

# STRATEGIES FOR RETAINING YOUR EMPLOYEES

The top 4 reasons  
employees leave and  
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Workers are ready for a change. As we move on from pandemic life, many are reflecting on their current employment status. It's estimated that up to 40% of people want to change jobs this year — that could translate to one in four actually doing so.<sup>1</sup> Some are calling this shift in the job market “The Great Resignation.”

While not everyone will decide to change roles, many will look closely at their job situation. As an employer, you will have to make some changes to keep your current employees. Doing nothing or letting things return to normal isn't an option.

You're bound to lose some employees. But reaching them before they start their search by implementing a few strategies will limit the loss. And when turnover can cost an organization 33% of an employee's total compensation, including both salary and benefits, every employee you keep has a significant impact on your bottom line.<sup>2</sup>

The pandemic has clearly had an impact on employees' eagerness for a new work situation. Namely, it has created a desire for better healthcare and more work-life balance. But the top reasons (in order) that employees leave their current job has consistently been:

1 Salary and benefits

3 Lack of work-life balance

2 Leadership

4 Lack of career advancement

There are other reasons outside of these top factors workers may leave. However, these are still the driving force behind most decisions to quit and those that you — as an employer — have control over. To help assess whether you can improve in these areas, we've provided an outline of what each entails and strategies for addressing them.

<sup>1</sup> Work Trend Index, Microsoft, Jan 2021

<sup>2</sup> Department of Labor and Statistics, 2017

## 4

## LACK OF CAREER ADVANCEMENT

Starting with a lack of career advancement, it isn't the top reason employees leave, but it may be the easiest to solve. Those with professional development opportunities are 34% more likely to stay at their jobs than those without.<sup>3</sup> And 94% of employees indicate that they would remain at their company longer if it invested in their career development.<sup>4</sup>

However, you must be proactive about your employees' careers — employees want this. Often employers react to someone leaving by offering advancement or professional development. By this point, it's considered too late. This makes employees feel like their employer is only doing it because they have to.

### 2 Strategies to Address



#### 1. DEVELOP GROWTH PLANS

When an employee first joins your company a growth plan should be part of their onboarding process. Growth plans make it clear to the employee that you care about their career. But they can also be mapped back to business goals so they're mutually beneficial to you and your employees' success.

Employee growth plans should be developed with managers. But managers should also be trained and provided a framework and the tools necessary to develop them. Your HR person or department can help with this.



#### 2. PROVIDE PROFESSIONAL DEVELOPMENT OPPORTUNITIES

Not all employees may be doing something they went to school for or feel prepared to do. High performers also have a desire to improve and learn new things. Professional development opportunities for employees helps them become promotable and round out the skills they may not use every day. Providing reimbursement for courses, events, or school are a few ways that you can support and promote professional development.

<sup>3</sup> Employee Engagement Survey, Better Buys, 2019

<sup>4</sup> Workplace Learning Report, LinkedIn, 2018

Professional development benefits employers too. Even if an employee isn't growing vertically, professional development can help them grow horizontally. Learning opportunities help employees gain perspective from areas of the business outside their expertise – and potentially shift to other departments.

For employers, professional development is also a strategic way for you to train and recognize potential leaders. Those employees who take an active interest in and seek out opportunities may have leadership potential.

### 3 LACK OF WORK-LIFE BALANCE

Work-life balance is third on the list for why employees look for a new opportunity – and possibly the most impacted by current events. The pandemic increased burnout among employees due to a rapid shift to remote working and an inability to disconnect. Many organizations have implemented best practices to combat burnout. But a positive work-life balance is still a critical component to keeping employees happy.

Employees who are better off mentally, physically, and emotionally are more productive and impactful to your business success.

## 3 Strategies to Address

### 1. PROMOTE WORK-LIFE BALANCE

Leaders in the company should establish boundaries with work to set the standard for others. But here are a few other ways to actively promote work-life balance:

- Provide mental health days in addition to sick days – sometimes employees need a break, no questions asked
- Encourage vacations by asking employees to take a minimum amount of time off each year
- Offer resources or discounts for gym memberships and childcare
- Ensure your benefits include access to an Employee Assistance Program



“Throughout the past year, **57%** of workers have reported feeling stressed on a daily basis – this is even higher among women at **62%**.”



## 2. OFFER FLEXIBILITY

The past year has shown companies can be successful with a remote workforce. But even hybrid work options or a more flexible schedule provide unique benefits to employees — especially when it comes to work-life balance.

Commutes are non-existent with remote work or an easy workaround with a flexible schedule. Handling childcare, appointments, or urgent matters is stress-free and easy to do when employees have flexibility. Of course, working from home can sometimes blur the lines between work and home life if productivity isn't well managed.

## 3. MANAGE PRODUCTIVITY DIFFERENTLY

The nature of work in the U.S. is slowly shifting from the typical nine to five schedule. In white-collar industries, it shouldn't be about the total number of hours an employee may work, but how much work they accomplish. Focus on employee productivity or output rather than time and regularly check in on your employees' workload.

And regardless of industry, you should promote more breaks. Though breaks are legally required in some cases, studies show they lead to higher productivity, job satisfaction, and emotional and mental health. Grabbing some coffee, chatting about the day, or taking a quick walk outside helps process information and come back more focused.

**Caring about an employee's health and well-being should be a part of every employer's retention strategy. Your work-life balance can also be a reflection of your leadership and culture. So to prove you care about your employees you'll have to go beyond just offering flexibility and breaks and foster your leadership.**

## 5 Benefits of Breaks



Increases productivity



Improves memory



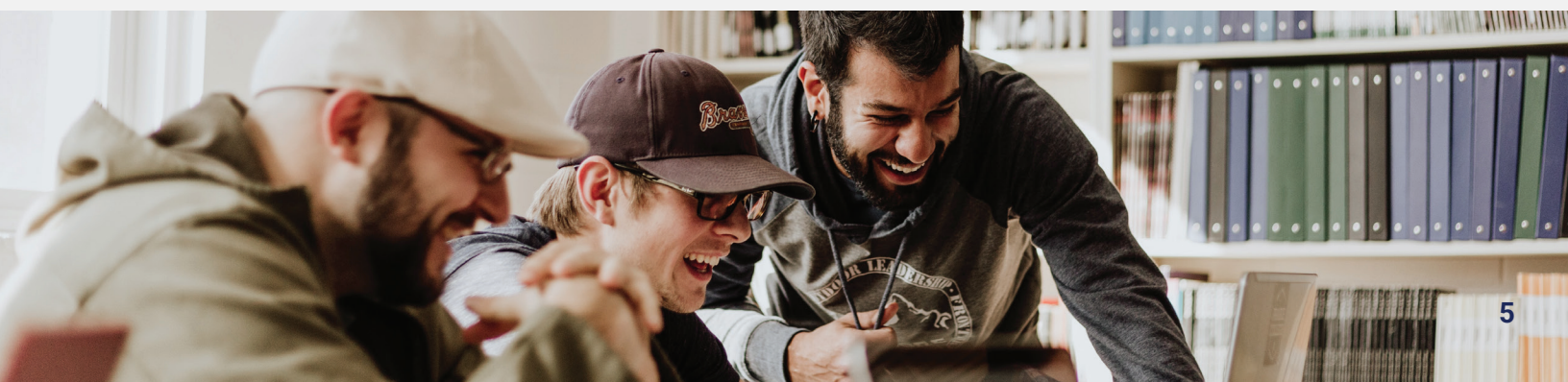
Boosts creativity



Reduces stress



Improves health





## 2 LEADERSHIP

Good leaders are hard to come by and are the second most often stated reason that employees leave. You might have heard that employees don't leave jobs, they leave managers. How and why does this happen?

It happens when successful contributors become supervisors. But not all successful employees equate to successful managers. Transitioning into management takes development and not everyone has learned the skills to do so – eventually poor leaders result. Aside from turnover, ineffective leadership can result in decreased job satisfaction, negative employee attitudes, and decreased productivity. To identify this problem, signs of poor leadership include:

Micromanaging

Lack of communication

No employee recognition

Ignoring conflict

Not providing or asking for feedback and input

## 3 Strategies to Address

### 1. COMMUNICATE MORE



Communication helps build trust in a relationship between a manager and employee. Managers should be communicating with their employees regularly. And communication is critically important with more teams working remotely. Ask about your employees' workload, provide them feedback, and ask them for feedback every week.

Don't just limit communication to work-related aspects either. Be sure to check in with your team to see how they are doing. Go out to coffee, lunch, or happy hour to get to know them and their lives outside of work.



## 2. RECOGNIZE EMPLOYEES

Recognition can go a long way in improving employee morale. Recognize a job well done in meetings, in conversations, with a party, or more formally through a recognition program. Some aspects to consider in a recognition program:



- Clearly define what warrants recognition to employees and managers
- Have a means for delivering recognition (e.g. company meeting, communication channel, online platform)
- Ensure the program allows for timely, frequent, specific, visible, and inclusive recognition – everyone should be able to participate!

## 3. EVALUATE YOUR COMPANY CULTURE

Sometimes, poor leadership results from a more deeply rooted problem stemming from your company culture. Signs of a toxic culture include one with no core values, high turnover, lots of office gossip, and competition between employees. Typically employees in a poor culture lack engagement – they're consistently late to work and with deadlines, and are unresponsive or slow to reply to communications.



### 4 Steps to evaluate and improve your company culture:

- 1 Assess how your employees are currently interacting with each other and customers, the values your employees hold, and the decisions they make
- 2 Involve your employees by having them share what qualities they think currently defines your culture
- 3 If you don't already have a mission, vision, and values – create them based on company goals and what you've learned in steps one and two
- 4 Ensure the mission, vision, and values are something the leadership team and your employees agree with and brainstorm ways to bring them to life through company events, in meetings, and other daily interactions

Using the approach above can improve existing leadership in your company. But going back to a previous strategy, providing more professional development opportunities for potential leaders will get ahead of the problem. And as noted, sometimes leadership is a reflection of the company culture. To further improve your culture and care of your employees look to the final strategies we have on providing competitive salaries and benefits.

# 1 SALARY & BENEFITS

Most often, salary is the number one reason cited by employees when they leave a company, so it is the most important to get right. You may have some wiggle room to try and offer more money when someone tries to quit. However, before it gets to that point, it's better to consider what you can do now – combined with benefits – to show you value your employees.


## 2 Strategies to Address

### 1. PROVIDE TOTAL COMPENSATION DETAIL

Total compensation is an employee's total earnings including salary, benefits, and other perks. You can share total compensation with employees in an annual document that details the total amount an employee gets for their services – both directly and indirectly. Providing a representation of earnings in this way is more impactful for employees and is a more realistic representation of all that you can offer them. It's also a helpful tool in benchmarking compensation against your competition.

### 2. PROVIDE THE RIGHT MIX OF BENEFITS

To assess what you can offer employees, you should conduct a market analysis on pay and benefits. Performing this analysis annually keeps salary ranges and benefits competitive and comparable to the market. Then gather feedback from your employees on your current benefit offerings. Use their input to align your benefits with what your employees want. The market analysis combined with employee feedback can be used to determine the right mix between salary, benefits, and other perks like flexibility.



Providing better benefits is easier said than done. Smaller businesses aren't required to provide them and the constantly increasing premiums don't make it cost-effective in many cases. Improving your curation is the best way to find the right mix of benefits at a cost you can manage. But this can be a time-consuming process. Luckily, we can handle the curation of your benefits for you – and a variety of other HR activities.



## HOW WE CAN HELP

We can curate a benefits program for you and manage it. With our buying power, you can choose from some of the most competitive benefits packages available. But we can also relieve the administrative burden of other HR activities so you can spend more time implementing these strategies. Further, with our learning management platform your employees get access to over a hundred courses to help them with their professional development.

From benefits to payroll to workers compensation and risk and compliance – our goal is to support your tactical HR needs so you can focus on more strategic efforts – like retaining your employees and growing your business.

Reach out to us to learn more







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