Attracting and retaining staff in rural areas: A Toolkit for employers

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About us

Funded by the National Innovation Centre for Rural Enterprise (NICRE), this Toolkit has been developed from a research project designed to explore how rural employers in the Derbyshire Peak District (DPD) can tackle the challenges of attraction and retention within a complex, differentiated labour market. This is especially important in the light of the difficulties created by both the global pandemic and changes in the recruitment landscape due to Brexit.

The researchers who led the project are Professor Carley Foster from the University of Derby and Dr Susan Kirk and Pip Kyle from Newcastle University Business School.

Introduction

This Toolkit is designed to enable employers in rural places to address key attraction and retention challenges through a place-based approach.

Drawing on findings from the study in the DPD area and other research, this Toolkit brings together good practice in the field of branding and human resource management to present three underpinning principles and three new tools to support rural organisations to become employers of choice.

About this Toolkit

The Toolkit is intended to help employers tackle the attraction and retention challenges faced by rural employers. It sets out key actions with checklists to enable organisations to take advantage of the natural capital in the area and use this to attract workers to apply for jobs. It is designed to help employers appeal to a wide range of applicants by offering a better understanding of the variety of meanings people attach to work and how this varies over their life course. This will enable employers to tailor their employment package to meet their workers' changing needs. The Toolkit introduces three new tools to help attract and retain workers. These are explored in turn in this Toolkit.

For further details of the research project which informed this Toolkit, please refer to the **Policy Briefing**[1] found on the NICRE website: https://nicre.co.uk/research-and-evidence/exploring-identity-place-and-worker-attraction-and-retention-in-rural-businesses.

The current recruitment and retention environment

Skills shortages

A recent report by the Institute for Employment Studies and abrdn Financial Fairness Trust[2] showed how the Covid-19 pandemic exacerbated challenges that the UK was already facing in terms of the recruitment environment. Almost uniquely for a developed country, the UK now has more people out of work than before the pandemic but paradoxically, nearly three quarters of employers are reporting having difficulties in filling jobs.

According to the Migration Advisory Committee Annual Report in December 2022[3], many foreign workers returned to their country of origin during the pandemic and this, coupled with the rise in inactivity in older workers, increased labour shortages in some areas. Brexit created further problems with many workers leaving the UK. This particularly affected rural areas as they tended to rely more heavily on EEA migrants.

The Chartered Institute of Personnel and Development (CIPD) Migrant Workers and Skills Shortages in the UK report[4] noted that sectors reliant on seasonal workers were hit hardest together with those in manufacturing, logistics, cleaning, gardening, security and hospitality. More generally, a recent Labour Market Outlook Report from the CIPD[5] also identified hard-to-fill vacancies in education, public administration, transport, manufacturing, healthcare, construction and hospitality.

A movement into rural areas

According to the Government[6] between 2019-2021 net internal migration into rural regions increased except for those aged 17-20 years, who were moving out of the area primarily for education reasons. This may be being exacerbated by other factors such as rising house prices in rural areas and poor public transport. Indeed, during the pandemic, The Guardian newspaper (and others) reported an 'escape to the country'[7] with a 'mass exodus' of people moving out of cities and into rural areas. This had an influence on the world of work too.

Different work expectations

The conditions of employment changed during the pandemic due to the 'work from home' edict issued by the Government[8]. This has had an impact on employee expectations since the return to 'normal' and many people's expectations about working from home.

According to the 2023 CIPD Good Work Index[9], work has different meanings for different people. For 43% of people, work is just a way of earning money. However, 69% of people are seeking meaningful work with a good work-life balance and opportunities to work flexibly.

Challenges and opportunities: age matters

60% of employers report that they are finding it harder to retain talent than a year ago (CIPD Resource and Talent Planning Report)[10]. However, people are working for longer according to the Centre for Ageing Better[11]. Research undertaken by the Organisation for Economic Co-operation and Development (OECD)[12] shows that a firm with a 10% higher share of workers aged 50 and over is 1.1% more productive. Putting aside those who retire to the rural countryside, mature workers represent a potentially untapped source of labour, especially in rural areas where the population tends to be older (The Royal Town Planning Institute)[13].

So, what do Generation Z want?

According to research by Acheampong[14], Generation Z (those born between 1996 – 2010) who represent the current and next generation of workers, value:
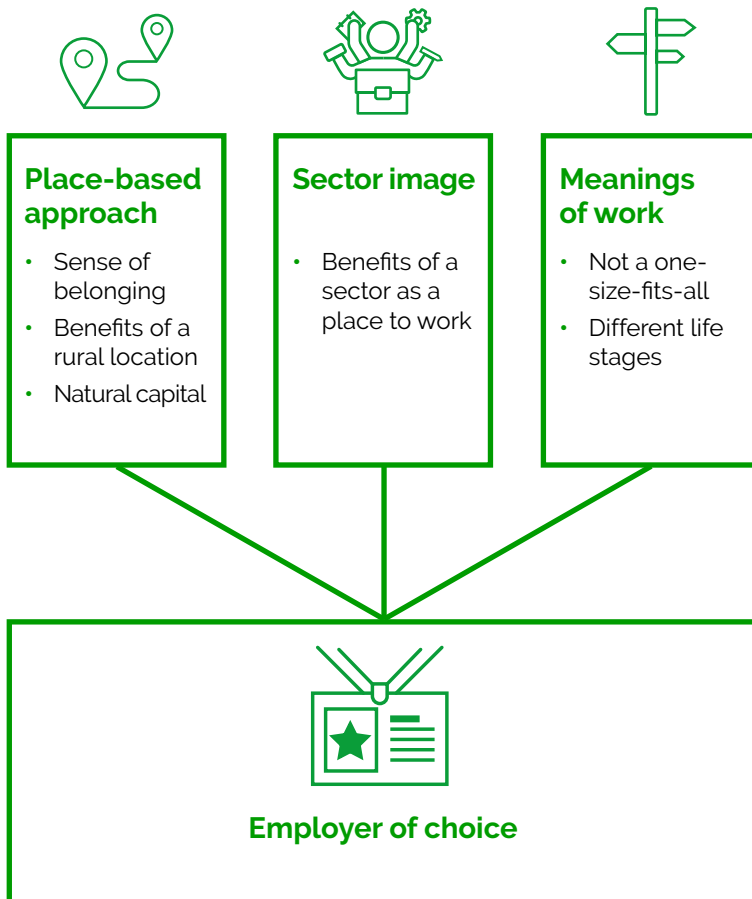
Extrinsic rewards: such as, high salary; benefits; work-life balance; flexible working practices; career advancement; work environment; and job security **are important but in the main, secondary**, except for **career advancement**.

Intrinsic rewards are key: such as, training and skills development; mentoring; autonomy; work content and job satisfaction; co-worker relations; supervisor support; community social responsibility; and public service motivation.

Tackling attraction and retention in rural areas

In order to become an employer of choice, rural employers need to consider three key principles when addressing attraction and retention issues: a place-based approach, the sector as a place to work and the meanings of work.

Place-based approach

- Sense of belonging
- Benefits of a rural location
- Natural capital

Sector image

- Benefits of a sector as a place to work

Meanings of work

- Not a one-size-fits-all
- Different life stages

Employer of choice

Adopting a place-based approach to attraction and retention

Wolds Environmental Consulting Limited[15] define a place-based, natural capital approach as one which involves considering the natural environment for the people and the economy when making decisions and policy that affect the area concerned. According to Cresswell[16], people derive meaning from and attachment to places and this is particularly the case for older people (Aliakbarzadeh Arani et al.)[17].

A survey undertaken by Wolds[15] shows how such an approach can yield positive benefits, such as positive changes in human health and well-being from the use or consumption of benefits from the environment. Doughty, Hu and Smit[18] argue that this effect was magnified during the Covid-19 pandemic with people developing stronger attachments with rural landscapes, in particular, finding them to be therapeutic. Emphasising the benefits of the natural landscape for employees in terms of well-being, attachment, work-life balance and unique location can therefore act as a differentiator for rural employers in a tight labour market.

The sector as a place to work

Employers need to promote the wider benefits of working in a particular industry or sector as a way of attracting and retaining staff. This is especially relevant for those in rural locations where some sectors with a less favourable employment image may dominate[19], such as tourism and hospitality.

Meanings of work

Understanding and acknowledging that employees want different things from work is important. These meanings staff attach to work are likely to reflect their life stage and change over the course of employment. Rural employers therefore need to move away from a one-size-fits-all approach to their employment packages, to one where individual needs are recognised.

The tools

Based on these recommendations, the tools to help employers become a rural employer of choice are:

1. **A tool to help employers create content for a new, place-based advert or improve an existing advert.**
    See page 7.

2. **A tool which will enable employers to collaborate to promote a positive sector image to attract candidates.**
    See page 8.

3. **A tool to help employers learn how to recognise the different meanings staff attach to work and reflect this in recruitment content and wider HR policies and practices.**
    See page 8.

Create a place-based job advert

Checklist:

- ☐ Include a short statement in job adverts emphasising the benefits of rural living and working.

- ☐ Identify where the organisation is located and how this might appeal to a candidate.

- ☐ Include some testimonials about the natural capital of the area and a sense of belonging from current staff.

- ☐ Emphasise what is special about the community both in the organisation and in the locale.

- ☐ Highlight broader assets of the area such as good housing and schools.

- ☐ Include details of accessibility, connectivity, and some podcasts, videos or quotes from staff about what makes it special to work for the organisation.

Develop a positive sector image

Checklist:

☐ **Collaborate** – join networks such as business support organisations and professional bodies to lobby Government to promote the sector.

☐ **Collaborate** – with other organisations in the sector via these networks to promote a consistent, positive image and create a sense of pride in the sector.

☐ **Collaborate** – with education providers to inform potential employees at an earlier age about the attractions of working in the sector.

Meanings of work

Checklist:

☐ Recognise that employees derive different meanings from work and these change over their life course.

☐ Consult with all staff to identify what employees might want from their employment package.

☐ Seek to design a flexible benefits or 'cafeteria-style' package to appeal to these different orientations to work.

☐ Include a variety of both extrinsic and intrinsic rewards.

☐ Ensure the offering is age-friendly and has equality, diversity, and inclusion (EDI) at the heart.

☐ To expand the offering, collaborate with other employers to offer, for example, transport to work options (e.g. shared bus service); training and development (e.g. access to internal training courses to employees in other organisations).

☐ Identify what makes the employment package distinct and use this to create a differentiated image from competitors.

A final note

Employers tend to overlook the advantages of where they are located when seeking to attract and retain staff. This is particularly relevant for rural employers who can emphasise the attraction of the natural capital of the surroundings through developing a place-based approach to attraction and retention. This may help offset the challenges associated with living and working in rural areas.

Further, seeking to develop a positive image for the sector in which the firm operates can offer brand benefits that extend into the future and help employers compete for scarce talent.

Recognising that being regarded as an employer of choice is key in challenging labour markets. To develop a good reputation, employers need to recognise that employees do not all seek the same meaning from work. Designing a benefits package that is varied, flexible and based on EDI principles will enable employers to attract and retain staff into the future.

An inclusive, place-based approach to attraction and retention guide summary

Checklist:

☐ Emphasise the natural capital using a place-based approach to advertising jobs.

☐ Collaborate to develop a positive sector image and promote the organisation as an employer of choice.

☐ Make sure the benefits package is varied, flexible and EDI-friendly by working with other rural employers to combine resources.

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