

HOW TO ATTRACT AND RETAIN PERSONNEL IN A TIGHT LABOUR MARKET

To attract and retain personnel in tight labour market, a company has to be attractive, more attractive than its competitors. In the case of Romania today, this means in particular more attractive than alternatives offered outside Romania. These alternatives exist realistically for two types of labour: on the one hand the unskilled, who are difficult to find in a number of developed western countries (where people do no longer want to do menial jobs, particularly in an industry, like the hospitality industry, where working conditions are often difficult and hours long); on the other highly qualified professional who can compete successfully with those of the host countries, your best people.

The policies to attract and retain labour are of course not the same for these two types of population. But, there are a number of fundamentals which are common to both. Let's start with those.

And let's start with the obvious, money. If you want to attract and retain personnel, you must offer a competitive **remuneration**.

What constitutes competitive remuneration, depends on the kind of job, in particular on the question whether it is a career job or not (If it is a career job, if it offers good possibilities to develop and to advance, it is less the immediate than the expected future salary which counts; if it is a non-career job [this is typically the case for menial unskilled labour], the present wage is determinant).

In any case, I doubt one is able to offer salaries, in Romania, today, which are competitive with those paid for instance in Switzerland (even if one accounts for the difference in the cost of living and the psychological cost of being expatriate).

Luckily, people do not live from bread alone, and do not work for money only. Not being able to compete on income, Romanian companies must do significantly better on other working conditions, working atmosphere, HR policies and management practices.

With regard to working conditions, **working hours** are probably the most important issue in the hospitality industry. Two aspects are determinant: the overall number of hours worked, and when these hours are worked (seasonally, weekly, daily). Given the nature of the business, typically, a maximum of flexibility is expected from the employees. As to the number of hours worked, the institutional/legal/contractual constraints leave probably little room for creative solutions. With regard to when these hours are worked, however, there is much room for arrangements which may or may not please the workforce: the mix of full-time and part-time employees, the coordination of work schedules by the employees themselves, multi-skilling of employees, and others – all matters we may want to discuss in a moment.

I mean with "working atmosphere" nothing else than **corporate culture**. A culture in which people, any kind of people, are likely to like to work is one where the stress is kept at a minimum and which fits with expectations of being respected and treated fairly, as well as with expectations of security and loyalty. It may be interesting to orient our discussion of these aspects on the idea that a good hotel is a hotel in which the employees like to work (and not one in which the guests like to stay) – Note it is well known, particularly in the service industry, that employee satisfaction correlates very well with customer satisfaction.

As to HR policies, I think foremost of **training** and **career planning**, **non-monetary rewards** and **benefits** of all kinds, **profit sharing**, **information** and **communication**, and **job security**.

I gather that we can exchange a lot of ideas (not to say "best practices") on these subjects.

Finally, and foremost there is the role of **Management**. Most people leave their boss not their job or the company!

Is management taking its **coaching function** seriously? does it exploit human resources of develop individuals? does it share a vision and radiate enthusiasm? does it give feedback and show appreciation? does it respect employees, all of them? does it treat them fairly? does it listen and care?

What is the dominant **management style**?

How do **managers manage themselves**? are they even-tempered? do they manage their time well? are they proactive or reactive? can they serve as an example with regard to discipline, honesty, helpfulness, willingness to learn and to change, etc.?

I am sure that we will have a lot to say about these topics too, and how we can develop managers to be a source of motivation and progress rather than frustrations and stagnancy.