

Video Transcript Lesley Sears Mitigating the Flight Risk of Newly Promoted Employees

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00:00:03 Lisa Hochgraf

Welcome to the CUES podcast, where leaders and experts discuss the top topics in credit unions today. I'm Lisa Hochgraf, senior editor at CUES. In this episode, we explore the implications of research showing that newly promoted employees are more likely to leave your organization and what you can do to mitigate their flight risk.

00:00:24 Lisa Hochgraf

Returning to the show as our guest is CUES' own VP of consulting, Lesley Sears, who heads up our CUES Consulting offerings.

00:00:33 Lisa Hochgraf

Lesley starts by talking about the research that shows that newly promoted employees may pose a bigger flight risk and then quickly gets down to business about what your credit union can do to mitigate this risk. Spoiler alert: It all boils down to culture.

00:00:50 Lisa Hochgraf

Lesley is not only an expert on people strategy and culture, but also one of the most approachable talent development experts around. If you have a question after listening, please feel free to reach out to her at Lesley@CUES.org. That's L E S L E Y @CUES.org.

00:01:08 Lisa Hochgraf

So let's get started.

00:01:12 Lisa Hochgraf

Welcome to the show, Lesley.

00:01:14 Lesley Sears

Thank you, Lisa. I am excited to be here. We have lots of good stuff to talk about today.

00:01:19 Lisa Hochgraf

We always do, and today I'm excited to talk with you about mitigating the flight risk of recently promoted staff.

00:01:27 Lesley Sears

Yeah, kind of an odd perspective, right? I don't think we always think of it that way. When we promote somebody, we're assuming we're building loyalty. We're, you know, really feeding into and developing this person. But statistics have shown us that that's not always the case.

ADP has come out with a research study that shows 29% of the people that were newly promoted left, transitioned out versus 18% that normally would have.

00:02:02 Lisa Hochgraf

So it's almost a third compared to one in five.

00:02:06 Lesley Sears

Right.

00:02:07 Lisa Hochgraf

Yeah. Wow. And so, Lesley, why are newly promoted staff so much more likely to leave an organization?

00:02:15 Lesley Sears

You know me, I'm going to have a short answer and I'm gonna have a long answer.

Lisa Hochgraf

Indeed.

00:02:21 Lesley Sears

Of course.

So the short answer, and I think those things that are in front of our face, are things like they go into LinkedIn and change their skill set or they change their position title. Recruiters are searching that all the time, so it may be that they get approached for a new position. That's one option. The other one is that they now have a new-found confidence in this new position and within the sign that they're doing such a good job, so they may go out and look around for a different position.

But within my culture world, I think that much of the, I don't know, risk mitigation that CUES Consulting can help credit unions take to prevent some of this—and not only prevent some of this, but also to enhance some of the other areas within talent development or people strategy or whatever within that people world. The culture in my mind is really kind of the byproduct of how everything in the credit union is working right? Wherever your challenges are within the credit union, it's gonna show up in the culture.

So, address the culture, and thereby you can address a lot of your challenges in the credit union itself. So I think often engagement and retention and a lot of those big goals the credit union set for themselves are maybe a bad culture, a bad climate, a not-very-engaging climate that these individuals are working within.

00:04:16 Lisa Hochgraf

So, in another podcast you and I talked about the key elements or components of climate. Are there some specific ones that you would say might make someone more likely to leave after getting promoted?

00:04:31 Lesley Sears

You know what? They all work so intricately together that it would be really hard to pull some out. I mean, you think? Look at things like trust. And if you're working in a climate or an environment where you trust the people around you, you're likely going to want to stay there, right? If you don't trust the people, you're looking; you're looking around. So things like that. Innovation. If you can use your creativity and identify the purpose behind why you're doing what you're doing, you're likely to stay there. You're fulfilling things within you.

So it would be hard to really pick one out. I can tell you one that I would say would lead to this and that's conflict. Where there's a ton of conflict, you're not gonna wanna stay there.

00:05:28 Lisa Hochgraf

Uh huh. Recently promoted or not, that that organization probably has a fair bit of turnover, right?

00:05:33 Lesley Sears

Absolutely, 100%. So yes, I think a lot of people want easy answers in the people world and unfortunately there just aren't. They really kind of build off of one another and many of them are affected by something else in kind of in that bigger picture.

00:05:57 Lisa Hochgraf

And so why is it so important for a credit union to care if their recently promoted employees might choose to leave?

00:06:02 Lesley Sears

I think especially in the workforce we're living in now, every person is so valuable. They're hard to find. And then once you promote them, seemingly those are some of the best ones you have. So if you start losing the ones you promote.

00:06:19 Lesley Sears

Houston, we have a problem—like we really have to dig into this and figure out what is going wrong. And I think the goals and the objectives of the credit union revolve around retention. Like, let's keep these people. What do we have to do? How can we build ourselves up and become that environment that they wanna stay in?

00:06:42 Lisa Hochgraf

So it sounds to me like working on culture would be the way for a credit union to make an environment that recently promoted employees would want to stay in. So great I have this new role, I'm going to have a chance to learn. I'm going to have a chance to innovate, engage. I have a lot of trust with the people around me. So this is a great place. I have this new opportunity. I'm going to keep going.

00:07:04 Lisa Hochgraf

Talk to me a little bit about how CUES Consulting would approach working with a credit union to work on its culture.

00:07:11 Lesley Sears

We really we talked about the dimensions. So we have an assessment that specifically measures those nine different dimensions. So we would come in and start walking through that and really, we start working with somebody and want to dig into their goals. Like what are your objectives, what are you hoping to achieve but during that journey, one of the first foundational and actually it's in our system, it is considered kind of the foundation of where we start is assessing that culture and then from that assessment data and we do both quantitative so we have about 60 questions that are kind of a self-rated, ask different questions about the culture and then there's a number of them that are text that are kind of a free reign, qualitative type question. And we can gain so much information from both of those types.

So we gather all that data up and then it's interesting cause from that you start looking at the future development plans to help strengthen some of the weak areas, and it kind of just spells itself out. It's amazing how easy it is to consider development and what can actually strengthen this credit union based on the data that we receive from that.

00:08:34 Lisa Hochgraf

Yeah. We keep referencing about the nine dimensions of culture I will put in the show notes for our listeners the link to that previous podcast in case you would like a little bit more about that specifically.

00:08:46 Lisa Hochgraf

So working on culture seems like a pretty big project, but I'm curious, could a credit union work with CUES Consulting just on culture? It doesn't sound like it's giving it enough justice or is would it typically be part of a larger engagement?

00:09:01 Lesley Sears

Looking at, can we work at the credit union on just the retention right, if you separate out just the retention issue? Probably not, because it really does stem from the baseline, the root cause of retention or lack of retention is where we're going to want to focus, which is kind of one of those misnomers when you think about consulting. You think you come in with a challenge, a particular challenge, and let's work on this.

00:09:32 Lesley Sears

But what we find is that the challenge is a byproduct, like you're seeing this challenge because of a much deeper-rooted problem and that's where we want to go and kind of dig that out and start developing to that deeper problem and that fixes everything else higher up within the organization.

00:09:53 Lisa Hochgraf

Yeah, I was going to ask you, would you say that working on your culture will solve a whole bunch of other problems?

00:09:59 Lesley Sears

Yeah, absolutely for sure. Just because often when we get the data back from the climate assessment, many people are shocked, like they never really looked at it that way before.

00:10:14 Lesley Sears

So as we identify those things, again kind of that development plan begins to write itself, it begins to kind of lay itself out. So as we work through those issues, yeah, you can see a major shift in what the climate is like and then thereby what the attrition looks like, what the sales looks like. I mean there's depending on what we're addressing specifically, it can remedy and begin to shift a lot of areas within the credit union.

00:10:48 Lisa Hochgraf

So Lesley, would you give us a few examples? I'd like some examples of specific results that a credit union could get if it does, a climate assessment. And then also would you give us a couple of examples of problems that get solved when a credit union improves its culture besides what we're talking about today, which is that newly promoted employees might be more likely to stay.

00:11:12 Lesley Sears

Absolutely. I'm working with a credit union right now that they completed their assessment. We've had the results back. We've gone through it with leadership. We've gone through with management, and we recognize that within the data they had very high conflict mark. Their data that came back on the conflict was really extraordinarily high, and their trust was really, really low.

00:11:41 Lisa Hochgraf

I guess you could see those correlating, right?

00:11:43 Lesley Sears

Absolutely no doubt about it.

So when we came back to them with development ideas and really kind of brainstorming, what are we gonna do to correct both of those at the same time, we came back with the team-building.

00:11:57 Lesley Sears

They had really no team. The team had eroded over the course of time that these dimensions have been broken. So we're really again kind of in that foundational piece of let's build the team first and then from that we can really work on some of the other development pieces skills or whatever. And the interesting part is the climate already has started to change. You're not having some of those nasty emails going back and forth or some of the conflict in the office space. And interestingly enough, kind of touching on the second part of your question, the members are seeing it right. I mean, ultimately when we talk about development with credit unions, the goal at the end of the day is always the members. No matter what development we're focusing on or what dimension of the climate we're working on; at the end of the day, we really want a better service for the member, or we want a better climate for the member or an environment that they're walking into is more friendly.

So as much as I'm a culture climate person, everything ultimately boils down to what can we do, what can we offer for the member that's better.

00:13:19 Lisa Hochgraf

That's wonderful, Lesley. I love the idea that working on your what you might think of as your internal climate could have such an effect on the membership that the credit union is trying to serve. Tell me, too, a couple of examples, in addition to keeping people that have been recently promoted, that would be benefits of doing a climate assessment and working on your climate.

00:13:40 Lesley Sears

I'm not a big stat person. I'm gonna throw a stat out on this one. There have been studies that show that organizations that manage their climate, that manage their culture, are 780% more profitable.

00:13:58 Lisa Hochgraf

Wow, that's crazy.

00:14:00 Lesley Sears

780% more profitable just by managing the climate because of the climate controls everything. So, it's an exponential increase because we're fixing a lot when we dig into the climate and manage it well.

00:14:18 Lisa Hochgraf

So financial, so bettering the financials would be another example of ...

00:14:21 Lesley Sears

Of yeah, absolutely.

00:14:22 Lisa Hochgraf

Benefit of bettering the climate? I love that.

00:14:25 Lesley Sears

Absolutely, 100%, no question about it.

00:14:30 Lisa Hochgraf

That's pretty cool. Lesley, you've been so generous with your time today. What is a question I didn't ask you today that you'd like to answer for our listeners, whether it's about the topic at hand or whether it's another thing you've been observing out in your work with credit unions that you think would be interesting for our listeners?

00:14:48 Lesley Sears

I would say I'm going to tie it back into a current trend that I'm super excited about, that I'm seeing out in the credit Union world and that is stepping into kind of a mindset of resilience. And I think coming out of COVID, we had to live into that, right?

00:15:10 Lesley Sears

And now we've started to really give it its own identity and appreciate what it does within the credit union, within the team, within a department. I mean, there's so many areas that having a resilient spirit and we have a program called Burn Bright that really captures that from a leadership perspective. It really does a good job of explaining how to embrace resiliency and build an entire personal development plan around being resilient because there's so much involved in that. So that's probably my topic of the day that I have seen and really appreciate and I think it's going to be an interesting path forward.

00:15:58 Lisa Hochgraf

So Burn Bright is a CUES Consulting offering?

00:16:01 Lesley Sears

It absolutely is, yes, yeah.

00:16:02 Lisa Hochgraf

OK, very cool.

00:16:04 Lisa Hochgraf

Thank you so much for being here today, Lesley. It's great talking with you.

00:16:08 Lesley Sears

I love it. I love these podcasts. I have so much fun with you, Lisa.

00:16:11 Lisa Hochgraf

I'll talk to you soon.

00:16:14 Lisa Hochgraf

I would like to thank you, our listeners, for taking time out of your busy schedules to listen to today's episode of the CUES Podcast, and many thanks to Lesley for once again sharing her perspective on the benefits of improving your culture. Learn more about CUES consulting, which Lesley champions at CUES.org slash [CUESconsulting](https://CUESconsulting.com).

00:16:35 Lisa Hochgraf

Find a full transcript of this episode at seeyoumanagement.com/podcast155.

00:16:41 Lisa Hochgraf

You can also find more great credit union-specific content at cumanagement.com. Thanks again for listening today.

00:16:50 Lisa Hochgraf

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