

Recruitment & Retention for the Modern Workforce (Part 2)

Part one of Recruitment & Retention was discussed in last month's newsletter. Employers go to considerable trouble and expense to identify, interview, and hire great employees. So retaining them should also be a top priority. Luckily, most good retention practices are inexpensive to implement.



The costs associated with employee turnover can include lost customers and business as well as damaged morale. In addition, there are costs incurred in screening, verifying credentials and references, interviewing, hiring and training a new employee.

Companies that focus on the well-being of their employees tend to have higher retention rates. In other words, companies that take an interest in the needs of their employees seem to keep them longer. That need consists of money, job satisfaction, engagement and security.

Effective retention

Retaining employees can be a challenge. To understand how to retain good employees, you first need to know what they're looking for. Today, the best employees want:

- ▲ Career development opportunities and a chance to grow in their chosen field
- ▲ Regular feedback on how both they and the company are doing
- ▲ A chance to contribute directly to the organization and be recognized for doing so
- ▲ Flexible work schedules that recognize their need for work/life balance
- ▲ A good salary or wage and an opportunity to increase it over time
- ▲ Benefits tailored to their individual needs

Key strategies

Orientation and onboarding. It's worth having good practices in place. Treating employees right in the critical early stages of employment has been proven to enhance retention.

▲ Training and development.

Training and development are key factors in helping employees grow with your company and stay marketable in their field.

▲ **Performance evaluation.** When employees know what they're doing well and where they need to improve, both they and your organization benefit.

▲ **Pay and benefits.** While today many employees tend to rate factors such as career development higher than pay, good pay and benefits still count.

▲ **Termination and outplacement.** Employees who leave on good terms are much more likely to recommend your company, and in doing so, help you attract and retain future employees.

Engage employees to increase retention

Engaging your employees—that is, making sure that they are committed and productive in their work—this can benefit you as much as it benefits employees.

If you hire the right employees, chances are good they'll be engaged—committed to your business and happy in their work. But to ensure ongoing engagement, you as an employer must play a major role, particularly when it comes to communication. Consider these five strategies:

- ▲ Be clear on what your business stands for. Your company's mission, vision and brand must be front and center in everything you do.
- ▲ Communicate well and often. Your employees need to know—on a continuous basis—how both they and your company are doing.
- ▲ Understand generational differences. To get the best out of all your employees, know what motivates different generations.
- ▲ Find out what your employees need. Ask your employees on a regular basis how they're doing, and be ready to follow up on their input.
- ▲ Empower all employees to do their best. Provide the leadership, resources, and training your employees need to realize their potential.

CONTINUED ON NEXT PAGE

Frontline continued from page 10**Additional Retention Strategies & Thoughts**

Retention strategies strengthen the ability of businesses to attract and retain good employees. Once the right person has been recruited, retention practices provide the tools necessary to support the staff. A strategic approach to employee retention may include:

- ▲ **Small perks** - Creative strategies that go beyond money and benefits can be employed to attract and retain employees. Small perks such as breakfast and company bonding opportunities can go a long way. You can also use contests and incentives like work-life balance, health and safety and wellness programs to help keep workers motivated and feeling rewarded.
- ▲ **Open communication** - Poor workplace communication leads to confusion, conflict, and low employee morale. But when an organization clearly communicates up and down the chain, that all changes. Open communication helps eliminate negativity and shifts people's attitudes to one of cooperation and mutual respect. A few methods used to promote open communication is to hold regular meetings for employee questions, have open-door policies and ensure that you communicate your business' mission and values.
- ▲ **Monetary rewards** - These motivate employees to perform at their best and strive to achieve both company and individual goals. Company owners and managers should make sure that rewards are achievable and that product quality is not sacrificed. These monetary awards may come in the form of bonuses, anniversary awards, tuition reimbursement or salary increases. Salary increases are not always the best method, so make sure raises are meaningful by giving those who deserve them substantial raises.
- ▲ **Professional development and career paths** - With growing levels of employee turnover, employers and HR professionals are expected to use training and development to help build closer relationships and improve engagement among workers. Providing ongoing professional development to your employees demonstrates your willingness to invest in your greatest asset--your work force. A few ways employers can support professional development and encourage retention of valued employees is to:
 - ◊ *Foster employee development through training* – A company invests in its staff members by promoting their continued professional development. On-the-job training remains a primary means of professional development, but many additional possibilities exist.

Professional development should become a routine and natural aspect of a company's management philosophy. Providing opportunities to gain new skills and increase knowledge is a very effective staff retention technique, second only to staff recognition.

- ◊ *Get managers involved with coaching employees* – Employees can gain job knowledge, management skills, career development guidance, and general company knowledge, or simply establish a trusting relationship with their manager, through a mentoring relationship. Mentoring can provide a forum in which to pass along the accumulated management wisdom of years of practice, and recognition of the special potential of the mentee may encourage an employee to stay with the company.
- ◊ *Use succession planning and career growth as incentives* – Succession management planning refers to the identification and development of potential successors in a company. The key in succession management is to create a match between the company's future needs and the aspirations of individual employees. A well-developed succession planning process increases the retention of superior employees because they recognize that time, attention and skill development is being invested in them for the purpose of career development. When you continue to challenge and reward talented employees, you eliminate their need to seek opportunities elsewhere.
- ◊ *Promote from within when possible* – Promoting from within can be a win-win situation for a small business. Not only does the company save time and money, but overall employee morale is strengthened as well. Many organizations use promotion from within as a motivation tool and a reward for good work or longevity with the organization.

Next Steps

Additionally, consider the cost of hiring new employees verses the cost of retaining existing employees. Now what should you do? Follow these steps to begin recruiting and retaining employees for your business.

- Step 1)** Define the kind of employees you need in your organization
- Step 2)** Create a recruitment strategy
- Step 3)** Examine your options for retaining employees
- Step 4)** Create an employee retention strategy