



nars

National Association of Racing Staff

Happy staff produce Winners

A study of how leadership influences
staff retention in British Horseracing

Conducted by **Debbie Grey** on behalf of **NARS** as part of a work-based project
for the MBA in Thoroughbred Horseracing Industries at **Liverpool University**



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This report has been compiled on behalf of NARS as part of a work-based MBA project through Liverpool University and examines the extent to which leadership influences staff retention within British racing yards.

What's the issue?

Recently there has been much industry attention focused on staffing issues facing the racing industry, and as such, NARS is interested in finding solutions and better ways of working to help both employees and employers to ensure we have a happy, motivated workforce who are treated as professionals. Anecdotally there is a perceived lack of knowledge and well-trained leaders within racing yards and speculative reasons abound including lack of training and education of all staff (whether in leadership and management roles or working on the ground), historical and cultural influences within the industry and a lack of robust human resources practices amongst SMEs in racing.

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'where we are now is like a perfect storm. The Irish stopped coming and then the authorities stopped the Asians coming over'

Key data
Stuart Williams

Stuart Williams: yard is on the up but he struggles to attract staff

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'We need to have another go at solving the problem. We need to ask staff how they'd bring more people in and what frustrates them'

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Nicky Henderson

Nicky Henderson: 'As far as the future of the industry is concerned I see no light at the end of the tunnel and feel to see how this issue is going to get better.'

In response to the above and left, the industry has implemented many new initiatives to both recruit and retain staff. Some of these include the launch of a new job board and platform careersinracing.com, a new racing grooms' website, The Godolphin Stud and Stable Awards and the Lycetts Team Champion Awards. From surveys and reports conducted by various stakeholders including The Racing Foundation, The British Horseracing Authority (BHA), Public Perspectives and previous MBA graduates recruitment seems to have increased but trainers still complain of staff shortages, a lack of skilled, professional staff and that staff move freely from yard to yard with scant regard for serving notice periods, fear of job hopping affecting their career or receiving poor references. The data collected by Public Perspectives (2019), shows that staff move jobs far more readily in horseracing than in other industry sectors, yet do not necessarily leave the industry itself. It also demonstrates that there have been small improvements in some areas as outlined below.

This leads us to question why staff might behave in this manner and, if this is still common practice, what could be done to change this cycle and implement improved ways of working. To date little research has been conducted about leadership and its influence on staff retention within British Horseracing. Part of understanding this landscape is to consider relationships between those in authority or leadership roles and staff.

From the literature review conducted, it can be concluded that leadership of the organisation, its structure and

strategy are determined largely by the business owner, i.e. the trainer. The effect of leadership in SMEs, outside of horseracing, is well documented and researched and there is a clear correlation between leadership, employee satisfaction and staff loyalty.

The latest report on staffing in the horseracing industry was released by The Racing Foundation (2019 online) and found the following:

- Trainers believe that 50% of permanent vacancies in the racing industry are hard-to-fill, compared with 48% in 2016 and 33% nationally
- 17% of trainers said they have retention difficulties, compared with 19% in 2016 and 8% of businesses nationally. This equates to an estimated 23% of permanent racing staff jobs that are vacated by staff per annum (28% in 2016)
- 43% of trainers did not fund or arrange training or development for their staff in the last 12 months, compared with 51% in 2016 and 34% of businesses nationally.
- 40% of trainers said that recruitment, skills and retention issues are a problem for their business, compared with 38% in 2016

Additionally, staff cited poor management as one of the primary reasons for leaving, along with working conditions and pay, and lack of career progression.

How does Racing compare to other Industries?

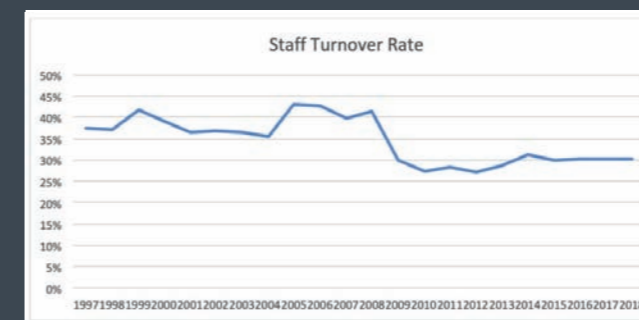
Comparing our industry to others gives us the ability to benchmark ourselves against national averages. The typical turnover rate for the UK is currently 15% (ONS 2018) and table 1 below divides this up into sectors for comparison.

Industry	Percentage rate of annual staff turnover
Engineers	10.1
Retail	8.8
Finance	8.3
General management and admin staff	13.7
HR	17.2
Legal	12.4
Sales & Marketing	31
Education	16.1
Property & Estates	11.6
Media & Advertising	17
Technology	18.3
Contact/call Centre	16.1
Hospitality	33

Source XPerHR 2019

Below we see the turnover rate for our industry in tables 2 and 3

Table 2: Racing Staff Turnover Rates 1st year of employment 1997 – 2016



Source BHA 2019



These figures demonstrate that significant improvement in retention has been achieved post 2008. However, they also demonstrate that racing has a turnover rate in excess of national average, although it is comparable to other industries such as sales and marketing, and hospitality.

What's been done to combat the staffing situation?

As shown above there have been many new initiatives implemented in horseracing to try and address staff recruitment and retention including:

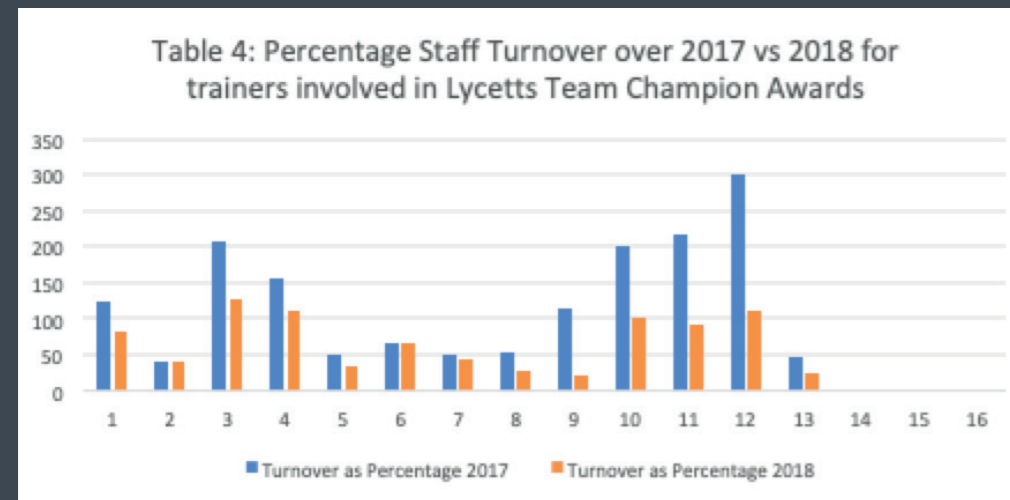
- The launch of a new job board and platform via careersinracing.com
- British Racing Grooms - a new racing grooms' website
- The Godolphin Stud and Stable Awards
- The Lycetts Team Champion Awards
- Industry research from The Racing Foundation, The British Horseracing Authority (BHA), Public Perspectives, Racing Welfare and various MBA students

Background to Research:

To understand current thinking in horseracing, 27 participants were interviewed using a semi structured interview process. Additionally, 8 people from major stakeholder groups were spoken to informally. Of those 27 interviewed, 8 were licenced race horse trainers (with the number of horses in training ranging from 10 to over 100), 8 were employees who are currently in leadership roles, and 8 were racing staff employed as racing secretaries, work riders and yard staff and 3 were CEOs of people related stakeholders in UK horseracing. Of the trainers interviewed there was an equal split between those training on the flat and those in national hunt yards. This was similar in the employees interviewed. All respondents were from a wide geographical area which included the training centres of Newmarket, Lambourn, Middleham, Epsom and staff and trainers outside of these areas from Wales, England and Scotland. The age range was from 22 – 65 years old. At leadership and trainer level there was a good mix of female and male respondents but all the participants outside of these cohorts were female only.

Findings from Research

Some programmes have shown significant benefits for the industry. The Godolphin Stud and Stud Awards, The Lycetts Team Champion and careersinracing.com have proved extremely successful but the number of staff moving around the industry and ultimately out of it is still far too high. Tables 4 & 5 prove the efficacy of the Lycetts Team Champion awards demonstrating that in a short time period staff retention can be greatly improved and this crucially saw an upturn in prize money for all but one of these trainers.



Source SER1 database

Table 5: Anonymised Table for Lycetts Team Champion short listed trainers, staff turnover and prize money earned 2017 vs 2018

Yard	Turnover as Percentage 2017	Turnover as Percentage 2018	% Difference 2017 vs 2018
1	124	83	77%
2	40	42	1%
3	206	126	33%
4	157	110	3%
5	51	35	22%
6	67	65	32%
7	50	44	-15%
8	52	28	102%
9	114	20	42%
10	200	100	70%
11	217	92	5%
12	300	110	32%
13	48	25	26%

Prize money increase in 2018 was 12% (from £143m to £160m – source BHA). Average increase across trainers listed above 33%

From the literature review and research conducted for this study, it can be concluded that leadership not only directly impacts staff retention but plays a pivotal role in both retention and commercial success. Those organisations who had trained, capable leaders also demonstrated the following:

- They were more effective in their work across the board for trainers, leaders and employees
- They feel more valued and respected
- There was improved communication across all levels of roles
- Team work increased
- Staff acted in a more professional manner
- Staff loyalty and retention increased

The research showed that few in the industry offer sufficient ongoing training – this spans all areas of learning from business management, strategic planning, organisational behaviour and financial planning to staff management and leadership. It presented many opportunities for improvement specifically around education but also around the need for robust HR practices including more hierarchical structures, clearly defined job roles and responsibilities. The need to match staff’s skill sets to their role was identified. Increased communication in yards is essential and there were numerous encouraging examples from those yards who conducted staff inductions, meetings, staff appraisals and career development. Without exception, these yards showed increased retention and positive changes in measurable outcomes. It is important to emphasise that excellent models were observed across small and large yards in a variety of geographical areas, across both racing codes.



Recommendations

From the research conducted there was an overwhelming understanding and longing for change and invigoration in British horseracing from all cohorts. This feeling was accompanied by a greater acknowledgment that to achieve this **working together for the greater good of racing** needs to be everyone's aim. Across all levels participants were passionate about their horses, their care and their love of the horseracing industry. Indeed, the standard of equine care was felt to be outstanding by all those spoken to. This was accompanied by frustration about the rate at which change currently occurs for people. Thus, the recommendations below have been aimed at practical, sustainable, cost effective solutions with measurable KPIs and that could be instituted quickly.

- More mobile training units for frequent, ongoing training that is accessible and cost effective
- Small bite sized training be delivered across all geographical areas for trainers and staff in the form of afternoon sessions at various racing centres, racecourses and surrounds. This could be backed up by the online platform for e-learning which is currently being developed by the BHA in conjunction with NARS and Union Learn
- Changes made to the existing trainers' modules at the BRS and NHC with regard to content – which must be more commercially focused on topics about running your own business and mandatory assessments on this course are crucial to ensure engagement and promote competition
- Mandatory leadership and people management training must be conducted within 3-6 months of staff being promoted into these roles
- CPD training annually to be mandatory for all trainers and staff in leadership roles
- The NTF should develop the Lycetts Team Champion programme further and sell the benefits of this to trainers more widely. They should use it as a learning opportunity for trainers who have entered by providing transparent feedback post competition to ensure continued improvement for everyone
- Institute a mentoring programme to ensure accessible, free mentoring is offered to all leaders but specifically trainers. Seek inspiring mentors from within the industry and look outside to recruit for specialist commercial skills
- The annual BHA licencing renewal process to have a greater emphasis on the people agenda and call for proof regarding CPD training, wages being paid, overtime sheets being submitted, annual leave being granted, pool money rules etc. Much of these could be submitted electronically pre renewal

For further information please contact the NARS team.



Contact NARS for more information

Phone: 01638 663411

Email: admin@naors.co.uk

Website: www.naors.co.uk

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