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A Study on Revolving Door of Talent and the Impact of Diversity without Inclusion from the Perspective of HR - A Challenge in Business and Economy

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Abstract: Human Resource Management is a study of employing people based on the requirement of an organization. It involves understanding the constant change of people in a business, which includes internal and external personnel. This paper talks about the role of Human Resource Management in tackling the Great Resignation.

The recent challenges faced by Human Resource Management can lay anywhere from re-engaging the workforce to managing the uncertainty to improving employee health and well-being to the retention of talent. The recent trends in HR challenges, talk about the massive number of employees changing jobs more frequently than ever before. In short, the term Revolving Door of Talent is used to recognize an ongoing process of employees exiting and entering the organization concurrently. The Revolving Door of Talent is a challenge faced by employers trying to pull a diverse talent workforce. It has been extensively documented, with studies and articles pointing out the change in values of younger generations about committing to a job that doesn't satisfy their desire to learn and grow as an individual as well as a team. Although these findings have mentioned certain precautionary measures to avoid having a Revolving Door of Talent, it calls upon further research to fill the gaps with creating a synergetic space for both the employer and the employee.

Keywords: Human resource management, great resignation, strategies, revolving door talent

I. INTRODUCTION

With the emergence of the "Great Resignation" and the "Revolving Door of Talent," two correlated occurrences, the human resources environment has recently experienced significant shifts. The term "The Great Resignation" depicts a pattern in which workers are quitting their employment in staggering numbers in pursuit of better prospects or work-life balance. The Great Resignation has emerged as a prominent phenomenon in recent times, due to higher employee turnover rates and employment movements. Several factors have contributed to this tendency, including the influence of the COVID-19 epidemic, shifting employment preferences, and evolving economic and social dynamics. As a result, organizations face the issue of managing the revolving door of talent, in which employees leave and new hires join in a never-ending cycle. Human resource management can help navigate this challenge by changing methods and practices to retain and recruit top talent, for instance examining remuneration and benefits, career development opportunities, and work arrangements, and maintaining a culture of diversity and inclusion. Understanding the rise of this trend and its consequences for HR management is critical for organizations seeking to combat talent turnover and secure long-term success in an ever-changing economic landscape. The Revolving Door of Talent, on the other hand, describes a circumstance in which organizations fail to keep diverse talent despite attempts to foster diversity in their organization. This presents several challenges for organizations, including increased recruitment and training costs, loss of valuable knowledge and expertise, lower team morale, and lower overall productivity. In addition, other challenges such as low employee engagement, lack of career development opportunities, work-life balance issues, ineffective leadership, inadequate compensation and benefits, organizational culture issues, and the need to attract and retain diverse talent further complicate the challenge of retaining employees. Major ramifications for organizations, leaders, and the state of employment are caused by these two interconnected problems. To effectively manage this phenomenon, it is crucial to understand the underlying factors and strategies used by organizations, as well as the role of diversity and inclusion initiatives in employee retention. Organizations that fail to manage this issue successfully may struggle to attract and retain top personnel, putting them at a competitive disadvantage in the world of employment.

The Great Resignation and the Revolving Door of Talent are intricate and diverse issues that can have a direct effect on organizational productivity, performance, and sustainability.

Companies are wrestling with the requirement to attract and retain competent and diverse personnel, while employees desire workplaces that appreciate their contributions, develop inclusivity, and nurture their professional development. The purpose of examining the revolving door of talent is to understand the causes that contribute to high employee turnover rates, particularly in the context of the Great Resignation, and how human resource (HR) management may successfully address this issue. Organizations can establish complete HR strategies to promote employee retention and minimize turnover rates by acquiring insight into the underlying causes of individuals quitting their positions.

This study also intends to emphasize the relevance of diversity and inclusion measures in building a pleasant work culture and retaining employees, particularly those from underrepresented groups. The ultimate goal is to provide practical ideas and insights for organizations to develop effective HR practices that correspond with organizational goals and values, as well as to create a conducive work environment that fosters employee engagement, satisfaction, and loyalty, thus mitigating the revolving door of talent phenomenon.

Understanding the fundamental causes of these events, as well as their consequences, demands an exhaustive review of relevant research, perspectives, and best practices.

The goal is to create a work environment that encourages employee retention and reduces the phenomenon of the revolving door of talent, ensuring organizational productivity, performance, and sustainability.

II. LITERATURE REVIEW

- 1) In the paper "Great Resignation: Causes, Consequences, and Creative HR Management Strategies" by Journal of Human Resource and Sustainability Studies (March 2022) talks about the "Great Resignation" trend, where workers are changing jobs in large numbers, has created vulnerabilities for organizations. A failing organizational culture, weakened leadership, compliance blind spots, and increasing risks in areas such as cybersecurity, intellectual property, litigation, and non-compliant communications are among these vulnerabilities. Employee turnover makes it difficult for organizations to maintain a consistent company culture, leaves senior roles vacant, and creates compliance blind spots. As fewer experienced IT experts oversee an influx of new personnel and gadgets, cybersecurity threats rise, as will intellectual property theft by frustrated former employees. Non-compliant communications can potentially lead to fines and other penalties. To decrease risk and ensure organizational resilience, employers must prioritize company culture, leadership, compliance, and cybersecurity defences, as well as monitoring communication.
- 2) From the paper "Majority of workers who quit a job in 2021 cite low pay, no opportunities for advancement, feeling disrespected" by Kim Parker and Juliana Menasce Horowitz (March 9, 2022). According to a survey by Kim Parker and Juliana Menasce Horowitz, an overwhelming majority of workers who quit their jobs in 2021 cited low income, a lack of possibilities for promotion, and a sense of disrespect as the top reasons for leaving. According to the report, many employees are dissatisfied with their pay, lack of professional advancement opportunities, and a poor work environment, prompting them to seek employment elsewhere. To retain and engage people, these findings emphasize the need for fair compensation, career development opportunities, and establishing a respectful workplace culture. To improve staff retention and lower turnover rates, organizations must confront these concerns head-on.
- 3) Employee retention is a crucial challenge for organizations as they deal with a revolving door of talent within their ranks. In her piece on "Employee Retention: Fixing the Revolving Door of Talent," Lucy Beaumont (May 19, 2022), offers top suggestions for understanding why employees leave and how organizations may minimize turnover and enhance retention. She emphasizes the need of acknowledging the expenses associated with high turnover rates and the need for proactive initiatives to retain exemplary employees. Beaumont suggests establishing a positive work culture, providing competitive remuneration and benefits, providing opportunities for growth and development, and promoting work-life balance as effective strategies to promote employee retention.
- 4) According to the article "Diversity Without Inclusion Creates a Revolving Door of Talent" written by Chris Weller (November 5th, 2019) published by The Neuro Leadership Institute emphasizes the need of developing inclusiveness alongside diversity in teams. To obtain greater results, diversity alone is insufficient. Inclusion is critical for making employees feel valued, heard, and included in decision-making processes. Diversity can result in a revolving door of talent, with people disengaging or leaving the organisation if conscious attempts to incorporate all team members are not made. The essay emphasizes the need for HR management to be thoughtful about developing an inclusive environment by using methods like having shared goals and making individuals feel heard, among other inclusive habits.

- 5) According to the article “Quits are on the Rise: Do You Have a Revolving Door of Talent?” published by Checkmatepayroll (July 24, 2018), with the low unemployment rates and a huge number of job vacancies in today's competitive economy, firms must focus on retaining top personnel. It is estimated that it could cost up to 33% of an employee's compensation to recruit, hire, and train their replacement. This cost may be even higher for occupations needing specific expertise or in high-demand industries. Furthermore, vacant roles can increase the strain and stress on remaining employees, potentially spurring their job hunts. Employers might consider using measures such as flexible work hours, regular assessments and feedback, adequate training, and technology, and hiring for necessary skills rather than only relying on interviewing skills to retain top personnel. In a thriving employment market, understanding and prioritizing what is important to employees can help firms keep their most valuable assets.
- 6) From the article “Revolving Door Recruitment” published by HRtoday (2016) says Companies are turning to Recruitment Process Outsourcing (RPO) businesses and engagement techniques to retain top employees and reduce attrition. Many organizations fail to retain Millennial employees, who tend to depart after a couple of years if the work experience does not meet what they are looking for. Misaligned job descriptions and culture can lead to dissatisfaction and turnover, so authenticity in recruitment communication is essential. RPO services can assist in the creation of an authentic employment brand and message by conducting anonymous surveys of senior leaders and current employees that precisely define the company's work culture. Other tactics for reducing turnover include employee recommendations, talent groups, and stretch assignments. Companies can retain top performers and employees by treating candidates and employees as consumers and providing a genuine experience throughout the recruitment and onboarding process and reduce recruitment costs.

III. RESEARCH METHODOLOGY

The purpose of this research paper is to delve into the complexities of the Great Resignation and the Revolving Door of Talent, examining the factors that lead to these challenges their consequences, and potential solutions. Also tries to provide a full knowledge of these phenomena and their consequences for organizations and the work environment through a comprehensive review of available literature and research. The research findings can be a significant resource for leaders, HR practitioners, and scholars interested in understanding and addressing the difficulties related to the Great Resignation and the Talent Revolving Door.

A. Statement of the Problem

“A Study on Revolving Door of Talent and the Impact of Diversity Without Inclusion from the Perspective of HR – A Challenge in Business and Economy”

This research paper will present a complete assessment of the relevant literature on the Great Resignation and the Revolving Door of Talent in the following parts, covering the root causes, repercussions, and alternative strategies.

B. Objectives

- 1) To explore the challenges associated with the revolving door of talent and employee retention in organizations.
- 2) To review the existing literature on strategies used by companies, with a focus on diversity and inclusion, to mitigate the revolving door effect and improve employee retention.
- 3) To provide insights and suggestions for organizations to develop effective HR strategies that address the root causes of high employee turnover and foster an inclusive work environment that promotes diversity, equity, and inclusion.

The strategies adopted by organizations to deal with the revolving door of talent are consistent with the findings of the literature research. According to studies, the most typical reasons for high turnover are low compensation, a lack of professional development opportunities, and an overall feeling of disrespect. As a result, organizations implement a range of approaches to promote employee retention. Offering competitive compensation, fostering employee engagement, supporting work-life balance, prioritizing employee well-being and mental health, investing in leadership development, promoting communication and inclusivity, and soliciting employee feedback are all supported by the literature as effective approaches to reducing turnover. Organizations attempt to establish a satisfied work environment that motivates employees to stay with the company for the long term by aligning their practices with the recommendations from the literature, decreasing the revolving door of talent, and providing a stable and skilled workforce.

Tackling the revolving door of talent and the impact of diversity without inclusion in the context of human resources (HR) necessitates deliberate and proactive planning. Human resources (HR) can play an important role in driving organizational efforts to promote diversity, equality, and inclusion (DEI) and increase employee retention. HR can work alongside other departments and executives to put the following ideas into action:

- a) *Develop and Implement Inclusive HR policies and Practices:* HR can assess and revise HR policies, practises, and processes to ensure that they are inclusive and promote diversity and inclusion. Recruitment, selection, onboarding, performance assessments, and promotions are all examples of this. HR can also ensure that diversity and inclusion are incorporated into the mission, values, and overall HR strategy within the organisation.
- b) *Provide DEI Training and Education:* HR could create and deliver DEI training and education programmes for employees at all levels of the organisation, including leadership. This can help raise awareness of unconscious prejudice, promote inclusive behaviours, and provide employees with the skills and information needed to navigate diverse work situations effectively.
- c) *Adopt Diversity Recruitment Tactics:* HR can partner with recruitment teams to adopt diversity recruitment strategies such as targeted outreach to underrepresented groups, diverse job advertisements, and diverse interview panels. HR can also collaborate with outside partners, such as diversity recruiting firms or organizations, to diversify the talent pool and attract diverse candidates.
- d) *Employee Resource Groups (ERGs):* It can be supported and resourced by HR. ERGs are employee-led groups that represent various diversity dimensions (e.g., race, gender, LGBTQ+, disability, and so on). ERGs can be useful platforms for employees to network, support one another, and contribute to diversity and inclusion initiatives.
- e) *Provide Leadership Development Programs:* HR can build and offer leadership development programmes that focus on diversity, equity, and inclusion. These programmes can assist leaders in understanding the value of diversity and inclusion, developing inclusive leadership abilities, and creating a culture that fosters diversity and inclusion.
- f) *Conduct Regular Diversity and Inclusion Assessments:* HR can design and implement regular evaluations, such as employee questionnaires or focus groups, to gain input on the efficacy of the organization's DEI programmes. HR may use the insights acquired from these assessments to identify areas for development and make data-driven decisions to further strengthen diversity and inclusion efforts.
- g) *Foster an Inclusive Culture:* HR may collaborate with leaders and employees at all levels to foster an inclusive culture that celebrates diversity and supports respectful and inclusive behaviours. HR can equip employees and executives with information, tools, and direction to help them understand and embrace diversity, equity, and inclusion as key organizational values.

Organisations may address the revolving door of talent and promote a more inclusive work environment that attracts, keeps, and engages varied talent by incorporating these suggestions into HR practises and policies. Human resources may play a significant role in advancing DEI activities and cultivating a culture that values diversity and inclusion, resulting in increased employee retention, happiness, and overall organisational performance.

IV. CONCLUSION

A revolving door of talent presents a big issue for organizations in terms of retaining top talent and maintaining a steady workforce. HR plays a vital role in tackling this issue by developing successful methods that address not only concerns like fair compensation, development opportunities, and work culture but also prioritize diversity and inclusion. Ensuring diversity without inclusion can result in a revolving door of talent, with individuals from varied backgrounds recruited but not fully involved or engaged in the organization's culture and decision-making processes, leading to greater turnover rates among diverse personnel. As a result, HR should also focus on building an inclusive work environment in which every employee, irrespective of their various backgrounds, feels valued, respected, and included. Diversity training, inclusive leadership development, employee resource groups, and cultivating a culture of diversity and inclusion at all levels of the organisation can all help to achieve this. Organisations may lessen the revolving door effect and build a more inclusive and engaged workforce by including diversity and inclusion as an intrinsic element of HR initiatives, which leads to increased employee retention rates and overall organizational success. Further study and ongoing efforts in applying these techniques can help to create a more inclusive and diverse workplace, which benefits employees, organizations, and society as a whole.

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