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Discussion-Opinion-Editorial

How to Reduce the Chances of Gen-Z Mining and Petroleum Engineers Leaving Industry?

The Cost

Knowing the cost of turnover is enough motivation to try and avoid it. With a high turnover rate, a company is subject to indirect costs and direct costs. Indirect costs include paying recruiters to find you a new employee and direct costs include revenue lost while you were understaffed. The higher the turnover rate, the higher these costs will be.

Don't just expect to pay money. Other losses include time, knowledge, and morale. You will spend valuable time recruiting and training new employees. In addition to this loss, employees take knowledge when they leave. That knowledge will take time and money to regain through more training and experience.



How to Analyze the Problem?

Use a dashboard. The dashboard contains information that helps (not only) the management to answer a variety of key questions that are at the beginning of every effective employee retention plan, such as:

1. How many employees leave us each year?
2. Which groups of employees leave the most often?
3. What is the external benchmark? Are we doing about as well as the competition in the industry?
4. Does the current turnover rate represent a serious problem for us and is it therefore worth trying to resolve it?
5. Why do people usually leave their jobs in general?
6. What factors contribute to the departures of our employees specifically?
7. What pro-retention measures are available in general?
8. What pro-retention measures should we select given the probable reasons why our employees leave?
9. What employee groups should we focus on especially in terms of prevention of turnover?
10. Which specific employees are at a high risk of leaving and what specific retention factors should we focus on during regular stay interviews with them?

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An accurate picture of turnover

Where to look?

- 1 What is the turnover rate in your organization?**
Turnover Rate = no. of employees leaving over a defined period of time / total average number of employees during the same period.
- 2 How is turnover distributed in the organization?**
Track: job category, geographic location, recruitment channel, performance level, direct superior, etc.
- 3 How does your data compare to the wider context?**
Average turnover rate in the region and industry sector, unemployment rates, demand for specific skills.
- 4 What is the impact of turnover in your organization?**
Costs of leaving (HR time, temporary coverage, loss of clients and quality), costs of replacing (recruitment, selection, training, socialisation, low productivity).



What is a healthy turnover rate for your organization?



Based on Rubenstein, A. L., Eberly, M. B., Lee, T. W., & Mitchell, T. R. (2017). Surveying the forest: A meta-analysis, moderator investigation, and future-oriented discussion of the antecedents of voluntary employee turnover. *Personnel Psychology*, 1-43. doi:10.1111/peps.12226

As evident from the list of questions above, the dashboard contains information that can be used in the decision-making process not only for HR managers but also for HR business partners or even team leaders and line managers of the individual teams and departments. In addition, the dashboard contains a variety of technical details about the prediction model used and the actual data underlying all the presented visualisations and analyses. With their help, HR/Business analysts can e.g. look for the optimal way to set up the scoring algorithm in order to maximise the positive effect of the pro-retention measures, or they can search in the available data for some additional useful information.



How Can Mining Employers Reduce Their Employee Turnover?

Continuous and Immersive Training

Companies that continuously provide employees with regular training are known to have lower turnover rates and staff with higher morale. Continuous training means investing in employees and helping them to upskill, making them feel valued. Frequent training also enables

employees to grow their skills and in turn grow their careers in the mining industry, which is an incentive to remain in the industry.

Specialists in educational technology claim that using AI and augmented reality technology to provide immersive employee training helps learners to retain more information, throw themselves more into learning programmes and materials, raise safety awareness, and enhance job performance. This results in staff who are more productive and engaged.

Good Remuneration and Optimised Rosters

It is imperative that companies keep abreast of market standards when it comes to salaries so they can attract the best talent and retain them. What's more, mining companies should offer financial-based incentives that reward strong performance from employees, such as share schemes with the company or attractive bonuses when employees meet KPIs.

As well as remuneration, it is important that employers examine their company rosters and optimise them for efficiency and sufficient rest and work-life balance for employees. To do this, they could create flexibility when it comes to employees working from home as well as longer rosters. Companies that optimise their rosters will see not just an improvement in staff morale and retention, but also productivity.

Open Communication Between Staff and Management

Creating and maintaining open communication pathways between mining management and employees can greatly help to raise morale and increase workers' job satisfaction. It promotes trust between these parties and emboldens employees if they need to communicate their needs or approach their bosses about important things like promotions, raises, or career growth and opportunities.

Giving workers regular feedback on their performance is one important form of maintaining open communication that boosts morale as well as productivity and retention. Transparency through communication is also valued by employees.

Build Strong Team Bonds

Establishing positive relationships and a sense of trust amongst workers and their colleagues and between workers and managers is part of creating a strong,

cohesive team. Employees who are part of a team they know they can rely on, be supported by, and trust are going to be far happier on the job, more productive, and better at collaborating. This makes for a healthy, positive work environment for everyone, and keeps staff morale high and turnover lower.

Provide Staff With Amenities That Promote Health and Happiness

Mining employees, especially FIFO workers spend a lot of time away from home when they are onsite. It is important to provide them with facilities, services, and environments that they can use to meet their needs outside of work. This includes the need to take part in healthy activities like sports, have fun, be creative, socialise, and stay connected to family and friends in the outside world. This helps to support their mental and physical health and keeps their morale high.

Here, little things can have a large impact. For example, providing workers with onsite sports facilities like gyms or tennis courts, good WiFi, their own bedrooms if possible, and places to socialise or even just read or draw.

This brings work-life balance back into employees' days, lowers fatigue, and can help to increase retention.

Prioritize Health and Safety Compliance and Training

Providing staff with well-thought-out occupational safety training and enforcing health and safety protocols

works to not only reduce occupational risks and health issues in mines, but also help employee morale by making them feel their safety is a high priority and their company is working to protect them from avoidable injury, illness, and harm.

Case Study: Schlumberger: How Employees Rate

Schlumberger is in the Top 50% of similar-sized companies in its ability to retain quality employees. 70% of employees would not leave Schlumberger if they were offered a job for more money while 73% are excited to go to work each day. Overall, 31% of Schlumberger's employees feel the company is doing what it should retain them while 69% may be considering new employment. Quality employees are difficult to find which makes retaining them all the more important. Schlumberger's Retention score is rated a "C+" by 258 employees. The category helps understand Schlumberger's focus and commitment to retaining employees in its organization. Over the past three months, Schlumberger's Retention score has remained steady at 70/100. Schlumberger ranks in 2nd place versus 4 competitors which include Halliburton, Hughes, National Oilwell Varco, and Dynamic Materials Corporation. The Product and Engineering departments are likely to stay at the company the longest, while the IT and Operations departments are likely to have the highest turnaround. Schlumberger's Retention score is in the top 50% of 1341 similar-sized companies (10,000+ employees) on comparably.