staff?**



# Main Conclusions

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At the beginning of the study, there were three objectives to be answered:

- a) To identify the key challenges faced by companies in the group in the area of talent management
- b) To identify current practices of companies in the group in the area of talent management
- c) To identify the future needs of companies in the group in the area of talent management

The conclusions of the study are grouped according to the first three objectives of the study.

While the creation of a unified definition of talent was not in the original objectives of the survey, as a result of the study it can be concluded that for member companies of Arpel, talent can be defined as:

**"A person who has a high development potential, who has critical and / or scarce knowledge of the market or has demonstrated consistently high performance."**

# Main Conclusions

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## Key Challenges

Among the main challenges facing members businesses of Arpel are:

- **Loss of talented personnel to the competition:**

From the study it can be concluded that one of the main challenges facing Arpel member companies, is the loss of talented personnel to the competition. 60% of firms reported that talented staff will go to competing organizations primarily for higher compensation and/or better career projection.

The profile with the highest turnover rates corresponds with young professionals (26-35 years) belonging to the core business areas (Production, Exploration and Maintenance).



# Main Conclusions

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## Current Practices

Respect to the main practices for talent management, we can conclude:

### **Emerging talent management:**

- Although the organizations do have specific criteria which characterizes talent, only 19% of companies in the survey group have a formal process for identifying talented people and of these, about 70% do not differentiate the types of talent in their organization.

### **The low effectiveness of talent retention tools:**

- While companies do use specific tools for talent retention, there is no perceived effectiveness of them, mainly due to the lack of a comprehensive talent management model and support structure within organizations.

# Main Conclusions

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## Future Needs

Respect to the future needs in terms of talent management, we can conclude:

### **Develop holistic talent retention:**

- Effective management of talented personnel cannot be solely carried out with isolated initiatives or with only the participation of Human Resources. It requires the active participation of all the leaders of the organization as well as the support of senior management.
- The best practices in the area of talent management, define specific initiatives coordinated across the entire value chain of human resources, ranging from recruitment to dismissal of staff and beyond.
- Arpel member companies are required to work with the design, prioritization and implementation of the programs and initiatives of talent retention set out.

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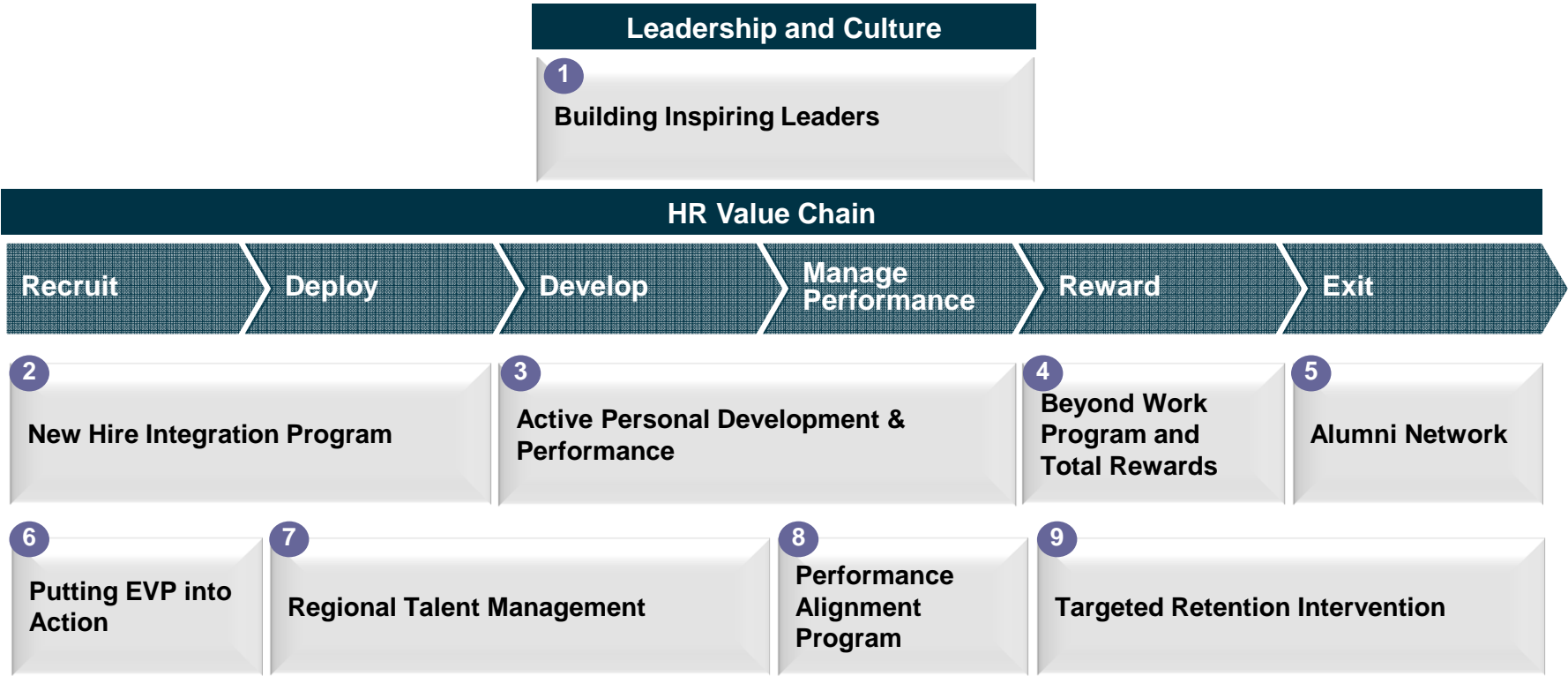
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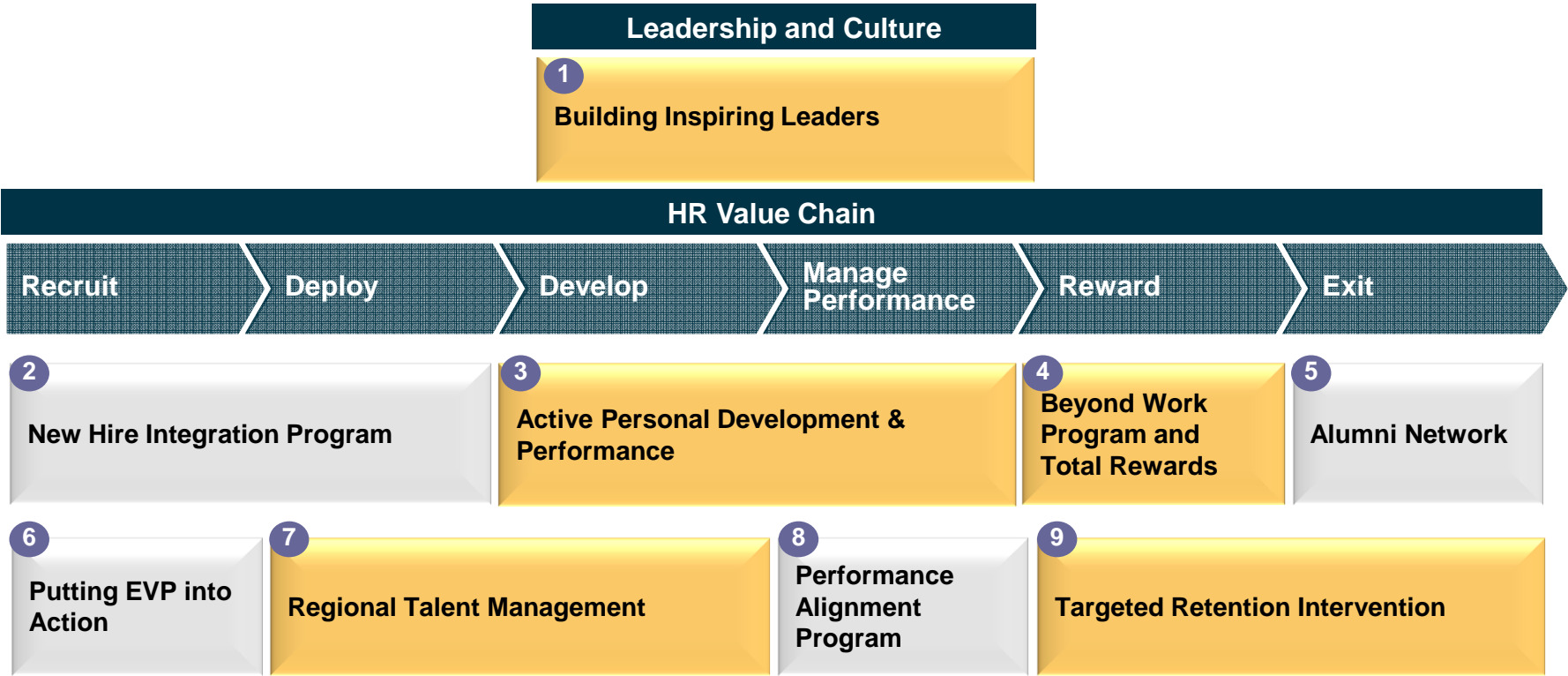
# Retention programs

Retention initiatives must be carefully planned and coordinated for maximum impact. Through the development of retention programs, HR can develop effective retention initiatives throughout the Human Resources Value Chain as well as through the culture and leadership of the organization.



# Retention programs

Of these 9 Retention Programs, **5 are directly** related to **talent retention**:



# Retention Program and Initiatives

## Retention program

1

### Building Inspiring Leaders

**Definition**-An approach to the professional development of leaders

**Benefit**-Recognize the importance of people management skills for retention

**Target** – All the Managers

## Retention Initiatives

### Leadership & Management Development

This initiative relates multiple initiatives in a more holistic approach to **build skills in people management** of line managers, encouraging them to **take responsibility for the retention and commitment of employees**

### People Developer Recognition (for Managers)

This initiative promotes, through the implementation of **rewards and recognition**, that all **managers become excellent developers of people.**

# Retention Program and Initiatives

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## Retention Program

**1**  
**Building Inspiring Leaders**

## Retention Initiative

**Leadership & Management Development**

### **Building People Management Capabilities**

Building people management skills is based on the creation and implementation of a training curriculum for line managers through HR teams, primarily through existing initiatives for rapid deployment.

#### **How?**

Through a skills building program. This considers:

- Defining the role of leader and leadership responsibilities.
- Importance of Talent Management
- Developing skills for engaging people.
- Creating a program for career counselors
- Leadership Practices for the development of people.

#### **Success Factors**

- Establishment of dates / times of training in these skills.
- Finish with KPIs training and promotion criteria managers.
- Provide clear communication to the line managers on their responsibilities in this role.
- Monitor compliance with these responsibilities.

#### **Term**

- Annual Program Communication
- Quarterly monitoring through meetings with focus on leadership practices.

# Retention Program and Initiatives

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## Retention Program

**1**  
**Building Inspiring Leaders**

### People Developer Recognition

Line managers that are good people developers improve commitment and retention through targeted efforts to coach and develop people. This is an example to promote and disseminate the organization.

#### How?

Through a communications program that recognizes the People Developer, in order to make visible the efforts, which emphasizes the need to incorporate this input into the performance evaluation. This can be done through the vote of all employees choosing a candidate and briefly explaining why through an anonymous form.

## Retention Initiative

**People Developer Recognition (for Managers)**

#### Success Factors

Incorporating the KPI of People Development. This is measured by the number of votes or nominations received by each manager. At least one nomination will be required.

The winners of this category will have an additional input in the annual performance evaluation as managers.

They communicate to the organization the winners. You can enter this category at the annual closing meeting.

#### Term

annual program

Communications to employees with a focus on the behaviors required by the program model



# Retention Program and Initiatives

## Retention Program

3  
**Active Personal Development & Performance**

**Definition-**Career Development Program (end-to-end) centered on active collaboration between the individual and the company (under the direction of a counselor / line manager)

**Benefit-** Building the sense of ownership of the employee in their career development leading to a better understanding of the opportunities and greater personal involvement

**Target –** Talents

## Retention Initiatives

**Effective Communication for Personalized Career Plan**

This initiative focuses on defining mechanisms for **effective communication** in order to improve understanding of **personalized career plan**

# Retention Program and Initiatives

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## Retention Program

**3**  
**Active Personal Development & Performance**

**Effective Communication for Personalized Career Plan**

## Retention Initiatives

### Personalized Career Plan

This initiative focuses on the effective communication of a career plan that allows employees to understand the program, required performance levels and milestones of their professional development plan to reach new levels and promotions.

#### How?

Through effective communications program directed in the first instance to the line managers, who have a direct relationship with employees to explain the personalized career plan. Therefore, it is important for managers to understand, accept and commit to the role of effective communicators.

For this there will be a network of facilitators who will attend regular meetings with managers, and whom will have first-hand information to answer questions.

#### Success Factors

- This initiative assumes that the organization has a defined career model.
- The facilitators network is a group of people in the organization who have access to information, and career plans, for example, and will also be models for line managers.
- Existence of effective communication channels and standards about career plans.

#### Term

- It is recommended that this initiative be communicated at the beginning and end of each year to all employees, with quarterly monitoring plan to line managers.

# Retention Program and Initiatives

## Retention Program

4

### Work/Life Balance Program and Total Rewards

#### Definition-

A comprehensive program to promote the complete welfare of employees by establishing channels for professional and personal fulfillment

#### Benefit-

Supporting a culture of family and a network of contacts that will help in achieving the challenges of achieving a work / life balance

**Target** – Talents and other employees

## Retention Initiatives

### Work/ Life Balance

This initiative aims to meet the issues of work / life balance, using the HR network to share knowledge and implement ideas

### Total Rewards Framework

This initiative seeks to develop a model to guide the **review of HR competitiveness** and relevance of **their total compensation**. i.e. from the perspective of the **employee; Business and Market**

# Retention Program and Initiatives

## Retention Program

4  
**Work/Life Balance Program and Total Rewards**

**Work/life Balance**

## Retention Initiative

### Work Life Balance

This initiative addresses the need to provide a framework for a balanced lifestyle between work and working life, based on the HR community to share best practices and implement ideas.

#### How?

HR must offer their expertise primarily to detect what the needs are of the employees. This should be done engaging the organization to better meet these needs. Second, to encourage a balanced lifestyle, which will help increase personal and professional fulfillment outside their immediate job responsibilities by improving organizational commitment. Finally, the HR community may encourage the generation of ideas and creative solutions that directly impact talent retention, specifically in the balance work / life quality.

#### Success Factors

- The HR community should encourage the transfer of good practices and provide guidance, in a centralized manner by coordinating activities, and facilitating discussions.
- Line managers are active in the motivational activities for staff
- It is necessary to have a variety of communication channels to communicate and encourage these practices.

#### Plazo

- We recommend reviewing the impact of this factor in retaining talent (it may be collected in the Diagnostic Checklist Exit) and then incorporated as an ongoing initiative

# Retention Program and Initiatives

## Retention Program

4  
Work/Life Balance Program and Total Rewards

Total Rewards & Career recognition

## Retention Initiative

### Total Rewards & Career Recognition

This initiative focuses mainly on two points: Developing a model to guide HR in the regular review of the competitiveness and relevance of its compensation program and secondly, It emphasizes the need for HR and line managers to communicate effectively the compensation package and benefits to its employees. It is also possible to establish non-monetary awards to the trajectory of an employee in the organization.

#### How?

First HR should be concerned with developing a market analysis that allows identifying competitiveness of its offer of compensation compared to the market. Second by preparing line managers to communicate key messages to employees, related to the compensation plan.

#### Success Factors

- Multiple inputs should be considered in this Total rewards model: the employee (which is what you want), the market (which is what it offers) and organization (which is what you are willing to invest and maintain over time). The sum of these inputs will be the total compensation model over the corresponding annual monitoring and evaluation.
- Existence of effective communication channels and standards on the compensation model, with all line managers involved.

#### Term

We recommend reviewing the competitiveness of the compensation plan annually and provide updates to the organization, starting with line managers.

# Retention Program and Initiatives

## Retention Program

**7**  
**Regional Talent Management Program**

**Definition-**  
A coordinated regional program to identify a common pool of talent to manage rapid development

**Benefit-**promote greater retention of talent through regional programs to generate a fast track to provide and create succession plans and greater exposure

**Target** – High Performing (HIPO)

## Retention Initiatives

**Talent Mobility Assignment**

This initiative focuses on the development of **talent through strategic allocations** within and outside the country **for a limited time**

**Mentorship**

This initiative is a deliberate strategy to improve retention of talent through **exposure** to and **coaching by** senior management

# Retention Program and Initiatives

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## Retention Program

**7**  
**Regional Talent Management Program**

**Talent Mobility Assignment**

## Retention Initiatives

### Talent Mobility Assignment

This initiative focuses on the selection of talent in the organization for allocation to strategic positions for a period of time. The allocation of talent to larger tasks provides development opportunities and in turn is a compromise for HR employees and provides a space to fill vacancies in difficult positions.

#### ¿How?

An evaluation of the opportunity a vacancy creates for talented employees who seek to broaden their career possibilities. This point should consider direct supervisor feedback and / or line manager in conjunction with HR. Besides ongoing support the opportunity should be considered a booster on the run, constantly monitoring their level of job satisfaction.

#### Success Factors

HR must have a clear plan of open positions and requirements thereof, updated monthly and made public with line managers. This will identify skills and outstanding performance in the day to day.

Existence of periodic evaluations and potential motivation for staff.

Involvement of line managers in promoting the talent allocation plans.

#### Term

Suggested is a monthly evaluation of career opportunities and talent search to fill assignments for certain time periods (3 months, 6 months y1 year for example).

# Retention Program and Initiatives

## Retention Program

**7**  
**Regional Talent Management Program**

**Mentorship**

## Retention Initiatives

### Mentorship

This initiative focuses on talent retention through exposure and guidance of a senior manager (mentor). This also allows the identification of risks of abandonment through regular dialogues with learners.

### How?

This initiative can be carried out with senior managers of the organization or managers who have already left the organization because of their retirement. Good mentors provide personal and professional development, enhancing commitment.

### Success Factors

- HR must carefully select apprentices in the workforce, in order to facilitate the affinity with the mentor that can be a different business unit. Similarly, looking for a common history between mentor and mentee.
- HR should issue clear guidelines on how, what and when to engage learners in the initiative.
- This relationship should be linked to a KPI's mentor, as a developer of people for example- and to encourage the empowerment of the relationship mentor - mentee.

### Term

Suggested is an annual allocation of mentors to mentees- and preferably at the beginning of each fiscal year and this relationship should last at least a year.



# Retention Program and Initiatives

## Retention Program

**9**  
**Targeted Retention Intervention**

**Definition**-A highly structured program that allows HR managers and line managers to respond appropriately to cases of desertion and intervene with retention tools monetary and nonmonetary

**Benefit**-clear guidelines that provide information about the "who", "what" and "how" to intervene in specific cases of retention

**Target** – Talents

## Retention Initiatives

**Flight Risk Identification**

This initiative is a **proactive approach** to mitigate the defection of talent by **identifying potential causes** of resignation and implementing **proactive interventions**

**Counter Proposition Model**

This initiative aims to develop a model / framework enabling HR during **exit management**, to investigate the spectrum of **tenders** (monetary and non-monetary) that can be used to retain talent

**Exit Diagnostic Checklist**

This initiative aims to develop a **checklist** for a structured management process output, thus ensuring that **due diligence** is carried out to **retain talent**

**Rewards Lock-in**

This initiative aims to improve reward policies for retention, by developing guidelines for talent **retention packages**. i.e. **retention bonuses, salary adjustments, paid surveys, etc.**

**Non-monetary Interventions**

This initiative recommends **non-monetary incentives**, allowing the talent to take a break from work or try new responsibilities. i.e. Grant periods for study, sabbatical, authorized absence, flexible working hours, etc.

# Retention Program and Initiatives

## Retention Program

9  
Targeted  
Retention  
Intervention

Flight Risk  
Identification

## Retention Initiatives

### Flight Risk Identification

This should be recognized as a preventive initiative to mitigate the risk of employee turnover and engage potential people who want to leave the organization. The key is to let managers detect these cases and rely on HR to evaluate action plans.

#### How?

Identify risks early and take active steps to understanding the causes of abandonment, allowing the development of early intervention strategies and also improving commitment of the employees and;

By creating guidelines for line managers to diagnose and take action on possible causes of abandonment.

#### Success Factors

- Perform coaching or sessions with line managers how to identify causes and not just symptoms, asking questions aimed at employees.
- Having a guide of steps and actions established in order to put on the table the risks.
- HR should provide a model of support for line managers, providing effective communications and training. This last point should be part of an integrated model of talent retention program.

#### Term

We suggest performing a training session for the detection of hazards including quarterly meetings in the "pulse survey" format to assess the challenges that are faced in the program participants everyday.

# Retention Program and Initiatives

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## Retention Program

9  
Targeted  
Retention  
Intervention

Counter  
Proposition  
Model

## Retention Initiatives

### Counter Proposition model

This initiative can be seen as a chain of supply measures against seeking the retention of high performing employees in the checkout process. This allows HR to have a proactive stance in managing retention options in cases that can be rescued.

#### How?

With a studied approach to proposals, HR can quickly decide which deals can be made for the talents to remain in the organization. This gives clear guidelines on how to act in the organization that wants to retain flexibility and sufficient to analyze the case to case within the parameters of the organization.

#### Success Factors

- Develop guidelines and clear HR policies for the entire organization, as well as counter-defined criteria, that include ranges and percentages.
- Having a market analysis.
- A simple management model application counter offers.

#### Term

- Suggested is an instance of defining guidelines for talent retention and generating counter-offers to the HR team. This is done once and then an annual review mechanism is established.
- Having established guidelines, they are applied to the model which is tested as to its effectiveness case by case.

# Retention Program and Initiatives

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## Retention Program

9  
Targeted  
Retention  
Intervention

Exit Diagnostic  
Checklist

## Retention Initiatives

### Exit Diagnostic Checklist

The exit interview provides an opportunity for the organization to know the reasons and grounds for an employee's output, through a semi-structured interview conducted by HR staff.

#### ¿How?

Through an integrated approach to assess the conditions under which an employee wants to leave the organization and individual motivations. This allows mitigation for rapid action and intervention, eg against the proposed approach.

This can be done with semi-structured interviews that allow the identification and comparison of cases with common symptoms throughout the organization, in addition to providing a consistent treatment for all employees.

#### Success Factors

All retention efforts in this initiative requires that both HR and line managers actively engage and provide a supportive environment for the employee.

An approach of tracking information collected will allow HR to take proactive steps to ensure retention.

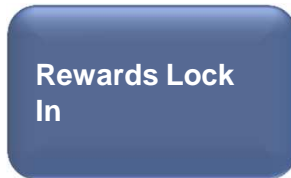
#### Term

- suggested is an instance of defining guidelines for retaining talent and interview with the HR team and line managers. This is performed first and then an annual review mechanism established .
- Having established guidelines, the model is tested to be effective case by case.

# Retention Program and Initiatives

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## Retention Program



## Retention Initiatives

- **Rewards Lock in**
  - This initiative focuses on improving retention policies by developing clear policies of compensation for employee high performance, such as: wage adjustments, the company paid studies, years of tenure bonus, etc.
  - **How?**
  - Through a direct form of rewards for talent, for a specific period of time. This acts as a short-term measure to promote retention, increasing the opportunity cost of the output of high-performing employees.
  - **Success Factors**
  - HR needs to establish standardized policies compensation application.
  - Rewards should be sufficiently attractive for talents agreed to stay and get the bonus.
  - Rewards should be custom made, based on the context of the company and labor regulations in force.
- Term**
- Initial effort is required to determine the compensation policies and bonds with annual reviews.

# Retention Program and Initiatives

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## Retention Program

9  
**Targeted Retention Intervention**

**Non monetary interventions**

## Retention Initiatives

### Non monetary interventions

Interventions focus on non-monetary incentives to employees that the company wants to retain, allowing them to take breaks or take on new responsibilities without any salary or bonus requirement.

How?

Offering a range of viable options that provide employees with opportunities to pursue different interests for a short period of time or turn, such as unpaid leave flexible working hours, without the need to resign.

### Success Factors

- Existence of personalized interventions that are able to meet individual needs and concerns.
- A careful analysis of the impact it can have on the business policies and a subsequent intervention design, considering the needs of the company.
- HR should have a replacement policy and actions once the employee is reinstated to their jobs.
- This initiative can be incorporated within the range of actions that provides early detection of risks of abandonment

### Term

Initial meetings should be established to determine the guidelines and policies for non-monetary interventions with subsequent annual reviews.

# Retention Program and Initiatives

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## Deployment Recommendations:

Each of the above initiatives should be leveraged by an **integrated model** that considers the employee's direct supervisor or line manager, the HR team and the organization. The existence of KPIs associated with each of these initiatives synergistically, allowing for quick adoption and promotion of change in talent management.

It is suggested in turn the creation of a **network of change agents** that are an advance team in promoting the key messages of change of each retention initiative. This group consists of:

- HR Group model: owners of the program and each of the initiatives to implement
- Sponsors: Subjects in key leadership positions in the organization to support the project.
- Agents of Change: Natural Leaders in the organization over those in formal positions, to help implement the change, with privileged access to information.

Finally, the HR team should model and provide **coaching** to each of the managers, in individual or group format, to evaluate the key messages and desired behaviors in line with the program.

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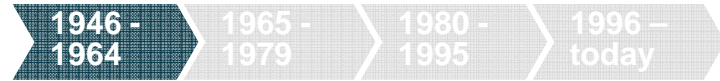
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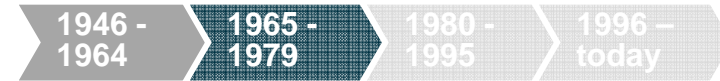


# Definition of Generations



## **Baby Boomers (49 to 67 years)**

- **Represent the change** in the society after the second world war.
- Scenario of new **parenting and family practice**, based on their parental instincts, showing love and affection to their children.
- Recognized by a **secure, optimistic and proactive attitude**, not being afraid to go against the *status quo*.
- Value **work ethics** and have a **high level of knowledge** gained throughout decades of work.
- After the 2007 recession, they have a **new way of thinking: "live the present."**
- **Experimental creativity** prevails over conceptual creativity.
- Wish to be **valued**, like **working in teams** and have a role in the team.
- **Learn better following demonstrations** by experts, and **working** under their supervision.



## **Generation X (34 to 48 years)**

- Introduction of "life-work balance" concept. An adequate "**life-work balance**" results in **more productive and innovative workers**.
- Feel more comfortable with new technologies, enabling **online/remote work**.
- **Loyal to people and projects that motivate them**, and not necessarily to companies.
- **Loyal to their career and curriculum**, move from one job to another searching for better opportunities.
- **Recession** makes them a **more stable workforce**, as they face the potential lack of better jobs.
- Highly value those companies that promote **continuous training, individual learning and personal development**.
- Work **quickly**. Expect communication to be quick, and **technology** (e.g. Internet) is part of their life and work experiences.
- Work with a focus on **tasks, independently**.
- Prefer **learning from action**, generating real solutions to real problems.
- **Learn better with a mentor**. Should receive **very specific instructions** and include potential **exceptions**.

# Definition of Generations



## Generation Y (Millenials) (18 to 33 years)

- Use **technology for everything**, never knew a world without devices that connect them with others.
- Have “**helicopter parents**” who are spectators in the lives of their children.
- Are used to searching for and **obtaining the information they need whenever they need it**, very quickly.
- **Impatient** (and/or ambitious), **energetic** and capable of performing **multiple tasks** at a time.
- **Easy access to information** has formed their **preferences and opinions** about the world around them.
- Value companies with a **strongly rooted focus and mission**, and leaders who promote them and demonstrate **social awareness** with facts.
- Appreciate coaching by those people who have been in the work for a longer time, and need regular feedback.
- Hope to face important work challenges quickly (problems with Generation X).
- Have a high educational level and are willing to achieve their objectives.
- Learn well from practice, in a "trial and error" mode, with no need to read instructions manuals.
- The transfer of deep knowledge requires multiple approaches. Learning must be dynamic and multifaceted.



## Generation Z (Linkster) (<18 years)

- Grew up in families where they were the **number one priority of their parents**.
- Have always been the **center of their universe**, receiving **attention from adults, and praise and protection** within their families.
- Extremely high **knowledge and management of technology**.
- Use **instant messaging and emails** (with “adults”) to communicate.
- Protect each other and **build communities** in their classes and neighborhoods.
- Are not insensitive, are **committed**, try to be likable to others and to make **significant contributions** to the world.
- **Willing to participate in community service activities**. Consider Generation X as very absorbed.
- Motivated to **work in teams**, since they are young they **try to keep good relationships** with others and accept their differences.
- Get **involved in more activities and initiatives** than all the previous generations.
- May **lack confrontation skills** for effective communication with co-workers and customers.

# Motivational Factors

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## Baby Boomers



### **Career Opportunities**

- Offer opportunities that allow them to continue progressing in their careers (e.g., rotation of jobs, assignments and/or temporary projects.)
- Value experience of workers. Generate instances and opportunities to transfer their knowledge to younger generations to keep the knowledge in the company instead of the people.
- Show respect in a tangible manner, for instance, involving them in mentoring programs, with younger employees.
- Offer tasks that encourage their enthusiasm and pose a challenge to their critical thinking skills.
- Promote active recruitment of older workers as a company policy.

### **Confront Negative Behavior**

- Describe the problem and explain concerns.
- Listen to and thank the concerns of employees, and agree on potential changes.
- Review the agreements reached and mention expectations about them.

### **Benefits**

- Offer flexible work programs, such as opportunities to work part-time, job-sharing, and other flexible benefits.
- Extension of vacation period.
- Facilities for physically handicapped employees.
- Training and development opportunities.

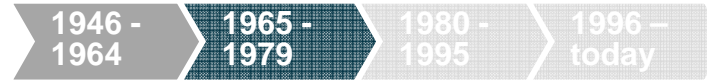
### **Involve them in organizational changes**

- Help them to understand and cooperate with organizational changes, thus avoiding them to become resistant to changes.
- Allow voluntary demotions from their positions, which allow them to perform tasks they master, reduce the work load and assume responsibilities that make them feel comfortable with their work.

# Motivational Factors

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## Generation X



### **Corporate Culture**

- Show that the company has values and integrity, supported by the vision and the mission, and throughout the daily business activities.
- Involve them in business operations, providing them the opportunity to contribute to the business.
- Show them how the activities they currently perform contribute to the success of the business.
- Maintain regular communication between employer and employees in order to avoid rumors.

### **Management Style**

- Supervisors should show that they understand the business, are aware of the work tasks of their subordinates and are willing to help them if so required.
- Listen actively to employees' ideas, suggestions and needs.
- Provide regular feedback, giving credit to the achievements made through public recognition and/or rewards.
- Help employees to grow and develop professionally.
- Be upright and represent the values of the organization.
- Supervise only what is necessary, and be available if employees need assistance.

### **Work Environment**

- Develop a family and enjoyable work environment (e.g.: office architecture, services, dress code.)
- Promote and accept new ideas and suggestions.
- Offer work flexibility as long as the final result is achieved.
- Create a team work environment for achievement of objectives.
  
- Celebrate achievements (happy hour, lunch, etc.)
- Maintain updated technological tools.

### **Career Development**

- Encourage supervisors and employees to develop a mission statement regarding career and detailed objectives to achieve it.
- Provide learning opportunities for employees (on-site/off-site training, job rotation, etc.)
- Develop formal mentoring programs.
- Offer various jobs that allow them to perform multiple tasks at the same time.

### **Balance between Life and Work**

- Provide concierge services.
- Free time / flexible work schedule.
- Discount coupons.
- Facilities to participate in their children's activities.

# Motivational Factors

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## Generation Y



### **Value their work**

- Value and respect their ideas and contributions.
- Demonstrate that their work is important, adds value and contributes to the success of the organization.

### **Develop their career**

- Identify their individual needs that allow them to develop professionally, and provide the tools required to respond to these needs (e.g. coaching, training, job rotation, assigning a mentor).
- Identify their career objectives and develop a career plan to achieve them.
- Assign a mentor to support and guide them to fulfill their career plan and objectives.
- Ensure that their supervisors are aligned and support them to meet their career plan.
- Offer highly interactive training using technology to facilitate learning.

### **Use technology**

- Use technology as an integral part of the daily operations of the business.
- Provide the workers with the technological tools required to perform their duties properly, keeping the systems and software used up-to-date.

### **Assign responsibilities**

- Allow the performance of projects in their own way, as long as the result meets the objectives of the project.
- Assign multiple challenging tasks, which are managed at the same time, with minimum guidance.
- Offer them the opportunity to participate actively within a work team.
- Clearly define what is expected from them and explain the reason "why" they are required to perform the requested tasks.
- Offer them the opportunity to know the business actively, and what a business requires to be successful.

### **Recognize their achievements**

- Provide feedback on their performance and recognize their achievements on a regular basis (e.g., public recognition, personal thank-you, rewards).
- Train supervisors and deliver the necessary resources to enable them to recognize the achievements of their employees.

### **Provide a family and enjoyable work environment.**

### **Provide work stability and security**

# Motivational Factors

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## Generation Z



### **Labor Flexibility**

- Provide facilities to enable them to participate in civic and community activities within their regular working hours.
- Allow a flexible work schedule and remote work, as long as permitted by the nature of their work and their position within the company.

### **Work Environment**

- Provide concierge services, to enable them to perform daily personal tasks without affecting their free time (e.g. technical review of automobile, make copies of keys, send correspondence, etc. ).
- Create a friendly, safe and enjoyable work environment.

### **Professional Development**

- Include skills in teamwork, negotiation and dispute settlement in the professional development plans.
- Get involved in the continuing education of employees, creating partnerships with academic institutions, encouraging them and offering facilities for further education.
- Provide short-term assignments that may be supervised and help them feel "owners" of tasks and a part of the work that is productive for the organization.
- Create opportunities to receive immediate feedback on their performance, along with recognition and rewards programs for their achievements.

### **Technology**

- In this generation, it is critical to keep pace with the latest software and technology tools available in the market.

# Prioritization of motivational factors



Baby Boomers	Generation X	Generation Y (Millenials)
49 to 67 years	34 to 48 years	18 to 33 years
<ul style="list-style-type: none"> <li>• Treated with respect</li> <li>• Benefits</li> <li>• Type of work</li> <li>• Balance between life and work</li> <li>• Provide good service</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Basic salary</li> <li>• Flexible schedule</li> <li>• Career potential</li> <li>• Training/development</li> <li>• Promotion opportunity</li> <li>• Bonus</li> </ul>	<ul style="list-style-type: none"> <li>• Treated with respect</li> <li>• Basic salary</li> <li>• Balance between life and work</li> <li>• Type of work</li> <li>• Benefits</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Career potential</li> <li>• Quality of personnel</li> <li>• Provide good service</li> <li>• Promotion opportunity</li> <li>• Flexible schedule</li> <li>• Training/development</li> <li>• Bonus</li> </ul>	<ul style="list-style-type: none"> <li>• Treated with respect</li> <li>• Balance between life and work</li> <li>• Type of work</li> <li>• Flexible schedule</li> <li>• Quality of personnel</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Promotion opportunity</li> <li>• Benefits</li> <li>• Career potential</li> <li>• Basic salary</li> <li>• Provide good service</li> <li>• Training/development</li> <li>• Bonus</li> </ul>

# Differences in Retention Strategies between State-Owned and Private Companies

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## **State-Owned Companies**

- Their purpose is to generate value to improve the social and economic conditions of all citizens.

### **Special considerations about retention strategies**

- State-owned companies have budgetary constraints, imposed by government, which limit the investment in employee benefits.
- On the other hand, trade unions and workers' organizations can be very influential in subjects related to the working conditions of employees.
- With the exception of political appointees, state-owned companies have a low rate of separation of employees as compared with private companies.
- Given the budgetary constraints of these companies, to the extent that they are more efficient, they will have a greater availability of resources that can be made available to improve the working conditions of workers.

## **Private Companies**

- Seek to create economic value for the shareholders of the organizations.

### **Special considerations about retention strategies**

- The budget for private companies to improve the working conditions of workers is relative, considering that they are for-profit organizations, which seek to maximize the benefit of the shareholders, and ultimately these are the ones who allocate budgets that allow the improvement of the working conditions of workers.
- Many of these organizations have a trade union and workers' organizations, but the power of these within the organization is not as strong as in state-owned companies.
- These companies are more likely to separate employees than state-owned companies.



# Retention Strategies

## Generation Baby Boomers

Motivational Factor	Retention Strategies	Private Company	State-Owned Company
<b>1 - Treated with respect</b>	<ul style="list-style-type: none"> <li>Involve them in mentoring programs with employees of younger generations.</li> <li>Anticipate negative behaviors, talking and clearly explaining the problems, listening and thanking them for their concerns and reviewing the agreements reached.</li> <li>Involve them in the organizational changes, helping them to understand and collaborate in these changes.</li> </ul>	<p>✓</p> <p>✓</p> <p>✓</p>	<p>✓</p> <p>✓</p> <p>✓</p>
<b>2 - Benefits</b> <b>4 - Balance between life and work</b>	<ul style="list-style-type: none"> <li>Offer flexible work programs (e.g., opportunities to work part-time and job-sharing).</li> <li>Extension of vacation period.</li> <li>Provide in-house training opportunities.</li> </ul>	<p>✓</p> <p>✓</p> <p>✓</p>	<p>✓</p> <p>✓</p> <p>✓</p>
<b>3. Type of work</b>	<ul style="list-style-type: none"> <li>Offer opportunities for further progress in their careers (e.g. job rotation, temporary assignments and/or projects).</li> <li>Allow voluntary demotions, which allow them to reduce the work load, perform tasks they master, and assume responsibilities that make them feel comfortable with their work.</li> </ul>	<p>✓</p> <p>✓</p>	<p>✓</p>
<b>5 - Provide good service</b>	<ul style="list-style-type: none"> <li>Create instances for knowledge transfer to younger generations in order to preserve the knowledge and experience within the organization.</li> </ul>	<p>✓</p>	<p>✓</p>

# Retention Strategies Generation X

Motivational Factor	Retention Strategies	Private Company	State-Owned Company
1 - Treated with respect	<ul style="list-style-type: none"> <li>• Demonstrate that the company has values and integrity in the daily activities of the business.</li> <li>• Maintain regular communication between employer and employees in order to avoid rumors inside the company.</li> <li>• Active listening to ideas, suggestions and needs.</li> <li>• Maintain a teamwork, family and enjoyable environment.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>
2 - Basic salary	<ul style="list-style-type: none"> <li>• Provide feedback on a regular basis, recognizing the achievements made through public recognition and/or rewards.</li> <li>• Promote the development of a career plan with achievable goals.</li> <li>• Maintain a level of competitive compensation in the market</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> </ul>
3 - Balance between life and work 5 - Benefits	<ul style="list-style-type: none"> <li>• Distribute discount coupons.</li> <li>• Allow flexible work schedules and free time for personal activities.</li> <li>• Provide facilities to parents to become involved in the children's activities.</li> <li>• Provide concierge services.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>
4. Type of work	<ul style="list-style-type: none"> <li>• Involve them in the operation of the business, by showing them how the activities they perform contribute to its success.</li> <li>• Help employees to grow and develop professionally within the company.</li> <li>• Supervise only as required, and be available when help is requested.</li> <li>• Maintain software and technology tools up-to-date.</li> <li>• Offer various jobs that allow them to perform multiple tasks at the same time.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> </ul>

# Retention Strategies Generation Y

Motivational Factor	Retention Strategies	Private Company	State-Owned Company
<b>1 - Treated with respect</b>	<ul style="list-style-type: none"> <li>Value and respect their ideas and contributions.</li> <li>Demonstrate how their work is important, adds value and contributes to the success of the business.</li> <li>Clearly define what is expected of them and explain the reason "why" they are required to perform the requested tasks.</li> <li>Create a friendly, safe and enjoyable work environment.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>
<b>2 - Balance between life and work</b> <b>4 - Flexible schedule</b>	<ul style="list-style-type: none"> <li>Allow to work remotely, wherever possible according to the activities required.</li> <li>Allow flexible work schedules and free time for personal activities.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> </ul>	
<b>3. Type of work</b>	<ul style="list-style-type: none"> <li>Maintain software and technology tools up to date.</li> <li>Offer highly interactive training using technological tools to facilitate learning.</li> <li>Allow the performance of projects without imposing a specific form to do so, as long as the results meets the objectives of the project.</li> <li>Recognize the achievements through public recognition and/or rewards.</li> <li>Offer them the opportunity to participate actively within a work team.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> </ul>
<b>5.- Quality of personnel</b>	<ul style="list-style-type: none"> <li>Define a career plan and achievable goals for its performance.</li> <li>Involve them in mentoring programs with employees of more experienced generations.</li> <li>Ensure that supervisors are aligned with the career plan of employees.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> </ul>



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