

# HR – A QUESTION OF TENURE

The profession that is responsible for developing retention strategies for organisations may have an issue in its own backyard. How long do HR professionals stay with one company on average? Apparently, not long, according to some recent research. In this month's Instep, we look at the average tenure for HR practitioners and what influences these results.

## Markets pick up, retention an issue again

No question, the employment markets are improving. Retention will start to be an issue for many businesses, particularly for those at the front of the recovery cycle.

The HR market is no different from the overall employment market. Already there has been a clear pick-up in activity levels in the early and intermediate HR markets. Demand has increased for skilled HR professionals under the \$150,000 mark in Australia, and turnover is starting to increase. This raises the questions of how long HR professionals stay with one company and why they move.

## HR – here for a good time, not a long time!

The length of time an HR professional stays with their current organisation was one of the areas looked at in a national survey conducted by The Next Step in late 2009 of almost 2,000 HR professionals, from all levels and from all sectors.

Overall, the results were very interesting and certainly tell a story about the HR profession in Australia:

- A total of 63.3% of all HR professionals have worked for their current organisation for less than 2 years. Of this group, 26.3% had less than 1 year tenure and 37% had between 1 and 2 years.
- At the other end of the spectrum, only 12% of HR professionals have worked for their current organisation for more than 6 years. One-third of this group or only 4% of the total HR community have over 10 years with the one company.
- Under a quarter (24.7%) have worked for their current organisation in the standard expected range of 3–5 years.

These figures would seem to indicate that there is an issue to be looked at in terms of why HR professionals in Australia don't stay with the same company for very long. Before we look at some of the reasons for this, there is some further analysis that can be done on who leaves first.

## Which HR professionals move first?

Analysis of the average tenure of HR professionals has been further dissected; firstly, by levels of seniority and then secondly, by the size of employing companies.

### Levels of seniority

A reasonable premise is that HR Directors would be more stable than those in their early and intermediate HR careers. The results seem to support this view, with 74% of HRCs and HR Business Partners, and 64% of HRMs, having less than 2 years' experience in their organisations compared to only 45% of HR Directors.

Title (seniority level)	Less than 1 yr @ current company	1–2 yrs @ current company	Over 5 yrs with current company
HR Director (sample size 227)	13%	32%	24%
HR Manager (sample size 332)	25%	39%	11%
HR Consultant/HR Business Partner (sample size 265)	35%	34%	8%

### Size of organisation

It would be expected that larger organisations would have more stability as they can offer more career opportunities. Results do indicate big companies have longer tenure employees, but it's not by much!

Size of company	Less than 1 yr @ current company	1–2 yrs @ current company	Over 5 yrs with current company
Up to 1,000 employees	29%	38%	8.5%
1,000 to 5,000 employees	25%	39%	11%
Over 5,000 employees	23.5%	31.5%	16%

Some suggestions on why HR professionals don't stick around could include the following:

- Structural change – Some companies fiddle with their HR structures almost continuously on a quest to 'get it right'.
- Small team size – Most HR teams are lean and roles are not often available to offer new challenges.
- Poor team management – HR leaders coach others to lead their teams but don't always apply these principles in their own teams.
- Interest driven – HR is an interest-driven and passionate profession. The upside of this is also the downside: if a company doesn't fit, HR professionals move on.

**A final comment:** Given that HR leaders are tasked with ensuring employee turnover is minimised, a focus on their own backyard would be a good start.

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