

How To Keep and Retain Key Employees



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“You can’t expect people to be committed, to be loyal to an organization, to be engaged in an organization, [or] to want to stay in an organization if the company doesn’t care about them.”

*David Sirota: Coauthor of *The Enthusiastic Employee: How Companies Profit by Giving Workers What They Want*



A Sad State Of Affairs

- Every Year the Gallup Survey shows a diminished level of engagement
- It may be due to the nature of work and we seem to get further removed from the relationship of the work we do and the customer.



- Only 30 % are actively engaged
- Roughly 12% are actively disengaged
- Disengagement costing \$500 billion annually in lost productivity
- 72% of employees want to work elsewhere
- Average employee changes jobs every 3.5 years



Concepts

People don't really work for companies;
They work for a boss. A good boss can keep
employees, make them happy and reduce
costs associated with employee turnover.



Concepts

- The perception of equitable treatment is important in employee retention
- Many surveys suggest that employees often leave a company not because of dissatisfaction with the company or work itself, but because of poor relationships with a boss or unpleasant interpersonal issues.



Top Reasons Employees Leave

- Fail to connect with their bosses as leaders and people (Welch, 2008).
- Work environment is not particularly friendly (Bhasin, 2000).
- Do not feel appreciated (Ortega, 2006).
- Managers will not listen to employees (Waschek, Esfeld & Werner, 2011)



Other reasons employees leave

- Limited career growth or opportunity
- Lack of respect for supervisor
- Higher compensation
- Felt their job duties were unchallenging
- Felt their supervisor lacked leadership skills
- For better work hours

(Waschek, Esfeld & Werner, 2011)



Put it into perspective...



New Employees

- Employees who have worked with an organization for six or fewer months are the ones most likely to leave the company.
- Those with one to two years' experience are the next most likely to leave. (Ortega, 2006)
- “On average, the cost of losing an employee is about 150 percent. It’s one-and-a-half times the person’s compensation,” -David Sirota



Why is employee retention important?



Employee Retention

- Employees are the heart and soul of an organization (Ortega, 2006).
- Employee turnover is costly for an organization (Mitchell, Holtom, Lee, Sablynski & Erez, 2001)
- Finding suitable replacements for key employees is difficult (Waschek, Esfeld & Werner, 2011)
- Low employee turnover leads to outstanding performance of an organization (Buildings, 2005).



Why do employees stay?



Top Reasons Employees Stay

- Have a good connection with their boss (Welch, 2008)
- Workplace is a team oriented environment (Bhasin, 2000)
- Want to contribute, feel wanted (Bhasin, 2000)
- Workplace is a “climate for learning characterized by trust and openness” (Bhasin, 2000)
- Feel supported (Bhasin, 2000)
- Can balance work and life (Ortega, 2006)
- Offered programs like childcare (Ortega, 2006)



What do employees want?



The Secrets of Employee Retention

From: *Buildings*

- Equity and job security
 - Employees want to be treated fairly and, just as importantly, compensated fairly.
 - Companies must demonstrate more than the minimum obligations to people.
- Communication
 - Individuals want to understand management's expectations so they have a clear idea of how their work will be judged.
 - It is important to set measurable goals and evaluate an employee's performance.



The Secrets of Employee Retention

From: *Buildings*

- Pride and teamwork
 - Employees want to feel good about their jobs, have a sense of achievement, and be proud of their accomplishments.
 - Individuals should be properly trained and provided with adequate materials and equipment to complete their jobs successfully.
 - Employees want to work with teammates who are as enthusiastic and competent as they are.
 - Failure to address problem employees communicates to team members that management view substandard performance as acceptable.



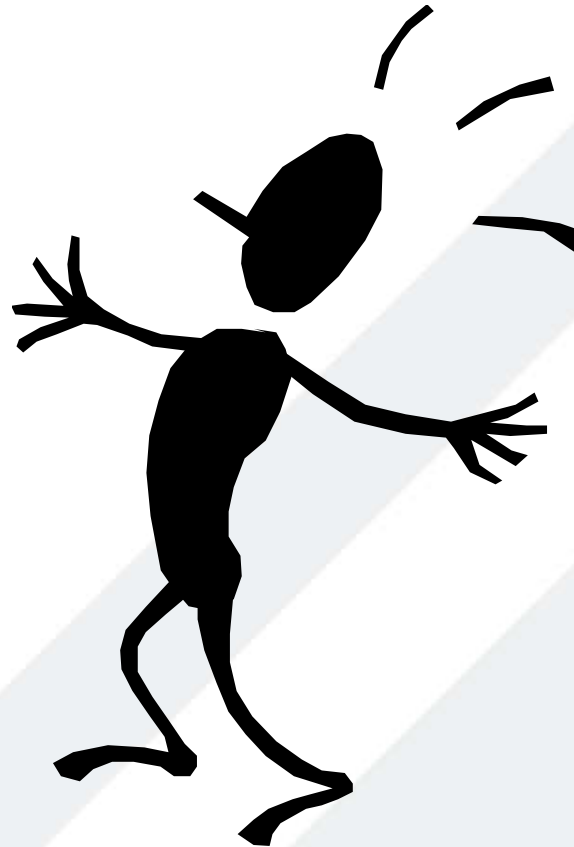
The Secrets of Employee Retention

From: *Buildings*

- Fun
 - While it's important that attempts at creating a fun work environment don't disrupt the overall productivity of employees, making the job enjoyable is beneficial.
 - By never taking time to celebrate, employees are more likely to experience elevated stress and burn-out.



How do you find out if your employees are happy?

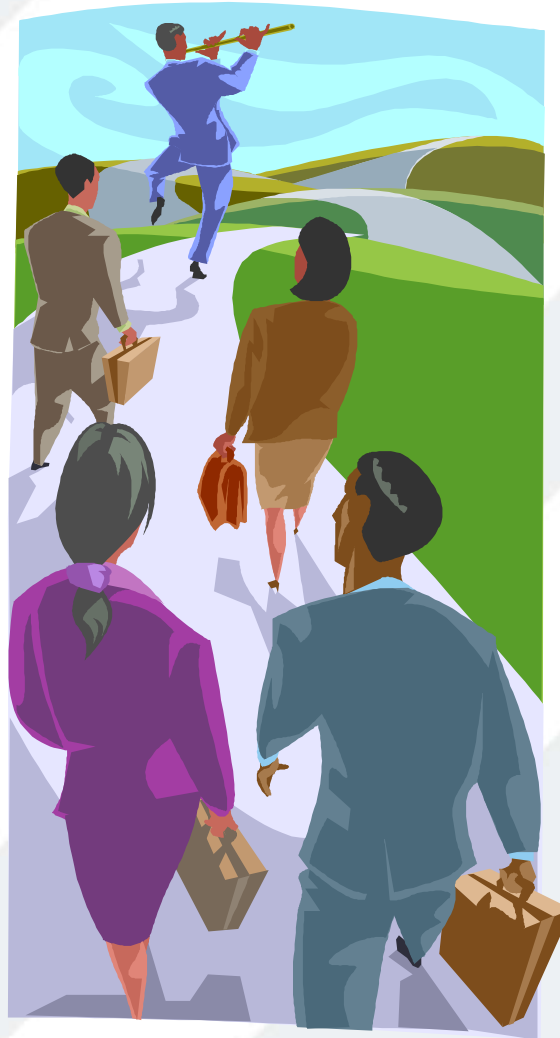


Ask!

- Assure subordinates that they are free to express their opinions without fear of negative repercussions.
- Consider seeking the services of a third party to survey staff.
- Be prepared to share the survey findings and a plan of action with the team.
- *If you can determine why employees are not happy, it's likely you can prevent them from leaving by changing practices, culture, and sometimes even your management style.*



You-As A Leader



“WHAT SETS THE BEST COMPANIES APART, HOWEVER, IS HOW SUCH PRACTICES ARE DELIVERED, TO WHAT DEGREE THEY BUILD RELATIONSHIPS, AND TO WHAT DEGREE THEY FOSTER TRUST-THE CORNERSTONE OF GREAT WORKPLACE CULTURES.”

Hal Adler on workplace benefits

Taken from the best companies to work for



Four Characteristics of Leaders

“Key Leader Characteristics” by Hal Adler

1. They have open channels of communication that lead to collaboration and inclusion
 - These leaders are open with information, interested in learning what employees think, and incorporate their ideas into doing business.
 - These leaders not only inform people about issues affecting them but involve them in decisions.



Four Characteristics of Leaders

"Key Leader Characteristics" by Hal Adler

2. They move beyond the status quo.
 - These leader take bold action in support of their people, raising the benchmark.



Four Characteristics of Leaders

"Key Leader Characteristics" by Hal Adler

3. They are very selective about what to measure and why.
 - Great leaders know what makes their unique culture tick and measure accordingly.
 - A clear and accurate understanding of their culture allows them to choose and reward measures selectively.



Four Characteristics of Leaders

"Key Leader Characteristics" by Hal Adler

4. They are passionate about values and culture.
 - Values are tied to success and measures, and the leaders are very familiar with the values. Their vigor for values and culture is contagious.



How to Retain Employees and Minimize Turnover

- Meet employees periodically to learn about their talents, abilities and skills. Help them feel welcomed, acknowledged and loyal
- Communicate goals, roles and responsibilities so people know what is expected and feel part of the in-crowd
- Make the workplace fun!



How to Retain Employees and Minimize Turnover

- Set goals for employees that can be achieved
- Provide an environment that people are comfortable providing and receiving feedback
- No matter the circumstances, never, never threaten an employee's job or income.
- Provide appropriate rewards and recognition for jobs well done.



How to Retain Employees and Minimize Turnover

- Demonstrate support, listen, and show respect for employees at all times, never ridicule or shame them.
- Pay for what they deserve
- Enable employees to balance work and life. Allow flexible working times and core business hours.
- Hold exit interviews with departing employees to retain remaining staff.



How to Retain Employees and Minimize Turnover

- Provide new challenges, cross training, growth opportunities and career progression. A career-oriented, value employee must experience growth opportunities within the organization.
- Involve employees in solving problems and making decisions that affect their jobs and overall direction of the company whenever possible.
- Offer performance feedback and praise good efforts and results



How to Retain Employees and Minimize Turnover

- Recognize and link attractive pay to excellent performance and celebrate success
- Offer an attractive, competitive, benefits package with components such as life insurance, vacation, flexible working hours and voluntary benefits(cancer, accident etc.)



How to Retain Employees and Minimize Turnover

- Nurture and celebrate organization traditions. Celebrate good news such as new business wins and other significant milestones.
- Make promotion system fair and that employees know exactly what they need to do to get ready for the next opportunity.



**Communicate
often and learn
how to listen.**



- **Respect the fact that your employees are human beings with lives.**
- Balance may well become the most sought-after “benefit” for employees. According to numerous surveys, a balanced lifestyle - not money - is the top priority identified by young job seekers.



The golden rule of retention - have fun.

- Remember - adults are just grown up kids. We don't grow out of our need for acknowledgement, acceptance, fun and play.
- We fool ourselves into thinking that to be an adult means to be serious all the time.



Fun!



*Smart
Inspirations*

Some 80% of your life is spent working. You want to have fun at home; why shouldn't you have fun at work?

- Richard Branson

www.smartinspirations.com



Fun!

Here are just a few ideas to bring a sense of fun into your office:

- Have a surprise picnic for your employees in the parking lot or nearby park.
- Create a “fun” suggestion box.
- Have a party for no reason at all.
- Make sure there is plenty of light in the office.
- Hold occasional fun contests
 - Nerf basketball or trivia competitions, or play cooperative games such as charades and scavenger hunts.
- Work more hours during the week so there is time to socialize on Friday afternoon.

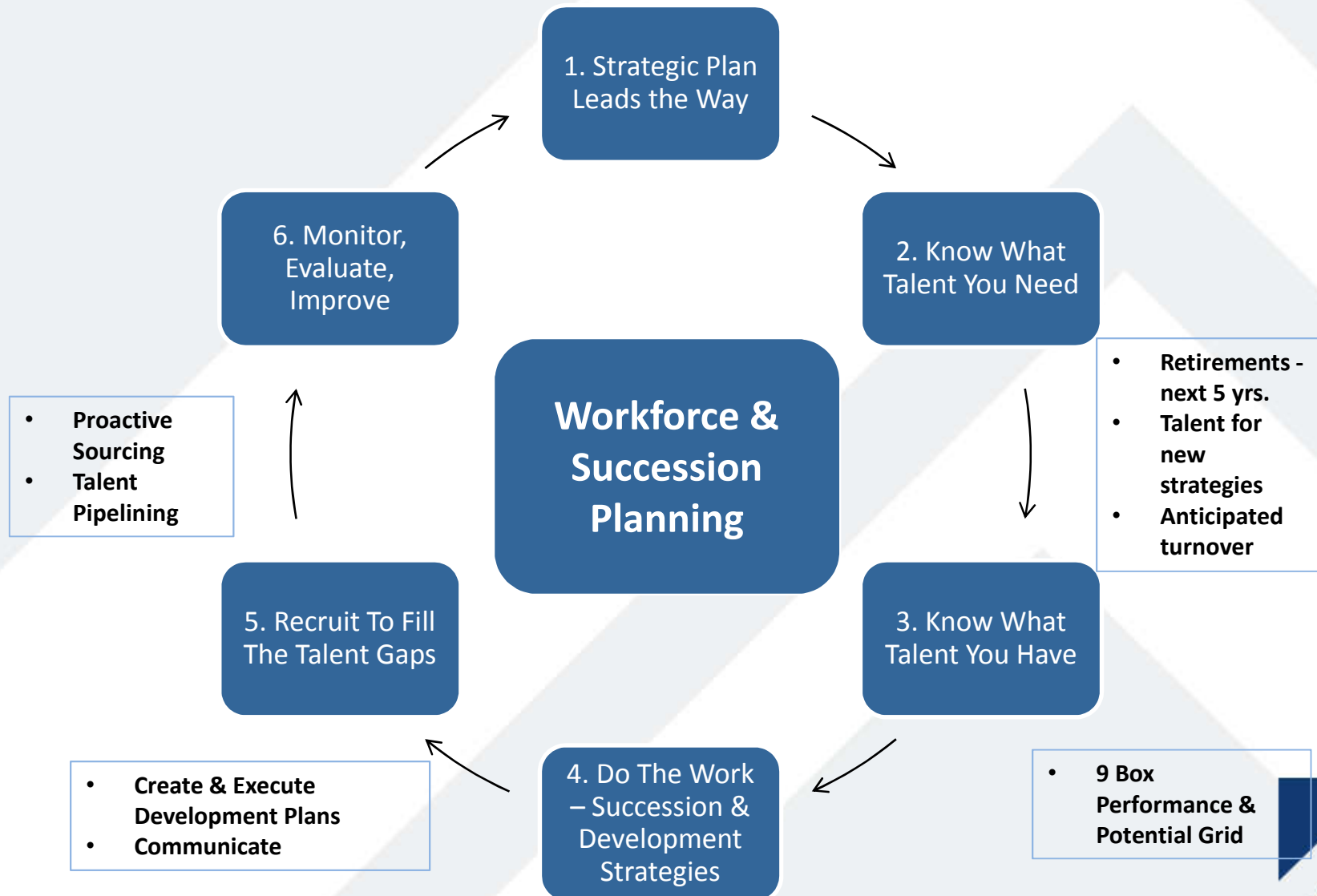


Fun!

- Make it a point to smile and say hello to coworkers by name.
- Let employees take a day to go to the beach and contemplate job, life and future. Ask them to report any insights when they return.
- At an employee meeting, tape gift certificate to the bottom of chairs in the first three rows.
- Give everyone an opportunity to arrive an hour late or leave an hour early one day a week.
- Never take anything too seriously.



Workforce & Succession Planning



Source: Adopted from U.S. OPM Succession Planning Process



Retention and Engagement Best Practices

How do you create the culture where employees develop ability, give discretionary effort (engage) and aspire for more?

Vision

Voice

**More/Better
Work**

**Training &
Development**

Recognition

Flexibility

**Community at
Work**





**"WHEN I SAID TO WEAR REGULAR WEEKEND
ATTIRE ON CASUAL FRIDAY, I DIDN'T KNOW
YOU WERE A NUDIST. "**

