

# AMPC:2019-1058 Retention Project

Development of a research-based employee Retention Framework of Excellence for the meat processing industry

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### **1.0 Executive summary**

The retention project identified potential causes of high turnover rates in meat processing plants and provided retention solutions through the creation of a comprehensive and integrated retention framework. Underlying this framework is the principle that the right people need to be placed in the right roles, conducting the right work. The project was undertaken in in phases: research, followed by development and adoption. In the research phase, over 740 meatworks employees from 25 plants were interviewed to gather over 16,000 gualitative data points. Quantitative information was concurrently collected from the HR division to assess a range of general and retention specific characteristics. For example, the plant profile (location, size etc.), turnover in the 2019 calendar year and how long employees remained employed. Turnover rates in meat processing plants were considerably higher than those of the wider manufacturing industry. The average turnover rate (employee exits/total plant employees) across the participating plants was 62%. For comparison, in the same period, the Australian Bureau of Statistics reported that 6.4% of people in the manufacturing industry left their job. The variation in turnover was quite high with turnover rates varying from 22% to 108%. Location (remote, rural, metropolitan) had no effect on retention but plant and company size did with larger plants and parent companies reporting lower turnover. The qualitative research identified key practices that were associated with increased and decreased turnover and employee satisfaction and guided the development of the Retention Framework of Excellence. The framework was developed by identifying the key areas within the employee lifecycle—such as initial work, induction and ongoing development— and providing clear and practical advice on how to help employees and employers better navigate each stage. The short-term objective of the project was to identify retention issues and develop targeted extension programs for individual plants. The longer term objective of the project is to deliver these insights industry-wide through targeted interventions and general training. The research team believe that adoption of the principles in the retention framework will deliver sustainable improvements in retention across the meat processing industry.

### 2.0 Introduction

A strategic planning project with Australian meat processor members of the AMPC identified labour to be the number one industry priority, particularly in respect to employee attraction and retention. Meat processing is a manufacturing process that is difficult to automate and requires a human factor to flexibly handle animals of varied sizes and shapes that are converted into a multitude of assorted products. Because it is a labour-intensive process the management of the labour force has a predominant influence on productivity and profitability. Retention costs can be both monetary and non-monetary in nature and can include: costs associated with attraction, employment, training costs and productivity losses; loss of company knowledge and leadership; changes in external and internal relationships; negative behaviours and culture (Akila, 2012; Cordery, 2006; Locher Human Resources, 2014). The annual cost of staff turnover has been estimated at \$650,000 – \$1.3 million for a medium-sized plant (Cordery, 2006). Calculated across the entire meat processing industry this is an annual cost over \$30 million.

Staff turnover is not a new problem in the meat processing industry. The latest statistics from the Australian Bureau of Statistics found 5.1% of people in the manufacturing industry changed jobs in February 2020 – February 2021 period (Fig. 1). This figure was slightly lower than the preceding year (6.4%) that captured data in the pre-pandemic period of February 2019 – February 2020.

The high staff turnover in the meat processing industry limits meat production productivity and profitability. Retention is a persistent and multi-causal industry problem that has economic, psychosocial, medical and organisational influences. Both MLA and AMPC have produced reports on retention in meatworks, and agriculture more broadly, (Cordery, 2006; Locher Human Resources, 2014; Perkins, 2005; The Centre for International Economics and The Ryder Self Group, 2008). Collectively, these reports identify the reasons employees stay in their job, the reason they leave, and address the employer perspective of turnover. Examples of why employees leave their job include: lack of future certainty; poor leadership; lack of communication; uncompetitive wages; better career opportunities elsewhere; poor working conditions and lack of training. All reports agree that a labour-intensive industry must focus on the people working on the floor to sustain the industry.





While these reports provide a solid foundation for further research there has been little proof of industry adoption of the report outcomes. No practice models or training were provided to improve workforce systems. Furthermore, little to no research has taken a whole industry view or provided specific industry-wide data on what practice models have proven successful. Thus, the aim of the project was not just to develop a research-based Retention Framework of Excellence but to ensure the findings were implemented on an individual plant and industry-wide basis. The Retention Framework of Excellence (RFE) developed in this project, has been underpinned by the data collected from the 25 participating plants across Australia. Each plant management team evaluated their performance against the RFE to identify plant-specific priorities. Hence, the findings were embedded into individual organisational practices by adoption and educational services delivered as part of this project. Appropriate elements of the RFE have also been embedded into workplace training practices to ensure the widespread and long-term adoption of project outcomes. Essential to

the success of the project was the close relationships between Response Consulting Australia (now known as Response Group International - RGI) and plant staff. Engagement with plant staff allowed the use of action-based methodologies that encouraged ownership at a business and plant level. This project was underpinned by and viewed through the lens of System Leadership as detailed below.

## 3.0 Project objectives

Whilst the retention project had several objectives; the main aim was to create changes in behaviour. Behavioural and cultural change comes from how an organisation integrates the three cultural components of symbols, systems, and behaviour (SSB). These components of culture should be easily identifiable for employees. When an employee comes to work, they should be able to clearly identify the symbols, systems, and behaviours (SSBs) which form their workplace culture. Once the employee's SSBs are developed and identified through mythologies, the behaviours of the workplace will start to change. Organisations need to gain an understanding of the mythologies driving behaviour, and vice versa. Once they are identified, the organisations can deliberately alter and change the SSBs to address retention.

These concepts are central to the "*Systems Leadership*" that presents "a coherent approach that explains why people behave as they do in organisations. This in turn can guide leaders of such organisations along the path of creating the conditions that encourage genuinely constructive and productive behaviour." (Macdonald, Burke and Stewart 2018).

Research phase behaviours, understand:

- What behaviours are affecting employee retention
- The site culture as experienced by recently employed and as predicted leaders
- The effect of leadership and teamwork on individual plant and the industry turnover

Research phase systems, understand:

- The quality of design and integration of the systems utilised in plants to manage retention
- The productivity, profitability and quality outcomes associated with retention
- The effect of systems on individual plant and industry turnover

Research phase symbols, understand:

- The identification of obvious and subtle symbols and symbolism and their effect on turnover
- The non-verbal demonstration of the organisation's culture in relation to retaining employees
- The effect of symbols on individual plant and industry turnover

Development phase:

 Data for analysis by participating Plant Management teams to compare individual results with other participating plants

- Development of an evidence-based Retention Framework of Excellence (RFE)
- Development of a Retention Evaluation mechanism
- Opportunity for participating Plant Management teams to identify priority improvement areas using the Retention Evaluation mechanism

Adoption and education phase:

- Develop information sharing system to facilitate the knowledge delivery to the participating Plant Management teams (Community of Practice)
- Facilitate workshops for participating Plant Management teams (at all levels)
- Develop retention inputs into current training packages offered by Response Learning.

A fundamental model within systems leadership is what is known as Levels of Work. This model details the work that is required in an organisation; the model posits that this work is required to be performed effectively at each level for an organisation to function. If an organisation has not considered assigning work at the appropriate level, then the risk of that work not being done is high.

| Level  | Theme            | Characteristics  |  |
|--|------------------|--|--|
| <i>Level 1</i><br>Certificate 2<br>Certificate 3 | Direct<br>Output | <ul> <li>Hands on</li> <li>Solve problems with known routines</li> <li>Understand they are not machines</li> <li>Empower employees to be able to predict their environments and build relationships</li> </ul>   |  |
| <i>Level 2</i><br>Certificate 4                  | Diagnosis        | <ul> <li>Overview of and diagnose processes and problems</li> <li>Monitor and improve systems</li> <li>Gain an understanding of their role in the environment</li> <li>Provide the foundation of an understanding on the culture constructs and people forming culture based on mythologies</li> <li>Change as a result of dissonance</li> <li>Foundation of the 3 tools of leadership (SSB) to outline changes in each tool to enable cultural change over time</li> <li>Building relationships based on authority rather than power</li> </ul> |  |
| <i>Level 3</i><br>Diploma<br>Advanced<br>Diploma | System<br>Design | <ul> <li>Develop options for systems</li> <li>New ways to connect trends in a single area/field</li> <li>Build on Cert 4 knowledge and apply</li> <li>Complexities involved in multiple cultures across multiple systems</li> </ul>  |  |

#### Table 1: Levels of Work

|                                    |             | <ul> <li>Explains how it is important to integrate systems</li> <li>The impact that poor systems design has on the demonstration and application of the 6 principles of human behaviour</li> </ul>  |
|------------------------------------|-------------|---|
| Level 4<br>Graduate<br>Certificate | Integration | <ul> <li>Pull together systems and Integrate for Optimal Solution</li> <li>Anticipate issues and set in place actions</li> <li>First Level of Strategic Thinking</li> <li>The knowledge and application of the integration of multiple systems across the organisation to create a common positive culture across multiple different systems</li> <li>i.e., from a meat processing perspective, ensuring that there are the same SSB's at all levels and stages of the business to provide a common thread that the organisation wants to achieve.</li> </ul> |

# 4.0 Methodology

#### 4.1 Research phase

#### 4.1.1 Plant selection and participation

To build a longitudinal data set that was representative of retention issues in the meat processing industry over 30 plants were contacted from July 2019 onwards to discuss their participation in the retention project. After initial interest was gauged, an expression of interest form was distributed. This form detailed the project and the level of commitment required from participating plants. A project inception meeting was then undertaken via conference call to discuss the project participants, the selected participants in each group and the project outcomes. The plants were put into five groups of five to six plants. Members with multiple sites were distributed across all five groups for a broad range of data and, where possible, geographical proximity was taken into account.

#### 4.1.2 Quantitative analysis

With each plant the research team commenced with the collection of turnover data and asked questions so they could understand the workforce. The quantitative data requested from the participating plants in the 2019 calendar year included:

- Employee exits (turnover)
- Length of employment (of employee exits)
- Plant room in which employee worked (e.g. kill floor, boning room)
- Employee visa status (visa holder or Australian resident)
- Plant size
- Plant location

#### 4.1.3 Qualitative analysis

Plant managers were briefed on the outcomes of the required plant visits including the organisation of interviews with plant leaders and focus groups with plant floor employees. All interview and focus group questions were semistructured and moderated by the extended research team to allow for open questioning. A written survey was also provided to each project participant to gather an additional set of quantitative data using the Likert scale (1-5).

The project team conducted detailed interviews with plant management and the human resource teams at each of the individual plants to understand the current human resource systems. Focus groups were then conducted with employees on the plant floor (3 to 6 employees per group).

The qualitative interviews were conducted to better understanding the symbols, mythologies, behaviours and systems associated with retention in the individual plants. The interviews lasted between 20 and 45 minutes and all interviews were recorded and transcribed. It was a requirement that the meeting room be private to ensure confidentiality between

the participant/s and the interviewer. The open-ended responses were analysed using the qualitative data analysis computer software program, NVivo, to isolate research themes and trends.

We interviewed focus group participants who had varied employment durations; however all have been referred to as 'recently employed'. This also applied to visa holders who continued their employment until there natural visa expiration.

#### 4.2 Development and adoption phase

We implemented the development phase after analysing the quantitative and qualitative research. This data highlighted plants with high and low turnover and gave insight into why plants were under or over-performing. The development phase of the project used a non-linear approach to engage with each of the 25 plants to discuss these findings. The focus was on discussion of the individual and common needs of the plants and how these needs could shape the development of a Retention Framework for the industry.

A crucial part of this process was not only to consider Systems Leadership and retention but to develop a model that has situational awareness of the practicalities of meat processors. Essential to the completion of this process was the involvement of both Systems Leadership specialists and industry systems specialists. On the completion of these meetings a meat processor Retention Framework of Excellence (RFE) was developed.

The aim of the adoption phase was to provide an industry Retention Framework for over-arching systems guidance. Areas of focus within the Retention Framework were tailored toward the different environments of the plants. Integration of the Retention Framework into current plant systems and whole business structures (for larger organisations) was assisted by the development of reports for individual plants and larger organisations and this were discussed in person to facilitate effective communication of the results. To further assist the plant staff to implement sustained improvement in their retention practices real-world learnings from the participating plants were shared in the form of short case studies.

## **5.0 Project outcomes**

#### 5.1 Research phase

#### 5.1.1 Plant selection and participation

In total, 25 plants participated in the project. These were placed in groups of 5 and analysed in subsequent groups. The groupings, and other key details of the plants are shown in Table 2 and Figure 2. Members with multiple sites were distributed across all five groups for a broad range of data and, where possible, geographical proximity was considered. Both quantitative and qualitative data were collected from 24 participating plants. Plant 24 did not provide staffing and turnover data and thus were excluded from the quantitative analysis. Over 16,000 data points were collected from the 24 participating plants.

The participating plants reflected the diverse nature of the industry. Key descriptive statistics of the plants are shown in Table 2. Processors were represented in every Australian state (Figure 2d) with higher representation in states with higher beef production (e.g. QLD, NSW). Small, medium, and large plants (and parent companies) were represented in metropolitan, rural and remote regions. The most common plant structure was a medium or large plant located in a rural area (defined as a town with a population of 10,000-100,000; Figure 2a,b). Finally, in the 2021-2022 reporting period AMPC had 106 members who operated 135 processing establishments across Australia (AMPC, 2022). Thus, the study analysed approximately 14% (19/135) of current AMPC member plants.

|--|

| -        |   | Plant size | Location class | Company size |
|----------|---|------------|----------------|--------------|
|          |   |            |                |              |
| Plant 1  | 1 | Large      | Metropolitan   | Large        |
| Plant 2  | 1 | Medium     | Rural          | Medium       |
| Plant 3  | 1 | Large      | Metropolitan   | Large        |
| Plant 4  | 1 | Medium     | Metropolitan   | Medium       |
| Plant 5  | 1 | Medium     | Remote         | Large        |
| Plant 6  | 2 | Large      | Rural          | Small        |
| Plant 7  | 2 | Large      | Rural          | Medium       |
| Plant 8  | 2 | Small      | Rural          | Small        |
| Plant 9  | 2 | Large      | Rural          | Medium       |
| Plant 10 | 2 | Medium     | Remote         | Large        |
| Plant 11 | 3 | Medium     | Remote         | Medium       |
| Plant 12 | 3 | Medium     | Rural          | Medium       |
| Plant 13 | 3 | Small      | Remote         | Small        |
| Plant 14 | 3 | Medium     | Rural          | Large        |
| Plant 15 | 3 | Large      | Rural          | Large        |
| Plant 16 | 4 | Large      | Metropolitan   | Large        |
| Plant 17 | 4 | Large      | Remote         | Large        |
| Plant 18 | 4 | Large      | Rural          | Large        |
| Plant 19 | 4 | Large      | Rural          | Large        |

| Plant 20 | 4 | Medium | Rural        | Large  |
|----------|---|--------|--------------|--------|
| Plant 21 | 5 | Large  | Metropolitan | Medium |
| Plant 22 | 5 | Large  | Metropolitan | Large  |
| Plant 23 | 5 | Medium | Rural        | Large  |
| Plant 24 | 5 | Large  | Rural        | Large  |
| Plant 25 | 5 | Medium | Rural        | Large  |

(\*Note there was no quantitative data provided by plant 24)



Figure 2: Descriptive statistics of the of the 25 participating plants. a) The number of plant employees was used to classify the plant as small (0-100), medium (100-500) or large (500+) in size. b) The population of the plant location was used to classify the plant as being in a remote (0-10,000), rural (10,000-100,000) or metropolitan (100,000+) area. c) The number of employees of the plant parent company was used to classify the company as small (0-300), medium (300-1000) or large (1000+). d) The plant location was used to designate the state.

#### 5.1.2 What does the quantitative data tell us about retention?

The key findings and trends from the quantitative dataset are detailed below:

1. Turnover rates in meat processing plants are considerably higher than those of the wider manufacturing industry

The average turnover rate (employee exits/total plant employees) across the 24 participating plants was 62%. Because this study assessed a sizeable proportion (14%) of the meat processing industry and included plants that reflected the diverse nature of the industry it can be assumed that this is representative of turnover rates across the entire meat processing industry.

In the same period—the pre-pandemic calendar year of 2019—the Australian Bureau of Statistics found 6.4% of people in the manufacturing industry changed jobs (Figure 1) *(Australian Bureau of Statistics, 2021).* This means the turnover rate in the meat processing industry is nearly 10-fold higher than the general manufacturing industry. With figures this high it is no wonder that 60% of meat processors surveyed in a prior strategic planning project listed labour are their number one priority.

#### 2. Turnover rates vary considerably between plants.

Despite all plants showing high turnover compared to other industries (Figure 1) there was also extreme variation in turnover rates between the plants. The lowest turnover recorded was 22%, at Plant 22, and the highest was 108%, at Plant 13. Table 3 shows individual plant data and Figure 3 highlights the wide spread of values found. For the purposes of this study these differences provided an opportunity to analyse factors that may help or hinder employee retention and to use these factors to develop a robust framework to improve retention across the industry.





| rable 5. Turnover in 24 plants |              |  |  |
|--------------------------------|--------------|--|--|
| Plant                          | Turnover (%) |  |  |
| Plant 1                        | 26           |  |  |
| Plant 2                        | 62           |  |  |
| Plant 3                        | 35           |  |  |
| Plant 4                        | 86           |  |  |
| Plant 5                        | 49           |  |  |
| Plant 6                        | 98           |  |  |
| Plant 7                        | 99           |  |  |
| Plant 8                        | 74           |  |  |
| Plant 9                        | 65           |  |  |
| Plant 10                       | 48           |  |  |
| Plant 11                       | 51           |  |  |
|                                |              |  |  |

Table 3: Turnover in 24 plants

| Plant 12 | 73  |
|----------|-----|
| Plant 13 | 108 |
| Plant 14 | 77  |
| Plant 15 | 26  |
| Plant 16 | 30  |
| Plant 17 | 73  |
| Plant 18 | 46  |
| Plant 19 | 54  |
| Plant 20 | 62  |
| Plant 21 | 107 |
| Plant 22 | 22  |
| Plant 23 | 86  |
| Plant 25 | 23  |

3. More than half of new employees exit before 6 months in meat processing plants and over two-thirds exit before a year. To improve retention, measurement and reporting tools should focus on the number of employees leaving in the 30-180 day period.

The length of service of exiting employees was analysed to determine at what period most employees were exiting plants. Of those that left in the 2019 calendar year, 52% left in first 6 months and 68% left in first 12 months. However, the length of service of the entire plant averaged a respectable 758 days, or just over two years. This confirms the suspicions of leaders in meat processing organisations that employees fall into one of two camps: early leavers or long stayers.

The period in which the employees left was grouped to assess the effect of different lengths of service on retention. Figure 4 shows all 24 plants sorted by the amount of people who leave in the first 30 days (represented in black in Figure 4). This figure shows that plants with relatively low total exits can have quite high exits in the first 30 days. For example, Plant 1 has the 5<sup>th</sup> highest exits in 0-30 days but the lowest turnover over the entire year.



Figure 4: Representation of the contribution of length of service for short-term exiting employees. Plant number corresponds to Table 3.

This effect was confirmed with a correlation analysis (Table 4) which found that exits before the 30 day mark were not correlated with total exits (at day 360). This means that if there are a high number of exits before the 30 day period it does not cause a high number of exits by the end of the year. In fact, the number of exits in the 0-30 day period was negatively correlated (-0.4808; <0.05) with exits in the 180-360 day period. This suggests that a greater number of early exits results in a lower number of later exits. This effect is not in line with mythologies in the Australian meat processing industry that early exits is the largest problem. In fact, on average, only 15% of exiting employees left before the 30-day mark.

Collectively, the data highlights the importance of retention practices that quickly assess the suitability of new starters for work in a meat processing environment. Early employee assessment allows for the quick exit of individuals who are not well-suited to working in a meat processing plant. Meat processing is hard, manual and often confronting work. It is not suited to everyone, and new starters not suited to the conditions should be supported to leave quickly before they can negatively impact the culture of the organisation. Early exits also reduce the amount of time and money spent on training and onboarding and free up resources to re-invest in supporting suitable candidates.

|              | 0-30 days | 30-90 days | 90-180 days | 180-360 days | Total* |
|--------------|-----------|------------|-------------|--------------|--------|
| Total*       | (ns)      | (<0.001)   | (<0.001)    | (<0.05)      | -      |
|              | 0.33      | 0.88       | 0.82        | 0.50         | _      |
| 180-360 days | (<0.05)   | (ns)       | 0.47        | -            |        |
|              | -0.48     | 0.15       | 0.47        |              |        |
| 90-180 days  | (ns)      | (<0.05)    | -           |              |        |
|              | -0.04     | 0.60       |             |              |        |
| 30-90 days   | (<0.05)   | -          |             |              |        |
|              | 0.51      | _          |             |              |        |
| 0-30 days    | -         |            | _           |              |        |

Table 4: Correlation of length of service of leavers

(Note: -1 or +1 is the strongest negative or positive, respectively, correlation possible. 0 is no correlation. Significance is shown in brackets.)

In contrast, exits in the 30-90 day (0.88; <0.001) and 90-180 day (0.82; <0.001) periods were highly correlated with total exits and exits in the 180-360 days period showed a low, but significant, correlation (0.50; <0.05). These results suggest plants should focus on providing better long-term support to help new starters that are well suited to the job to thrive in the plant environment. On average 40% of all leavers exited in the first 90 days. Staff interviews identified some plants where new employee support systems were withdrawn after about a month and the new starters felt they then had to fend for themselves. In comparison, on sites where new starter care was perceived to continue beyond the 30-day mark termination numbers were not as problematic. Thus, we felt the implementation of long-term onboarding procedures that support new staff over the first six months of their employment is an important component of the Retention Framework of Excellence (Figure 7). Such processes that can help new employees settle into their roles, gain confidence and feel part of the team. If staff are happy and settled by six months, then they are likely to stay on longer term. Examples of practices that support staff during initial introduction and ongoing development are discussed in Section 5.2.7 and 5.2.8.

#### 4. Retention is strongly correlated with company size

Of all the factors analysed, the size of the plant parent company showed the highest correlation with turnover. High turnover was negatively correlated with low company-wide employee numbers (-0.73; P < 0.001). This means that small companies that had fewer plants, and thus fewer employees, had the highest turnover, and that large meat processing corporations that have large market share in the meat processing industry had the lowest turnover rates. A significant correlation between the number of plant employees and plant turnover was also found. Although this correlation was not as strong as that of plant size (-0.46; P < 0.05), this may be due to larger enterprises having economies of scale to implement user-friendly and comprehensive systems to measure, report, and respond to, employee turnover. In support of this theory is the finding that the top 5 performing plants in this study had robust retention measurement and reporting systems. This concept can be summed up by the words of the management guru Peter Drucker "If you can't measure it, you can't manage it" and will be further discussed in Section 5.2.12.



Company size



*Figure 5: The effect of plant and company size on turnover.* The number of plant employees was used to classify the plant as small (0-100), medium (100-500) or large (500+) in size and the number of employees of the plant parent company was used to classify the company as small (0-300), medium (300-1000) or large (1000+).

Finally, plant location—determined by the population of the town in which the plant resided—had no effect on turnover with remote (62%), rural (63%) or metropolitan (57%) regions showing similar turnover rates.

#### 5.1.3 What does the qualitative data tell us about retention?

Over 750 interviews were conducted with plant managers, human resource teams and floor staff across the 25 plants. The responses to these semi-structured interviews were used to inform the development of the Retention Framework of Excellence (Section 5.2.1). The qualitative data analysis computer software program, NVivo, was also used to identify positive and negative sentiments of managers and recently employed employees (floor staff who have been at the organisation for at least 6 months). The percentage of positive experiences reported by managers or recently employed employees as new starters progressed through the employment onboarding process significantly (P < 0.05) diverged over time (Figure 6). Managers consistently reported a high number of positive sentiments (70-76%) from the Application to Interview stage through to the Ongoing Development stage. In contrast, recently employed employees reported a high level of positive sentiment for the Application to Interview stage and then fell to 52% by the Ongoing Development stage. This suggests that new employees are quite positive, open and willing at the start of the recruitment process and this changes over time.

There was a negative and significant correlation between the number of positive experiences reported during the Ongoing Development stage (P < 0.05) and the number of staff exits after 90 days of employment. This means that as employees who terminated their employment in either the 90-180 days period or the 180-360 days period reported less positive experiences in the Ongoing Development stage. This may suggest that maintaining ongoing development past the 30-day mark of employment is a crucial factor that may contribute to improved retention of staff. These qualitative results are similar to those found in the quantitative analysis that compared overall turnover with day of exit (Figure 4 and Table 4) and further re-iterate the importance of long-term onboarding procedures that support new staff over the first six months of their employment. Practical ways plants can implement such procedures are detailed in Section 5.2.8 and 5.2.9.



*Figure 6: Positive experiences of floor staff decline over time.* Managers hold managerial positions in the plant. Recently employed employees are floor staff who have been at the organisation from approximately 3 months to 2 years.

#### 5.2 Development and adoption phase

In the development phase the qualitative and quantitative research was analysed to develop an industry-wide, comprehensive and integrated Retention Framework of Excellence (herein referred to as the Retention Framework). The framework is a set of broad-based retention practices that address common issues occurring at the twenty-five participating plants. Common areas of improvement identified in the study included:

- workforce strategy design
- human resource systems development at the plant and organisation level
- accountability and authority for plant leaders
- attraction processes as an employer of choice
- induction processes for new employees
- clarity of initial work assignment
- employee development
- leadership behaviours
- measurement and reporting of the individual systems.

The plants in this study have different retention needs and not every element of the framework was relevant to every plant. Adoption meetings were held with individual plants (17 of 24) to discuss how the Retention Framework related

to the needs of their individual plant and/or larger corporation. A tailored Retention Framework was then provided on a plant-by-plant basis that focused on the needs of the individual plant and wider organisation (where applicable).

The plant management teams were open to the analysis of these systems and eager to implement changes for improvement. Many plants have implemented changes after receiving the results from the development phase, however the ongoing issue of staffing has impeded these changes being implemented at some plants. Overall, there was genuine enthusiasm to improve these systems to improve staff retention and we have had an exceedingly positive response to the Retention Framework.

The second major element of the adoption phase was the creation and implementation of the Community of Practice (CoP). The CoP is an online community for plant managers to discuss best practices for retention, or other plant improvement areas, as well as a place for the research team within RGI to communicate results from the retention project. The online Canvas platform is broken down into 12 modules that are based on the principles of the Retention Framework. The modules contain videos, case studies outlining plant exemplars and worksheets to explain the principles underlying the module in simple and practical terms. The platform also has a discussion board to foster discussion between plants and the research team and will be a central site to host future webinars. A discussion of each module and a case study (where available) are provided below to provide a single resource that explains all the Retention Framework principles in one document.

#### Table 5: Module overview

| Module | Framework focus           | Resources Produced                           |
|--------|---------------------------|--|
| 0      | Orientation               | Video, site map, testimonials                |
| 1      | Retention Framework       | Video, Retention Framework graphic           |
| 2      | Workforce Strategy        | Video, case study, worksheet                 |
| 3      | Integration of Systems    | Video, case study, worksheet                 |
| 4      | Attract                   | Video, case study, worksheet                 |
| 5      | Prepare                   | Video, case study, worksheet                 |
| 6      | Select                    | Video, case study, worksheet                 |
| 7      | Induct                    | Video, case study, worksheet                 |
| 8      | Employee Integration      | 2 x Videos, 2 x case studies, 2 x worksheets |
| 9      | Develop                   | Video, case study, worksheet                 |
| 10     | Advance                   | Video, case study, worksheet                 |
| 11     | Lead                      | Video, case study, worksheet                 |
| 12     | Measurement and Reporting | Video, case study, worksheet                 |

#### 5.2.1 The retention framework of excellence

Module 1 provides a detailed overview of the Retention Framework and how the different elements work together across the organisation to improve systems, symbols and behaviours that affect employee retention.



Figure 7: The Retention Framework of excellence



<u>Workforce plan and structure</u> are placed at the top of the Retention Framework to highlight the importance of having an effective workforce structure and strategy. The process is future-focused and must assess the needs of the plant to meet future technical requirements and adapt to changes from new markets, supply chain or products produced. The process must be managed by someone in the organisation who determines the quantity and type of skillsets required by the organisation in the present and future, as well as the likely source(s) of those new employees. An effective workforce strategy will be detailed and accurate, whilst being simple, easily understood, and effectively communicated to all levels of leadership.

Integrated systems in the framework represents the need for systems to work together in a sensible, controlled way. The process should seamlessly flow from attract through to lead. If systems are not integrated, it can create conflict within the organisation. For example, if it is not clear who has authority and accountability for retention it is easy for HR staff to blame operations leaders and vice versa. Clear delegation of responsibility in a cooperative environment will achieve the best results. Then next step is to make sure goals are <u>measured and reported</u> on to assess if goals are being met and, if not, why not. A common feature of the top performing plants was the measurement and discussion of retention with HR, Training and Operational leaders all involved in the discussion to address shortfalls and celebrate successes. In some plants, this went further than simple data analysis but discussion of who has left (staff named, not just a number) and why.

<u>Leadership behaviors</u> was included in the Framework because of the importance of leaders in influencing systems, symbols and behaviours that affect employee retention. An interesting outcome of the employee interviews was the broad identification of "leaders" as people in the organisation that exist outside of people direct line of employment. Positive leadership behaviours were identified in room managers, plant managers, laundry staff, trainers, induction trainers, payroll staff and buddies. For this reason, company <u>culture</u> should be thought of as everyone's responsibility. Key to the development of strong retention systems will be the development of a strong leadership culture, across all levels of work, that promotes the establishment of connections in the workplace and values its staff.

A workforce strategy video has been provided on the CoP platform to assist plants to understand and implement the Retention Framework of excellence in their plants in an extensive and integrated manner.

#### 5.2.2 Strategy: workforce strategy

Strategy and structure have been placed on the top of the framework because high functioning workforces are underpinned by clear workforce strategies. The workforce strategy process assesses the future social technical requirements of the plant to adapt to changes in animal source and supply, technological changes, products produced, markets served, or other potential supply chain changes. The process must be managed by someone in the organisation who determines the quantity and type of skillsets required by the organisation in the present and future. An effective workforce strategy will be detailed and accurate whilst being simple and easily understood. In this study some plants appeared to have no workplace strategy at all or were not able to clearly articulate them. Whereas other plants had clear and comprehensive plans that assessed future needs and detailed strategies to meet those needs.

A workforce strategy video, case study and worksheet were developed to assist plants to implement and improve simple and effective workforce strategy and structure processes.



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# Red Meat Processing Retention Framework

### WORKFORCE STRATEGY

Response Research has developed an industry-wide retention framework from the research findings of the **AMPC 2019-1058 retention project**. The framework is a set of broad-based retention practices that were shaped by common issues occurring at the twenty-five participating plants.

A well-considered workforce strategy will predict the size and shape of the workforce based on future work requirements that are developed from market, product, or capital strategies. This guide highlights common workforce strategy problems, helpful hints to remedy these issues and outlines a case study showing successful workforce strategies in a plant environment.

#### What are some common workforce strategy problems?

Some plants are situated in remote areas where there is not a large pool of potential employees. Because of this shortage plants are hiring whoever is applying, rather than planning for specific roles or skillsets required to fill their workforce.

In areas where there is a larger set of potential employees some plants are still not utilising appropriate resources to find the right people for the right roles (e.g. by engaging local schools and communities).

Multiple plants use third party employers. These companies can be a great asset in filling skill shortages, but other issues may arise. For example, as a separate company employs these employees they may be on a different rate of pay causing hostility between workers performing the same job.

#### How do you implement a successful workforce strategy?

- The retention project identified a few examples of well-considered workforce strategies. In those plants the workforce strategy is well articulated and understood by leaders at all levels.
- Based on the plants strategy of their products, markets and throughput for the future (value add, access to domestic markets, export markets, quality attributes of the livestock), the plant must outline what is required with the workforce, having a clear understanding of the following requirements:
  - Number of people
  - Skills
  - Department in need
- The three following questions need to be addressed in order to have a clear and successful workforce strategy:
  - What do we need?
  - Who do we target?
  - How do we attract them?

### HELPFUL HINTS

Make sure managers at all levels understand their role in retaining employees.

Allow superintendents to be more involved in communicating their room needs and involve them in interviews where possible.

Use your local school and clubs to advertise for jobs. Build a relationship with local schools and establish traineeships where possible.

Have a clear understanding of the positions, and the type of workers, you want in those positions. Who is going to be in it for the longterm?

Try to recruit family members of high performing employees.

If your workforce strategy utilises Pacific Labour scheme workers, identify where you need them to be placed and for how long you will need to keep them.

### AN EXAMPLE OF EXCELLENCE

This exemplar plant is large in size and has a low annual staff turnover. The workforce strategy at this plant is clearly articulated and understood at all levels of the plant.

The plant is aware of their strengths and weaknesses within their workforce strategy and have identified their local competitors. The research team in the retention project consider this plants workforce strategy as being authorised and productive.

The workplace strategy overall was successful, with the plant management team having a good understanding of the future needs of their plant in terms of product and marketing and are aware of the type of people they are looking to hire.

The plant has extremely low turnover rates, and the research team believes this correlates with their deliberate focus on hiring local workers, focusing on employing potentially longer-term employees. The plant also has a school leaver program for local high school graduates which has proved successful, as the graduates have positive recommendations from parents and friends who are current employees.





# Workforce Strategy

Worksheet: How to Create a Workforce Strategy

Creating a Workforce Strategy is easier than you think! You just need to answer the following questions:

What will be the size and shape of your operations in five years? Based on this vision, what will be the size and shape of my future workforce? Where will we find people to fill roles, and what skills will they need?

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Let's Recap: Remember, a well-considered workforce strategy will predict the size and shape of your workforce based on future work requirements that are developed from market, product, or capital strategies.

The aim here is the plan for the future and have a clear understanding of:

- 1. What people you will need
- 2. What skills they will need
- 3. How you will recruit them

#### Let's get started! - Answer the questions below:



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# Workforce Strategy

#### Worksheet: How to Create a Workforce Strategy

| Step 2 - Workforce  | What will be the size and shape of my future workforce? |
|---|---|
| a. Employee numbers<br>(by department)?                                 |   |
| b. Skills required?   |   |
| c. What about turnover<br>(include reliance on<br>temporary employees)? |   |

#### One more step to go!

| Step 3 - Recruitment  | Where will we find people? |
|---|----------------------------|
| a. Labour market forces   |                            |
| b. IR influences (EA negotiation periods, political influence etc.) |                            |
| c. Mix - Permanent/temporary<br>employees (casual/temp visa)        |                            |
| d. Mix – Resident/Overseas<br>skilled/Overseas unskilled            |                            |
| e. Source – Labour<br>hire/direct hire                              |                            |
| f. Source – Local surrounding<br>areas/schools/community links      |                            |

#### 5.2.3 Structure: accountability and authority

It is important that it is made clear who oversees implementation of the different systems/processes highlighted in the Retention Framework, to clarify who (what role) has been assigned authority to make decisions throughout the various stages of operation. As well as this, there should be clarity about the limits of that authority and under what circumstances escalation should occur.

For example, it is important to clarify what is the domain of human resources (HR) and what work is operational line managers. In this study we found that better results were achieved when operational line leaders developed clear workforce requirements and HR uses these requirements to recruit the best available candidates.

As mentioned earlier, Operational line managers (e.g., department superintendents) should then be assigned selection authority for their team. Apart from the obvious 'ownership' that comes with selection, the leader and the new employee become familiar with each other early in the employment process, leading to a smoother introduction to the department.

It is also important to be clear about accountability for retention; that is who should be held to account for the retention rates. It is our contention that the Operational Leaders are to be held to account for the turnover/retention in their team/room/department. This is very clear in the high performing plants, where retention outcomes are regularly discussed and plans for improvement are formulated / reviewed with senior leaders from all parts of the leadership team.

An accountability and authority case study was developed to provide exemplars and practical information on the implementation of well-designed accountability and authority systems.



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# Red Meat Processing Retention Framework

### ACCOUNTABILITY AND AUTHORITY

Response Research has developed an industry-wide retention framework from the research findings of the **AMPC 2019-1058 retention project**. The framework is a set of broad-based retention practices that were shaped by common issues occurring at the twenty-five participating plants. The retention project identified specific examples of plants that had appropriately designed structure detailing authority and accountability. This case study highlights that clarity about what is Human Resource work and authority and what is operational line Managers' work and authority in the recruitment / selection process, has important benefits for employee retention.

#### What are some common accountability and authority problems?

The retention project identified line leaders and supervisors are typically not involved during the recruitment process, therefore unsuitable people are being hired, or suitable people are being placed in unfitting areas.

This research identified that better results are achieved when operational line managers (e.g., Department Superintendent) are assigned selection authority for their team. Apart from the obvious 'ownership' that comes with selection, the leader and the new employee become familiar with each other early in the employment process, leading to a smoother integration into the department.

Role clarity was also a problem at many plants, along with a lack of understanding regarding who or what is at fault, whether it be the system or the people. An example that arose in one plant was the length of time it took to identify who was responsible to fix an error in the offal room. This outlined a lack of role clarity for that particular room, and the persons within.

#### How do you design effective accountability and authority?

- Review roles and authorities for appropriate structure, considering levels of work, where senior leadership develop/articulate workforce strategy, HR, Training and Operations leaders collaborate in promotion, attraction, recruitment, and selection work processes.
- Ensure supervisors and managers are involved in the initial selection and interview process, or at least provide selection veto authority.
- Consider providing operational line leaders with authority to plan and manage team members' workforce requirements and performance.

Develop effective audit systems and measure output against objectives/aims.

4

#### 5.2.4 Systems integration

A well designed system is productive and authorised, clearly articulated, and as simple as possible. Essentially it should be designed with the user (the employee) in mind and meet its purpose: to make the working life easier rather than harder. However, even well designed systems can cause problems is they are not well integrated with dependent sideline, upline or downline systems. An example of this is when key owners of systems design them to meet the needs of their department (e.g. HR, training, operations) but do not communicate with the wider organisation. Data silos can lead to miscommunication and inter-departmental blame and produce numerous clunky organisational systems for employees to navigate. The Retention Framework was designed as one overarching system that follows employees in a predictable and integrated fashion as they move between systems. In essence, better systems create a better environment for the employee and, in term, better results for the employer.

In this study we founds plants often had little to no integration of systems to retain employees. We recommend that the purpose of each system is clearly stated, and the interconnectedness of processes (with appropriate authorities) is considered. Examples include assessment of the:

- desired behavioural outcome in terms of strategy and leadership
- effects on other systems
- effects on reputation
- the desired social process and the reality

In addition, the systems should be known and understood by people across the operation so people can tell you how what they do impacts another area. Key factors include:

- visibility and control
- retention rates are measured by roster and department (team or leader)
- KPI's are set and leaders are expected to be aware of them
- reputation management is front of mind
- leadership understand mythologies and their work in achieving them
- systems are measured, reviewed and adjusted

An integration of systems video, case study and worksheet were developed to assist plants to implement and improve well-designed and integrated systems.



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# Red Meat Processing Retention Framework

### INTEGRATION OF SYSTEMS

Response Research has developed an industry-wide retention framework from the research findings of the **AMPC 2019-1058 retention project**. The framework is a set of broad-based retention practices that were shaped by common issues occurring at the twenty-five participating plants. For the purpose of the retention project the research team defined systems as any work process or IT system that functions to support work in the participating plants.

Employees can have a positive or negative experience when utilising workplace systems. If positive experiences are compounded then employees' mythologies about how the organisation works will be framed positively and it is predicted they will behave in a constructive way, especially if there is a generally positive set of behaviours being exhibited by co-workers and supervisors. To maximise the effectiveness of workplace systems they need to be carefully designed with deliberate thought given to the end-user experience and how they integrate with the workings of the plant as a whole. The integration of systems case study highlights how a participating plant has implemented sustainable and successful measurement and reporting practices in their plant.

#### What are some common integration of systems problems?

System disintegration leads to miscommunication and can increase tension and criticism between parties (e.g. across separate divisions or departments).

Systems clarity is a key factor driving the seamless transition from one system to the next. When systems are not clearly defined or integrated there is a lack of predictability for new employees that can cause time lags between departments and make employees question what is the next step in the process.

Often integrations of systems problems arise because departments do not work together to make the process as seamless as possible.

#### How do you successfully integrate workplace systems?

In the retention project six systems were identified as key moments—in terms of continued employment—for a new employee. These are:

| 1 | Attract |
|---|---------|
| 2 | Select  |
| 3 | Induct  |
| 4 | Start   |
| 5 | Develop |
| 6 | Lead    |

If these systems are designed in a clear, practical and integrated fashion the new employee is more likely to have positive experience at the organisation.

### HELPFUL HINTS

Have one or two people mentor the new employee throughout the entire onboarding process so there is a familiar face to talk through issues that may arise.

If one person is not available to do all this, have them introduce the next person responsible for the subsequent system.

Put systems in place that facilitate open communication between departments. This will help to smooth the transition from onboarding to continuous employment.

### AN EXAMPLE OF EXCELLENCE

The plant used in this exemplar is large in size and had a low annual staff turnover of 26%.

The onboarding process at this plant was used as an exemplar because they implemented a system whereby one person was able to conduct the entire on-boarding process which included interviewing, induction, onboarding and training.

From the employer's perspective familiarity across the process made integration of the different systems easier.

From the employees perspective it made the new recruits feel more comfortable and welcome as it gave continuous support to the new employee and was one of the reasons why this plant had such a low annual staff turnover.



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# **Integration of Systems**

Worksheet: Integration of Systems

Let's Recap: If workplace systems (work processes and/or IT systems) are designed in a clear, practical and integrated fashion a new employee is more likely to have positive experience at the organisation.

Consider the end-user when designing workplace systems. Have one or two people mentor the new employee throughout the entire onboarding process.

Put systems in place that facilitate open communication between departments.

Let's get started! - Answer the questions below:

| Step 1 - Design | Have employee systems been designed to be: |
|-----------------|--|
| a. Coherent     |  |
| b. Clear        |  |
| c. Responsive   |  |
| d. In control?  |  |

| Step 2 - Experience       | What experience should employees expect? Are your systems: |
|---------------------------|--|
| a. Predictable?           |  |
| b. Sensible (make sense)? |  |
| c. Timely?                |  |



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# **Integration of Systems**

Worksheet: Integration of Systems

| Step 3 - Integration | Have you considered the following departments when designing your systems? |
|----------------------|--|
| a. Human Resources   |  |
| b. Induction         |  |
| c. Training          |  |
| d. Administration    |  |

| Step 3 - Communication      | Have you communicated the system with the following departments? |
|-----------------------------|--|
| a. Human Resources          |  |
| b. Induction                |  |
| c. Training                 |  |
| d. Supervisors and managers |  |
| e. Administration           |  |
| f. Corporate operations     |  |

#### 5.2.5 Attract

The research project identified two key factors that attract new employees to your plant and make you an employer of choice. The first key factor is the plant's reputation. If your plant is viewed as a business that treats it people and livestock in a humane way to produce high quality, hygienic food you will be in a much stronger position to attract employees. The main reason for this is that most new recruits are often referred by family or friends. Therefore, your existing employees either become and excellent source of recruitment to attract the right employees or they become excellent critics who impede the attraction and recruitment process. This is particularly important when plants are located in regional or remote areas where labour markets are very tight, and mythologies can easily develop and be highly persistent.

The second key factor is the importance of strong linkages to community groups. Government agencies (local, state, federal) are keen to engage with plants to assist with job recruitment, particularly in regional areas where jobs are a key focus and processors are often the largest employer in town. Government agencies are well funded and connected and thus provide an excellent free resource (e.g. employment agencies) to assist in employee attraction. The final suggestion to improve attraction is foster close relationships with recreational clubs, sporting groups and schools. Close connections with high schools create a pipeline for school leavers who do not wish to find a trade or complete further study. One plant created linkages with teaching staff at 2 local high schools to conduct a school-based traineeship program. The teaching staff were familiar with the needs of the plant and identified appropriate students. The students were prepared for work in a plant while still at school and received on the job care through the program. Over a 5 year period this program has converted over 90% of student trainees into full-time employees.

Close relationships between the plant and other community groups also facilitates a strong understanding of the needs of meat processors and improves the attraction of suitable candidates. For example, you could invite the local employment agent to visit the plant so they have a better understanding of the physical, mental and social capabilities required for plant work.



# **Red Meat Processing Retention Framework**

### **ATTRACTION PROCESSES**

Response Research has developed an industry-wide retention framework from the research findings of the **AMPC 2019-1058 retention project**. The framework is a set of broad-based retention practices that were shaped by common issues occurring at the twenty-five participating plants.

This research identified two distinct, but interrelated, factors impact a plants ability to attract employees. Firstly, prospective employees perception of the meat processing industry in general and, secondly, the reputation of the site locally. Specially, we found that plants that have a reputation for processing livestock humanely and skilfully are in a much stronger position to attract and retain good employees.

# What are some common attraction problems?

Attraction to industry is variable and individual plants suffer or thrive due to reputation within the local community. Reputation has numerous dimensions including the general population's perceptions of the industry in general and the local community's perception of the organisation's owners' engagement with the community and common mythologies about how the plant management treats the people who work on site. As well, perceptions of labour recruitment processes can also profoundly affect the number and quality of local applicants attracted to the industry.

Meat processing plants fail to attract employees due to an array of reasons including the perception that other industries are more glamourous, and the work is perceived as less onerous. Prospective employees are attracted to industries that have reputations as being less labour intensive and industries that provide a higher pay rate.

Word of mouth is a significant contributing factor to attracting employees.

# How do you successfully attract staff ?

- Foster close associations with schools and encourage Principals and other faculty members to develop a good understanding of the meat processing business. Develop familiarisation programmes for students in their final years of school. Consider offering part time employment out of school hours for current high school students.
- 2 Design ways of attracting locals to site and consider strategic alliances with local groups to enhance public perception. Consider sponsorships and other forms of community engagement.
- 3 Encourage current employees to refer family and friends and develop a referral reward system.
- 4 Advertise regularly via word of mouth, career days, Seek.com, Facebook, local papers and online advertisements.

### HELPFUL HINTS

Attract employees from local schools, sporting clubs and gyms.

Identify the types of people that are suited to particular jobs in the plant (e.g., via medical and physical examinations).

Treat employees like people and cultivate a positive workplace culture.

Sponsor local sporting teams, charities and businesses.

### AN EXAMPLE OF EXCELLENCE

The plant used in this exemplar users several different avenues for attracting employees, including employment agencies and school leaver programs.

During the research phase there were many positive responses from both the managers and continuers regarding their reasons for continuing employment and reasons for job entry, with many citing the school leavers program which is proving successful.

The plant management team need to identify the specific type of person they are trying to acquire as some of their recruitment avenues are attracting unsuitable people.

Within the region, there are a lot of competing industries, making attraction processes more difficult. When already employed with the plant, both continuers and managers cited many positive references for their reasons for continuing employment, including task rotation, culture, and remuneration, which would lead to positive word of mouth in the local area, making them an employer of choice.




## Attraction

### Worksheet: How to Attract Employees

| Step 1 - Reputation | Do you have a clear understanding of your reputation in the local community? |
|---------------------|--|
| Yes                 |  |
| No                  |  |

| Step 2 - Local Linkages | What linkages do you have with the local community?<br>For instance with local government, community groups<br>and other groups like sporting organisations? |
|-------------------------|--|
| Local Government?       |  |
| Community Groups?       |  |
| Sporting Organisations? |  |

### Tip: Foster close associations with local high schools!

| Step 3 - High Schools | Have you developed close ties with local high schools? |
|-----------------------|--|
| Yes                   |  |
| No                    |  |



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## Attraction

| Step 4 - Position Outline  | Do you have a clear outline of the positions<br>you are advertising that includes: |
|----------------------------|--|
| a. Role purpose?           |  |
| b. Core work of the role?  |  |
| c. Performance parameters? |  |
| d. Salary / hourly rate?   |  |

### Referral Program

| Step 5 - Do you believe your employees will refer people to work at your plant? | Step 6 - Do you have a referral program<br>or continuing employment rewards? |
|---|--|
| Yes   | Yes  |
| No  | No   |

What could be done to improve your attraction processes? Step 7 - Brainstorm

#### 5.2.6 Prepare

The "prepare" section of the Retention Framework refers to the need to prepare new employees for work in the meat industry. Meat processing work is quite physically demanding. Employees often have to stand for long hours, walk for long distances, carry or push heavy objects and perform highly physical, repetitive and precise activities with knives. The physical environment can also be challenging due to high noise levels and thermally challenged environments (warm and cold conditions). The facilities have many moving parts (people, machines, animals) and the process can also be quite psychologically overwhelming for new employees. In this study new employees commonly reported they were ill prepared for work. Words such as "chaotic, confronting, daunting" were commonly used by respondents. It is also important that long-term employees and training staff treat new staff with patience as they navigate their way in their first 6 months on the job. It can be easy to forget how overwhelming it can be to learn multiple new systems, people and procedures when someone has worked in the facility for an extended period of time.

A comprehensive employee preparation program will physically and mentally prepare employees for the reality of working in a meat processing facility. A good case study is a program developed for the long-term unemployed. This program invested considerable effort to prepare participants for regular work (including setting regular exercise routines) and had excellent results (100% of participants remained employed at the 10-month mark). The program consisted of the following components:

- A preparation phase (physical fitness, timeliness/routine management, income management etc.)
- Extended inductions (plant familiarisation, work requirements etc.)
- Regular in job care (buddy, training, supervisor contact)
- Pastoral care (group meetings, discussions, problem solving etc.)

We recommend that parts of this program be extended across the industry as a routine measure for all new employees, not just the long-term unemployed.



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# **Red Meat Processing Retention Framework**

## PREPARE

As part of the AMPC 2019-1058 Retention project, Response Research has developed an industrywide Retention Framework based on the research findings. The framework is a set of broad-based retention practices that were shaped by common issues experienced by many of the twenty-five participating plants.

The retention project identified specific examples where plants had spent considerable time and effort to help specific groups of people prepare for their employment in the industry and on that plant. This preparation case study highlights how a participating plant has implemented sustainable and successful new-employee preparation practices in their plant, to achieve excellent retention outcomes.

### What are some common preparation problems?

In this study new employees commonly reported they were ill prepared for work. Words such as "chaotic, confronting, daunting" were commonly used by respondents.

It is also important that long-term employees and training staff treat new staff with patience as they navigate their way in their first days, weeks and months on the job.

As well, it can be easy to forget how overwhelming it can be to learn multiple new systems, people and procedures when someone has worked in the facility for an extended period.

### What does excellence look like for preparation?

A comprehensive employee preparation program will physically and mentally prepare employees for the reality of working in a meat processing facility and are most effective when the following conditions are met:

Candidates are work ready physically (standing, moving, lifting etc. for a full shift).



Candidates are familiar with the work and work environment.



2

1

Candidates are mentally prepared for the work.

Candidates have developed routines.

Candidates are aware of who can provide pastoral care.

## HELPFUL HINTS

Develop preparation protocols for new employees that include physical and mental preparation by describing and demonstrating what is required to be a successful employee in the plant.

Develop preparation protocols for routine management by clarifying what time keeping is expected all employees on site.

Consider plant familiarisation tours prior to or on application.

Attend job expos and other opportunities to discuss with potential employees about not only the work that is required but also the rewards that are gained by working in the industry.

Develop pastoral care practices that assist employees to solve problems discuss issues in the system to make informed decisions about their own application for work.

## AN EXAMPLE OF EXCELLENCE

A plant developed our programme for local long-term unemployed people. This program invested considerable effort to prepare participants for regular work included:

- Setting regular exercise routines
- Establishing routines for rising to an early alarm
- Financial management all the income
- Familiarisation with the plant through tours
- Meeting other employees and managers
- Preparing and completing human resource documentation
- Providing pastoral care opportunities both before and after engagement
- Various other activities to help people understand the obligations and rights

These new employees reported that the preparation they received from the organisation meant but they had a very good idea but what was expected of them in their new role.

The plant achieved excellent results (100% of participants remained employed at the 12-month mark).





# Prepare

Worksheet: How to Prepare Employees

| Step 1 - Pre-Employment | What activities have you undertaken to help new employees prepare for their work before employment? |
|-------------------------|---|
|                         |   |

### Are your employees ready?

| Step 2 - Psychologically | Are new employees prepared for the psychological<br>challenges they may face seeing your<br>production/processing floors for the first time? |
|--------------------------|--|
| Yes                      |  |
| No                       |  |

| Step 3 - Physically | Are new employees prepared for the physical activity they<br>will undertake in your production/processing areas?<br>Consider standing for extended periods and the other physical<br>repetitious work to be undertaken. |
|---------------------|---|
| Yes                 |   |
| No                  |   |



# Prepare

### Worksheet: How to Prepare Employees

| Step 3 - Rotation | Is there are process of rotation of new<br>employees to maintain interest? |
|-------------------|--|
| Yes               |  |
| Νο                |  |

| Step 5 - Solutions | How could you address these issues? |
|--------------------|-------------------------------------|
|                    |                                     |
|                    |                                     |
|                    |                                     |
|                    |                                     |
|                    |                                     |
|                    |                                     |

### 5.2.7 Select

Selection processes were commonly considered to be more positive than other processes by new employees responding in this project, as were most Human Resource processes. However, the key feature of selection processes in the high performing plants, was the inclusion of Operational Leaders (most commonly Room/Department Managers) who were vitally involved in the selection processes. This practice meant that the Operational Leaders perceive some ownership of the new employees and were more likely to be concerned for their welfare, particularly in the early stages of employment. This practice, coupled with meeting new employees at Inductions (see induction section) provides familiarity for new employees and forms an important part of their soft landing.





# Select

Worksheet: Select

| Step 1 - Selection | Are the operational leaders (for example<br>Department Manager) included in the selection process? |
|--------------------|--|
| Yes                |  |
| No                 |  |

| Step 2 - Veto | Do operational leaders have the authority to recommend selection veto in their team? |
|---------------|--|
| Yes           |  |
| No            |  |

Tip: Involve operational leaders in your selection process

| Step 3 - Is the selection process<br>easy to follow, make sense and timely? | Step 4 - What could be done to improve your selection processes? |
|---|--|
|   |  |
|   |  |
|   |  |

### 5.2.8 Induct

Induct is similar to prepare (Section 5.2.5) but can be differentiated from this process by the fact that it is a discrete on-boarding process. Conversely, practices associated with prepare should start before the first day on the job and extend beyond the first few months in the workplace.

The plants participating in this study had diverse induction systems. At one end of the continuum the induction process was very cursory and mainly consisted of tick the box exercises (e.g. SOP sign off, work instructions, compliance measures). At the other end of the continuum the induction process was well thought out and designed to familiarise new employees with people and practises in the workplace. Such systems identify the team members and supervisor of the inductee and provide some context of what happens in their department and how their department fits in the operations of the whole plant. Thorough inductions may take two or three days and should include classroom instruction, a tour of the plant and in situ training on the plant floor. One plant provided lunch during induction and invited the inductees' supervisors so they could get to know them in a relaxed environment. These practices help to make new recruits feel more comfortable in the plant and forms an important part of the soft landing of staff into meat processing plants.

A video, case study and worksheet have been developed to assist plants to improve their induction process and improve the retention of their workforces.



AMPC

## **Red Meat Processing Retention Framework**

## INDUCTION

Response Research has developed an industry-wide retention framework from the research findings of the AMPC 2019-1058 retention project. The framework is a set of broad-based retention practices that were shaped by common issues occurring at the twenty-five participating plants.

The retention project identified specific examples of plants that had stimulating, thorough and successful induction process. This induction case study highlights key issues in the induction process and how these problems can be remedied. A successful induction process allows new employees to have an informed and consistent introduction to their workplace. Clarity in this regard is a requirement for managers at all levels to understand their role in retaining employees.

#### What are some common induction problems?

The retention project identified that many plants lacked structured onboarding systems that adequately prepared new employees for the physical and repetitive nature of the work.

As induction is one of the first stages of onboarding, it is imperative that it is engaging, consistent and thorough.

Induction was commonly described as 'boring', 'slow', and 'repetitive,' At many plants, induction primarily involves the reading of materials or the watching of presentations while seated with minimal interaction.

Few new employees were shown around the plant during induction. This resulted in a high number of workplace abandonment cases after their first day on the floor because these new employees were shocked or unprepared for the work ahead.

### How do you conduct a successful induction?

Inductions are meant to prepare people for their work. The retention project identified that inductions are most effective when the following conditions are met.



Participants are clear on what department and role they will enter

Participants are familiar with the whole 2 plant (not just their intended department)



Participants have met key leaders in their area (e.g. superintendent, trainer)



3

Participants are aware of the nature of work to be performed (e.g. that it may be physical, repetitive, time-bound)

## HELPFUL HINTS

On the first day of induction introduce participants to key leaders in the area they will be working in. This will allow participants to recognise a familiar face during their first few days of work.

Ensure the induction material is interactive and engaging to keep participants interested throughout the process. This includes splitting time between classroom learning and familiarisation with the plant and department.

Consider providing some at-home materials to be completed prior to the first day of induction.

# AN EXAMPLE OF EXCELLENCE

The plant used in this exemplar is large in size and had an annual staff turnover in the lower range relative to other participating plants (35% staff turnover).

Early data collected by the research team showed that the induction process was perceived by continuing employees as less than helpful and, in some cases, tedious. Both managers and continuing employees agreed that the induction process could be long, unstimulating and at times irrelevant to their specific roles.

In response to this, the new HR manager at the plant updated the induction process. A key change involved facilitating the interaction of supervisors or managers with new employees during induction and getting them to share lunch and engage in conversation. This change allowed for a softer landing for new employees before their first day on the floor.

In addition to this, a new training manager has been appointed and has been making further positive changes to the program. The program is now split evenly between classroom and practical learning to create more variety during the induction process.





# Induct

### Worksheet: Induct

| Step 1 - Induction Plan | Is there a clear plan for your induction? |
|-------------------------|---|
| Yes                     |   |
| No                      |   |

| Step 2 - Induction Steps        | During the induction, is there: |
|---------------------------------|---------------------------------|
| a. Variety                      |                                 |
| b. Site visits                  |                                 |
| c. Interaction with supervisors |                                 |
| d. None                         |                                 |



# Induct

Worksheet: Induct

| Step 3 - Plant Familiarisation | Do you provide sufficient time in inductions for new<br>employees to become familiarised with the whole<br>plant before commencing in their role? |
|--------------------------------|---|
| Yes                            |   |
| No                             |   |

| Step 4 - Team Familiarisation | Do you provide sufficient time in inductions for new<br>employees to become familiarised with their<br>workspace/team/direct leader before commencing in their role? |
|-------------------------------|--|
| Yes                           |  |
| No                            |  |

| Step 4 - Induction Experience | What could be done to improve the experience for new employees at induction? |
|-------------------------------|--|
|                               |  |
|                               |  |
|                               |  |

### 5.2.9 Employee integration

If the preparation, selection and induction stages of the Retention Framework are implemented then new employees should be familiar with the workplace by the integration phase. For this reason employers often withdraw support at this stage. Our research has highlighted that this lack of ongoing support is directly contributing to high turnover in meat processing plants (see Figure 4 and Table 4). During the first few months of employment staff are focused on trying to fit in, develop skills quickly and understand the systems and behaviour of their new workforce. This can be quite a stressful process and good integration system will help new recruits to settle in quickly, find their place and fit into the team.

Our research uncovered some excellent integration examples that typically involved robust mentoring programs or "buddy systems". These systems assign an individual, or buddy, to help new staff settle into the workplace. Welldesigned systems do not focus solely on the individuals' tasks but help new staff navigate the entire workplace. For example, they might provide guidance on how to efficiently conduct breaks so the staff member is back on deck when work starts again (e.g. what are the social processes in the dining room and washroom?). Mentors should have a positive attitude towards their work and the company and be friendly, interactive, enthusiastic and experienced.

Finally, employers should look for opportunities to rotate new employees through different job roles. This provides the employee an opportunity to develop new skills while they are open to learning and gain a greater understanding of the operations of the different parts of the plant. The benefits include increased employee engagement and the production of multi-skilled employees that can be moved around to fill in for staff members on late notice absences.

An employee integration video, case study and worksheet has been developed to provide exemplars and practical information on the implementation of well-designed integration systems.



## AMPC

## **Red Meat Processing Retention Framework**

## EMPLOYEE INTEGRATION

Response Research has developed an industry-wide retention framework from the research findings of the AMPC 2019-1058 retention project. The framework is a set of broad-based retention practices that were shaped by common issues occurring at the twenty-five participating plants. Employee integration involves placing new employees in a team and providing training to complete their initial work assignments. This occurs soon after the plant induction processes. The employee integration case study highlights key issues in the system and how a buddy system can remedy some of these issues and provides a plant exemplar of sustainable and successful employee integration practices.

### What are some common **Initial Work problems?**

The retention project found that many plants lacked structured integration systems that adequately prepared new employees for the physical and repetitive nature of meat processing work. One of the most common gaps identified was the lack of structured employee integration or the poor application of current systems. Twelve plants were urgently recommended to prioritise their retention efforts in this area.

Employee integration (defined as initial work systems and perceived treatment) has a direct impact on retention rates. While most plants have systems of introduction for the work and team for new employees the quality and application of those systems was variable. This led to many employees describing feelings of abandonment after they were placed at their workstations. Such lack of supervision and consideration for new employees can lead to job dissatisfaction, and in some cases, job abandonment.

### What does excellence look like for Initial Work?

Initial introductions of employees to work and teams are most effective when the following conditions are met:

Leaders (superintendents, supervisors, trainers and experienced team members) are welcoming and inclusive.



Specific roles and tasks are clearly identified.



Tasks are matched to the existing employee skillset.



Sufficient variety of work is provided to the new employees to encourage continuing interest.

An effective buddy (workplace mentor) 5 system is in place. Buddies should be chosen for their social process skills and assigned to new employee for an appropriate length of time. If there are insufficient staff with the capacity to act as buddies, then socialisation training should occur to upskill staff.

## HELPFUL HINTS

Carefully select your work buddies (workplace mentors). Choose staff who will make new employees feel welcome and demonstrate appropriate behaviours for new employees to emulate. Establishing a buddy system will encourage an orderly and predictable introduction to the workplace and team.

Do not set inflexible limitations on the time period in which buddies must stay with new employees. Keep them in the buddy role until the new employee is capable. Try to introduce new employees to a wide variety of work tasks when their buddy is present to create interest in the role and provide a support mechanism while learning new tasks.

As well as introducing the new employees to work tasks, the successful buddy also helps them feel comfortable and fit in to the wider organisation away from the workstation such as the canteen, eating areas, sanitation bays etc., as well as advising them on appropriate behaviours and social networks.

Ensure there is frequent communication with new employees by scheduling check-ins from operations leaders, HR representatives and management. The check-in schedule will vary from plant to plant, but it is recommended that an initial check-in is scheduled in the first few days of employment and follow-up checks occur at regular intervals (e.g. days, 90 days and 180 days after starting employment).

## AN EXAMPLE OF EXCELLENCE

The plant used in this exemplar is of medium size and has a staff turnover of 21.8%; the lowest annual staff turnover of all plants participating in the retention project.

The plant uses a buddy system to assist employees during their employee integration period. The plant management team hand selects competent buddies to act as mentors for new employees. These buddies remain in mentor positions until the new employees are competent in their roles. This is important to the plant as new employees will often emulate the behaviours of their buddy.

Importantly, the management team also stated that they give new employees the opportunity to learn different skills throughout the plant. They acknowledged that it is beneficial to have staff who are capable in multiple facets of meat processing.

Because of the plant's thorough and well managed approach to employee integration the retention project found there was a 58% positivity rating for this process during employee integration.





# **Employee Integration**

Worksheet: Employee Integration

| Step 1 - Introductions  | Have new employees met their operational leaders more than<br>once before entering the workforce? (for example, at the<br>interview, induction etc.) |
|---|--|
| Yes   |  |
| No  |  |
| Step 2 - Buddy/Mentor<br>System   | Do you have a buddy/mentoring systems for new employees<br>where:  |
| a.Buddies/mentors are selected<br>based on attitude   |  |
| b. Buddies/mentors are trained in<br>mentorship   |  |
| c. Time is allowed for<br>buddies/mentors to provide<br>appropriate mentorship to new<br>employees? |  |



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# **Employee Integration**

Worksheet: Employee Integration

| Step 3 - Job rotation | Do you provide opportunities for new employees to rotate<br>through different tasks in their early work life at your plant? |
|-----------------------|---|
| Yes                   |   |
| No                    |   |

| Step 4 - Role allocation                      | Is there a planned approach to where new employees are placed? |
|---|--|
| Yes - well defined roles for new<br>employees |  |
| No - ad hoc – where we need<br>people         |  |

| What could be done to assist new employees to integrate into their team and environment without<br>distress? |  |
|--|--|
|  |  |
|  |  |
|  |  |
|  |  |

#### 5.2.10 Develop

The provision of development opportunities are critical to work satisfaction as pathways that support employee development foster employee engagement. In the current study, the plants with most the highest retention rates had well designed plans to develop their workforce. These plans were communicated, executed and progress towards goals was reviewed on a regular basis. Typically, a team member was responsible for the coordination of this process and this individual and integrated the information into the workforce strategy and succession plans of the plant.

An effective way to develop leadership qualities in people is to provide opportunities for employees to "step-up" while they are still inside the comfort of the team. Examples of this are more nominal roles such as mentoring, first aid training, QA operative or occupational health and safety officer. These pathways allow team members to develop and display leadership traits and provides a smooth transition from team member to salaried leader. It also helps to keep employees that wish to extend themselves interested and engaged. Typically this is not well implemented across the industry with promotions occurring in an ad hoc manner without much forethought. Thus, improvements in the number and quality of development pathways in meat processing plants is a way we can improve retentions rates across the industry.

A development video, case study and worksheet has been developed to provide exemplars and practical information on the implementation of well-designed development systems.



S AMPC

## Red Meat Processing Retention Framework

## **ONGOING TRAINING AND DEVELOPMENT**

Response Research has developed an industry-wide retention framework from the research findings of the **AMPC 2019-1058 retention project**. The framework is a set of broad-based retention practices that were shaped by common issues occurring at the twenty-five participating plants.

One of the issues identified in the retention project was the lack of training and development opportunities for employees. Training and development opportunities ensure employees can perform their current job and provide development opportunities so they can progress in their careers. This guide highlights common training and development problems and provides guidance on how to boost retention by developing your employees' skills. Finally, a case study is used to show how successful training and development practices can be implemented in a plant environment.

### What are some common ongoing training and development problems?

Ongoing training and development opportunities are important to employees. Continuing employees may exit a company if there are no development opportunities evident.

A common opinion expressed during the qualitative research phase was that employees feel 'stuck' in their position. Lack of job rotation and development for employees can have many negative effects including boredom and repetitive stress injuries.

Another benefit of staff development activities is that it allows team members to fill in for others when they are absent. If employees do not have the necessary skills to fill these positions plant production can be negatively affected.

At some participating sites, high absenteeism even resulted in supervisory staff and office team members needing to work on the factory floor because floor staff were unable to cover each other's shifts.

## How do you implement a successful training and development program?

The retention project found that the most effective development programs were delivered by trainers who were embedded in the department and reported to the department manager (superintendent).

Additionally, the research indicated a planned and organised approach to training and development is likely to be well received.

## HELPFUL HINTS

Keep a skills matrix of current workers to have a record of who has been trained in what skills. This will allow for managers to fill any absent positions with qualified people.

Continue initial training and supervision of new employees for a minimum of 180 days instead of the usual 30 days.

Initiate job rotation practises as soon as employees are skilled in their area of work. This will limit repetitive stress injuries and increase employee interest in their work.

Keep open lines of communication with employees regarding learning and development opportunities (e.g. Diploma of Meat Processing) and guide them through how these programs can be accessed and what career developments they may lead to.

## AN EXAMPLE OF EXCELLENCE

The plant used in this exemplar is of a large size and has a low staff turnover. The managers at the plant placed significant importance on making employees feel welcome and valued throughout their employment, rather than just at the beginning.

One mechanism by which they do this is by having a development plan for every employee that is regularly reviewed.

People employed in traineeships are consistently developed at this plant and managers believed there were further opportunities to develop employees who showed commitment to the work. For example, the management team were planning to expand training opportunities to non-trainees.

Because of this strong culture of learning and development the plant received a 100% positive rating by the floor staff for their ongoing development experience and managers provided a rating of 98% positive.





## **♦ AMPC**

## **Develop your Employees**

Worksheet: Develop your Employees

Ensure your employees are aware of any development opportunities Provide your employees with training to develop their skills Multi skilled employees will be able to help when there is absenteeism

Let's get started! - Answer the questions below:

Step 1 - Identify Employees

How do you identify team members who may be capable to demonstrate leadership in specific roles while still in the team?

| Step 2 - Provide<br>Opportunities | Do you provide structured opportunities for team members to<br>develop skills other than "technical skills" required to perform<br>their task? |
|-----------------------------------|--|
| A. Yes                            |  |
| B. No                             |  |

What could be done to improve the way we develop team members while still in the team – other than the technical skills required to perform their task?

### 5.2.11 Advance

Some employees will be happy to stay at their level of work. Others will want to take the next step into higher order leadership roles. Leaders at all levels of the organisation—from supervisors to CEOs—require a set of social process skills to complement their technical and commercial skills. Advancement refers to the understanding and development of these social skills in interested employees, who demonstrate the capability to effectively perform more complex work (in short On Merit).

An advance video and worksheet has been developed to provide exemplars and practical information on the implementation of well-designed advancement systems.



## 

## **Advance your Employees**

Worksheet: Advance your Employees

Ensure your employees are aware of any career advancement opportunities

Provide your employees with training to advance in their career Multi skilled employees will be able to help when there is absenteeism

#### *Let's get started!* - Answer the questions below:

| Step 1 - Development<br>Opportunities | Do you provide development opportunities for leaders at all levels to perform their leadership work effectively? |
|---------------------------------------|--|
| a. Yes                                |  |
| b. No                                 |  |

| Step 2 - Identify future<br>leaders | How do you identify high performers who may be capable to perform work at the next level of the organisation? |
|-------------------------------------|---|
| Explain:                            |   |



SAMPC

## **Advance your Employees**

Worksheet: Advance your Employees

| Step 3 - Communicate<br>Opportunities | Do you provide structured leadership development<br>opportunities outside of the specific role technical capability for<br>advancement of those leaders who may be capable to perform<br>at the next level? |
|---------------------------------------|---|
| a. Yes. How?                          |   |
| c. No. Why not?                       |   |

What could be done to improve your leaders' effectiveness?

What could be done to improve to provide advancement opportunities for those leaders who demonstrate the capability to advance?

### 5.2.12 Leadership Behaviour and Development

How people perceive they are treated is one of the most important factors influencing employee wellbeing. In turn, wellbeing is one of the most important aspects of retention because the more valued people feel the more likely they are to stay. Leadership behaviours are vital to create social cohesion in the workplace and encourage a calm, controlled and humane work environment. Clear leadership behaviours can be created by:

- 1. setting the standard: what is acceptable and not acceptable?
- 2. providing opportunities to model desired behaviours.
- 3. holding employees to account for unacceptable behaviour.

A really interesting finding of this study was that many people in the organisation are viewed as leaders by new employees. Trainers, HR, laundry room staff and security were identified as leaders by respondents. Thus, it is important that practices to encourage positive leadership behaviours are not just directed at frontline leaders but modelled across the entire plant. As all staff can guide, motivate and inspire each other to make the workplace a more caring and constructive environment.



AMPC

## Red Meat Processing Retention Framework

## LEADERSHIP BEHAVIOUR AND DEVELOPMENT

Response Research has developed an industry-wide retention framework from the research findings of the AMPC 2019-1058 retention project. The framework is a set of broad-based retention practices that were shaped by common issues occurring at the twenty-five participating plants.

The behaviours of leaders in a workplace—whether they be HR managers, trainers, buddies, or supervisors—can directly determine if a new employee stays or leaves a new employer. Leaders must behave appropriately, and be as nurturing and helpful as possible, to facilitate the integration of new employees into the workplace. The current case study highlights common leadership, behaviour and development problems and provides an examples of sustainable and successful leadership behaviours in a meat processing plant.

#### What are some common leadership behaviour and development problems?

When a new employee enters a new role, there are significant symbols, systems and behaviours which mould a person's first impression. Early negative leadership behaviours can leave a lasting bad impression.

Leadership behaviour problems commonly occur when there is a lack of communication between departments, leading to frustration. When leaders become frustrated this can be projected to their subordinates leading to poor and unfair treatment, and high staff turnover.

Instances of yelling, unequal treatment and favouritism were noted across a significant number of plants participating in the retention project.

## How do you model successful leadership behaviours?

An employee's attitude towards their workplace is directly related to how they perceive they are treated.

When people feel they are treated humanely, with compassion, fairness, trust, and honesty by courageous leaders, their experience will be positive. The opposite result occurs if they feel they are treated poorly.

The retention project identified that leaders who are perceived positively on the values continuum (trust, love, honesty, fairness, courage and dignity) are more likely to have higher retention rates.

## HELPFUL HINTS

Include superintendents in the interviewing process. This will provide new employees with a familiar face when progressing to the next stage of their employment.

Ensure leaders are displaying welcoming behaviour for new employees from the first day of their job, as well as continuous support throughout their career progression.

## AN EXAMPLE OF EXCELLENCE

The plant used in this exemplar is large in size and had a low annual staff turnover of 26%.

The management team at this plant pride themselves on the leadership behaviours and systems they embody across the plant and were aware of their importance in retaining employees.

This sentiment was also reflected by the employees in focus groups with many references made regarding positive treatment by managers.

Overall, the staff felt valued, cared for, and considered and these leadership behaviours had a direct effect on their low retention levels.



🗙 response

# **Leadership Behaviour and Development**

Worksheet: Leadership Behaviour and Development

Let's get started! - Answer the questions below:

| Step 1. Set Behaviours and<br>Standards | Have you established a "base line" set of acceptable and<br>unacceptable leadership behaviours? |
|---|---|
| A. Yes                                  |   |
| B. No                                   |   |

| Step 2 - Communicate | Do you provide development opportunities and information for<br>leaders to understand and adapt their behaviour (where<br>necessary) to the base line standards? |
|----------------------|--|
| A. Yes               |  |
| B. No                |  |

| Step 3 - Accountability | Do leaders hold people to account for behaviour that does not meet or exceed the base line for behaviour? |
|-------------------------|---|
| A. Yes                  |   |
| B. No                   |   |

### What could be done to improve your leaders' effectiveness?

#### 5.2.13 Measurement and reporting

Even well-designed systems will eventually fail if they aren't regularly reviewed using robust measurement and reporting techniques. The effectiveness of systems needs to be assessed to ensure they are still meeting the needs of dynamic, and ever evolving meat processing plants. The measurement and reporting of retention was cursory and ad hoc in many of the plants studied in this project. This is surprising, considering the importance of retention to plant production and profitability. In support of this theory is the finding that the top 5 performing plants in this study had robust retention measurement and reporting systems. This concept can be summed up by the words of the management guru Peter Drucker "If you can't measure it, you can't manage it". Larger corporations have greater resources to devote to systems that measure, report, and respond to, employee turnover. We found a strong correlation between company size and turnover, with large meat processing showing the lowest turnover rates. However, even rudimentary data can be helpful in employee retention management if it is provided in an accessible and timely way to operational line managers. HR systems capture and report data and trends.

A video, case study and worksheet has been developed to provide exemplars and practical information on the implementation of well-designed measurement and reporting systems.



SAMP(

## Red Meat Processing Retention Framework

## MEASUREMENT AND REPORTING

Response Research has developed an industry-wide retention framework from the research findings of the AMPC 2019-1058 retention project. The framework is a set of broad-based retention practices that were shaped by common issues occurring at the twenty-five participating plants.

The retention project identified many plants which had cursory and ad hoc measurement and reporting systems. It is important to improve and streamline these systems as even rudimentary data can be helpful in the management of employee retention if it is provided in an accessible format to operational line managers. The retention project found few examples of data being used in a timely manner to inform decision makers. To help rectify this, in this case study we highlight common measurement and reporting problems, provide helpful tips and outline an example of a successful measurement and reporting practice in a plant environment.

### What are some common measurement and reporting problems?

- A lack of comprehensive and structured measurement and reporting systems reduces communication across different plant departments.
- Frontline operations often have no understanding of turnover in their department, rarely see reports about it or have very few conversations about high turnover rates. It is not viewed as an area of concern until they are faced with the practical challenges of operating shortstaffed. Thus, the approach to remedy the problem is reactive rather than proactive.
- Managers can be more interested in production volumes, KPIs, quantity and quality rather than the people aspect of their business. The importance of retention in delivering those KPIs can be overlooked.

### How do you implement successful measurement and reporting systems?

- As absenteeism can lead to high staff turnover, it is important to keep an up-todate register of absent employees so it is clear which roles need to be filled, leading to a decrease of stress and pressure on employees.
- Use turnover data trends to identify ongoing problems in particular rooms. Conduct meetings with relevant leaders to ascertain what might be causing the issues.
- Provide retention and absenteeism data to superintendents in an accessible and timely manner so they know the roles in which people are leaving and can make judgements about why they might be leaving.
- Provide retention and absenteeism data to managers so they can analyse it from a department perspective and make high-level decisions.

## HELPFUL HINTS

Conduct regular meetings, weekly or fortnightly, to discuss the manning levels of the plant, as well as the systems needs of the plant – who wants what information?

Implement a system to monitor retention and absenteeism.

Keep a register of skills to fill vacant spots.

Implement a system to analyse the data – who is responsible for what?

## AN EXAMPLE OF EXCELLENCE

The plant used in this exemplar is large in size and had low annual staff turnover. The plant has a number of important measurement and reporting systems including systems to analyse staff turnover and optimal manning levels inside the plant.

The measurement and reporting systems at the plant are high quality and provide solid data for KPIs at the plant level and within departments. The KPIs are linked to both yield and employee retention and have a monetary reward.

Managers are provided with a set of retention measurements every week which allows them to track their progress and improve. At this plant, superintendents knew the exiting employees names and reasons for departure, exhibiting detailed knowledge of their teams.

By linking KPIs to retention rates the plant sends a clear signal of the importance of retention, and thus, the system has been successful in improving retention rates.





**♦ AMPC** 

# **Measurement and Reporting**

Worksheet: Measurement and Reporting

Let's get started! - Answer the questions below:

| Step 1. Distribute Data | How often do you provide turnover data to Operational leaders? |
|-------------------------|--|
| A. Weekly               |  |
| B. Monthly              |  |
| C. Sometimes            |  |
| D. Hardly ever          |  |
| E. Never                |  |

| Step 2 - Discuss | How often are turnover results discussed? |
|------------------|---|
| A. Weekly        |   |
| B. Monthly       |   |
| C. Sometimes     |   |
| D. Hardly ever   |   |
| E. Never         |   |



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# **Measurement and Reporting**

Worksheet: Measurement and Reporting

| Step 3 - Plan | Are plans created to improve turnover performance based on the data/reports? |
|---------------|--|
| A. Yes        |  |
| B. No         |  |

| What could be done to improve the way you report and act on turnover data? |
|--|
|  |
|  |
|  |

## 6.0 Conclusion

Australian Meat Industry leaders should be concerned about turnover. The average turnover rate found in this study, in the 2019 calendar year, was a remarkably high 62.2%, with a range across plants from 21% - 108%. New employees comprised most of the turnover in the industry with more than half leaving within six months and more than two thirds leaving within 12 months of engagement.

A new employees perception of how they are treated by the organisation and their leaders within the organisation has a profound effect on whether people stay with their employer. All people expect to be treated with respect and dignity. It is important for organisations to design systems, and mandate leadership behaviours, that treat people humanely.

The overuse of short-term employees, and some labour hire practises, have been disastrous for retention rates in the industry. They have created animosity due to different pay rates, laziness in the development of new employees, and negative perceptions of treatment by possible longer-term employees. Practices after the data period for this project demonstrate employers focusing more attention on longer term employment options, for example the Pacific Labour Scheme (PLS). In addition, the labour market at time of writing, in mid-2022, is fraught and the future is identifying a problematic labour market. Notwithstanding, there are, and will still be, locals who would fit in the meat industry perfectly. Whilst Australian employers continue to look for labour solutions from outside of our shores, they should also be very mindful to employ locals from their area as well. Not all school leavers will go on to further study or complete a trade.

As word of mouth is still a very important factor in the attraction of new employees to the Australian Meat Processing industry, success comes to those plants and employers who encourage their current employees to recommend new employees. Further to this, attraction processes should be highlighted as there is a variable focus across the industry. Industry bodies have a part to play because the general perception of meat processing work is in many cases poor, and local reputation is very important. As a result many employers could benefit from local community engagement.

During the development and adoption phases of this project numerous plants made significant changes to their practises and have reported improvements in retention rates. It will be important to continue developing new materials and assisting plants across the industry in developing better practises to improve their retention outcomes. Education programs, especially leadership development programs, such as the Certificate IV, Diploma, Advanced Diploma, and Graduate Certificate programs now include reference to the findings in this programme thereby providing the sustainable building blocks for the industry to continue to benefit from this project. Continued measurement and reporting for comparative analysis purposes is also recommended so that all plants habitually measure their performance and have a vehicle to compare their performance to other plants in the industry.

## 7.0 Future recommendations

#### Continued reporting on plant retention

The research team recommend that a continuous process of data collection be implemented, especially for the 25 sites involved in this process, so that comparative analysis can be conducted on a continuous basis. The site managers in this project commonly reported that the comparative analysis was a key part of the positive aspects of this project.

#### Ongoing Community of Practice that is open to all plants

It is recommended that the Community of Practice continue well into the future to allow for a ongoing sharing of information, not only from the project team but also amongst plant managers to aid in the continuous improvement of their retention practices.

#### Industry wide reputation development

The research team recommend that AMPC and other industry bodies work together on a campaign to lift the public perception of working in the meat processing industry. Reputation is an important factor in the attraction of employees into the industry. This research project has highlighted the perception of people, before they join the industry, is characterised by the work. Improving the reputation of the meat processing industry will attract more employees on a local and national level.

#### Focus on leadership development

It is recommended that employers in the industry continue to focus on developing good leadership practices within all levels of the industry, from in team leadership through to senior leadership. The perceptions of leadership behaviours and how people feel they are treated has a profound effect on the retention of new employees.

#### Develop "in team" leaders

The research team recommends that employers in the industry introduce and enhance the delivery of "in team" leadership skills to provide further pathways for employees and to prepare the next leaders (Supervisors, Superintendent, Managers, etc). Opportunities for advancement and to build leadership skills including mentoring, training, quality assurance, work health and safety, leading small teams have all been identified as positive factors for retaining employees. Furthermore, developing in team leaders also provides a pathway for those who seek higher duties (e.g. supervisor).

#### HR officer development

The research team recommend that HR Officers should be chosen from within the employee ranks and be provided with development opportunities to learn technical human resources processes. Throughout this research it was identified that the most effective human resource officers have experience of working on plant. This makes sense as

they understand exactly what happens on a day-to-day, hour by hour basis in the plant and can apply that knowledge when dealing with human resource issues.

#### Workforce strategy development – industry and local

It is recommended that AMPC and other industry bodies work towards a more strategic view of workforce management. Strategies for the management of workforce and the development of new employee pipelines are very important factors in the attracting of the best employees for the meat industry, however they are poorly done in general. The engagement of government departments at state and federal level should also be a priority in understanding the workforce strategy for the industry. As this strategy is disseminated across the industry employing organisations can develop their own local plant-based workforce strategy with the larger industry strategy in mind.

#### Absenteeism data can be used to inform retention

The research team recommends that AMPC encourage research organisations such as RGI use and analyse data from the absenteeism project to inform the retention project work moving forward. Both sets of data will be invaluable for the industry moving forward and it is highly encouraged that the data be used more regularly so that more helpful comparative analysis can be done between the plants.

## 8.0 Bibliography

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