



## RETENTION OF STAFF

Why is retention of staff such an issue these days? Surely staff are lucky enough to be employed in a full time job without you having to worry about whether or not you're going to keep them?

Retention of staff is an issue that should be ranked priority number one. Regardless of the current economy - we do not have enough skilled staff with the appropriate skill base to fill all the available jobs – and it's not going to improve. Simply put, the workforce growth rate is declining. In the long run there will be more jobs than workers. The future will be that there is increased competition for fewer qualified workers, which will necessitate an enormous emphasis on the need to retain the workers we already have.

Consider this continually replacing departing workers is expensive. The cost of attracting, recruiting, hiring, training and getting new staff performing at the level of departing staff is costly and wasteful. It costs thousands of dollars to replace an hourly worker and, tens of thousands to replace a mid-range salaried employee. The fees associated with employee turnover can include lost customers, lost business, and damaged morale. When you consider the outlay financially, and the time spent to get you back to where you started, it just doesn't add up. Ask yourself the question, does it equate to you having the competitive advantage in the market place?

What is becoming apparent is that despite knowing these costs the majority of us do nothing to focus on creating a high-retention culture, thereby reducing high employee turnover. Therefore the cycle continues – employees leave, manager's interview and hire more workers...employees leave etc.

Successful organisations realise employee retention and talented management is key to sustaining their leadership and growth in the marketplace.

A continual effort to replace departing workers is bleeding Companies dry. It's expensive and more wasteful than some realise

Productivity and profitability are directly tied to employee retention.

For the employee - the emphasis on short-term profits and shareholder return may have crushed the possibility of a job remaining permanent. They know they are seen as expendable so their feeling is *why give my best to an organisation that might lay me off if profits start to diminish?*

### **What can your organisation do to meet this challenge?**

Some Companies have implemented special retention processes to help keep staff on board. Offering competitive salary, career development opportunities, promoting qualified employees and flexible work schedules are seen as effective retention strategies. Although salary increases are often perceived as the most valuable incentive for employees to stay with their current jobs, they are also among the most difficult to provide because although the economy seems fine, organisations are still somewhat cautious to increase spending. Career development opportunities and work/life balance are important for today's employee, and employers must consider these types of issues in their retention practices if they want to develop successful organisations.

When considering how to retain your staff – some of the following approaches might be useful:

- Job security – outlining to staff the job belongs to them; you don't plan to offer it to someone else
- Feeling of being in on things – some Management don't include staff in the vision of the Company, this can evoke feelings of not being important enough to be included.
- Good wages Making sure the salary package is attractive and competitive.
- Interesting work – enthusing staff with the idea that what they do is interesting and challenging.
- Promotion/growth in company – staff like to know they have room for career movement within an organisation.
- Personal Loyalty to staff – make words and actions reflect this.
- Tactful / Constructive criticism – If you are dissatisfied with performance shown, talk about this in private, attacking the issue, and not the person.

**Some basic key retention ideas might also incorporate the following:**

- Offer attractive, competitive, benefits package including flexible hours
- Provide opportunities for people to share their knowledge through training sessions, presentations, mentoring and assignments
- Enable employees to balance work and life. Allow flexible starting time,
- Involve employees in decisions that affect their jobs and the overall direction of the company whenever possible
- Recognise excellent performance and especially link pay to this.
- Recognise and celebrate success, mark their passage as important goals are achieved.
- Empower staff to choose whether or not they want overtime, so people don't wear themselves out
- Provide opportunities within the company for cross-training and career progression. People like to know they have room for career movement.
- Communicate goals, roles and responsibilities so people know what is expected and feel like they are part of the organisation.

I believe the key to retaining your staff is to treat them well – you are far less likely to lose them!

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