

# Zero labor turnover rates – mission possible

**Labor turnover is a process intensive on cost, time and energy, not just for those working in HR, but for the whole company. The least welcome is labor turnover in a finance department, which is the essential guardian of cash and a key contributor to company success. ACCA members and students in top finance positions in Slovakia share their views how to reach zero or very low labor turnover rates in finance departments.**

**What is the annual labor turnover in your finance department? What motivation tools do you use? How do you measure employee satisfaction?**



**Slavomír Sabol,**  
FCCA member, a finalist of the Finance Manager of the year 2010, CFO Falck Zachranna, Košice

Labor turnover in the past four years has been below 5%, and to some degree this was negatively influenced by turnover in the first two years. We have reached this low turnover rate mainly due to support of education, career development and professional development of employees, and by using a remuneration assessment model. My colleagues have gradually contributed to development of the SSC (shared service center) work principles. By doing that, they create the best practice model for key SSC functions.

I consider open feedback within the whole organization, be it praise or constructive criticism, to be a key motivation tool.



**Richard Žigmund,**  
ACCA student and the winner of the Finance Manager of the year 2011, CFO Mondi SCP, Ružomberok

Our voluntary labor turnover is less than 2%. In the past I have significantly reduced the number of employees by implementing strict automation of transaction processes and reporting (including smartbilling, automatic

workflow, structural changes in management of purchasing and logistics processes, shared services and outsourcing) which has decreased the number of workers by 45%.

Mondi SCP conducts an annual employee survey covering all employees. Last year we achieved significantly better results than the average of Mondi group and better than Best in Class surveys (surveys among manufacturing companies by our partner and global consulting company helping us with our surveys).

We use financial motivation (the average financial package in MondiSCP is 1/3 higher than the regional average) as well as non-financial motivation such as project work, engagements in other company branches, trainings, workshops, and promotions. We also support membership in professional and interest bodies.



**Marcel Grega,**  
FCCA member, a finalist of the Finance Manager of the year 2011, CFO JOJ Media House, Bratislava

In 2011 labor turnover in the finance department was 0%. We monitor employee satisfaction by conducting irregular company surveys, where employees can share their views on the company's approach to motivation and suggest improvements.

Due to the size of the finance department, we communicate and provide feedback rather informally. At least once a year I take my team to a teambuilding event.

**When doing business with a member of a professional body, there is a guarantee that the person will be well trained and will practice with professionalism.**

As per the financial motivation, our company offers fixed and variable parts of the salary and annual bonuses. Remuneration is done individually. The most important non-finance motivation tools are an excellent team and pleasant working environment. When hiring a new recruit, I always want this person to mesh with the team.

- Mutual trust – it is important to know that employees trust my decisions, and for them to know that I trust in theirs.
- Specific trainings developing professional skills. There are also a number of benefits that working for a TV business brings, e.g., the chance to be an extra in a program or tickets for selected big TV projects.



**Miroslav Bielčík,**  
ACCA student and the winner of the Finance Manager of the year 2010, CFO PosAm, Bratislava

Success for me is the entrance of the strategic investor and implementing group reporting without a change in the finance team, which worked here prior to my arrival and the entrance of new investors. It is a huge difference to work for a single entrepreneur or for an institution that belongs to a big group. In the first year, we had only one change in a junior accountant position.

As for the motivation I try to differentiate and select real motivation. To me, real motivation are tools that make my colleagues work hard and I try to focus on these. Then there are other things, so-called “hygienic factors” – things needed for work, and this is where I include financial compensation. Many of my colleagues believe that money is a motivational tool. For me money is simply the (pre)condition for work.

I prefer to survey employee satisfaction at individual meetings. It is very important to talk to my colleagues about their work and share the connection to company objectives. We use annual reviews as a standard feedback procedure. These are very important for my decisions. We also use regular electronic surveys among our employees.

It may cost time, effort and money to be a member of a good professional body – but the benefits from that membership make it more than worthwhile.



**Kateřina Benešová,**  
Head of ACCA Czech Republic, Slovakia and Hungary