

Retail Trade

Good People Management ~

Strategies on Staff Retention

Retail trade plays a vital role in the Hong Kong economy. Service quality closely correlates with employees' performance and contributes directly to business achievement. Hence, outstanding employees are important human capital of an organisation. Good human resources management not only ensures a stable supply of manpower, it also saves staff cost and enhances the competitiveness of an organisation.

"How to retain outstanding employees" has been the hot issue of retail organisations in recent years. The Labour Department's Tripartite Committee on Retail Trade has produced this leaflet to introduce to employers and employees some staff retention experience of the organisations in the trade. Employers may flexibly deploy the strategies in accordance with their actual manpower situation.

Staff Retention Strategies for Employers

1. Corporate Mission

- institute "people-oriented" policy, perceive employees as important asset of the organisation, respect and trust their abilities.
- enhance the professional knowledge of employees and recognise employees' contributions through training and commendation schemes.
- encourage employees to bear ownership and responsibility by involving them in business strategic planning.
- fulfil social corporate responsibility, build up a positive corporate image to enhance the employees' sense of belonging and make them proud to be members of the organisation.

2. Fair Principle

- adopt fair and reasonable principle in drawing up employment policies and employment terms, such as mutually acceptable notice period for termination of contract. Fair and reasonable terms will help attract talents and retain experienced and quality staff.
- formulate objective and standardised criteria for assessing the capabilities of employees for employment and promotion. Employees should not be discriminated against on grounds of sex, disability, age, nationality, race, religion, marriage status, pregnancy or sexual orientation, etc.

3. *Remuneration*

- keep abreast of the wage trend and formulate competitive remuneration and benefits policies to retain outstanding employees.
- recognise the efforts of employees from time to time through monetary or non-monetary incentives.
- employ sufficient staff to meet the operational needs of the organisation. Draw up reasonable working hours and proper rest breaks according to work nature.

4. *Opportunity*

- devise promotion path and policies, offer employees with a lucid career prospect.
- provide a stable working environment, such as opening more permanent posts to strengthen employees' sense of belonging.

5. *Performance Review*

- analyse the skills required by the organisation currently and in the future, devise systematic orientation and on-the-job training programmes to help employees acquire such skills.
- make use of Performance Review to discuss with employees face to face their work targets and expectations, offer employees with appropriate training to bring out their potentials.
- assign employees with potentials to take up posts of different nature to broaden their horizons.

6. *Enlightened Leadership*

- adopt an open-minded and liberal mode of communication to help employees better understand the blueprint of the organisations and establish a participative partnership with employees.

7. *Communication*

- establish regular, effective and bilateral communication channels to enhance mutual understanding and to develop collaborative working culture.
- communicate with employees or their organisations if there are changes in work arrangement and employment issues to

- understand mutual needs and difficulties
- collect feedback from employees through face-to-face interviews and satisfaction surveys.
- organise social activities to strengthen cohesion of employees.

8. *Family-Friendly*

- implement family-friendly employment practices that help employees fulfill their work and family responsibilities simultaneously, such as family leave, flexible work arrangements and providing living support to employees. It can foster stronger sense of belonging of the employees.
- find out the needs of employees through different channels, introduce measures that attend to both employees' needs and business interest with regard to size, manpower and operation of organisations.

9. *Working Environment*

- provide a comfortable, safe and healthy working environment so that employees can work at ease.
- if resources are available, organisations may set up rest area and activity room to help employees relieve their pressure. This in turn will enhance productivity.
- set up a "Mentorship Scheme", deploy experienced employees to assist newcomers in adjusting to the new working environment. Direct supervisors should meet the new employees regularly during the probation period to understand how they perform and provide necessary assistance.

Tripartite Committee on Retail Trade: (in alphabetical order)

Employer Associations

Hong Kong & Kowloon Electrical Appliances Merchants Association
Hong Kong Book & Stationery Industry Association Ltd.
Hong Kong General Chamber of Pharmacy Ltd.
Hong Kong Jewellers' & Goldsmiths' Association
Hong Kong Retail Management Association
The Cosmetic & Perfumery Association of Hong Kong Ltd.

Trade Unions

Commodities Promotion and Retailing Employees General Union
Hong Kong Department Stores & Commercial Staff General Union
Retail, Commerce and Clothing Industries General Union
Retail Trade Employees Association

Employers

AEON Stores (Hong Kong) Company Ltd.
AJI Ichiban Company Ltd.
A.S. Watson & Co. Ltd.
Belle Worldwide Ltd.
Bossini Enterprises Ltd.
Celestial Asia Securities Holdings Ltd.
China Resources Vanguard (Hong Kong) Co. Ltd.
Chow Sang Sang Holdings International Ltd.
City Chain Company Ltd.
Crocodile Garments Ltd.
Dah Chong Hong Holdings Ltd.
Esprit Regional Services Ltd.
Fung (1937) Management Ltd.
G2000 (Apparel) Ltd.
Giordano International Ltd.
HCL Group (Hong Kong) Ltd.
Marks & Spencer (Asia Pacific) Ltd.
OSIM (HK) Ltd.
Sa Sa Cosmetic Company Ltd.
Sogo Hong Kong Company Ltd.
Swire Resources Ltd.
The Commercial Press (H.K.) Ltd.
The Dairy Farm Company Ltd.
The Wing On Department Stores (HK) Ltd.
Yue Hwa Chinese Products Emporium Ltd.
Zung Fu Company Ltd.

Workplace Consultation Promotion Division

The Workplace Consultation Promotion Division of the Labour Department is set up to promote Employment Ordinance and good people management practices, as well as to encourage effective communication, consultation and voluntary negotiation between employers and employees, with a view to fostering harmonious labour relations.

To achieve the objective, we:

- promote tripartite dialogue and cooperation among representatives of employers, employees and the government through industry-based tripartite committees;
- deepen the human resources practitioners' understanding to the Employment Ordinance and promote good people management practices by organising Human Resources Managers' Clubs and various promotional activities such as seminars and talks;
- provide information and guidance to employers and employees through publications, Internet, mass media and consultation services; and
- draw up codes of practices for reference by employers and employees.

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